



ANNUAL FINANCIAL REPORT

Overton County, Tennessee

For the Year Ended June 30, 2024

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

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

COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

STEVE REEDER, CPA, CGFM, CFE
Audit Manager

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

OVERTON COUNTY, TENNESSEE

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Summary of Audit Findings

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

Scope

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

Results

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

Our audit resulted in two findings and recommendations, which we have reviewed with Overton 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 ACCOUNTS AND BUDGETS

- ◆ The Highway/Public Works Fund required material audit adjustments for proper financial statement presentation.

OFFICE OF DIRECTOR OF SCHOOLS

- ◆ Investigations of the Overton County School Department noted deficiencies in school operations.



INTRODUCTORY SECTION

OVERTON COUNTY OFFICIALS

June 30, 2024

Officials

Steven Barlow, County Executive
James Norrod, Highway Superintendent
Donnie Holman, Director of Schools
Peggy Clark Smith, Trustee
Cara Boone, Assessor of Property
Victoria Looper, County Clerk
Lori Hammock, Circuit and General Sessions Courts Clerk
Dorothy Stanton, Clerk and Master
Jimmy Conner, Register of Deeds
John Garrett, Sheriff
Connie York, Director of Accounts and Budgets

Board of County Commissioners

Darwin Clark, Chairman	Gregg Nivens
Randall Boswell	Lee Richards
Jesse Bowman	Cindy Robbins
Roger Carr	Donna Savage
Jeff Long	Philip Talley
Gail McCowan	Geraldine Walker
Patrick McCurdy	Shane Walker
Robbie Melton	

Board of Education

James Clouse, Chairman	Jarman Hicks
William Abston	Shirley Myers
Ashley Carr	Alice Reed
Ricky Dodson	Mitch Stonecipher
Mike Hayes	Wayne Taylor

Budget and Purchasing Committee

Steven Barlow, Chairman
Randall Boswell
Gregg Nivens
Lee Richards
Geraldine Walker
Shane Walker

Audit Committee

Donna Savage, Chairman
Nicole Cooper
Robbie Melton
Helen Rigdon
Tina Williams

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

Overton County Executive and
Board of County Commissioners
Overton County, Tennessee

To the County Executive and Board of County Commissioners:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Overton 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 other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Overton County, Tennessee, as of June 30, 2024, and the respective changes in financial position and the respective budgetary comparisons for the General, Solid Waste/Sanitation, and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Overton County Health and Rehab Center, a discretely presented component unit. We were unable to determine Overton County Health and Rehab Center's respective percentage of the assets, net position, and revenues of the aggregate discretely presented component units because the Overton/Pickett County Emergency Communications District, a component unit requiring discrete presentation, was not included in the county's financial statements. We also did not audit the financial statements of the Internal School Fund of the Overton County School Department (a discretely presented component unit), which represent .97 percent, 1.06 percent, and 2.15 percent, respectively, of the assets, net position, and revenues of the discretely presented school department component unit. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to amounts included for the Overton County Health and Rehab Center and the Overton County School Department's Internal School Fund are based solely on the reports 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 Overton 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., Overton 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 Overton 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 Overton 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 Overton 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 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 Overton 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 Overton 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 Overton County School Department (a discretely presented component unit), and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Requirements by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated February 13, 2025, on our consideration of Overton 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 Overton 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 Overton County's internal control over financial reporting and compliance.

Very truly yours,

Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 13, 2025

JEM/gc

BASIC FINANCIAL STATEMENTS SECTION

Exhibit A

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

Primary Government	Component Units		
	Overton County Health and Rehab	Overton County School	Overton County Center
	Governmental Activities	Department	
ASSETS			
Cash	\$ 241,185	\$ 605,524	\$ 3,711,378
Equity in Pooled Cash and Investments	15,640,430	30,564,551	0
Inventories	0	76,785	0
Accounts Receivable	1,075,106	3	1,309,031
Allowance for Uncollectibles	(276,865)	0	(49,648)
Due from Other Governments	1,650,743	2,039,557	0
Due from Component Units	8,943,643	0	0
Property Taxes Receivable	9,105,551	2,285,511	0
Allowance for Uncollectible Property Taxes	(109,147)	(29,808)	0
Accrued Interest Receivable	0	0	20,713
Prepaid Items	0	0	500
Notes Receivable - Long-term	204,263	0	0
Net Pension Asset - Teacher Retirement Plan	0	59,272	0
Net Pension Asset - Teacher Legacy Pension Plan	0	4,169,699	0
Restricted Assets:			
Amounts Accumulated for Pension Benefits	0	246,181	0
Capital Assets:			
Assets Not Depreciated:			
Land	700,401	891,763	115,000
Intangible Assets	61,261	0	0
Construction in Progress	0	1,633,826	0
Assets Net of Accumulated Depreciation:			
Buildings and Improvements	9,604,095	16,943,501	11,670,313
Infrastructure	16,033,660	458,895	26,327
Other Capital Assets	4,026,259	2,151,290	262,580
Total Assets	<u>\$ 66,900,585</u>	<u>\$ 62,096,550</u>	<u>\$ 17,066,194</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension Changes in Experience	\$ 574,322	\$ 1,302,433	\$ 265,487
Pension Changes in Investment Earnings	173,275	831,157	80,097
Pension Changes in Assumptions	751,660	1,804,991	347,463
Pension Changes in Proportion	0	2,590	0
Pension Contributions after Measurement Date	521,131	1,153,481	238,831
OPEB Changes in Experience	7,566	663,127	31,904
OPEB Changes in Assumptions	295,111	843,451	60,345
OPEB Changes in Proportion	0	276,618	0
OPEB Contributions After Measurement Date	23,848	183,838	754
Total Deferred Outflows of Resources	<u>\$ 2,346,913</u>	<u>\$ 7,061,686</u>	<u>\$ 1,024,881</u>

(Continued)

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

Primary Government Governmental Activities	Component Units		
	Overton County Health and Rehab Center		
	Overton County	Overton County	Overton County
	Department	Department	Center
LIABILITIES			
Accounts Payable	\$ 609,006	\$ 0	\$ 170,265
Accrued Payroll	211,895	3,563	97,186
Payroll Deductions Payable	2,972	0	43,117
Accrued Interest Payable	337,054	0	44,995
Due to Primary Government	0	2,853,643	6,090,000
Due to Litigants, Heirs, and Others	0	0	14,587
Claims and Judgements Payable	1,137,500	0	0
Noncurrent Liabilities:			
Due Within One Year - Debt	1,452,770	0	0
Due Within One Year - Other	407,973	336,523	148,358
Due in More Than One Year - Debt	21,694,445	0	0
Due in More Than One Year - Other	1,882,069	5,385,470	346,739
Total Liabilities	<u>\$ 27,735,684</u>	<u>\$ 8,579,199</u>	<u>\$ 6,955,247</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Current Property Taxes	\$ 8,757,200	\$ 2,183,584	\$ 0
Pension Changes in Experience	0	228,098	0
Pension Changes in Proportion	0	319,298	0
OPEB Changes in Experience	357,658	123,171	254,399
OPEB Changes in Assumptions	155,052	607,032	50,776
OPEB Changes in Proportion	0	725,371	0
Total Deferred Inflow of Resources	<u>\$ 9,269,910</u>	<u>\$ 4,186,554</u>	<u>\$ 305,175</u>
NET POSITION			
Net Investment in Capital Assets	\$ 29,362,104	\$ 22,079,275	\$ 5,966,916
Restricted for:			
General Government	2,278,641	0	0
Finance	31,055	0	0
Administration of Justice	79,808	0	0
Public Safety	85,462	0	0
Public Health and Welfare	235,877	0	0
Social, Cultural, and Recreational Services	247,216	0	0
Highways/Public Works	1,234,196	0	0
Education	0	15,676,813	0
Pensions	0	4,475,152	0
Unrestricted	<u>(1,312,455)</u>	<u>14,161,243</u>	<u>4,863,737</u>
Total Net Position	<u><u>\$ 32,241,904</u></u>	<u><u>\$ 56,392,483</u></u>	<u><u>\$ 10,830,653</u></u>

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

Exhibit B

OVERTON COUNTY, TENNESSEE

Statement of Activities

For the Year Ended June 30, 2024

Functions/Programs						Net (Expense) Revenue and Changes in Net Position				
	Program Revenues					Component Units				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Total Governmental Activities	Overton County	Overton County Health School Department	Overton County Health and Rehab Center	
Primary Government:										
Governmental Activities:										
General Government	\$ 3,036,891	\$ 226,312	\$ 212,414	\$ 0	\$ (2,598,165)	\$ 0	\$ 0	\$ 0	\$ 0	
Finance	932,121	799,667	0	0	(132,454)		0	0	0	
Administration of Justice	1,151,147	407,167	262,955	0	(481,025)		0	0	0	
Public Safety	7,311,872	808,894	451,909	0	(6,051,069)		0	0	0	
Public Health and Welfare	4,469,591	2,516,003	304,859	0	(1,648,729)		0	0	0	
Social, Cultural, and Recreational Services	437,222	0	144,768	0	(292,454)		0	0	0	
Agriculture and Natural Resources	178,780	0	21,000	0	(157,780)		0	0	0	
Highways	3,468,801	0	2,460,075	1,792,299	783,573		0	0	0	
Education	14,224,124				(14,224,124)					
Interest on Long-term Debt	582,107	0	0	281,991	(300,116)		0	0	0	
Total Primary Government	\$ 35,792,656	\$ 4,758,043	\$ 3,857,980	\$ 2,074,290	\$ (25,102,343)	\$ 0	\$ 0	\$ 0	\$ 0	
Component Units:										
Overton County School Department	\$ 36,799,041	\$ 425,426	\$ 10,754,803	\$ 14,003,850	\$ 0	\$ (11,614,962)	\$ 0	\$ 0	\$ 0	
Overton County Health and Rehab Center	8,909,442	9,828,913	21,513	0	0		0	0	940,984	
Total Component Units	\$ 45,708,483	\$ 10,254,339	\$ 10,776,316	\$ 14,003,850	\$ 0	\$ (11,614,962)	\$ 0	\$ 0	940,984	

(Continued)

Exhibit B

OVERTON COUNTY, TENNESSEE
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Total Governmental Activities	Component Units		
						Overton County School Department	Overton County Health and Rehab Center	
General Revenues:								
Taxes:								
Property Taxes Levied for General Purposes					\$ 7,009,814	\$ 2,246,205	\$ 0	0
Property Taxes Levied for Debt Service					5,507	0	0	0
Local Option Sales Tax					1,971,533	3,486,862	0	0
Hotel/Motel Tax					75,410	0	0	0
Wheel Tax					0	695,626	0	0
Wholesale Beer Tax					0	108,958	0	0
Mixed Drink Tax					0	18,455	0	0
Litigation Taxes					85,183	0	0	0
Mineral Severance Tax					148,664	0	0	0
Business Tax					243,087	0	0	0
Other Local Taxes					10,084	1,137	0	0
Grants and Contributions Not Restricted for Specific Programs					1,583,773	25,178,047	0	0
Unrestricted Investment Income					1,678,929	318,754	82,443	82,443
Miscellaneous					79,525	48,804	0	0
Amortized Premium					20,552	0	0	0
Total General Revenues					\$ 12,912,061	\$ 32,102,848	\$ 82,443	82,443
Insurance Recovery					\$ 21,175	\$ 61,708	\$ 0	0
Change in Net Position					\$ (12,169,107)	\$ 20,549,594	\$ 1,023,427	1,023,427
Net Position, July 1, 2023					44,411,011	35,842,889	9,807,226	9,807,226
Net Position, June 30, 2024					\$ 32,241,904	\$ 56,392,483	\$ 10,830,653	10,830,653

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

Exhibit C-1

OVERTON COUNTY, TENNESSEE

Balance Sheet

Governmental Funds

June 30, 2024

	Major Funds				Nonmajor Funds		Total Governmental Funds
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Govern- mental Funds		
ASSETS							
Cash	\$ 185,963	\$ 16,410	\$ 37,512	\$ 0	\$ 1,300	\$ 241,185	
Equity in Pooled Cash and Investments	8,722,381	2,267,490	574,710	1,896,926	2,178,923	15,640,430	
Accounts Receivable	960,040	101,758	11,894	0	1,414	1,075,106	
Allowance for Uncollectibles	(276,865)	0	0	0	0	(276,865)	
Due from Other Governments	385,028	184,019	1,081,696	0	0	1,650,743	
Due from Other Funds	2,714	0	0	0	0	2,714	
Due from Component Units	0	0	0	6,090,000	0	6,090,000	
Property Taxes Receivable	8,142,415	432,584	530,552	0	0	9,105,551	
Allowance for Uncollectible Property Taxes	(97,291)	(5,598)	(6,258)	0	0	(109,147)	
Notes Receivable - Long-term	204,263	0	0	0	0	204,263	
Total Assets	\$ 18,228,648	\$ 2,996,663	\$ 2,230,106	\$ 7,986,926	\$ 2,181,637	\$ 33,623,980	
LIABILITIES							
Accounts Payable	\$ 86,184	\$ 0	\$ 522,822	\$ 0	\$ 0	\$ 609,006	
Accrued Payroll	145,464	17,216	49,215	0	0	211,895	
Payroll Deductions Payable	1,386	4	1,582	0	0	2,972	
Claims and Judgments Payable	1,137,500	0	0	0	0	1,137,500	
Due to Other Funds	0	0	0	0	2,714	2,714	
Total Liabilities	\$ 1,370,534	\$ 17,220	\$ 573,619	\$ 0	\$ 2,714	\$ 1,964,087	

(Continued)

OVERTON COUNTY, TENNESSEE**Balance Sheet**

Governmental Funds (Cont.)

	Major Funds				Nonmajor Funds		Total Governmental Funds
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Govern- mental Funds		
DEFERRED INFLOWS OF RESOURCES							
Deferred Current Property Taxes	\$ 7,832,778	\$ 413,557	\$ 510,865	0	\$ 0	\$ 8,757,200	
Deferred Delinquent Property Taxes	202,397	12,799	12,799	0	0	227,995	
Other Deferred/Unavailable Revenue	608,545	94,659	216,325	0	0	919,529	
Total Deferred Inflows of Resources	\$ 8,643,720	\$ 521,015	\$ 739,989	0	\$ 0	\$ 9,904,724	
FUND BALANCES							
Nonspendable:							
Long-term Notes Receivable	\$ 204,263	\$ 0	\$ 0	\$ 0	\$ 0	\$ 204,263	
Restricted:							
Restricted for General Government	4,027	200,000	0	0	15,503	219,530	
Restricted for General Government - American Rescue Plan Act	0	0	0	0	1,854,848	1,854,848	
Restricted for Finance	31,055	0	0	0	0	31,055	
Restricted for Administration of Justice	79,808	0	0	0	0	79,808	
Restricted for Public Safety	15,263	0	0	0	70,199	85,462	
Restricted for Public Health and Welfare	235,877	0	0	0	0	235,877	
Restricted for Social, Cultural, and Recreational Services	10,022	0	0	0	0	10,022	
Restricted for Other Operations	237,194	0	0	0	0	237,194	
Restricted for Highways/Public Works	88,574	0	916,498	0	0	1,005,072	
Restricted for Other Purposes	0	0	0	6,090,000	0	6,090,000	

(Continued)

Exhibit C-1

OVERTON COUNTY, TENNESSEE

Balance Sheet

Governmental Funds (Cont.)

	Major Funds				Nonmajor Funds		Total Governmental Funds
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Govern- mental Funds		
FUND BALANCES (Cont.)							
Committed:							
Committed for Public Safety	\$ 0	\$ 0	\$ 0	\$ 0	\$ 238,373	\$ 238,373	
Committed for Public Health and Welfare	0	2,258,428	0	0	0	2,258,428	
Committed for Debt Service	0	0	0	1,896,926	0	1,896,926	
Assigned:							
Assigned for General Government	27,068	0	0	0	0	27,068	
Assigned for Finance	2,751	0	0	0	0	2,751	
Assigned for Administration of Justice	23,513	0	0	0	0	23,513	
Assigned for Public Safety	36,437	0	0	0	0	36,437	
Assigned for Public Health and Welfare	263,511	0	0	0	0	263,511	
Assigned for Social, Cultural, and Recreational Services	4,152	0	0	0	0	4,152	
Assigned for Other Operations	170	0	0	0	0	170	
Unassigned	6,950,709	0	0	0	0	6,950,709	
Total Fund Balances	\$ 8,214,394	\$ 2,458,428	\$ 916,498	\$ 7,986,926	\$ 2,178,923	\$ 21,755,169	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 18,228,648	\$ 2,996,663	\$ 2,230,106	\$ 7,986,926	\$ 2,181,637	\$ 33,623,980	

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

OVERTON 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)		\$ 21,755,169
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 700,401	
Add: intangible assets	61,261	
Add: buildings and improvements net of accumulated depreciation	9,604,095	
Add: infrastructure net of accumulated depreciation	16,033,660	
Add: other capital assets net of accumulated depreciation	<u>4,026,259</u>	30,425,676
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: bonds payable	\$ (20,065,250)	
Less: other loans payable	(2,018,393)	
Add: debt to be contributed by the school department	2,853,643	
Less: accrued interest on bonds	(337,054)	
Less: unamortized premium on debt	(1,063,572)	
Less: compensated absences payable	(193,032)	
Less: net OPEB liability	(1,417,486)	
Less: net pension liability	(476,126)	
Less: landfill postclosure care costs	<u>(203,398)</u>	(22,920,668)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 2,020,388	
Add: deferred outflows of resources related to OPEB	326,525	
Less: deferred inflows of resources related to OPEB	<u>(512,710)</u>	1,834,203
(4) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>1,147,524</u>
Net position of governmental activities (Exhibit A)		<u>\$ 32,241,904</u>

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

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

Governmental Funds

For the Year Ended June 30, 2024

	Major Funds				
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Education Capital Projects
Revenues					
Local Taxes	\$ 8,079,448	\$ 1,364,858	\$ 571,637	\$ 19,023	\$ 0
Licenses and Permits	44,192	0	0	0	0
Fines, Forfeitures, and Penalties	114,704	0	0	0	0
Charges for Current Services	2,012,760	625,426	0	0	0
Other Local Revenues	151,588	71,971	24,240	1,579,571	0
Fees Received From County Officials	1,100,172	0	0	0	0
State of Tennessee	1,697,445	0	4,237,383	0	0
Federal Government	649,009	0	0	0	0
Other Governments and Citizens Groups	194,545	0	0	1,377,399	0
Total Revenues	\$ 14,043,863	\$ 2,062,255	\$ 4,833,260	\$ 2,975,993	\$ 0

Expenditures

Current:

General Government	\$ 2,710,239	\$ 112,897	\$ 0	\$ 0	\$ 0
Finance	892,630	0	0	0	0
Administration of Justice	1,122,453	0	0	0	0
Public Safety	6,650,063	0	0	0	0
Public Health and Welfare	2,908,986	1,819,998	0	0	0
Social, Cultural, and Recreational Services	341,548	0	0	0	0
Agriculture and Natural Resources	189,442	0	0	0	0
Other Operations	102,532	0	0	0	0
Highways	50,391	0	4,981,042	0	0

(Continued)

Exhibit C-3

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

	Major Funds				
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Education Capital Projects
Expenditures (Cont.)					
Debt Service:					
Principal on Debt	\$ 0	\$ 0	\$ 0	\$ 1,905,108	\$ 0
Interest on Debt	0	0	0	299,991	0
Other Debt Service	0	0	0	17,435	220,274
Capital Projects	0	0	0	0	0
Capital Projects - Donated	0	0	0	0	14,003,850
Total Expenditures	\$ 14,968,284	\$ 1,932,895	\$ 4,981,042	\$ 2,222,534	\$ 14,224,124
Excess (Deficiency) of Revenues Over Expenditures	\$ (924,421)	\$ 129,360	\$ (147,782)	\$ 753,459	\$ (14,224,124)
Other Financing Sources (Uses)					
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 13,140,000
Premiums on Debt Sold	0	0	0	0	1,084,124
Insurance Recovery	21,175	0	0	0	0
Transfers In	745,000	0	0	0	0
Transfers Out	0	(32,000)	0	(713,000)	0
Total Other Financing Sources (Uses)	\$ 766,175	\$ (32,000)	\$ 0	\$ (713,000)	\$ 14,224,124
Net Change in Fund Balances	\$ (158,246)	\$ 97,360	\$ (147,782)	\$ 40,459	\$ 0
Error Correction - See Note I.D.10.	0	0	0	6,450,000	0
Fund Balance, July 1, 2023	8,372,640	2,361,068	1,064,280	1,496,467	0
Fund Balance, June 30, 2024	\$ 8,214,394	\$ 2,458,428	\$ 916,498	\$ 7,986,926	\$ 0

(Continued)

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

	Nonmajor Funds	Other	Total
	Govern- ment Funds	Govern- mental Funds	Govern- mental Funds
Revenues			
Local Taxes	\$ 304	\$ 10,035,270	
Licenses and Permits	0	44,192	
Fines, Forfeitures, and Penalties	9,605	124,309	
Charges for Current Services	2,812	2,640,998	
Other Local Revenues	103,007	1,930,377	
Fees Received From County Officials	180	1,100,352	
State of Tennessee	674,821	6,609,649	
Federal Government	0	649,009	
Other Governments and Citizens Groups	0	1,571,944	
Total Revenues	\$ 790,729	\$ 24,706,100	

Expenditures

Current:

General Government	\$ 0	\$ 2,823,136
Finance	300	892,930
Administration of Justice	2,400	1,124,853
Public Safety	11,166	6,661,229
Public Health and Welfare	0	4,728,984
Social, Cultural, and Recreational Services	0	341,548
Agriculture and Natural Resources	0	189,442
Other Operations	141,914	244,446
Highways	0	5,031,433

(Continued)

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

	Nonmajor Funds	Other Govern- mental Funds	Total Governmental Funds
Expenditures (Cont.)			
Debt Service:			
Principal on Debt	\$ 0	\$ 1,905,108	
Interest on Debt	0	299,991	
Other Debt Service	0	237,709	
Capital Projects	436,448	436,448	
Capital Projects - Donated	0	14,003,850	
Total Expenditures	<u>\$ 592,228</u>	<u>\$ 38,921,107</u>	
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 198,501</u>	<u>\$ (14,215,007)</u>	
Other Financing Sources (Uses)			
Bonds Issued	\$ 0	\$ 13,140,000	
Premiums on Debt Sold	0	1,084,124	
Insurance Recovery	0	21,175	
Transfers In	0	745,000	
Transfers Out	0	(745,000)	
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 14,245,299</u>	
Net Change in Fund Balances	\$ 198,501	\$ 30,292	
Error Correction - See Note I.D.10.	0	6,450,000	
Fund Balance, July 1, 2023	<u>1,980,422</u>	<u>15,274,877</u>	
Fund Balance, June 30, 2024	<u>\$ 2,178,923</u>	<u>\$ 21,755,169</u>	

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

OVERTON 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)	\$ 30,292
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:	
Add: capital assets purchased in the current period	\$ 2,833,488
Less: current-year depreciation expense	<u>(1,192,214)</u> 1,641,274
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.	
Less: book value of capital assets disposed	(53,363)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.	
Add: deferred delinquent property taxes and other deferred June 30, 2024	\$ 1,147,524
Less: deferred delinquent property taxes and other deferred June 30, 2023	<u>(1,157,944)</u> (10,420)
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Add: principal payments on bonds	\$ 1,665,000
Add: principal payments on other loans	240,108
Less: bond proceeds	(13,140,000)
Less: change in premium on debt issuance	(1,063,572)
Less: contributions from the school department for bonds and other loans	<u>(1,095,108)</u> (13,393,572)
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Change in accrued interest payable	\$ (282,116)
Change in postclosure care costs	166,144
Change in compensated absences payable	(8,985)
Change in pension liability/asset	(189,119)
Change in deferred outflows related to pensions	(61,010)
Change in deferred inflows related to pensions	27,721
Change in net OPEB liability	(134,552)
Change in deferred outflows related to OPEB	83,239
Change in deferred inflows related to OPEB	<u>15,360</u> (383,318)
Change in net position of governmental activities (Exhibit B)	<u>\$ (12,169,107)</u>

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

OVERTON COUNTY, TENNESSEE

**Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget**
General Fund
For the Year Ended June 30, 2024

	Actual (GAAP Basis)	Less:			Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024			Original	Final	
Revenues								
Local Taxes	\$ 8,079,448	\$ 0	\$ 0	\$ 8,079,448	\$ 7,580,157	\$ 7,580,157	\$ 499,291	
Licenses and Permits	44,192	0	0	44,192	60,700	60,700	(16,508)	
Fines, Forfeitures, and Penalties	114,704	0	0	114,704	88,820	88,820	25,884	
Charges for Current Services	2,012,760	0	0	2,012,760	1,669,355	1,669,355	343,405	
Other Local Revenues	151,588	0	0	151,588	138,880	172,797	(21,209)	
Fees Received From County Officials	1,100,172	0	0	1,100,172	1,045,687	1,045,687	54,485	
State of Tennessee	1,697,445	0	0	1,697,445	1,700,930	2,832,487	(1,135,042)	
Federal Government	649,009	0	0	649,009	136,220	3,776,366	(3,127,357)	
Other Governments and Citizens Groups	194,545	0	0	194,545	54,000	62,750	131,795	
Total Revenues	\$ 14,043,863	\$ 0	\$ 0	\$ 14,043,863	\$ 12,474,749	\$ 17,289,119	\$ (3,245,256)	
Expenditures								
General Government								
County Commission	\$ 154,462	\$ 0	\$ 550	\$ 155,012	\$ 174,834	\$ 174,421	\$ 19,409	
Board of Equalization	600	0	0	600	2,700	2,700	2,100	
County Mayor/Executive	326,076	(968)	6,277	331,385	351,729	361,419	30,034	
County Attorney	36,097	0	0	36,097	70,800	60,590	24,493	
Election Commission	414,406	(198,129)	4,306	220,583	214,526	230,749	10,166	
Register of Deeds	199,323	0	1,140	200,463	211,387	211,387	10,924	
Planning	17,810	0	0	17,810	19,198	19,198	1,388	
County Buildings	396,518	(2,683)	14,545	408,380	413,516	4,127,273	3,718,893	
Other General Administration	1,151,251	0	250	1,151,501	1,262,564	1,456,714	305,213	
Preservation of Records	13,696	0	0	13,696	17,172	17,172	3,476	
Finance								
Accounting and Budgeting	87,585	0	0	87,585	87,891	87,891	306	
Property Assessor's Office	262,706	0	125	262,831	277,972	277,972	15,141	
County Trustee's Office	246,694	0	250	246,944	249,546	253,059	6,115	
County Clerk's Office	295,645	(73)	2,376	297,948	310,995	343,970	46,022	

(Continued)

OVERTON COUNTY, TENNESSEE

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

	Actual (GAAP Basis)	Less: Encumbrances	Add: Encumbrances	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Administration of Justice							
Circuit Court	\$ 354,451	\$ 0	\$ 1,960	\$ 356,411	\$ 373,331	\$ 373,331	\$ 16,920
General Sessions Court	198,757	(1,750)	350	197,357	198,581	203,549	6,192
Drug Court	236,686	(13,752)	21,203	244,137	56,620	355,402	111,265
Chancery Court	273,342	(3,300)	0	270,042	327,258	327,258	57,216
Juvenile Court	27,033	0	0	27,033	32,478	30,278	3,245
District Attorney General	0	0	0	0	8,431	8,431	8,431
Judicial Commissioners	32,184	0	0	32,184	38,741	38,741	6,557
Public Safety							
Sheriff's Department	2,834,130	(64,842)	17,141	2,786,429	2,757,410	3,135,262	348,833
Special Patrols	55,434	0	0	55,434	63,925	64,135	8,701
Jail	3,265,724	(13,283)	19,296	3,271,737	2,249,339	3,530,339	258,602
Fire Prevention and Control	238,888	0	0	238,888	238,802	247,802	8,914
Civil Defense	20,620	(100)	0	20,520	18,600	26,600	6,080
Rescue Squad	10,100	0	0	10,100	10,100	10,100	0
Other Emergency Management	150,000	0	0	150,000	150,000	150,000	0
County Coroner/Medical Examiner	75,167	0	0	75,167	45,000	55,000	(20,167)
Public Health and Welfare							
Local Health Center	59,369	(1,100)	383	58,652	219,900	221,900	163,248
Ambulance/Emergency Medical Services	2,773,092	(206,558)	262,592	2,829,126	3,321,695	3,349,395	520,269
Regional Mental Health Center	6,327	0	0	6,327	6,327	6,327	0
Other Public Health and Welfare	70,198	(690)	536	70,044	92,582	92,582	22,538
Social, Cultural, and Recreational Services							
Senior Citizens Assistance	101,665	(69)	3,746	105,342	69,464	114,014	8,672
Libraries	209,104	0	406	209,510	208,770	217,792	8,282
Other Social, Cultural, and Recreational	30,779	0	0	30,779	36,000	36,000	5,221
Agriculture and Natural Resources							
Agricultural Extension Service	95,057	0	0	95,057	141,940	145,140	50,083
Soil Conservation	94,385	0	0	94,385	94,627	94,949	564

(Continued)

OVERTON COUNTY, TENNESSEE

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

	Actual (GAAP Basis)	Less: Encumbrances	Add: Encumbrances	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Other Operations							
Tourism	\$ 2,100	\$ 0	\$ 0	\$ 2,100	\$ 0	\$ 4,450	\$ 2,350
Industrial Development	25,500	0	0	25,500	26,000	26,000	500
Other Economic and Community Development	16,382	0	0	16,382	47,200	402,178	385,796
Airport	13,475	(11,135)	0	2,340	7,200	10,340	8,000
Veterans' Services	28,221	(200)	170	28,191	41,072	42,072	13,881
Contributions to Other Agencies	16,854	0	0	16,854	17,000	17,000	146
Highways							
Traffic Control	6,128	0	0	6,128	9,000	9,000	2,872
Litter and Trash Collection	44,263	(70)	0	44,193	44,600	44,600	407
Total Expenditures	\$ 14,968,284	\$ (518,702)	\$ 357,602	\$ 14,807,184	\$ 14,616,823	\$ 21,014,482	\$ 6,207,298
Excess (Deficiency) of Revenues Over Expenditures	\$ (924,421)	\$ 518,702	\$ (357,602)	\$ (763,321)	\$ (2,142,074)	\$ (3,725,363)	\$ 2,962,042
Other Financing Sources (Uses)							
Insurance Recovery	\$ 21,175	\$ 0	\$ 0	\$ 21,175	\$ 0	\$ 35,657	\$ (14,482)
Transfers In	745,000	0	0	745,000	745,000	745,000	0
Total Other Financing Sources	\$ 766,175	\$ 0	\$ 0	\$ 766,175	\$ 745,000	\$ 780,657	\$ (14,482)
Net Change in Fund Balance Fund Balance, July 1, 2023	\$ (158,246)	\$ 518,702	\$ (357,602)	\$ 2,854	\$ (1,397,074)	\$ (2,944,706)	\$ 2,947,560
Fund Balance, June 30, 2024	\$ 8,372,640	\$ (518,702)	\$ 0	\$ 7,853,938	\$ 6,982,137	\$ 7,853,938	\$ 0
	\$ 8,214,394	\$ 0	\$ (357,602)	\$ 7,856,792	\$ 5,585,063	\$ 4,909,232	\$ 2,947,560

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

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

Solid Waste/Sanitation 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 Original	Final	Variance with Final Budget - Positive (Negative)
Revenues								
Local Taxes	\$ 1,364,858	\$ 0	\$ 0	\$ 1,364,858	\$ 1,306,847	\$ 1,306,847	\$ 58,011	
Charges for Current Services	625,426	0	0	625,426	328,500	328,500	296,926	
Other Local Revenues	71,971	0	0	71,971	75,200	75,200	(3,229)	
State of Tennessee	0	0	0	0	400,000	400,000	(400,000)	
Total Revenues	\$ 2,062,255	\$ 0	\$ 0	\$ 2,062,255	\$ 2,110,547	\$ 2,110,547	\$ (48,292)	
Expenditures								
General Government								
Other General Administration	\$ 112,897	\$ 0	\$ 240	\$ 113,137	\$ 132,654	\$ 141,654	\$ 28,517	
Public Health and Welfare								
Convenience Centers	330,393	(49,538)	0	280,855	511,867	452,867	172,012	
Transfer Stations	1,401,603	(72,243)	6,880	1,336,240	1,810,492	1,866,492	530,252	
Recycling Center	53,780	(317)	591	54,054	205,000	199,000	144,946	
Other Waste Disposal	0	0	0	0	6,500	6,500	6,500	
Postclosure Care Costs	34,222	0	9,250	43,472	81,000	81,000	37,528	
Total Expenditures	\$ 1,932,895	\$ (122,098)	\$ 16,961	\$ 1,827,758	\$ 2,747,513	\$ 2,747,513	\$ 919,755	
Excess (Deficiency) of Revenues Over Expenditures	\$ 129,360	\$ 122,098	\$ (16,961)	\$ 234,497	\$ (636,966)	\$ (636,966)	\$ 871,463	
Other Financing Sources (Uses)								
Transfers Out	\$ (32,000)	\$ 0	\$ 0	\$ (32,000)	\$ (32,000)	\$ (32,000)	\$ 0	
Total Other Financing Sources	\$ (32,000)	\$ 0	\$ 0	\$ (32,000)	\$ (32,000)	\$ (32,000)	\$ 0	
Net Change in Fund Balance	\$ 97,360	\$ 122,098	\$ (16,961)	\$ 202,497	\$ (668,966)	\$ (668,966)	\$ 871,463	
Fund Balance, July 1, 2023	2,361,068	(122,098)	0	2,238,970	1,989,959	2,238,970	0	
Fund Balance, June 30, 2024	\$ 2,458,428	\$ 0	\$ (16,961)	\$ 2,441,467	\$ 1,320,993	\$ 1,570,004	\$ 871,463	

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

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 571,637	\$ 487,347	\$ 487,347	\$ 84,290
Other Local Revenues	24,240	15,000	15,000	9,240
State of Tennessee	4,237,383	5,632,405	6,432,405	(2,195,022)
Total Revenues	\$ 4,833,260	\$ 6,134,752	\$ 6,934,752	\$ (2,101,492)
Expenditures				
Highways				
Administration	\$ 210,245	\$ 216,656	\$ 234,156	\$ 23,911
Highway and Bridge Maintenance	1,574,162	1,642,786	1,698,786	124,624
Operation and Maintenance of Equipment	564,961	572,100	615,600	50,639
Quarry Operations	200,977	266,268	236,768	35,791
Other Charges	191,412	207,419	221,919	30,507
Employee Benefits	532,694	624,545	624,545	91,851
Capital Outlay	1,706,591	3,120,000	3,942,000	2,235,409
Total Expenditures	\$ 4,981,042	\$ 6,649,774	\$ 7,573,774	\$ 2,592,732
Excess (Deficiency) of Revenues				
Over Expenditures	\$ (147,782)	\$ (515,022)	\$ (639,022)	\$ 491,240
Net Change in Fund Balance	\$ (147,782)	\$ (515,022)	\$ (639,022)	\$ 491,240
Fund Balance, July 1, 2023	1,064,280	1,189,928	1,064,280	0
Fund Balance, June 30, 2024	\$ 916,498	\$ 674,906	\$ 425,258	\$ 491,240

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

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

	Custodial Funds
ASSETS	
Cash	\$ 1,462,509
Due from Other Governments	<u>247,949</u>
Total Assets	<u>\$ 1,710,458</u>
LIABILITIES	
Due to Other Taxing Units	\$ 247,949
Total Liabilities	<u>\$ 247,949</u>
NET POSITION	
Restricted for Individuals, Organizations and Other Governments	<u>\$ 1,462,509</u>
Total Net Position	<u>\$ 1,462,509</u>

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

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

	Custodial Funds
ADDITIONS	
Sales Tax Collections for Other Governments	\$ 1,420,160
Fines/Fees and Other Collections	<u>7,380,232</u>
Total Additions	<u><u>\$ 8,800,392</u></u>
DEDUCTIONS	
Payment of Sales Tax Collections to Other Governments	\$ 1,420,160
Payments to State	<u>3,316,099</u>
Payments to Cities, Individuals and Others	<u>3,556,643</u>
Total Deductions	<u><u>\$ 8,292,902</u></u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ 507,490
Net Position, July 1, 2023	<u><u>955,019</u></u>
Net Position, June 30, 2024	<u><u><u>\$ 1,462,509</u></u></u>

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

OVERTON COUNTY, TENNESSEE

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Overton 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 Overton County:

A. *Reporting Entity*

Overton County is a public municipal corporation governed by an elected 15-member board. As required by GAAP, these financial statements present Overton County (the primary government) and its component units. The financial statements of the Overton/Pickett County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of this omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

The Overton County School Department operates the public school system in the county, and the voters of Overton 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 Overton County Health and Rehab Center provides residential nursing care to the citizens of Overton County, and the Overton County Commission appoints its governing body. Patient charges provide the majority of the revenues for the entity. Before the issuance of debt instruments, the entity must obtain the county commission's approval.

The Overton/Pickett County Emergency Communications District was established with the merger of the Pickett County Emergency Communications District and the Overton County Emergency Communications District. The merger was adopted by both boards with an effective date of February 1, 2002. The board of the district includes 13 members: nine are appointed by the Overton County Commission, and the remaining four are appointed by the Pickett County Commission. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt, the district must obtain the county commission's approval. The financial statements of the Overton/Pickett County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

The Overton 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 Overton County Health and Rehab Center and the Overton/Pickett County Emergency Communications District can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Overton County Health and Rehab Center
318 Bilbrey Street
Livingston, TN 38570

Overton/Pickett County Emergency Communications District
255 Industrial Drive
Livingston, TN 38570

Related Organization – The Industrial Development Authority for Overton County provides assistance in industrial recruitment in Overton County, and the county commission appoints its seven-member board. Overton County did not contribute to the operations of the Industrial Development Authority during the year ended June 30, 2024.

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. However, the primary government of Overton County does not have any business-type activities to report. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The Overton 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.

Overton County issues all debt for the discretely presented Overton County School Department and the discretely presented Overton County Health and Rehab Center. Debt issues totaling \$14,003,850 were contributed by the county to the school department during the year ended June 30, 2024. There were no debt issues contributed by the county to the health and rehab center during the year ended June 30, 2024.

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

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

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

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

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

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

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

Fiduciary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by

the provider have been met. Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category includes custodial funds.

Overton County reports the following major governmental funds:

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

Solid Waste/Sanitation Fund – This special revenue fund accounts for transactions related to the disposal of Overton County's solid waste. Local taxes and general service charges are the foundational revenues of this fund.

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

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

Education Capital Projects Fund – This fund accounts for debt issued by Overton County that is subsequently contributed to the discretely presented Overton County School Department for construction and renovation projects.

Additionally, Overton County reports the following fund type:

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

The discretely presented Overton 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.

Education Capital Projects Fund – This fund is used to account for funds contributed from the General Purpose School fund for building construction and renovation.

Additionally, the Overton County School Department reports the following fund type:

Debt Service Fund – The Education Debt Service Fund accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs on debt issued by the primary government for the school department.

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The prior year balances (FY23) are presented in this report. We do not believe using the prior year balances will affect the independent auditor's opinion on the Aggregate Discretely Presented Component Units. A more detailed reporting of the fund activities at each individual school may be found at <https://www.comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>.

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

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

1. Deposits and Investments

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Overton County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General Debt Service Fund. Overton 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. Overton County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value. Other than the school department's investment in the TCRS Stabilization Trust, as discussed in Note IV.A., no investments required to be reported at fair value were held at the balance sheet date.

2. Receivables and Payables

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

All ambulance and property taxes receivable are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to .67 percent of total taxes levied.

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

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

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

Notes receivable of \$204,263 are recognized in the General Fund for a loan to the county's Industrial Development Authority.

Overton County has issued debt on behalf of the Overton County School Department and the Overton County Health and Rehab Center, discretely presented component units that are a part of Overton County's reporting entity. Overton County, the school department, and the health and rehab center have agreed that the school department and health and rehab center will repay Overton County the debt service requirements as they become due. Overton County has recognized a due from component units for the principal of the debt on the government-wide financial statements.

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

Claims and judgments payable in the General Fund represents the liability assessed to the county in the settlement of a wrongful death suit. On January 9, 2024, Overton County reached a settlement agreement totaling \$1,300,000 in which the county is required to make annual payments of \$162,500 for a period of eight years. On June 30, 2024, the outstanding balance of \$1,137,500 is reflected in the General Fund as claims and judgements payable.

3. Inventories

Inventories of the discretely presented Overton County School Department are recorded at cost, determined on the first-in, first-out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories are offset in the nonspendable fund balance account in governmental funds.

4. 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 Overton 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 Overton County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Overton 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.

5. Capital Assets

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

Primary Government

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the

government-wide financial statements. Capital assets are defined by the government as land and infrastructure with a cost of more than \$1, buildings with a cost of more than \$25,000, and other assets with an initial, individual cost of \$5,000 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 are depreciated using the straight-line method over the following estimated useful lives.

Assets	Years
Buildings and Improvements	25 - 40
Other Capital Assets	5 - 15
Infrastructure:	
Roads	25-50
Bridges	75

Discretely Presented Overton County School Department

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as land with a cost of more than \$1 and other assets with an initial, individual cost of \$25,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

Assets	Years
Buildings and Improvements	40
Other Capital Assets	5 - 30

6. Deferred Outflows/Inflows of Resources

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

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

7. Compensated Absences

Primary Government

It is the county's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Upon termination of employment for any purpose other than retirement, all unused sick leave will be forfeited. All vacation pay is accrued when incurred in the government-wide financial statements for the county.

Discretely Presented Overton County School Department

The general policy of the Overton County School Department permits employees to accumulate vacation and sick days. School support personnel earn personal days and are compensated for any unused days before the end of each fiscal year. The general policy of the school department permits the unlimited accumulation of unused sick leave days. Upon retirement, employees with fifteen years of continuous service have the option of applying accumulated sick leave toward retirement in the Tennessee Consolidated Retirement System or receiving a lump sum payment of \$20 per day for all days accumulated up to 200 days. Since the payment of sick leave is at the option of employees as they retire, the amount cannot be reasonably estimated and is not accrued in the government-wide financial statements. All vacation pay is accrued when incurred in the government-wide financial statements for the discretely presented school department.

A liability for vacation pay is reported in governmental funds of the county and the school department only if amounts have matured, for example, as a result of employee resignations and retirements.

8. Long-term Debt and Long-term Obligations

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

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

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

9. Net Position and Fund Balance

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

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

The government-wide Statement of Net Position reports \$4,192,255 of restricted net position, of which \$237,194 is restricted by enabling legislation.

As of June 30, 2024, Overton County had \$15,993,643 in outstanding debt for the discretely presented Overton County School Department and \$6,090,000 in outstanding debt for the Overton County Health and Rehab Center. This debt is a liability of Overton County, but the capital assets acquired are reported in the financial statements of the school department and the health and rehab center.

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

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

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

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

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

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

Unassigned Fund Balance – the residual classification of the General and General Purpose School funds. This classification represents fund balance that has not been assigned to other funds and 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.

10. Error Correction

A Due From Component Units was omitted from the General Debt Service Fund in the prior year due to questions concerning the debt agreement for bonded debt issued on behalf of the Overton County Health and Rehab Center, which was resolved during the year. To correct this error, the beginning balance of the Due from Component Units was restated (increased) in the amount of \$6,450,000 to properly reflect the receivable. The balance of the Due from Component Units in the General Debt Service Fund is offset by restricted fund balance.

E. Pension Plans

Primary Government

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Overton County's participation in the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Overton 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 Overton 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 Overton County. For this purpose, Overton County recognizes benefit payments when due and payable in accordance with benefit terms. Overton County's OPEB plan is not administered through a trust.

Discretely Presented Overton 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 Overton County School Department. For this purpose, the school department recognizes benefit payments when due

and payable in accordance with benefit terms. The school department's OPEB plan is not administered through a trust.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. *Explanation of certain differences between the governmental fund balance sheet and the government-wide Statement of Net Position*

Primary Government

Exhibit C-2 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Position.

Discretely Presented Overton County School Department

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

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

Primary Government

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

Discretely Presented Overton County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. *Budgetary Information*

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

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

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

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

On June 30, 2024, Overton County and the discretely presented Overton County School Department reported the following encumbrances:

Funds	Amount
Primary Government:	
Major Funds:	
General	\$ 357,602
Solid Waste/Sanitation	16,961
Nonmajor Funds:	
Drug Control	5,209
American Rescue Plan	21,791
School Department:	
Major Funds:	
General Purpose School	409,785
School Federal Projects	1,249,518

B. Cash Shortage – Prior Year

The State Comptroller issued a special report dated June 4, 2012, regarding allegations of suspected irregularities at the Millard Oakley Public Library, which is a department of the county's General Fund. The investigation revealed a cash shortage of \$5,600 on March 2, 2012, which was attributed to alleged illegal activity by the library's deputy director. Refunds by the bank and funds returned by the deputy director reduced the shortage to \$3,710 on March 26, 2012. On February 18, 2014, the defendant pled guilty to theft of property over \$1,000 and received a three-year sentence suspended to three years of supervised probation and 100 hours community service as well as being ordered to pay restitution of \$3,710. This shortage is not reflected in the financial statements of Overton County on June 30, 2024, due to the uncertainty of collection. Restitution of \$150 was received during the year examined leaving a balance of \$650 on June 30, 2024.

C. Investigations

On November 13, 2024, the Comptroller's Division of Investigations issued an investigative report on the discretely presented Overton County School Department. This report disclosed three deficiencies in internal controls and three on compliance. Under the direction of the former director of schools, the former budget director double-counted hours worked, failed to report lunch breaks, and retroactively applied compensatory hours. The former director of

schools also approved time sheets including improper calculations for the former budget director. This report is available at www.comptroller.tn.gov/ia.

On January 30, 2025, the Comptroller's Division of Investigations issued an investigative report on the discretely presented Overton County School Department. This report disclosed one deficiency in internal controls and two in compliance. Three school system employees improperly received at least \$24,420 in compensation by reporting at least 877 hours of time not worked. In addition, afterschool program attendance data was inaccurately reported by the former afterschool director. This report is available at www.comptroller.tn.gov/ia.

D. *Expenditures Exceeded Appropriations*

Expenditures exceeded appropriations approved by the county commission in the County Coroner/Medical Examiner major appropriations category (the legal level of control) of the General Fund by \$20,167 and the Early Childhood Education major appropriations category of the General Purpose School Fund by \$5,215. Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by greater than anticipated revenues in the General and General Purpose School funds.

E. *Budgetary Basis Fund Deficit*

The School Federal Projects Fund reported a budgetary basis deficit of \$549,514 on June 30, 2024. The budgetary basis deficit resulted from the recognition of budgetary basis expenditures for outstanding encumbrances of \$1,249,518. The future expenditures represented by the outstanding encumbrances are being funded by federal grants and the budgetary basis deficit is expected to be liquidated upon receipt of those future grant funds.

IV. DETAILED NOTES ON ALL FUNDS

A. *Deposits and Investments*

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

Deposits

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

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

In addition, counties may invest in FDIC insured certificates of deposit. The deposit is first made in a bank or savings and loan association, selected by the government entity, with a branch in the state of Tennessee that is authorized to accept county deposits (the depository bank). The depository bank then arranges for the transfer of the moneys into one or more federally insured banks or savings and loan associations, wherever located (secondary depositories), for the account of the county. In turn, the depository bank receives funds from customers of the secondary depositories equal to or greater than the amount initially invested by the county. The balance of county funds with each secondary depository must not exceed FDIC insurance limits so that all funds are fully insured. Under this program, the trustee must provide the depository bank with a listing of all banks and savings and loan associations holding county funds under the same federal employer identification number (FEIN). To prevent deposits from exceeding FDIC coverage, the depository bank is prohibited from using any of those listed banks or savings and loan associations as secondary depositories. The use of this program must be approved by the county investment committee or finance committee as appropriate for the specific county. Further, the investment committee or finance committee must establish policies and procedures for the investments, including the establishment of controls to ensure that full FDIC insurance coverage is obtained. Service providers used by depositories must be approved by the state treasurer upon concurrence by the commissioner of financial institutions and finance and administration. There are currently only two eligible programs that have been approved by the state treasurer: the Certificate of Deposit Account Registry Service (CDARS) and the Insured Cash Sweep (ICS), which operate through IntraFi Network, LLC.

Investments

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

government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the fair value of the securities on the day of purchase.

Investment Balances. As of June 30, 2024, Overton 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 Overton County and the discretely presented Overton County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity	Maturity	Amortized Cost
State Treasurer's Investment Pool	1 to 48 days	N/A	\$ 45,482,937

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. Overton 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. Overton County has no investment policy that would further limit its investment choices. As of June 30, 2024, Overton 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-acfin-ar.html>.

TCRS Stabilization Trust

Legal Provisions. The Overton 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 Overton 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 Overton 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	\$ 76,316
Developed Market International Equity	N/A	N/A	34,466
Emerging Market International Equity	N/A	N/A	9,847
U.S. Fixed Income	N/A	N/A	49,236
Real Estate	N/A	N/A	24,618
Short-term Securities	N/A	N/A	2,462
NAV - Private Equity and Strategic Lending	N/A	N/A	<u>49,236</u>
Total			<u>\$ 246,181</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

The General Fund had a long-term note receivable of \$204,263 on June 30, 2024, resulted from funds loaned to the Industrial Development Authority for the purchase of property. The amount of the notes outstanding on June 30, 2024, is reflected as a nonspendable fund balance in the General Fund.

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	\$ 700,401	\$ 0	\$ 0	\$ 700,401
Intangible Assets- Indefinite Life	61,261	0	0	61,261
Total Capital Assets Not Depreciated	\$ 761,662	\$ 0	\$ 0	\$ 761,662
Capital Assets Depreciated:				
Buildings and Improvements	\$ 14,263,155	\$ 31,807	\$ 0	\$ 14,294,962
Infrastructure	19,161,628	1,828,876	0	20,990,504
Other Capital Assets	10,474,246	972,805	(94,457)	11,352,594
Total Capital Assets Depreciated	\$ 43,899,029	\$ 2,833,488	\$ (94,457)	\$ 46,638,060
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 4,403,502	\$ 287,365	\$ 0	\$ 4,690,867
Infrastructure	4,774,024	182,820	0	4,956,844
Other Capital Assets	6,645,400	722,029	(41,094)	7,326,335
Total Accumulated Depreciation	\$ 15,822,926	\$ 1,192,214	\$ (41,094)	\$ 16,974,046
Total Capital Assets Depreciated, Net	\$ 28,076,103	\$ 1,641,274	\$ (53,363)	\$ 29,664,014
Governmental Activities Capital Assets, Net	\$ 28,837,765	\$ 1,641,274	\$ (53,363)	\$ 30,425,676

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

Governmental Activities:

General Government	\$ 123,825
Finance	1,066
Administration of Justice	1,595
Public Safety	428,688
Public Health and Welfare	279,787
Social, Cultural, and Recreational Services	31,359
Agriculture and Natural Resources	1,106
Highways/Public Works	<u>324,788</u>
 Total Depreciation Expense - Governmental Activities	 <u>\$ 1,192,214</u>

Net Investment in Capital Assets

Capital Assets	\$ 30,425,676
Add:	
Outstanding principal of capital debt related to school department capital assets	15,993,643
Outstanding principal of capital debt related to health and rehab center capital assets	6,090,000
Less:	
Outstanding principal of capital debt and other capital borrowings	(22,083,643)
Unamortized balance of original issue premiums on outstanding capital-related debt	<u>(1,063,572)</u>
Net Investment in Capital Assets	<u>\$ 29,362,104</u>

Discretely Presented Overton County School Department

Governmental Activities:

	Balance 7-1-23	Increases	Decreases	Balance 6-30-24
Capital Assets Not Depreciated:				
Land	\$ 891,763	\$ 0	\$ 0	\$ 891,763
Construction in Progress	134,948	1,633,826	(134,948)	1,633,826
Total Capital Assets Not Depreciated	<u>\$ 1,026,711</u>	<u>\$ 1,633,826</u>	<u>\$ (134,948)</u>	<u>\$ 2,525,589</u>
Capital Assets Depreciated:				
Buildings and				
Improvements	\$ 30,043,062	\$ 1,179,970	\$ 0	\$ 31,223,032
Infrastructure	963,193	0	0	963,193
Other Capital Assets	4,187,383	408,850	0	4,596,233
Total Capital Assets Depreciated	<u>\$ 35,193,638</u>	<u>\$ 1,588,820</u>	<u>\$ 0</u>	<u>\$ 36,782,458</u>
Less Accumulated Depreciation For:				
Buildings and				
Improvements	\$ 13,644,268	\$ 635,263	\$ 0	\$ 14,279,531
Infrastructure	481,607	22,691	0	504,298
Other Capital Assets	2,206,484	238,459	0	2,444,943
Total Accumulated Depreciation	<u>\$ 16,332,359</u>	<u>\$ 896,413</u>	<u>\$ 0</u>	<u>\$ 17,228,772</u>
Total Capital Assets Depreciated, Net	<u>\$ 18,861,279</u>	<u>\$ 692,407</u>	<u>\$ 0</u>	<u>\$ 19,553,686</u>
Governmental Activities				
Capital Assets, Net	<u>\$ 19,887,990</u>	<u>\$ 2,326,233</u>	<u>\$ (134,948)</u>	<u>\$ 22,079,275</u>

Depreciation expense was charged to functions of the school department as follows:

Governmental Activities:

Instruction	\$ 633,543
Support Services	<u>\$ 262,870</u>
Total Depreciation Expense -	
Governmental Activities	<u>\$ 896,413</u>

D. Insurance Recoveries

The county received insurance proceeds of \$21,175 for two sheriff's department vehicles that were wrecked during the year.

The discretely presented school department received insurance proceeds of \$41,410 for damages to gym floors at two elementary schools, \$19,042 for storm damage to an HVAC system, and \$1,256 for damage to an elementary school sign.

E. Construction Commitments

On June 30, 2024, the discretely presented Overton County School Department had uncompleted construction contracts of approximately \$383,317 for the construction of a CTE facility at Livingston Academy. Funding has been received for these future expenditures.

F. 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	\$ 2,714
Discretely Presented School Department: General Purpose School	School Federal Projects	7,312

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

The receivable in the General Purpose School Fund totaling \$7,312 was in transit at June 30, 2024.

Due to/from Primary Government and Component Units:

Receivable Fund	Payable Fund	Amount
Primary Government: Governmental Activities	Component Unit: School Department	\$ 2,853,643
Primary Government: General Debt Service	Component Unit: Health and Rehab Center	6,090,000

The amounts reflected as Due to the Primary Government from the discretely presented school department on the government-wide Statement of Net Position represent amounts for debt contributions.

The receivable from the health and rehab center represents amounts due to the county for debt issued on behalf of the center.

Interfund Transfers:

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

Primary Government

Transfers Out	Transfers In		Purpose
	General Fund	Transfers In	
Solid Waste/Sanitation Fund	\$ 32,000		Operations
General Debt Service	<u>713,000</u>		Interest earned
	<u>\$ 745,000</u>		

Discretely Presented Overton County School Department

Transfers Out	Transfers In		Purpose
	General Fund	Nonmajor govern-mental funds	
General Purpose School Fund	\$ 0	\$ 589,904	Debt retirement
School Federal Projects Fund	<u>18,369</u>	0	Indirect cost
Total	<u>\$ 18,369</u>		<u>\$ 589,904</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

G. Long-term Debt

Primary Government

General Obligation Bonds and Other Loans

General Obligation Bonds - Overton County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government, the discretely presented school department, and the discretely presented Overton County Health and Rehab Center. In addition, general obligation bonds have been issued to

refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 25 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2024, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements - Overton County issues other loans to provide funds for the acquisition and construction of major capital facilities for the primary government, the discretely presented school department, and the discretely presented Overton County Health and Rehab Center. Other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Other loans outstanding were issued for original terms of up to 13 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. Other loans included in long-term debt as of June 30, 2024, will be retired from the General Debt Service Fund.

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

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-24
General Obligation Bonds	2.58 to 5 %	4-1-45	\$ 22,255,000	\$ 19,230,000
General Obligation Bonds - Refunding	2 to 4	6-1-25	4,230,000	835,250
Direct Borrowing and Direct Payment:				
Other Loans	1	8-1-32	2,925,917	2,018,393

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2025	\$ 1,210,250	\$ 909,635	\$ 2,119,885
2026	785,000	775,019	1,560,019
2027	820,000	744,494	1,564,494
2028	855,000	712,301	1,567,301
2029	890,000	679,251	1,569,251
2030-2034	4,745,000	2,834,177	7,579,177
2035-2039	4,660,000	1,841,938	6,501,938
2040-2044	5,135,000	777,632	5,912,632
2045	965,000	38,600	1,003,600
Total	\$ 20,065,250	\$ 9,313,047	\$ 29,378,297

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2025	\$ 242,520	\$ 19,428	\$ 261,948
2026	244,956	16,992	261,948
2027	247,416	14,532	261,948
2028	249,912	12,036	261,948
2029	252,420	9,528	261,948
2030-2033	781,169	48,333	829,502
Total	\$ 2,018,393	\$ 120,849	\$ 2,139,242

There is \$7,986,926 available in the General Debt Service Fund and \$1,542,416 in the school department's Education Debt Service Fund to service long-term debt. However, of the General Debt Service Fund amount, \$6,090,000 has been loaned to the discretely presented Overton County Health and Rehab Center and will be repaid over the next 18 years. Bonded debt per capita totaled \$891, based on the 2020 federal census. Total debt per capita, including bonds and other loans, totaled \$981, based on the 2020 federal census.

The school department and the Overton County Health and Rehab Center are currently contributing funds to service the debt issued on their behalf by the primary government as noted in the table below. This debt is reflected in the government-wide financial statements as Due to the Primary Government in the financial statements of the school department and the health and rehab center and as Due from Component Units in the financial statements of the primary government.

Description of Debt	Outstanding
	6-30-24

Discretely Presented Overton County School Department

Bonds Payable

Contributions from the Education Debt Service Fund

School Refunding Series 2015	\$ 835,250
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Other Loans Payable - Direct Placement

Contributions from the Education Debt Service Fund

Tennessee Energy Efficiency School Initiative Loan	2,018,393
Total School Department	\$ 2,853,643

Discretely Presented Overton Health and Rehab Center

Bonds Payable

Contributions from the Health and Rehab Center

Nursing Home Improvements	\$ 2,065,000
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Nursing Home Renovation and Construction	4,025,000
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Total Health and Rehab Center	\$ 6,090,000
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Total Due from Component Units	\$ 8,943,643
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Changes in Long-term Debt

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

Governmental Activities:

	Bonds	Other Loans - Direct Placement
Balance, July 1, 2023	\$ 8,590,250	\$ 2,258,501
Additions	13,140,000	0
Reductions	(1,665,000)	(240,108)
Balance, June 30, 2024	<u>\$ 20,065,250</u>	<u>\$ 2,018,393</u>
Balance Due Within One Year	<u>\$ 1,210,250</u>	<u>\$ 242,520</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2024	\$ 22,083,643
Less: Balance Due Within One Year - Debt	(1,452,770)
Add: Unamortized Premium on Debt	<u>1,063,572</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 21,694,445</u>

H. Long-term Obligations

Primary Government

Changes in Long-term Obligations

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

Governmental Activities:

	Other Postemployment Benefits	Landfill Compensated Absences	Postclosure Care Costs	Net Pension Liability - Agent Plan
Balance, July 1, 2023	\$ 1,282,934	\$ 184,047	\$ 369,542	\$ 287,007
Additions	608,552	346,094	7,446	2,497,762
Reductions	(474,000)	(337,109)	(173,590)	(2,308,643)
Balance, June 30, 2024	<u>\$ 1,417,486</u>	<u>\$ 193,032</u>	<u>\$ 203,398</u>	<u>\$ 476,126</u>
Balance Due Within One Year	<u>\$ 59,801</u>	<u>\$ 144,774</u>	<u>\$ 203,398</u>	<u>0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, Other - June 30, 2024	\$ 2,290,042
Less: Balance Due Within One Year - Other	<u>(407,973)</u>

Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 1,882,069</u>
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Compensated absences, other postemployment benefits, and pensions will be paid from the employing funds, primarily the General and Highway/Public Works funds. Landfill postclosure care costs will be paid from the Solid Waste/Sanitation Fund.

Discretely Presented Overton County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	Other Postemployment Benefits	Compensated Absences	Net Pension Liability - Agent Plan
Balance, July 1, 2023	\$ 5,114,865	\$ 26,437	\$ 161,423
Additions	530,028	16,098	1,332,071
Reductions	(204,293)	(15,653)	(1,238,983)
Balance, June 30, 2024	<u>\$ 5,440,600</u>	<u>\$ 26,882</u>	<u>\$ 254,511</u>
Balance Due Within One Year	<u>\$ 323,082</u>	<u>\$ 13,441</u>	<u>0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, Other - June 30, 2024	\$ 5,721,993
Less: Balance Due Within One Year - Other	<u>(336,523)</u>

Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 5,385,470</u>
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Compensated absences, other postemployment benefits, and pensions will be paid from the employing funds, primarily the General Purpose School and School Federal Projects funds.

I. On-Behalf Payments - Discretely Presented Overton County School Department

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

Medicare Supplement Plan for the year ended June 30, 2024, were \$122,153 and \$49,437, respectively. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. OTHER INFORMATION

A. *Risk Management*

Primary Government

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

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

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

Discretely Presented Overton County School Department

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

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

risk for losses by this fund. Section 8-27-303, *TCA*, provides for the LEGIF to be self-sustaining through member premiums.

B. Accounting Change

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

C. Contingent Liabilities

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

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

D. Landfill Postclosure Care Costs

Overton County has an active permit on file with the state Department of Environment and Conservation for a sanitary landfill. The county has provided financial assurances for estimated postclosure liabilities as required by the State of Tennessee. These financial assurances are on file with the Department of Environment and Conservation.

State and federal laws and regulations require the county to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. These closure and postclosure care costs generally are paid near or after the date that the landfill stops accepting waste. Overton County closed its landfill in 1994. The Solid Waste/Sanitation Fund reports the postclosure care costs of the closed landfill as expenditures in each period in which they are incurred. The \$203,398 reported as landfill postclosure care liability on June 30, 2024, represents the net amount reported to date based on 100 percent use of the estimated capacity of the landfill. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

E. Joint Venture

The Thirteenth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Thirteenth Judicial District, Clay, Cumberland, DeKalb, Overton, Pickett, Putnam, and White counties, and participating municipalities within the district. 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 each judicial district. Overton County did not make appropriations to the DTF for the year ended June 30, 2024.

Overton County does not have an equity interest in the DTF. Complete financial statements for the DTF can be obtained from its administrative office at the following address:

Administrative Office:

Office of District Attorney General
Thirteenth Judicial District Drug Task Force
1289 S. Walnut Avenue
Cookeville, TN 38501

F. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Overton County, non-certified employees of the discretely presented Overton County School Department, and employees of the discretely presented Overton County Health and Rehab Center are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 50.08 percent, the non-certified employees of the discretely presented school department comprise 26.77 percent, and the discretely presented Overton County Health and Rehab Center comprises 23.15 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

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

Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at

three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions plus any accumulated interest.

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	260
Inactive Employees Entitled to But Not Yet Receiving Benefits	639
Active Employees	<u>458</u>
Total	<u><u>1,357</u></u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary to the plan. Overton 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 contributions for Overton County were \$1,059,171 based on a rate of 6.84 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Overton 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)

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

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

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

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

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

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

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity	4.88	% 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 Overton 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	\$ 42,807,898	\$ 42,223,243	\$ 584,655
Changes for the Year:			
Service Cost	\$ 1,354,197	\$ 0	\$ 1,354,197
Interest	2,923,342	0	2,923,342
Differences Between Expected and Actual Experience	655,134	0	655,134
Contributions-Employer	0	1,025,630	(1,025,630)
Contributions-Employees	0	745,375	(745,375)
Net Investment Income	0	2,838,898	(2,838,898)
Benefit Payments, Including Refunds of Employee Contributions	(1,706,660)	(1,706,660)	0
Administrative Expense	0	(43,311)	43,311
Net Changes	\$ 3,226,013	\$ 2,859,932	\$ 366,081
Balance, June 30, 2023	\$ 46,033,911	\$ 45,083,175	\$ 950,736

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

			Plan	Net
	Total	Pension	Fiduciary	Pension
	Pension	Liability	Net	Liability
Primary Government	50.08%	\$ 23,053,783	\$ 22,577,657	\$ 476,126
School Department	26.77%	12,323,278	12,068,767	254,511
Health and Rehab Ctr.	23.15%	10,656,850	10,436,751	220,099
Total		\$ 46,033,911	\$ 45,083,175	\$ 950,736

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Overton County calculated using the discount rate of 6.75 percent, as well as what the net pension liability (asset) would

be if it were calculated using a discount rate that is one percentage point lower (5.75 percent) or one percentage point higher (7.75 percent) than the current rate:

Overton County	1%	Current Discount	1%
	Decrease	Rate	Increase
	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$ 7,621,968	\$ 950,736	\$ (4,506,164)

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, Overton County recognized pension expense (negative pension expense) of \$1,536,532.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, Overton 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	\$ 1,146,810	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	345,997	0
Changes in Assumptions	1,500,919	0
Contributions Subsequent to the Measurement Date of June 30, 2023 (1)	1,059,171	N/A
Total	\$ 4,052,897	\$ 0

(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	\$ 2,020,389	\$ 0
School Department	1,100,629	0
Health and Rehab Center	<u>931,879</u>	0
Total	<u>\$ 4,052,897</u>	0

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 <u>June 30</u>	Amount
2025	\$ 880,776
2026	713,087
2027	1,266,460
2028	133,403
2029	0
Thereafter	0

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

Discretely Presented Overton County School Department - Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Overton County, non-certified employees of the discretely presented Overton County School Department, and employees of the discretely presented Overton County Health and Rehab Center are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 50.08 percent, the non-certified employees of the discretely presented school department comprise 26.77 percent, and the discretely presented Overton County Health and Rehab Center comprises 23.15 percent of the plan based on contribution data.

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

General Information About the Pension Plan

Plan Description. Teachers of the Overton 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 \$112,822, which is 2.95 percent of covered payroll. In addition, employer contributions of \$39,012, 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 (\$59,272) 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 .139782 percent. The proportion as of June 30, 2022, was .134126 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2024, the school department recognized pension expense (negative pension expense) of \$74,337.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,997	\$ 34,596
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	15,070	0
Changes in Assumptions	44,593	0
Changes in Proportion of Net Pension Liability (Asset)	2,590	12,927
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	<u>112,822</u>	N/A
 Total	 <u>\$ 177,072</u>	 <u>\$ 47,523</u>

The school department's employer contributions of \$112,822, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the net pension liability (asset) in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2025	\$ (954)
2026	(3,147)
2027	20,100
2028	390
2029	482
Thereafter	(144)

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

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

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

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

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

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

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	\$ 272,651	\$ (59,272)	\$ (298,230)

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 Overton County School Department – Certified Employees - Teacher Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Teachers of the Overton 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 Overton County School Department for the year ended June 30, 2024, to the Teacher Legacy Pension Plan were \$741,450 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 (\$4,169,699) 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 .353672 percent. The proportion measured as of June 30, 2022, was .334758 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2024, the school department recognized pension expense (negative pension expense) of \$944,891.

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	\$ 993,435	\$ 193,502
Changes in Assumptions	1,358,602	0
Net Difference Between Projected and		
Actual Earnings on Pension Plan		
Investments	723,464	0
Changes in Proportion of Net Pension		
Liability (Asset)	0	306,371
LEA's Contributions Subsequent to the		
Measurement Date of June 30, 2023	<u>741,450</u>	N/A
Total	<u><u>\$ 3,816,951</u></u>	<u><u>\$ 499,873</u></u>

The school department's employer contributions of \$741,450 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the net pension liability (asset) in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2025	\$ 874,492
2026	(677,043)
2027	2,372,512
2028	5,667
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. As a result of the 2020 actuarial experience study, investment and 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 TCPS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the 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 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		<u>100</u> %

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	\$ 9,081,895	\$ (4,169,699)	\$ (15,191,288)

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**

Primary Government

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

Discretely Presented Overton County School Department

The discretely presented Overton County School Department offers its employees two deferred compensation plans, each established pursuant to IRC Section 403(b). All costs of administering and funding these programs are the responsibility of plan participants. The Section 403(b) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Section 403(b) establishes participation, contribution, and withdrawal provisions for the plans.

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion, which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$179,574 and teachers contributed \$161,996 to this deferred compensation pension plan.

G. Other Postemployment Benefits (OPEB)

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

OPEB Provided through State Administered Public Entity Risk Pools

Primary Government

Retirees of Overton County and the Overton County Highway Department (Hwy) are provided healthcare under separate Local Government Plans (LGPs) until they reach Medicare

eligibility. The primary government's LGPs are combined for presentation purposes. Likewise, the school department provides healthcare benefits to its employees under the Local Education Plan (LEP) until they reach Medicare eligibility. The retirees of the Overton County School Department may then join the Tennessee Plan – Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare.

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

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

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	Salary increases used in the July 1, 2021, TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.65%
Healthcare Cost Trend Rates	LGPs and LEP- 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 in the Bond Buyer 20-Year Municipal GO AA index closest to but not later than the measurement date.

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

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

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

Local Government OPEB Plans (Primary Government)

Plan Description. Employees of Overton County who were hired prior to July 1, 2015, are provided with pre-65 retiree health insurance benefits through closed Local Government Plans (LGPs) administered by the Tennessee Department of Finance and Administration. All eligible pre-65 retired employees and disability participants of local governments, who choose coverage, participate in the LGPs.

Benefits Provided. Overton County offers the LGPs 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 LGPs upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with *TCA 8-27-701* establishes and amends the benefit terms of the LGPs. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members, of the LGPs, receive the same plan benefits as active employees, at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for the retiree premiums. Overton County provides a direct subsidy equal to that of active employee for retirees who are at least 55 years old, who worked for the county for ten years, and who had health insurance with the county at least three years.

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

	Overton County	Hwy Dept	Total
Inactive Employees Currently Receiving Benefit Payments	1	0	1
Inactive Employees Entitled to But Not Yet Receiving Benefit Payments	0	0	0
Active Employees Eligible for Benefits	<u>152</u>	<u>0</u>	<u>152</u>
 Total	 <u>153</u>	 0	 153

An insurance committee, created in accordance with *TCA 8-27-701*, establishes the required payments to the LGPs by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2024, the county paid \$20,783 (Overton County - \$20,783, Highway Dept - \$0) to the LGPs for OPEB benefits as they came due.

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

	Overton County	Hwy Dept.	Total OPEB Liability
Balance July 1, 2022	\$ 846,453	\$ 297,720	\$ 1,144,173
Changes for the Year:			
Service Cost	\$ 116,355	\$ 35,464	\$ 151,819
Interest	33,944	11,752	45,696
Changes of Benefit Terms	252,185	(342,530)	(90,345)
Difference between Expected and Actuarial Experience	(90,891)	0	(90,891)
Changes in Assumption	132,337	0	132,337
Benefit Payments	(7,927)	(2,406)	(10,333)
Net Changes	\$ 436,003	\$ (297,720)	\$ 138,283
Balance June 30, 2023	\$ 1,282,456	\$ 0	\$ 1,282,456

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, the county recognized OPEB expense of \$101,228 (Overton County - \$399,406, Highway Dept - \$(298,178)). 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	Deferred Inflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience (DO - County \$7,068, Hwy \$0)		\$ 7,068	\$ 194,698
(DI - County \$194,698, Hwy \$0)			
Changes of Assumptions (DO - County \$271,510, Hwy \$0)		271,510	89,173
(DI - County \$89,173, Hwy \$0)			
Net Difference Between Projected and Benefits paid after the measurement date of June 30, 2023 (DO - County \$20,783, Hwy \$0)		20,783	0
Total	\$ 299,361	\$ 283,871	

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 <u>June 30</u>	County	Hwy	Total Amount
2025	\$ (5,942)	\$ 0	\$ (5,942)
2026	(4,647)	0	(4,647)
2027	4,579	0	4,579
2028	8,078	0	8,078
2029	(1,286)	0	(1,286)
Thereafter	(6,075)	0	(6,075)

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%	Decrease	1%
	2.65%	3.65%	4.65%
County	\$ 1,369,726	\$ 1,282,456	\$ 1,200,157
Hwy	0	0	0
Total OPEB Liability	\$ 1,369,726	\$ 1,282,456	\$ 1,200,157

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	Rates	Increase
9.31 to 3.5%	10.31 to 4.5%	11.31 to 5.5%	
County	\$ 1,156,815	\$ 1,282,456	\$ 1,427,979
Hwy	0	0	0
Total OPEB Liability	\$ 1,156,815	\$ 1,282,456	\$ 1,427,979

Tennessee Plan – Medicare (Primary Government)

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

Benefits Provided. The state offers the TNM to help fill most of the coverage gaps created by Medicare for eligible post-65 retirees and disabled participants of local governments. Insurance coverage is the only postemployment benefit provided to retirees. The TNM does not include pharmacy. In accordance with *TCA* 8-27-209, benefits of the TNM are established and amended by cooperation of insurance committees created by *TCA* Sections 8-27-201, 8-27-301 and 8-27-701. Retirees and disabled employees of the state, component units, local education agencies, and certain local governments who have reached the age of 65 are Medicare eligible and also receive a benefit from the Tennessee Consolidated Retirement System (TCRS) may participate in this plan. All plan members receive the same plan benefits at the same premium rates. Participating employers determine their own policy related to subsidizing the retiree premiums. Overton County provided a direct subsidy of \$50 for eligible retirees with 30 or more years of service, \$37.50 for eligible retirees with 20-29 years of service, and \$20 for eligible retirees with less than 20 years of service.

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

	Overton County	Hwy Dept.	Total
Inactive Employees Currently Receiving Benefit Payments	8	0	8
Inactive Employees Entitled to But Not Yet Receiving Benefit Payments	10	0	10
Active Employees Eligible for Benefit Payments	112	0	112
 Total	 130	 0	 130

In accordance with *TCA* 8-27-209, the state insurance committees established by *TCA* Sections 8-27-201, 8-27-301, and 8-27-701 determine the required payments to the plan by member employers and employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. For the fiscal year ended June 30, 2024, the county paid \$3,065 (\$3,065 county and \$0 highway department) to the TNM for OPEB benefits as they came due.

Changes in the Total OPEB Liability

	Overton County	Hwy Dept.	Total OPEB Liability
Balance July 1, 2022	\$ 124,315	\$ 14,446	\$ 138,761
Changes for the Year:			
Service Cost	\$ 4,618	\$ 578	\$ 5,196
Interest	4,526	531	5,057
Changes in Benefit Terms	16,262	(15,522)	740
Difference between Expected and Actuarial Experience	(10,734)	0	(10,734)
Changes in Assumption	(1,779)	0	(1,779)
Benefit Payments	(2,178)	(33)	(2,211)
Net Changes	\$ 10,715	\$ (14,446)	\$ (3,731)
Balance June 30, 2023	\$ 135,030	\$ 0	\$ 135,030

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, the county recognized (negative) net OPEB expense of (\$41,427) [(\$21,922) county and (\$19,505) highway department]. On June 30, 2024, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience		
DO (Overton County \$498, Hwy \$0)	\$ 498	\$ 162,960
DI (Overton County \$162,960, Hwy \$0)		
Changes of Assumptions		
DO (Overton County \$23,601, Hwy \$0)	23,601	65,879
DI (Overton County \$65,879, Hwy \$0)		
Net Difference Between Projected and Benefits Paid After the Measurement Date of June 30, 2023		
DO (Overton County \$3,065 Hwy \$0)	3,065	0
Total	\$ 27,164	\$ 228,839

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

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

Year Ending June 30	County	Hwy	Total Amount
2025	\$ (52,420)	\$ 0	\$ (52,420)
2026	(52,420)	0	(52,420)
2027	(40,933)	0	(40,933)
2028	(34,459)	0	(34,459)
2029	(13,054)	0	(13,054)
Thereafter	(11,454)	0	(11,454)

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%
Overton County	\$ 156,920	\$ 135,030	\$ 116,964
Hwy Dept.	0	0	0
Total OPEB Liability	\$ 156,920	\$ 135,030	\$ 116,964

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The premium subsidies provided to retirees in the TNM plan are assumed to remain unchanged for the entire projection period, therefore trend rates are not applicable to the plan calculations.

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

Plan Description. Employees of the Overton 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 Overton County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided

to retirees. An insurance committee created in accordance with *TCA* 8-27-301 establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. Overton County 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	24
Inactive Employees Entitled to But not Yet Receiving	
Benefit Payments	0
Active Employees Eligible for Benefit Payments	<u>285</u>
Total	<u><u>309</u></u>

A state insurance committee, created in accordance with *TCA* 8-27-301, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$175,376 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			
	Overton County School Department 62.74%	State of TN 37.26%		Total OPEB Liability
Balance July 1, 2022	\$ 4,913,413	\$ 2,752,175	\$	7,665,588
Changes for the Year:				
Service Cost	\$ 184,525	\$ 109,586	\$	294,111
Interest	173,293	102,915		276,208
Difference between Expected and Actuarial Experience	(82,370)	(48,918)		(131,288)
Change in Proportion	(103,635)	103,635		0
Changes in Assumption	380,341	225,876		606,217
Benefit Payments	(198,989)	(118,176)		(317,165)
Net Changes	\$ 353,164	\$ 374,919	\$	728,083
Balance June 30, 2023	\$ 5,266,577	\$ 3,127,094	\$	8,393,671

The Overton 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 Overton County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$325,733 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department employees.

During the year, the Overton County School Department's proportionate share of the collective OPEB liability was 62.74% and the State of Tennessee's share was 37.26%.

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 \$803,059, 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	\$ 656,223	\$ 107,199
Changes of Assumptions	813,624	557,080
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	147,123	327,888
Benefits Paid After the Measurement Date of June 30, 2023	<u>175,376</u>	0
Total	<u>\$ 1,792,346</u>	<u>\$ 992,167</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 <u>June 30</u>	School Department
2025	\$ 119,481
2026	119,481
2027	119,481
2028	131,839
2029	110,269
Thereafter	24,252

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

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

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

Proportionate Share of the
Collective Total OPEB Liability \$ 5,667,322 \$ 5,266,577 \$ 4,886,058

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

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

Proportionate Share of the
Collective Total OPEB Liability \$ 4,729,892 \$ 5,266,577 \$ 5,885,534

Closed Tennessee Plan – Medicare (Discretely Presented School Department)

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

Benefits Provided. The state offers the TNM to help fill most of the coverage gaps created by Medicare for eligible post-65 retired teachers and disabled participants of local education agencies. Insurance coverage is the only postemployment benefit provided to retirees. The TNM does not include pharmacy. In accordance with *TCA* 8-27-209, benefits of the TNM are established and amended by cooperation of insurance committees created by *TCA* Sections 8-27-201, 8-27-301 and 8-27-701. Retirees and disabled employees of the state, component units, local education agencies, and certain local governments who have reached the age of 65, are Medicare eligible and also receive a benefit from the Tennessee Consolidated Retirement System may participate in this plan. All plan members receive the same plan benefits at the same premium rates. Participating employers determine their own policy related to subsidizing the retiree premiums. The Overton County School Department provides a subsidy of \$50 per month for retirees with 30 or more years of service, retirees with 20-29 years of service receive \$37.50, and retirees with 15-19 years of service receive \$25. The state,

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

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

Inactive Employees Currently Receiving Benefit Payments	103
Inactive Employees Entitled to But not Yet Receiving	
Benefit Payments	35
Active Employees Eligible for Benefit Payments	<u>303</u>
Total	<u><u>441</u></u>

In accordance with *TCA* 8-27-209, the state insurance committees established by *TCA* Sections 8-27-201, 8-27-301 and 8-27-701 determine the required payments to the plan by member employers and employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. For the fiscal year ended June 30, 2024, the school department paid \$8,462 to the TNM for OPEB benefits as they came due.

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

	Share of Collective Liability		
	Overton County	State of	Total OPEB
	School Department	TN	Liability
	14.62%	85.38%	
Balance July 1, 2022	\$ 201,452	\$ 974,487	\$ 1,175,939
Changes for the Year:			
Service Cost	\$ 3,252	\$ 18,991	\$ 22,243
Interest	6,066	35,428	41,494
Difference between			
Expected and Actuarial			
Experience	2,378	13,889	16,267
Changes in Proportion	(29,590)	29,590	0
Changes in Assumption	(1,854)	(10,826)	(12,680)
Benefit Payments	(7,682)	(44,861)	(52,543)
Net Changes	\$ (27,429)	\$ 42,210	\$ 14,781
Balance June 30, 2023	\$ 174,023	\$ 1,016,697	\$ 1,190,720

The Overton County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retirees participating in the TNM. The Overton County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB

plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department is required by GASB Statement No. 75 to recognize revenue for subsidies provided by nonemployer contributing entities for benefits paid by the TNM for school department employees. The amount of the subsidy is equal to the nonemployer share of collective OPEB expenses. The school department recognized \$147,338 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Overton County School Department's proportionate share of the collective OPEB liability was 14.62 percent and the State of Tennessee's share was 85.38 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 (negative expense) of (\$6,906) including the state's share of the OPEB 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	\$ 6,904	\$ 15,972
Changes of Assumptions	29,827	49,952
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	129,495	397,483
Benefits Paid After the Measurement Date of June 30, 2023	<u>8,462</u>	0
Total	<u>\$ 174,688</u>	<u>\$ 463,407</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 <u>June 30</u>	School Department
2025	\$ (163,559)
2026	(94,496)
2027	(2,809)
2028	(26,336)
2029	(8,917)
Thereafter	(1,064)

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 TNM, 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 1-percentage-point lower or 1-percentage-point higher than the current discount rate.

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

Proportionate Share of the
Collective Total OPEB Liability \$ 197,803 \$ 174,023 \$ 154,321

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The premium subsidies provided to retirees in the TNM plan are assumed to remain unchanged for the entire projection period, therefore trend rates are not applicable to the plan calculations.

H. Office of Central Accounting and Budgeting

Overton County operates under the provisions of the Fiscal Control Acts of 1957. These acts provide for a central system of accounting, budgeting, and purchasing covering all funds administered by the county executive and highway superintendent. These funds are maintained in the Office of Central Accounting and Budgeting under the supervision of the director of accounts and budgets.

I. Purchasing Laws

Offices of County Executive and Highway Superintendent

Purchasing procedures for these offices are governed by provisions of the County Purchasing Law of 1957, Section 5-14-101, et seq., *Tennessee Code Annotated (TCA)*. Purchasing procedures in the highway department are also governed by the Uniform Road Law, Section 54-7-113, *TCA*. In addition, the county commission adopted the provisions of 12-3-1212, *TCA*. These statutes provide for the purchasing agent to make all purchases for these departments, with purchases exceeding \$25,000 to be made on the basis of competitive bids solicited through public advertisement. The county executive serves as purchasing agent for Overton County.

Office of Director of Schools

Purchasing procedures for the discretely presented Overton County School Department are governed by purchasing laws applicable to the schools as set forth in Section 49-2-203, *TCA*, which provides for the county Board of Education, through its executive committee (director of schools and the chairman of the Board of Education), to make all purchases. Furthermore, the Board of Education adopted the provisions of Section 12-3-1212, *TCA*. This statute requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$25,000.

J. Subsequent Events

On August 31, 2024, James Norrod left the Office of Highway Superintendent and was succeeded by Tim Kennedy, and Dorothy Stanton left the Office of Clerk and Master and was succeeded by Julie Raines.

VI. OTHER NOTES – DISCRETELY PRESENTED OVERTON COUNTY HEALTH AND REHAB CENTER

A. Summary of Significant Accounting Policies

This summary of significant accounting policies of Overton County Health and Rehab Center is presented to assist in understanding the center's financial statements. The financial statements and notes are representations of the center's management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles.

Organization

Overton County Heath and Rehab Center is a nonprofit corporation chartered under the laws of the State of Tennessee on April 5, 1962, operating as a political subdivision of Overton County, Tennessee (the county). The purpose of the center is to provide nursing care to residents primarily from the Overton County area. The corporation is managed by a board of five directors who are county commissioners, appointed by the Overton County Commission.

Financial Reporting Entity – Component Unit

The center is a component unit of the primary government of Overton County, Tennessee. The center reports its financial information separately from Overton County; however, the county in its financial report also presents the center's financial information.

Legally, the center is a separate nonprofit entity that has considerable legal, financial, and administrative autonomy. However, as the governing board is not elected but instead is entirely appointed by the county's Board of Commissioners, and the county is contingently liable for all of the center's debt obligations, the center cannot be a primary government. Instead, it qualifies as a component unit according to the directives of the Governmental Accounting Standards Board (GASB).

The GASB specifies that component units must be legally separate organizations, which have financial accountability to a primary government. Financial accountability exists *prima facie* if a special-purpose government is not fiscally independent. GASB states that to be fiscally independent, the government has to have the authority to do all of three activities. One of

these activities is to issue bonded debt without approval by another government. Overton County Health and Rehab Center may not issue debt without Overton County, Tennessee's approval, and the county remains contingently liable for all debt obligations. Because the center is both a legal entity and financially accountable to the primary government of Overton County as the county commission appoints all members of the governing board and by the nature of its fiscal dependence on Overton County as described above, it is a component unit of Overton County, Tennessee.

On June 30, 2024, there was an amount due to Overton County. This is described in detail in Note VI.J. The center did not engage in any other activities that were subject to the approval of Overton County.

Basis of Presentation

The financial statements are presented on the full accrual basis of accounting and conform to accounting principles generally accepted in the United States of America.

As a component unit of Overton County, the accounts of the center are organized on the basis of a proprietary fund type, specifically an enterprise fund. The activities of this fund are accounted for with a separate set of self-balancing accounts that comprise the center's assets, liabilities, net position, revenues, and expenses. Enterprise funds account for activities (i) that are financed with debt that is secured by a pledge of the net revenues from fees and charges of the activity, or (ii) that are required by laws or regulations that the activity's costs of providing services, including capital costs (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues; or (iii) that the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service).

The accounting and financial reporting treatment applied to the center is determined by its measurement focus. The transactions of the center are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the balance sheet. Net position (i.e., total assets plus net deferred outflows net of total liabilities and net deferred inflows) is segregated into net investment in capital assets, restricted for pensions, and unrestricted components.

When both restricted and unrestricted resources are available for use, it is the center's policy to use restricted resources first and then unrestricted resources as they are needed.

Cash Flow - Cash and Cash Equivalents

Overton County Health and Rehab Center presents its cash flow statement using the direct method. For purposes of cash flow presentation, the center considers cash in operating bank accounts, cash on hand, and certificates of deposit that have original maturities of three months or less as cash and cash equivalents. On June 30, 2024, there were no certificates of deposit that qualified as cash equivalents.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are stated at the amount that the center expects to collect from outstanding balances. The center provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based upon a review of outstanding receivables, historical collection information, and existing economic

conditions. The allowance for doubtful accounts was \$49,648 on June 30, 2024. Account balances are charged against the allowance after reasonable collection efforts have been exhausted and the potential for recovery is considered remote.

Net Patient Revenue

Gross patient revenue is recorded on an accrual basis based on services rendered at amounts equal to established rates. Allowances for contractual adjustments are recorded for the differences between established rates and amounts estimated to be paid by the Medicare and Medicaid programs and other third-party payors. Contractual adjustments are deducted from gross patient revenue to determine net patient revenue. Amounts paid under the Medicare and Medicaid programs are generally based on fixed rates per patient day, adjusted prospectively. All amounts earned under the Medicare, Medicaid, and other governmental programs are subject to review by the third-party payors. Any differences between estimated settlements and final determinations are reflected in operations in the year finalized.

Property and Equipment

Property and equipment are stated at cost. Donated capital assets are recorded at estimated fair market value at the date of donation. Purchases of assets with useful lives greater than one year and costing more than \$1,000 are capitalized. For financial statement purposes, depreciation of property and equipment is provided using the straight-line method. The center estimates the useful lives of the respective classes of plant and equipment as follows:

Assets	Years
Land and Improvements	5 - 20
Buildings and Improvements	5 - 50
Transportation Equipment	4 - 5
Equipment	3 - 25

Maintenance and repairs are charged to operations when incurred. The center eliminates the costs and related allowances from the accounts for properties sold or retired, and any resulting gains or losses are included in income.

Accrued Vacation

Employees of the center earn vacation by a prescribed formula based on length of service. Employees of the center accrue vacation pay when earned.

Pensions

For the purpose of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense (income), information about the fiduciary net position of Overton County's participation in the Public Employee Retirement Plan of 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 the Public Employee Retirement 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 Retirement Plan of TCRS. Investments are reported at fair value.

Other Postemployment Benefit (OPEB) Plans

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

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) until then. The center has items that qualify for reporting in this category. These items include pension differences between expected and actual experience, pension changes in assumptions, the net difference between projected and actual earnings on pension plan investments, and employer contributions to the pension plan after the measurement date. In addition, OPEB differences between expected and actual experience, OPEB changes in assumptions, and employer payment for the OPEB plans after the measurement date are included in deferred outflows of resources.

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 center has items that qualify for reporting in this category. These items include pension differences between expected and actual experience. In addition, the center had OPEB differences between actual and expected experience and OPEB changes in assumptions that are included in deferred inflows of resources.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

The Internal Revenue Service has determined that the center is exempt from federal income taxes under Section 501(c)(3) of the United States Internal Revenue Code. Accordingly, the financial statements do not reflect a provision for income taxes.

Operating Revenues and Expenses

The center's operating revenues and expenses consist of revenues earned and expenses incurred relating to the operation and maintenance of its principal ongoing operations. All other revenues and expenses are reported as nonoperating revenues and expenses and consist of those revenues and expenses that are related to financing and investing types of activities and result from nonexchange transactions or ancillary activities.

B. *Cash and Certificates of Deposit*

The center does not have a formal policy regarding types of investments authorized. State statutes authorize the center to make investments in bonds, notes, or treasury bills of the United States, Federal Loan Bank bonds, Federal Home Loan Bank notes and bonds, Federal National Mortgage Association notes and debentures, banks or cooperative debentures, or any of its other agencies, or obligations guaranteed as to principal and interest by the United States or any of its agencies with a maturity not greater than one year, or in the pooled investment fund established under Tennessee law. During the year ended June 30, 2024, the board of directors chose to limit the investment of funds to demand deposits and certificates of deposit accounts at banking institutions.

On June 30, 2024, the carrying amount of cash deposits, including patient funds, plus petty cash of \$199 was \$1,821,303, and the bank balance was \$1,865,037. On June 30, 2024, the carrying amount of the certificate of deposit was \$1,890,075, and the bank balance was \$1,890,075.

For deposits with financial institutions, the center follows state statutes which require pledged collateral with a fair value equal to 105 percent of the funds on deposit, less insured amounts. On June 30, 2024, the entire bank balance was covered by federal depository insurance, or pledged securities held as collateral in another institution in the name of the center.

C. *Patient Funds Held in Trust*

On June 30, 2024, the center held funds totaling \$8,451 on behalf of the residents. The center is required to maintain a cash account as a depository for patient funds. The fund is restricted in use and can be used only for providing spending money for patients, purchasing supplies for patients with cash in the fund, or paying amounts due to the center for patient care, provided the amount does not include monies stipulated for patients' use only. All funds in excess of \$100 per recipient are required to be placed in an insured interest-bearing account.

In accordance with recent accounting guidance, GASB 84, *Fiduciary Activities*, the center has elected to report these patient funds as assets of the center with a corresponding center liability, as most of the assets upon receipt, are normally expected to be held for three months or less. In addition, management considers the funds to be immaterial.

D. Capital Assets

Capital assets are summarized as follows:

	Balance 7-1-23	Increases	Decreases	Balance 6-30-24
Capital Assets Not Depreciated:				
Land	\$ 115,000	\$ 0	\$ 0	\$ 115,000
Total Capital Assets Not Depreciated	<u>\$ 115,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 115,000</u>
Capital Assets Depreciated:				
Land/Improvements	\$ 109,178	\$ 0	\$ 0	\$ 109,178
Buildings/Improvements	15,936,203	71,126	(31,778)	15,975,551
Transportation Equipment	33,576	0	0	33,576
Equipment	1,124,271	80,043	(67,072)	1,137,242
Total Capital Assets Depreciated	<u>\$ 17,203,228</u>	<u>\$ 151,169</u>	<u>\$ (98,850)</u>	<u>\$ 17,255,547</u>
Less Accumulated Depreciation For:				
Land/Improvements	\$ 75,671	\$ 7,180	\$ 0	\$ 82,851
Buildings/Improvements	3,923,775	412,242	(30,779)	4,305,238
Transportation Equipment	33,576	0	0	33,576
Equipment	891,900	45,824	(63,062)	874,662
Total Accumulated Depreciation	<u>\$ 4,924,922</u>	<u>\$ 465,246</u>	<u>\$ (93,841)</u>	<u>\$ 5,296,327</u>
Intangible Right-to-Use Assets:				
SBITA	\$ 219,562	\$ 0	\$ (219,562)	\$ 0
Less: Accumulated Amortization - SBITA	<u>(14,637)</u>	<u>(12,198)</u>	<u>26,835</u>	<u>0</u>
Net Intangible Right-to-Use Assets	<u>\$ 204,925</u>	<u>\$ (12,198)</u>	<u>\$ (192,727)</u>	<u>\$ 0</u>
Total Capital Assets Depreciated, Net	<u><u>\$ 12,483,231</u></u>	<u><u>\$ (326,275)</u></u>	<u><u>\$ (197,736)</u></u>	<u><u>\$ 11,959,220</u></u>
Business-type Activities				
Capital Assets, Net	<u><u>\$ 12,598,231</u></u>	<u><u>\$ (326,275)</u></u>	<u><u>\$ (197,736)</u></u>	<u><u>\$ 12,074,220</u></u>

Net Investment in Capital Assets

Capital Assets	\$ 12,074,220
Less:	
Outstanding principal of capital debt and other capital borrowings	(6,090,000)
Accounts payable used for capital items	<u>(17,304)</u>
Net Investment in Capital Assets	<u>\$ 5,966,916</u>

E. Concentration of Credit Risk

The center grants credits without collateral to its patients, most of whom are insured under third-party payor agreements. The mix of receivables from patients and third-party payors is as follows:

Medicaid	37.22	%
Insurance	34.64	
Medicare	16.19	
Private	11.95	

F. Pension Plan

Plan Description. Employees of Overton County Health and Rehab Center are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (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 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>. Since Overton County Health and Rehab Center is a component unit of Overton County and does not have its own distinct agent multiple-employer pension plan, the plan is treated as a cost-sharing plan for purposes of Overton County Health and Rehab Center's stand-alone financial statements.

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 non-service-related disability eligibility. The service-related and non-service-related disability benefits are determined in the same manner as a service retirement

benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

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

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. Overton County Health and Rehab Center 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 contributions for Overton County Health and Rehab Center were \$238,831 based on a rate of 6.88 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Overton County's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contribution 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)

Pension Liabilities (Assets). On June 30, 2023, Overton County Health and Rehab Center reported a liability of \$220,095 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2023, and the total pension liability used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date. Overton County Health and Rehab Center's proportion of the net pension asset was based on a projection of Overton County Health and Rehab Center's contributions to the pension plan relative to the contributions of all participating entities. At the measurement date of June 30, 2023, Overton County Health and Rehab Center's proportion was 23.15 percent. The proportion measured as of June 30, 2022, was 23.3 percent.

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

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

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

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

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

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

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

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Overton County Health and Rehab Center 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 net pension liability (asset) of Overton County Health and Rehab Center calculated using the discount rate of 6.75 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75 percent) or one percentage point higher (7.75 percent) than the current rate:

	1%	Current	1%
	Decrease	Discount Rate	Increase
Overton County Health and Rehab Center	5.75%	6.75%	7.75%
Net Pension Liability (Asset)		\$ 1,764,486	\$ 220,095 \$ (1,043,177)

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, Overton County Health and Rehab Center recognized pension expense of \$355,707.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, Overton County Health and Rehab Center 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	\$ 265,486	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	80,098	0
Changes in Assumptions	347,463	0
Contributions Subsequent to the Measurement Date of June 30, 2023 (1)	238,831	N/A
Total	\$ 931,878	\$ 0

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

Amounts reported as deferred outflows of resources 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	\$ 203,900
2026	165,079
2027	293,185
2028	30,883
2029	0
Thereafter	0

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

Payable to the Pension Plan

On June 30, 2024, Overton County Health and Rehab Center reported a payable of \$32,565 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2024.

G. Risk Management

Risks related to the operation of the center are managed through the purchase of commercial insurance policies. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years, and there have been no significant reductions in insurance coverage for the current year or for the prior five years.

H. Health Care Regulations

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as repayments for patient services previously billed. Management believes that the center is in compliance with fraud and abuse statutes as well as other applicable government laws and regulations. Compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time.

I. Professional Liability Claims and Insurance

The long-term health care industry has experienced a dramatic increase in personal injury and wrongful death claims based on alleged negligence by the center and its employees in providing care to residents. The center is subject to claims and suits, which arise in the ordinary course of business. In the opinion of management, the ultimate resolution of such pending legal proceedings has been adequately provided for through commercial insurance.

J. Due to Primary Government

On February 13, 2012, Overton County, Tennessee, passed a resolution to issue general obligations bonds in the aggregate principal amount of \$4,150,000, for the purpose of financing land acquisition, design, and site development for the construction and equipping of a health and rehab facility of the county. The facility was completed in the year ended June 30, 2016. The bonds, known as the General Obligation Bonds, Series 2012, were issued May 9, 2012, and are payable from unlimited ad valorem taxes to be levied on all taxable property within the county. The bonds are additionally payable from, although not secured by, revenues of the center. The full faith and credit of the county is irrevocably pledged for the payment of principal and interest on the bonds.

It is the intent of the center to repay the county bonds from revenues from the center. Therefore, the center has a due to the primary government in the exact amount of the balance of the bonds on June 30, 2024. The county has a liability for the bonds on the county's books with a corresponding amount due from the center. The center is repaying the indebtedness to the county in the form of payments on the bonds to U.S. Bank National Association according to the terms of the bonds. The bonds have a maturity date of April 1, 2033, and bear fixed interest rates ranging from one percent to 3.125 percent.

Interest expense incurred on the bonds for the year ended June 30, 2024, was \$62,086.

The annual debt service requirements to maturity are as follows:

Year Ending June 30	Principal	Interest
2025	\$ 200,000	\$ 58,606
2026	205,000	53,606
2027	215,000	48,481
2028	220,000	42,838
2029	230,000	36,788
2030-2033	995,000	77,200
 Total	 \$ 2,065,000	 \$ 317,519

On April 10, 2017, Overton County, Tennessee, passed a resolution to issue general obligation bonds in the aggregate principal amount of not to exceed \$5,110,000, for the purpose of financing, in whole or in part, the (i) construction, renovation, and equipping of nursing home facility (the "center") of the county; (ii) payment of legal, fiscal, administrative, architectural, and engineering costs incident to the foregoing; (iii) reimbursement to the county for funds previously expended for any of the foregoing; and (iv) payment of costs incident to the issuance and sale of the bonds authorized herein. The bonds, known as the General Obligation Bonds, Series 2017, were issued June 20, 2017, in the amount of \$4,965,000 and are payable from unlimited ad valorem taxes to be levied on all taxable property within the county. The bonds are additionally payable from, although not secured by, revenues of the center. The full faith and credit of the county are irrevocably pledged for the payment of principal and interest on the bonds. Funds needed for the payment of the bonds may be reduced by revenues of the center.

It is the intent of the center to repay the county bonds from revenues from the center. Therefore, the center has a due to primary government (the “county”) in the exact amount of the balance of the bonds on June 30, 2024. The county has a liability for the bonds on the county’s books with a corresponding amount due from the center. The center is repaying the indebtedness to the county in the form of payments on the bonds to U.S. Bank National Association according to terms of the bonds. The bonds have a maturity date of April 1, 2042, and bear fixed interest rates ranging from 2.5 percent to 3.25 percent.

Interest expense incurred on the bonds for the year ended June 30, 2024, was \$126,081.

The annual debt service requirements to maturity related to the Overton County General Obligation Bonds, Series 2017 are as follows:

Year Ending June 30	Principal	Interest
2025	\$ 175,000	\$ 122,362
2026	180,000	117,113
2027	185,000	111,712
2028	190,000	106,162
2029	195,000	101,413
2030-2034	1,050,000	424,725
2035-2039	1,220,000	255,688
2040-2042	830,000	54,438
Total	\$ 4,025,000	\$ 1,293,613

Changes in long-term debt for the year ended June 30, 2024, was as follows:

	Balance 7-1-23		Balance 6-30-24	Due Within One Year
Due to Primary Government:				
Series 2012	\$ 2,260,000	\$ 195,000	\$ 2,065,000	\$ 200,000
Series 2017	4,190,000	165,000	4,025,000	175,000
Total Debt	\$ 6,450,000	\$ 360,000	\$ 6,090,000	\$ 375,000

Changes in other long-term liabilities for the year ended June 30, 2024, was as follows:

	Balance 7-1-23	Additions	Reductions	Balance 6-30-24	Due Within One Year
Other Post-employment Benefits					
Liability	\$ 100,703	\$ 101,871	\$ 75,930	\$ 126,644	0
SBITA Liabilities	207,022	0	207,022	0	0
Total Long-term Obligations	\$ 307,725	\$ 101,871	\$ 282,952	\$ 126,644	0

K *Other Postemployment Benefits (OPEB)*

Employees of the Overton County Health and Rehab Center are provided pre-65 retiree health insurance benefits through the Local Government OPEB Plan (LGP), and employees hired prior to July 1, 2015, are provided with post-65 retiree health insurance benefits through the closed Tennessee Plan (TNP), both administered by the Tennessee Department of Finance and Administration. The following is a summary of each of these plans:

Local Government OPEB Plan

Plan Description. Employees of the Overton County Health and Rehab Center are provided with pre-65 retiree health insurance benefits through the Local Government Plan (LGP) administered by the Tennessee Department of Finance and Administration. This plan is considered to be a multi-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB). However, for accounting purposes this plan will be treated as a single-employer plan. All eligible pre-65 retired employees and disability participants of local governments, who choose coverage, participate in the LGP.

Benefits Provided. The center 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 Section 8-27-701, *Tennessee Code Annotated*, 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, receives 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. The center does not provide a direct subsidy and is 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.

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 Benefit Payments	80
 Total	 80

An insurance committee, created in accordance with Section 8-27-701, *Tennessee Code Annotated*, 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 center paid \$290 to the LGP for OPEB benefits as they came due.

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	Graded Salary ranges from 3.44 to 8.72% based on age, including, inflation, averaging four percent
Discount Rate	3.65%
Healthcare Cost Trend Rates	10.31% for pre-65 in 2022, decreasing annually over a 11-year period to an ultimate rate of 4.5%. 12.44% for post-65 in 2023, decreasing annually over a 11-year period to an ultimate rate of 4.5%.
Retirees' Share of Benefit Related Cost	Members are required to make monthly contributions in order to maintain their coverage. For the purpose of this valuation, a weighted average has beeen 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, 2020, Pension Actuarial Valuation of the TCRS. These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-weighted employee mortality table for non-disabled pre-retirement mortality, with mortality improvement projected generationally with MP-2021 from 2010. Post-retirement rates are

headcount-weighted below median healthy annuitant and adjusted with a 19 percent load for males and an 18 percent load for females, projected generationally with MP-2021 from 2010. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load, projected generationally from 2018 with MP-2021.

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 to 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 the Total OPEB Liability – As of the Measurement Date

	Total OPEB Liability
Balance July 1, 2022	<u>\$ 69,369</u>
Changes for the Year:	
Service Cost	\$ 6,404
Interest	2,674
Difference between Expected and Actuarial Experience	(4,075)
Changes in Assumption	23,853
Benefit Payments	(497)
Net Changes	<u>\$ 28,359</u>
Balance June 30, 2023	<u>\$ 97,728</u>

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 assumptions increased the total OPEB liability. Other changes in assumptions include adjustments to initial per capita costs and health trend rates.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, the center recognized OPEB expense of \$337. On June 30, 2024, the center 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	\$ 0	\$ 22,318
Changes of Assumptions	28,402	37,142
Net Difference Between Projected and Benefits Paid after the Measurement Date	<u>290</u>	0
 Total	 <u>\$ 28,692</u>	 <u>\$ 59,460</u>

The amounts shown above for “employer payments subsequent to the measurement date” will be recognized as a reduction to total 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 <u>June 30</u>
2025 \$ (9,415)
2026 (8,885)
2027 (5,902)
2028 (5,418)
2029 (3,739)
Thereafter 2,301

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 center 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 discount rate:

<u>Discount Rate</u>	Current		
	1%	Discount	1%
	Decrease	Rate	Increase
2.65%	3.65%	4.65%	
 Total OPEB Liability	 \$ 105,646	 \$ 97,728	 \$ 90,332

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the total OPEB liability of the center 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 healthcare cost trend rate:

<u>Healthcare Cost Trend Rate</u>	Current	
1%	Trend	1%
Decrease	Rates	Increase
9.31 to 11.44%	10.31 to 12.44%	11.31 to 13.44%
decreasing to 3.5%	decreasing to 4.5%	decreasing to 5.5%

Total OPEB Liability	\$ 87,092	\$ 97,728	\$ 110,113
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Closed Tennessee Plan

Plan Description. Employees of Overton County Health and Rehab Center who were hired prior to July 1, 2015, are provided with post-65 retiree health insurance benefits through the closed Tennessee Plan (TNP) administered by the Tennessee Department of Finance and Administration. This plan is considered a multi-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB). However, for accounting purposes this plan will be treated as a single-employer plan. All eligible post-65 retirees and disability participants of local governments, who choose coverage, participate in the TNP. The TNP also includes eligible retirees of the state, certain component units of the state, and local education agencies. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

Benefits Provided. The state offers the TNP to help fill most of the coverage gaps created by Medicare for eligible post-65 retirees and disabled participants of local governments. Insurance coverage is the only postemployment benefit provided to retirees. The TNP does not include pharmacy. In accordance with Section 8-27-209, *Tennessee Code Annotated (TCA)*, benefits of the TNP are established and amended by cooperation of insurance committees created by Sections 8-27-201, 8-27-301 and 8-27-701, *TCA*. Retirees and disabled employees of the state, component units, local education agencies, and certain local governments who have reached the age of 65 are Medicare eligible and also receive a benefit from the Tennessee Consolidated Retirement System (TCRS) may participate in this plan. All plan members receive the same plan benefits at the same premium rates. Participating employers determine their own policy related to subsidizing the retiree premiums. The center provided a direct subsidy of \$50 for eligible retirees with 30 or more years of service, \$37.50 for eligible retirees with 20-29 years of service, and \$25 for eligible retirees with less than 20 years of service. The TNP is funded on a pay-as-you-go basis and there are no assets accumulating in trust that meet the criteria of paragraph 4 of GAST Statement No. 75.

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	2
Inactive Employees Entitled to But not Yet Receiving Benefit Payments	0
Active Employees Eligible for Benefit Payments	<u>33</u>
 Total	 <u><u>35</u></u>

In accordance with Section 8-27-209, *Tennessee Code Annotated (TCA)*, the state insurance committees established by Sections 8-27-201, 8-27-301, and 8-27-701, (*TCA*), determine the required payments to the plan by member employers and employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the center paid \$464 to the TNP 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><u>\$ 31,334</u></u>
Changes for the Year:	
Service Cost	\$ 1,489
Interest	1,154
Difference between Expected and Actuarial Experience	(4,156)
Changes in Assumption	(440)
Benefit Payments	(465)
Net Changes	<u><u>\$ (2,418)</u></u>
 Balance June 30, 2023	 <u><u>\$ 28,916</u></u>

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 assumptions decreased the total OPEB liability.

OPEB Expense. For the year ended June 30, 2024, the center recognized OPEB expense of \$38,065.

Deferred Outflows of Resources and Deferred Inflows of Resources. On June 30, 2024, the center 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	\$ 31,904	\$ 232,081
Changes of Assumptions/Inputs	31,943	13,634
Employer Payments Subsequent to the Measurement Date	464	0
Total	\$ 64,311	\$ 245,715

The amounts shown above for “employer payments subsequent to the measurement date” will be recognized as a reduction to total 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 <u>June 30</u>	County
2024	\$ (38,648)
2025	(32,136)
2026	(40,781)
2027	(44,790)
2028	(22,930)
Thereafter	(2,583)

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 center 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	Rates	Increase
2.65%	3.65%	4.65%	
Total OPEB Liability	\$ 34,340	\$ 28,916	\$ 24,523

L. Subscription-Based Information Technology Arrangements (SBITA)

In the prior year, the center had an arrangement for the use of accounting software that met the criteria of a SBITA, and an intangible right-to-use asset and a SBITA liability were recorded in that year. As of May 1, 2024, the center signed a new agreement for the use of accounting software to replace the existing software due to the previous company being purchased by the new software vendor. The new contract did not meet the requirements to be recorded as a SBITA and as a result, the SBITA asset and related liability that existed as of May 1, 2024, was written off.

The center has used a 2.65% discount rate to determine the present value of the intangible right-to-use asset and SBITA liability in the previous year. This asset was set up to be amortized over the estimated term of fifteen years. Amortization in the amount of \$12,198 was reported in the Statement of Revenues, Expenditures, and Changes in Fund Net Position for the year ended June 30, 2024, for amortization through May 1, 2024, as well as interest expense in the amount of \$4,470. The intangible right-to-use asset in the amount of \$219,562, the related accumulated amortization in the amount of \$26,835, and the SBITA liability in the amount of \$196,729 as of May 1, 2024, were written off as of that date resulting in an immaterial gain of \$4,002. This has been reported in the Statement of Revenues, Expenses and Changes in Fund Net Position for the year ended June 30, 2024. See Notes VI.D. and J. for additional information.

REQUIRED SUPPLEMENTARY INFORMATION SECTION

OVERTON 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	\$ 821,188	\$ 873,441	\$ 869,285	\$ 963,413	\$ 1,023,158	\$ 1,091,342	\$ 1,100,415	\$ 1,102,174	\$ 1,254,455	\$ 1,354,197
Interest	1,736,406	1,777,058	1,915,961	1,984,413	2,100,957	2,213,415	2,323,783	2,466,101	2,696,026	2,923,342
Differences Between Actual and Expected Experience	(994,065)	296,202	(827,796)	85,227	(289,955)	(282,351)	62,577	17,901	1,005,043	655,134
Changes in Assumptions	0	0	0	648,060	0	0	0	3,752,296	0	0
Benefit Payments, Including Refunds of Employee Contributions	(1,076,371)	(1,071,132)	(1,109,892)	(1,167,868)	(1,274,081)	(1,428,330)	(1,589,980)	(1,461,074)	(1,668,580)	(1,706,660)
Net Change in Total Pension Liability	\$ 487,158	\$ 1,875,569	\$ 847,558	\$ 2,513,245	\$ 1,560,079	\$ 1,594,076	\$ 1,896,795	\$ 5,877,398	\$ 3,286,944	\$ 3,226,013
Total Pension Liability, Beginning	\$ 22,869,076	\$ 23,356,234	\$ 25,231,803	\$ 26,079,361	\$ 28,592,606	\$ 30,152,685	\$ 31,746,761	\$ 33,643,556	\$ 39,520,954	\$ 42,807,898
Total Pension Liability, Ending (a)	\$ 23,356,234	\$ 25,231,803	\$ 26,079,361	\$ 28,592,606	\$ 30,152,685	\$ 31,746,761	\$ 33,643,556	\$ 39,520,954	\$ 42,807,898	\$ 46,033,911
Plan Fiduciary Net Position										
Contributions - Employer	\$ 557,965	\$ 537,490	\$ 573,760	\$ 581,712	\$ 606,389	\$ 646,082	\$ 637,631	\$ 657,921	\$ 711,967	\$ 1,025,630
Contributions - Employee	515,219	496,759	532,213	547,104	561,743	619,920	587,516	608,061	683,826	745,375
Net Investment Income	3,591,187	778,022	689,545	3,017,854	2,451,687	2,368,897	1,680,589	9,092,406	(1,685,792)	2,838,898
Benefit Payments, Including Refunds of Employee Contributions	(1,076,371)	(1,071,132)	(1,109,892)	(1,167,868)	(1,274,081)	(1,428,330)	(1,589,980)	(1,461,074)	(1,668,580)	(1,706,660)
Administrative Expense	(15,473)	(19,883)	(30,836)	(35,061)	(40,254)	(38,443)	(36,796)	(36,603)	(40,870)	(43,311)
Other	0	0	3,500	0	0	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 3,572,527	\$ 721,256	\$ 658,290	\$ 2,943,741	\$ 2,305,484	\$ 2,168,126	\$ 1,278,960	\$ 8,860,711	\$ (1,999,449)	\$ 2,859,932
Plan Fiduciary Net Position, Beginning	\$ 21,713,597	\$ 25,286,124	\$ 26,007,380	\$ 26,665,670	\$ 29,609,411	\$ 31,914,895	\$ 34,083,021	\$ 35,361,981	\$ 44,222,692	\$ 42,223,243
Plan Fiduciary Net Position, Ending (b)	\$ 25,286,124	\$ 26,007,380	\$ 26,665,670	\$ 29,609,411	\$ 31,914,895	\$ 34,083,021	\$ 35,361,981	\$ 44,222,692	\$ 42,223,243	\$ 45,083,175
Net Pension Liability (Asset), Ending (a - b)	\$ (1,929,890)	\$ (775,577)	\$ (586,309)	\$ (1,016,805)	\$ (1,762,210)	\$ (2,336,260)	\$ (1,718,425)	\$ (4,701,738)	\$ 584,655	\$ 950,736
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	108.26%	103.07%	102.25%	103.56%	105.84%	107.36%	105.11%	111.90%	98.63%	97.93%
Covered Payroll	\$ 10,089,798	\$ 9,935,118	\$ 10,605,526	\$ 10,752,516	\$ 11,208,669	\$ 11,942,343	\$ 11,787,725	\$ 12,068,413	\$ 12,869,768	\$ 14,886,996
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(19.13)%	(7.81)%	(5.53)%	(9.46)%	(15.72)%	(19.56)%	(14.58)%	(38.96)%	4.54%	6.39%

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

Exhibit E-2

OVERTON 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	\$ 537,490	\$ 573,760	\$ 581,712	\$ 606,389	\$ 646,082	\$ 594,023	\$ 612,925	\$ 663,275	\$ 1,025,630	\$ 1,059,171
Less: Contributions in Relation to the Actuarially Determined Contribution	(537,490)	(573,760)	(581,712)	(606,389)	(646,082)	(637,631)	(657,921)	(711,967)	(1,025,630)	(1,059,171)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (43,608)	\$ (44,996)	\$ (48,692)	\$ 0	\$ 0
Covered Payroll	\$ 9,935,118	\$ 10,605,526	\$ 10,752,516	\$ 11,208,669	\$ 11,942,343	\$ 11,787,725	\$ 12,068,413	\$ 12,869,768	\$ 14,886,996	\$ 15,487,821
Contributions as a Percentage of Covered Payroll	5.41%	5.41%	5.41%	5.41%	5.41%	5.41%	5.45%	5.53%	6.89%	6.84%

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

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

Discretely Presented Overton County School Department

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 9,956	\$ 21,305	\$ 33,615	\$ 41,215	\$ 25,141	\$ 30,454	\$ 35,243	\$ 46,039	\$ 79,796	\$ 112,822
Less: Contributions in Relation to the Contractually Required Contribution	(9,956)	(21,305)	(33,615)	(41,215)	(25,141)	(30,454)	(35,243)	(46,039)	(79,796)	(112,822)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 248,908	\$ 532,620	\$ 840,382	\$ 1,024,778	\$ 1,295,946	\$ 1,500,192	\$ 1,738,550	\$ 2,281,503	\$ 2,780,338	\$ 3,824,422
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.02%	1.94%	2.03%	2.03%	2.02%	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%

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

Discretely Presented Overton County School Department

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 1,057,677	\$ 1,029,362	\$ 1,004,390	\$ 1,006,914	\$ 1,163,916	\$ 1,153,927	\$ 1,124,932	\$ 1,134,719	\$ 997,336	\$ 741,450
Less: Contributions in Relation to the Contractually Required Contribution	(1,057,677)	(1,029,362)	(1,004,390)	(1,006,914)	(1,163,916)	(1,153,927)	(1,124,932)	(1,134,719)	(997,336)	(741,450)
Contribution Deficiency (Excess)	\$ 0									
Covered Payroll	\$ 11,699,966	\$ 11,386,739	\$ 11,110,501	\$ 11,094,929	\$ 11,127,307	\$ 10,855,382	\$ 10,879,410	\$ 10,898,365	\$ 11,476,817	\$ 10,887,645
Contributions as a Percentage of Covered Payroll	9.04%	9.04%	9.04%	9.08%	10.46%	10.63%	10.34%	10.41%	8.69%	6.81%

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

Discretely Presented Overton 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)	0.117325%	0.121048%	0.128041%	0.117908%	0.122466%	0.118881%	0.120888%	0.134126%	0.139782%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (4,819)	\$ (12,601)	\$ (33,781)	\$ (53,475)	\$ (69,130)	\$ (67,601)	\$ (130,948)	\$ (40,630)	\$ (59,272)
Covered Payroll	\$ 248,908	\$ 532,620	\$ 840,382	\$ 1,024,778	\$ 1,295,946	\$ 1,500,192	\$ 1,738,550	\$ 2,281,503	\$ 2,780,338
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.02)%	(5.22)%	(5.33)%	(4.51)%	(7.53)%	(1.78)%	(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.

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

Discretely Presented Overton 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)	0.302159%	0.312541%	0.315440%	0.314304%	0.316687%	0.331847%	0.326158%	0.333730%	0.334758%	0.353672%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (49,099)	\$ 128,027	\$ 1,971,325	\$ (102,835)	\$ (1,114,396)	\$ (3,411,984)	\$ (2,487,196)	\$ (14,394,558)	\$ (4,105,493)	\$ (4,169,699)
Covered Payroll	\$ 11,859,720	\$ 11,699,966	\$ 11,386,739	\$ 11,110,501	\$ 11,094,929	\$ 11,127,307	\$ 10,855,382	\$ 10,879,410	\$ 10,898,365	\$ 11,476,817
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(.41)%	1.09%	17.31%	(.93)%	(10.04)%	(30.66)%	(22.91)%	(132.31)%	(37.67)%	(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%

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

Primary Government

For the Fiscal Year Ended June 30

Overton County Plan**Total OPEB Liability**

	2017	2018	2019	2020	2021	2022	2023
Service Cost	\$ 15,735	\$ 15,283	\$ 24,096	\$ 23,817	\$ 30,885	\$ 109,508	\$ 116,355
Interest	5,707	7,228	9,449	6,831	5,198	19,224	33,944
Change in Benefit Terms	0	0	0	0	388,317	105,268	252,185
Differences Between Actual and Expected Experience	0	21,092	(96,310)	(9,578)	(8,506)	(77,983)	(90,891)
Changes in Assumptions	(9,653)	12,940	8,294	19,278	163,280	(87,576)	132,337
Benefit Payments	(3,447)	(4,020)	(10,810)	(12,533)	(1,019)	(4,968)	(7,927)
Net Change in Total OPEB Liability	\$ 8,342	\$ 52,523	\$ (65,281)	\$ 27,815	\$ 578,155	\$ 63,473	\$ 436,003
Total OPEB Liability, Beginning	181,426	189,768	242,291	177,010	204,825	782,980	846,453
Total OPEB Liability, Ending	\$ 189,768	\$ 242,291	\$ 177,010	\$ 204,825	\$ 782,980	\$ 846,453	\$ 1,282,456
Covered Employee Payroll	\$ 3,973,352	\$ 4,481,573	\$ 4,999,544	\$ 5,000,348	\$ 5,406,258	\$ 6,349,275	\$ 6,364,022
Net OPEB Liability as a Percentage of Covered Employee Payroll	4.78%	5.41%	3.54%	4.10%	14.48%	13.33%	20.15%

Overton County Highway Plan**Total OPEB Liability**

	2017	2018	2019	2020	2021	2022	2023
Service Cost	\$ 5,748	\$ 5,496	\$ 5,296	\$ 6,804	\$ 6,739	\$ 38,841	\$ 35,464
Interest	1,614	2,125	2,478	2,176	1,410	7,144	11,752
Change in Benefit Terms	0	0	0	0	174,629	97	(342,530)
Differences Between Actual and Expected Experience	0	(3,500)	(17,133)	(10,646)	(3,410)	(9,386)	0
Changes in Assumptions	(2,508)	5,605	2,348	4,232	57,744	(28,824)	0
Benefit Payments	0	(338)	(1,186)	(757)	(572)	(4,058)	(2,406)
Net Change in Total OPEB Liability	\$ 4,854	\$ 9,388	\$ (8,197)	\$ 1,809	\$ 236,540	\$ 3,814	\$ (297,720)
Total OPEB Liability, Beginning	49,512	54,366	63,754	55,557	57,366	293,906	297,720
Total OPEB Liability, Ending	\$ 54,366	\$ 63,754	\$ 55,557	\$ 57,366	\$ 293,906	\$ 297,720	\$ 0
Covered Employee Payroll	\$ 797,458	\$ 758,423	\$ 818,484	\$ 825,110	\$ 1,048,216	\$ 1,190,050	\$ 1,303,470
Net OPEB Liability as a Percentage of Covered Employee Payroll	6.82%	8.41%	6.79%	6.95%	28.04%	25.02%	0.00%

(Continued)

OVERTON COUNTY, TENNESSEE**Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Government Plans (Cont.)****State Administered Medicare Plans****Overton County Plan****Total OPEB Liability**

	2017	2018	2019	2020	2021	2022	2023
Service Cost	\$ 22,732	\$ 19,503	\$ 15,556	\$ 7,426	\$ 9,011	\$ 7,947	\$ 4,618
Interest	13,545	15,844	13,992	6,385	4,542	3,321	4,526
Differences Between Actual and Expected Experience	0	(81,740)	(225,164)	(25,749)	(24,462)	(2,236)	(10,734)
Changes in Benefit Terms	0	0	0	0	0	0	16,262
Changes in Assumptions	(48,528)	(3,551)	3,932	37,683	(37,209)	(29,519)	(1,779)
Benefit Payments	(2,550)	(4,088)	(5,263)	(4,296)	(3,163)	(1,983)	(2,178)
Net Change in Total OPEB Liability	\$ (14,801)	\$ (54,032)	\$ (196,947)	\$ 21,449	\$ (51,281)	\$ (22,470)	\$ 10,715
Total OPEB Liability, Beginning	442,397	427,596	373,564	176,617	198,066	146,785	124,315
Total OPEB Liability, Ending	\$ 427,596	\$ 373,564	\$ 176,617	\$ 198,066	\$ 146,785	\$ 124,315	\$ 135,030
Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total OPEB Liability as a percentage of Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Overton County Highway Plan**Total OPEB Liability**

	2017	2018	2019	2020	2021	2022	2023
Service Cost	\$ 849	\$ 746	\$ 0	\$ 855	\$ 1,190	\$ 813	\$ 578
Interest	421	502	0	598	471	365	531
Differences Between Actual and Expected Experience	0	0	0	(1,346)	199	513	0
Changes in Benefit Terms	0	(14,531)	16,299	0	0	0	(15,522)
Changes in Assumptions	(1,457)	0	0	3,960	(5,862)	(3,324)	0
Benefit Payments	0	(113)	0	(256)	(19)	(10)	(33)
Net Change in Total OPEB Liability	\$ (187)	\$ (13,396)	\$ 16,299	\$ 3,811	\$ (4,021)	\$ (1,643)	\$ (14,446)
Total OPEB Liability, Beginning	13,583	13,396	0	16,299	20,110	16,089	14,446
Total OPEB Liability, Ending	\$ 13,396	\$ 0	\$ 16,299	\$ 20,110	\$ 16,089	\$ 14,446	\$ 0
Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total OPEB Liability as a percentage of Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(Continued)

OVERTON COUNTY, TENNESSEE

Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Government Plans (Cont.)

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.

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

Discretely Presented Overton County School Department

For the Fiscal Year Ended June 30**Local Education Plan**

	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability							
Service Cost	\$ 337,837	\$ 311,697	\$ 266,003	\$ 235,416	\$ 315,398	\$ 385,511	\$ 294,111
Interest	182,077	219,830	194,779	194,741	153,431	168,074	276,208
Changes in Benefit Terms	0	(1,013,086)	(204,578)	0	0	0	0
Differences Between Actual and Expected Experience	0	(131,244)	635,664	400,491	81,124	640,306	(131,288)
Changes in Assumptions or Other Inputs	(289,836)	152,065	(419,372)	734,254	468,243	(801,809)	606,217
Benefit Payments	(254,268)	(274,645)	(303,965)	(244,123)	(256,147)	(243,103)	(317,165)
Net Change in Total OPEB Liability	\$ (24,190)	\$ (735,383)	\$ 168,531	\$ 1,320,779	\$ 762,049	\$ 148,979	\$ 728,083
Total OPEB Liability, Beginning	6,024,823	6,000,633	5,265,250	5,433,781	6,754,560	7,516,609	7,665,588
Total OPEB Liability, Ending	\$ 6,000,633	\$ 5,265,250	\$ 5,433,781	\$ 6,754,560	\$ 7,516,609	\$ 7,665,588	\$ 8,393,671
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 2,090,315	\$ 1,614,289	\$ 1,781,720	\$ 2,124,220	\$ 2,510,959	\$ 2,752,175	\$ 3,127,094
Employer Proportionate Share of the Total OPEB Liability	3,910,318	3,650,961	3,652,061	4,630,340	5,005,650	4,913,413	5,266,577
Covered Employee Payroll	\$ 15,452,856	\$ 15,824,867	\$ 15,828,081	\$ 16,242,107	\$ 16,744,855	\$ 18,242,534	\$ 19,061,022
Net OPEB Liability as a Percentage of Covered Employee Payroll	38.83%	33.27%	34.33%	41.59%	44.89%	42.02%	44.04%
State Administered Medicare Plan							
Total OPEB Liability							
Service Cost	\$ 67,589	\$ 55,245	\$ 24,518	\$ 34,100	\$ 37,199	\$ 36,396	\$ 22,243
Interest	85,496	96,598	47,631	51,525	34,628	31,228	41,494
Changes in Benefit Terms	0	(1,203,949)	0	(199,069)	0	0	0
Differences Between Actual and Expected Experience	0	(225,219)	(90,989)	(6,935)	54,420	(37,533)	16,267
Changes in Assumptions or Other Inputs	(250,587)	(10,478)	212,336	265,353	(195,900)	(237,442)	(12,680)
Benefit Payments	(103,800)	(105,548)	(53,132)	(48,618)	(49,583)	(51,790)	(52,543)
Net Change in Total OPEB Liability	\$ (201,302)	\$ (1,393,351)	\$ 140,364	\$ 96,356	\$ (119,236)	\$ (259,141)	\$ 14,781
Total OPEB Liability, Beginning	2,912,249	2,710,947	1,317,596	1,457,960	1,554,316	1,435,080	1,175,939
Total OPEB Liability, Ending	\$ 2,710,947	\$ 1,317,596	\$ 1,457,960	\$ 1,554,316	\$ 1,435,080	\$ 1,175,939	\$ 1,190,720
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 1,257,256	\$ 1,182,084	\$ 1,069,398	\$ 1,315,006	\$ 1,161,205	\$ 974,487	\$ 1,016,697
Employer Proportionate Share of the Total OPEB Liability	1,453,691	135,512	388,562	239,310	273,875	201,452	174,023
Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total OPEB Liability as a percentage of Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(Continued)

OVERTON COUNTY, TENNESSEE

Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Education Plans (Cont.)

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%
2022	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.

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

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

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

Methods and assumptions used to determine contribution rates:

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

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

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

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

American Rescue Plan Fund – The American Rescue Plan Fund is used to account for funding related to the American Rescue Plan Act Grant. Grant revenue is the foundational revenue of this fund.

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

CAPITAL PROJECTS FUNDS

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

Other Capital Projects – The Other Capital Projects-Public Safety Fund is used to account for transactions to acquire public safety vehicles.

OVERTON COUNTY, TENNESSEE**Combining Balance Sheet**

Nonmajor Governmental Funds

June 30, 2024**ASSETS**

Cash
 Equity in Pooled Cash and Investments
 Accounts Receivable

Special Revenue Funds					
Courthouse and Jail Maintenance	Drug Control	American Rescue Plan	Constitu - tional Officers - Fees	Total	
\$ 0	\$ 0	\$ 0	\$ 1,300	\$ 1,300	
15,503	70,199	1,854,848	0	1,940,550	
0	0	0	1,414	1,414	
\$ 15,503	\$ 70,199	\$ 1,854,848	\$ 2,714	\$ 1,943,264	

LIABILITIES

Due to Other Funds
 Total Liabilities

\$ 0	\$ 0	\$ 0	\$ 2,714	\$ 2,714	
\$ 0	\$ 0	\$ 0	\$ 2,714	\$ 2,714	

FUND BALANCES

Restricted:

Restricted for General Government
 Restricted for General Government - American Rescue Plan Act
 Restricted for Public Safety

\$ 15,503	\$ 0	\$ 0	\$ 0	\$ 0	\$ 15,503
0	0	1,854,848	0	0	1,854,848
0	70,199	0	0	0	70,199

Committed:

Committed for Public Safety
 Total Fund Balances

0	0	0	0	0	0
\$ 15,503	\$ 70,199	\$ 1,854,848	\$ 0	\$ 0	\$ 1,940,550

Total Liabilities and Fund Balances

\$ 15,503	\$ 70,199	\$ 1,854,848	\$ 2,714	\$ 1,943,264	
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(Continued)

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

	<u>Capital Projects Fund</u>		Total
	Other Capital Projects	Nonmajor Governmental Funds	
ASSETS			
Cash	\$ 0	\$ 1,300	
Equity in Pooled Cash and Investments	238,373	2,178,923	
Accounts Receivable	0	1,414	
Total Assets	\$ 238,373	\$ 2,181,637	
LIABILITIES			
Due to Other Funds	\$ 0	\$ 2,714	
Total Liabilities	\$ 0	\$ 2,714	
FUND BALANCES			
Restricted:			
Restricted for General Government	\$ 0	\$ 15,503	
Restricted for General Government - American Rescue Plan Act	0	1,854,848	
Restricted for Public Safety	0	70,199	
Committed:			
Committed for Public Safety	238,373	238,373	
Total Fund Balances	\$ 238,373	\$ 2,178,923	
Total Liabilities and Fund Balances	\$ 238,373	\$ 2,181,637	

Exhibit F-2

OVERTON 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				
	Courthouse and Jail Maintenance	Drug Control	American Rescue Plan	Consti- tutional Officers - Fees	Total
Revenues					
Local Taxes	\$ 304	\$ 0	\$ 0	\$ 0	\$ 304
Fines, Forfeitures, and Penalties	0	9,605	0	0	9,605
Charges for Current Services	0	0	0	2,812	2,812
Other Local Revenues	0	3,093	99,914	0	103,007
Fees Received From County Officials	0	180	0	0	180
State of Tennessee	0	0	0	0	0
Total Revenues	\$ 304	\$ 12,878	\$ 99,914	\$ 2,812	\$ 115,908
Expenditures					
Current:					
Finance	\$ 0	\$ 0	\$ 0	\$ 300	\$ 300
Administration of Justice	0	0	0	2,400	2,400
Public Safety	0	11,054	0	112	11,166
Other Operations	3	0	141,911	0	141,914
Capital Projects	0	0	0	0	0
Total Expenditures	\$ 3	\$ 11,054	\$ 141,911	\$ 2,812	\$ 155,780
Excess (Deficiency) of Revenues Over Expenditures	\$ 301	\$ 1,824	\$ (41,997)	\$ 0	\$ (39,872)
Net Change in Fund Balances	\$ 301	\$ 1,824	\$ (41,997)	\$ 0	\$ (39,872)
Fund Balance, July 1, 2023	15,202	68,375	1,896,845	0	1,980,422
Fund Balance, June 30, 2024	\$ 15,503	\$ 70,199	\$ 1,854,848	\$ 0	\$ 1,940,550

(Continued)

Exhibit F-2

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

	<u>Capital Projects Fund</u>		Total
	Other Capital Projects	Nonmajor Governmental Funds	
Revenues			
Local Taxes	\$ 0	\$ 304	
Fines, Forfeitures, and Penalties	0	9,605	
Charges for Current Services	0	2,812	
Other Local Revenues	0	103,007	
Fees Received From County Officials	0	180	
State of Tennessee	674,821	674,821	
Total Revenues	\$ 674,821	\$ 790,729	
Expenditures			
Current:			
Finance	\$ 0	\$ 300	
Administration of Justice	0	2,400	
Public Safety	0	11,166	
Other Operations	0	141,914	
Capital Projects	436,448	436,448	
Total Expenditures	\$ 436,448	\$ 592,228	
Excess (Deficiency) of Revenues			
Over Expenditures	\$ 238,373	\$ 198,501	
Net Change in Fund Balances	\$ 238,373	\$ 198,501	
Fund Balance, July 1, 2023	0	1,980,422	
Fund Balance, June 30, 2024	\$ 238,373	\$ 2,178,923	

OVERTON COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Courthouse and Jail Maintenance Fund
For the Year Ended June 30, 2024

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 304	\$ 425	\$ 425	\$ (121)
Total Revenues	\$ 304	\$ 425	\$ 425	\$ (121)
Expenditures				
General Government				
County Buildings	\$ 0	\$ 200	\$ 200	\$ 200
Other Operations				
Other Charges	3	50	50	47
Total Expenditures	\$ 3	\$ 250	\$ 250	\$ 247
Excess (Deficiency) of Revenues Over Expenditures	\$ 301	\$ 175	\$ 175	\$ 126
Net Change in Fund Balance	\$ 301	\$ 175	\$ 175	\$ 126
Fund Balance, July 1, 2023	15,202	14,949	14,949	253
Fund Balance, June 30, 2024	<u>\$ 15,503</u>	<u>\$ 15,124</u>	<u>\$ 15,124</u>	<u>\$ 379</u>

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

Drug Control 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							
Fines, Forfeitures, and Penalties	\$ 9,605	\$ 0	\$ 0	\$ 9,605	\$ 10,600	\$ 10,600	\$ (95)
Other Local Revenues	3,093	0	0	3,093	2,000	2,000	1,093
Fees Received From County Officials	180	0	0	180	200	200	(20)
Total Revenues	\$ 12,878	\$ 0	\$ 0	\$ 12,878	\$ 12,800	\$ 12,800	\$ 78
Expenditures							
Public Safety							
Drug Enforcement	\$ 11,054	\$ (2,083)	\$ 5,209	\$ 14,180	\$ 33,160	\$ 33,160	\$ 18,980
Total Expenditures	\$ 11,054	\$ (2,083)	\$ 5,209	\$ 14,180	\$ 33,160	\$ 33,160	\$ 18,980
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,824	\$ 2,083	\$ (5,209)	\$ (1,302)	\$ (20,360)	\$ (20,360)	\$ 19,058
Net Change in Fund Balance Fund Balance, July 1, 2023	\$ 1,824	\$ 2,083	\$ (5,209)	\$ (1,302)	\$ (20,360)	\$ (20,360)	\$ 19,058
	68,375	(2,083)	0	66,292	37,477	37,477	28,815
Fund Balance, June 30, 2024	\$ 70,199	\$ 0	\$ (5,209)	\$ 64,990	\$ 17,117	\$ 17,117	\$ 47,873

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

American Rescue Plan 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							
Other Local Revenues	\$ 99,914	\$ 0	\$ 0	\$ 99,914	\$ 0	\$ 0	\$ 99,914
Total Revenues	\$ 99,914	\$ 0	\$ 0	\$ 99,914	\$ 0	\$ 0	\$ 99,914
Expenditures							
General Government							
Other General Administration	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,000	\$ 3,000
Other Operations							
American Rescue Plan Act Grant #1	141,911	(100,000)	21,791	63,702	1,715,460	1,712,460	1,648,758
Total Expenditures	\$ 141,911	\$ (100,000)	\$ 21,791	\$ 63,702	\$ 1,715,460	\$ 1,715,460	\$ 1,651,758
Excess (Deficiency) of Revenues Over Expenditures	\$ (41,997)	\$ 100,000	\$ (21,791)	\$ 36,212	\$ (1,715,460)	\$ (1,715,460)	\$ 1,751,672
Net Change in Fund Balance	\$ (41,997)	\$ 100,000	\$ (21,791)	\$ 36,212	\$ (1,715,460)	\$ (1,715,460)	\$ 1,751,672
Fund Balance, July 1, 2023	1,896,845	(100,000)	0	1,796,845	1,789,350	1,789,350	7,495
Fund Balance, June 30, 2024	\$ 1,854,848	\$ 0	\$ (21,791)	\$ 1,833,057	\$ 73,890	\$ 73,890	\$ 1,759,167

MAJOR GOVERNMENTAL FUNDS

GENERAL DEBT SERVICE FUND

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

Exhibit G

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

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Local Taxes	\$ 19,023	\$ 48,825	\$ 48,825	\$ (29,802)
Other Local Revenues	1,579,571	201,000	201,000	1,378,571
Other Governments and Citizens Groups	1,377,399	0	1,377,399	0
Total Revenues	\$ 2,975,993	\$ 249,825	\$ 1,627,224	\$ 1,348,769
Expenditures				
Principal on Debt				
General Government	\$ 810,000	\$ 450,000	\$ 810,000	\$ 0
Education	1,095,108	0	1,095,108	0
Interest on Debt				
General Government	208,551	18,000	208,551	0
Education	91,440	0	91,440	0
Other Debt Service				
General Government	17,135	45,500	45,500	28,365
Education	300	0	300	0
Total Expenditures	\$ 2,222,534	\$ 513,500	\$ 2,250,899	\$ 28,365
Excess (Deficiency) of Revenues Over Expenditures	\$ 753,459	\$ (263,675)	\$ (623,675)	\$ 1,377,134
Other Financing Sources (Uses)				
Transfers Out	\$ (713,000)	\$ (713,000)	\$ (713,000)	\$ 0
Total Other Financing Sources	\$ (713,000)	\$ (713,000)	\$ (713,000)	\$ 0
Net Change in Fund Balance	\$ 40,459	\$ (976,675)	\$ (1,336,675)	\$ 1,377,134
Error Correction - See Note I.D.10.	6,450,000	0	0	6,450,000
Fund Balance, July 1, 2023	1,496,467	1,391,038	1,496,467	0
Fund Balance, June 30, 2024	\$ 7,986,926	\$ 414,363	\$ 159,792	\$ 7,827,134

CUSTODIAL FUNDS

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

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

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

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

Custodial Funds					
	Constitu -				
Cities -	tional				
Sales	Officers -				
Tax	Custodial				Total
ASSETS					
Cash	\$ 0	\$ 1,462,509	\$ 1,462,509		
Due from Other Governments	\$ 247,949	\$ 0	\$ 247,949		
Total Assets	\$ 247,949	\$ 1,462,509	\$ 1,710,458		
LIABILITIES					
Due to Other Taxing Units	\$ 247,949	\$ 0	\$ 247,949		
Total Liabilities	\$ 247,949	\$ 0	\$ 247,949		
NET POSITION					
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 1,462,509	\$ 1,462,509		
Total Net Position	\$ 0	\$ 1,462,509	\$ 1,462,509		

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

	Custodial Funds			
	Cities -	Sales	Officers -	Total
		Tax	Custodial	
Additions				
Sales Tax Collections for Other Governments	\$ 1,420,160	\$ 0	\$ 1,420,160	
Fines/Fees and Other Collections	0	7,380,232	7,380,232	
Total Additions	\$ 1,420,160	\$ 7,380,232	\$ 8,800,392	
Deductions				
Payment of Sales Tax Collections for Other Governments	\$ 1,420,160	\$ 0	\$ 1,420,160	
Payments to State	0	3,316,099	3,316,099	
Payments to Cities, Individuals and Others	0	3,556,643	3,556,643	
Total Deductions	\$ 1,420,160	\$ 6,872,742	\$ 8,292,902	
Change in Net Position	\$ 0	\$ 507,490	\$ 507,490	
Net Position July 1, 2023	0	955,019	955,019	
Net Position June 30, 2024	\$ 0	\$ 1,462,509	\$ 1,462,509	

OVERTON COUNTY SCHOOL DEPARTMENT

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

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

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

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

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

Education Debt Service Fund – The Education Debt Service Fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs.

Education Capital Projects Fund – The Education Capital Projects Fund is used to account for transactions associated with the construction and renovations of the school department.

OVERTON COUNTY, TENNESSEE**Statement of Activities**

Discretely Presented Overton County School Department

For the Year Ended June 30, 2024

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants	Total	
					Governmental	Activities
Governmental Activities:						
Instruction	\$ 19,611,357	\$ 19,378	\$ 2,868,176	\$ 0	\$ (16,723,803)	
Support Services	12,726,868	13,984	4,168,496	14,003,850		5,459,462
Operation of Non-instructional Services	4,369,376	392,064	3,718,131	0		(259,181)
Interest on Long-term Debt	91,440	0	0	0		(91,440)
Total Governmental Activities	<u>\$ 36,799,041</u>	<u>\$ 425,426</u>	<u>\$ 10,754,803</u>	<u>\$ 14,003,850</u>	<u>\$ (11,614,962)</u>	
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 2,246,205	
Local Option Sales Taxes					3,486,862	
Wheel Tax					695,626	
Wholesale Beer Tax					108,958	
Mixed Drink Tax					18,455	
Other Local Taxes					1,137	
Grants and Contributions Not Restricted for Specific Programs					25,178,047	
Unrestricted Investment Income					318,754	
Miscellaneous					48,804	
Total General Revenues					<u>\$ 32,102,848</u>	
Insurance Recovery					<u>\$ 61,708</u>	
Change in Net Position					<u>\$ 20,549,594</u>	
Net Position, July 1, 2023					<u>\$ 35,842,889</u>	
Net Position, June 30, 2024					<u>\$ 56,392,483</u>	

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

Discretely Presented Overton County School Department

June 30, 2024

	Major Funds				Nonmajor Funds	
	General	School	Education	Other	Govern- mental Funds	Total Governmental Funds
	Purpose	Federal	Capital	Govern- mental		
ASSETS						
Cash	\$ 0	\$ 0	\$ 0	\$ 605,524	\$ 605,524	
Equity in Pooled Cash and Investments	13,619,232	272,806	14,475,124	2,190,077	30,557,239	
Inventories	0	0	0	76,785	76,785	
Accounts Receivable	0	3	0	0	3	
Due from Other Governments	1,586,883	420,453	0	32,221	2,039,557	
Due from Other Funds	0	7,312	0	0	7,312	
Property Taxes Receivable	2,285,511	0	0	0	2,285,511	
Allowance for Uncollectible Property Taxes	(29,808)	0	0	0	(29,808)	
Restricted Assets	246,181	0	0	0	246,181	
Total Assets	\$ 17,707,999	\$ 700,574	\$ 14,475,124	\$ 2,904,607	\$ 35,788,304	
LIABILITIES						
Accrued Payroll	\$ 2,993	\$ 570	\$ 0	\$ 0	\$ 3,563	
Total Liabilities	\$ 2,993	\$ 570	\$ 0	\$ 0	\$ 3,563	
DEFERRED INFLOWS OF RESOURCES						
Deferred Current Property Taxes	\$ 2,183,584	\$ 0	\$ 0	\$ 0	\$ 2,183,584	
Deferred Delinquent Property Taxes	68,740	0	0	0	68,740	
Other Deferred/Unavailable Revenue	295,236	0	0	0	295,236	
Total Deferred Inflows of Resources	\$ 2,547,560	\$ 0	\$ 0	\$ 0	\$ 2,547,560	

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

	Major Funds				Nonmajor Funds	
	General Purpose School	School Federal Projects	Education Capital Projects	Other Govern- mental Funds	Total Govern- mental Funds	
FUND BALANCES						
Nonspendable:						
Inventory	\$ 0	\$ 0	\$ 0	\$ 76,785	\$ 76,785	
Restricted:						
Restricted for Education	81,284	4	14,300,198	1,218,542	15,600,028	
Restricted for Hybrid Retirement Stabilization Funds	246,181	0	0	0	246,181	
Committed:						
Committed for Education	0	700,000	174,926	1,609,280	2,484,206	
Assigned:						
Assigned for Education	409,785	0	0	0	409,785	
Unassigned	14,420,196	0	0	0	14,420,196	
Total Fund Balances	<u>\$ 15,157,446</u>	<u>\$ 700,004</u>	<u>\$ 14,475,124</u>	<u>\$ 2,904,607</u>	<u>\$ 33,237,181</u>	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u><u>\$ 17,707,999</u></u>	<u><u>\$ 700,574</u></u>	<u><u>\$ 14,475,124</u></u>	<u><u>\$ 2,904,607</u></u>	<u><u>\$ 35,788,304</u></u>	

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

Discretely Presented Overton County School Department

June 30, 2024

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

Total fund balances - balance sheet - governmental funds (Exhibit I-2)	\$ 33,237,181
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	
Add: land	\$ 891,763
Add: construction in progress	1,633,826
Add: buildings and improvements net of accumulated depreciation	16,943,501
Add: infrastructure net of accumulated depreciation	458,895
Add: other capital assets net of accumulated depreciation	<u>2,151,290</u> 22,079,275
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	
Less: contributions due on primary government debt for bonds	\$ (835,250)
Less: contributions due on primary government debt for other loans	(2,018,393)
Less: net OPEB liability	(5,440,600)
Less: net pension liability	(254,511)
Less: compensated absences payable	<u>(26,882)</u> (8,575,636)
(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	\$ 5,094,652
Less: deferred inflows of resources related to pensions	(547,396)
Add: deferred outflows of resources related to OPEB	1,967,034
Less: deferred inflows of resources related to OPEB	<u>(1,455,574)</u> 5,058,716
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.	
Add: net pension asset - teacher retirement plan	\$ 59,272
Add: net pension asset - teacher legacy pension plan	<u>4,169,699</u> 4,228,971
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.	<u>363,976</u>
Net position of governmental activities (Exhibit A)	<u>\$ 56,392,483</u>

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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General Purpose School	School Federal Projects	Education Capital Projects	Other Governmental Funds		
Revenues						
Local Taxes	\$ 5,870,334	\$ 0	\$ 0	\$ 695,626	\$ 6,565,960	
Licenses and Permits	1,437	0	0	0	0	1,437
Charges for Current Services	19,378	0	0	392,064	411,442	
Other Local Revenues	124,102	0	296,348	1,233,827	1,654,277	
State of Tennessee	26,750,113	0	0	13,991	26,764,104	
Federal Government	209,766	5,700,596	0	1,543,728	7,454,090	
Other Governments and Citizens Groups	108,004	0	14,003,850	0	14,111,854	
Total Revenues	\$ 33,083,134	\$ 5,700,596	\$ 14,300,198	\$ 3,879,236	\$ 56,963,164	
Expenditures						
Current:						
Instruction	\$ 16,775,408	\$ 1,933,632	\$ 0	\$ 0	\$ 0	18,709,040
Support Services	10,165,355	1,407,064	0	0	0	11,572,419
Operation of Non-Instructional Services	610,497	380,954	0	3,377,925	3,377,925	4,369,376
Capital Outlay	1,562,329	1,939,123	0	0	0	3,501,452
Debt Service:						
Principal on Debt	0	0	0	1,095,108	1,095,108	
Interest on Debt	0	0	0	91,440	91,440	
Other Debt Service	0	0	0	7,267	7,267	
Total Expenditures	\$ 29,113,589	\$ 5,660,773	\$ 0	\$ 4,571,740	\$ 4,571,740	39,346,102

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General Purpose School	School Federal Projects	Education Capital Projects	Other Govern- mental Funds		
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,969,545	\$ 39,823	\$ 14,300,198	\$ (692,504)	\$ 17,617,062	
Other Financing Sources (Uses)						
Insurance Recovery	\$ 61,708	\$ 0	\$ 0	\$ 0	\$ 61,708	
Transfers In	18,369	0	0	589,904	608,273	
Transfers Out	(589,904)	(18,369)	0	0	(608,273)	
Total Other Financing Sources (Uses)	\$ (509,827)	\$ (18,369)	\$ 0	\$ 589,904	\$ 61,708	
Net Change in Fund Balances	\$ 3,459,718	\$ 21,454	\$ 14,300,198	\$ (102,600)	\$ 17,678,770	
Fund Balance, July 1, 2023	11,697,728	678,550	174,926	3,007,207	15,558,411	
Fund Balance, June 30, 2024	<u>\$ 15,157,446</u>	<u>\$ 700,004</u>	<u>\$ 14,475,124</u>	<u>\$ 2,904,607</u>	<u>\$ 33,237,181</u>	

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

Net change in fund balances - total governmental funds (Exhibit I-4)		\$ 17,678,770
(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	\$ 3,087,698	
Less: current-year depreciation expense	<u>(896,413)</u>	2,191,285
(2) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2024	\$ 363,976	
Less: deferred delinquent property taxes and other deferred June 30, 2023	<u>(341,694)</u>	22,282
(3) The contributions of long-term debt (e.g., bonds, notes, other loans, leases) by the primary government provide current financial resources to governmental funds, while contributions by the school department of the principal of long-term debt consume the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Add: principal contributions on bonds to primary government	\$ 855,000	
Add: principal contributions on other loans to primary government	<u>240,108</u>	1,095,108
(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 governmental funds.		
Change in compensated absences payable	\$ (445)	
Change in net pension asset/liability - agent plan	(93,088)	
Change in net pension asset - teacher retirement plan	18,642	
Change in net pension asset - teacher legacy pension plan	64,206	
Change in deferred outflows related to pensions	(526,011)	
Change in deferred inflows related to pensions	238,089	
Change in OPEB liability	(325,735)	
Change in deferred outflows related to OPEB	(32,798)	
Change in deferred inflows related to OPEB	<u>219,289</u>	<u>(437,851)</u>
Change in net position of governmental activities (Exhibit B)		\$ <u>20,549,594</u>

Exhibit I-6

OVERTON COUNTY, TENNESSEE

Combining Balance Sheet - Nonmajor Governmental Funds

Discretely Presented Overton County School Department

June 30, 2024

	Special Revenue Funds			Debt Service Fund		Total Nonmajor Governmental Funds
	Central Cafeteria	Internal School	Total	Education Debt Service		
ASSETS						
Cash	\$ 7,041	\$ 598,483	\$ 605,524	\$ 0	\$ 605,524	
Equity in Pooled Cash and Investments	647,661	0	647,661	1,542,416	2,190,077	
Inventories	75,623	1,162	76,785	0	76,785	
Due from Other Governments	32,221	0	32,221	0	32,221	
Total Assets	\$ 762,546	\$ 599,645	\$ 1,362,191	\$ 1,542,416	\$ 2,904,607	
FUND BALANCES						
Nonspendable:						
Inventory	\$ 75,623	\$ 1,162	\$ 76,785	\$ 0	\$ 76,785	
Restricted:						
Restricted for Education	620,059	598,483	1,218,542	0	1,218,542	
Committed:						
Committed for Education	66,864	0	66,864	1,542,416	1,609,280	
Total Fund Balances	\$ 762,546	\$ 599,645	\$ 1,362,191	\$ 1,542,416	\$ 2,904,607	

OVERTON COUNTY, TENNESSEE

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

	Special Revenue Funds			Debt Service Fund		Total Nonmajor Governmental Funds
	Central Cafeteria	Internal School	Total	Education Debt Service		
Revenues						
Local Taxes	\$ 0	\$ 0	\$ 0	\$ 695,626	\$ 695,626	
Charges for Current Services	392,064	0	392,064	0	0	392,064
Other Local Revenues	170	1,233,657	1,233,827	0	0	1,233,827
State of Tennessee	13,991	0	13,991	0	0	13,991
Federal Government	1,543,728	0	1,543,728	0	0	1,543,728
Total Revenues	\$ 1,949,953	\$ 1,233,657	\$ 3,183,610	\$ 695,626	\$ 695,626	\$ 3,879,236
Expenditures						
Current:						
Operation of Non-Instructional Services	\$ 1,976,685	\$ 1,401,240	\$ 3,377,925	\$ 0	\$ 0	\$ 3,377,925
Debt Service:						
Principal on Debt	0	0	0	1,095,108	1,095,108	
Interest on Debt	0	0	0	91,440	91,440	
Other Debt Service	0	0	0	7,267	7,267	
Total Expenditures	\$ 1,976,685	\$ 1,401,240	\$ 3,377,925	\$ 1,193,815	\$ 1,193,815	\$ 4,571,740
Excess (Deficiency) of Revenues Over Expenditures	\$ (26,732)	\$ (167,583)	\$ (194,315)	\$ (498,189)	\$ (498,189)	\$ (692,504)
Other Financing Sources (Uses)						
Transfers In	\$ 0	\$ 0	\$ 0	\$ 589,904	\$ 589,904	
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 589,904	\$ 589,904	
Net Change in Fund Balances	\$ (26,732)	\$ (167,583)	\$ (194,315)	\$ 91,715	\$ 91,715	\$ (102,600)
Fund Balance, July 1, 2023	789,278	767,228	1,556,506	1,450,701	1,450,701	3,007,207
Fund Balance, June 30, 2024	\$ 762,546	\$ 599,645	\$ 1,362,191	\$ 1,542,416	\$ 1,542,416	\$ 2,904,607

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

Discretely Presented Overton County School Department

General Purpose School Fund

For the Year Ended June 30, 2024

	Actual (GAAP Basis)			Actual Revenues/ Expenditures (Budgetary Basis)		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Original	Final			
Revenues								
Local Taxes	\$ 5,870,334	\$ 0	\$ 0	\$ 5,870,334	\$ 4,925,393	\$ 4,925,393	\$ 944,941	
Licenses and Permits	1,437	0	0	1,437	1,400	1,400	37	
Charges for Current Services	19,378	0	0	19,378	5,280	5,280	14,098	
Other Local Revenues	124,102	0	0	124,102	49,250	49,250	74,852	
State of Tennessee	26,750,113	0	0	26,750,113	23,897,890	27,472,940	(722,827)	
Federal Government	209,766	0	0	209,766	571,761	739,261	(529,495)	
Other Governments and Citizens Groups	108,004	0	0	108,004	0	108,004	0	
Total Revenues	\$ 33,083,134	\$ 0	\$ 0	\$ 33,083,134	\$ 29,450,974	\$ 33,301,528	\$ (218,394)	
Expenditures								
Instruction								
Regular Instruction Program	\$ 13,336,680	\$ (4,222)	\$ 0	\$ 13,332,458	\$ 14,907,745	\$ 15,115,894	\$ 1,783,436	
Alternative Instruction Program	83,055	0	0	83,055	85,846	85,846	2,791	
Special Education Program	2,158,820	(1,200)	175	2,157,795	2,177,499	2,194,881	37,086	
Career and Technical Education Program	1,196,853	(34,426)	0	1,162,427	793,911	2,440,436	1,278,009	
Support Services								
Attendance	138,152	0	0	138,152	162,655	168,998	30,846	
Health Services	339,657	0	0	339,657	377,507	384,029	44,372	
Other Student Support	754,065	0	31,500	785,565	969,100	1,097,823	312,258	
Regular Instruction Program	951,731	(2,000)	0	949,731	1,034,513	1,049,771	100,040	
Special Education Program	337,166	0	0	337,166	320,252	338,352	1,186	
Career and Technical Education Program	34,138	0	4,195	38,333	23,622	283,516	245,183	
Technology	331,869	0	14,328	346,197	180,894	355,043	8,846	
Other Programs	171,590	0	0	171,590	0	171,590	0	
Board of Education	471,707	0	2,221	473,928	477,230	513,030	39,102	

(Continued)

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

Discretely Presented Overton 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.)							
Director of Schools	\$ 150,690	\$ 0	\$ 0	\$ 150,690	\$ 158,445	\$ 151,945	\$ 1,255
Office of the Principal	1,942,372	0	0	1,942,372	2,042,448	1,963,462	21,090
Fiscal Services	359,395	0	0	359,395	407,067	407,067	47,672
Operation of Plant	2,048,143	0	0	2,048,143	2,286,180	2,240,621	192,478
Maintenance of Plant	577,962	0	10,000	587,962	504,715	604,115	16,153
Transportation	1,556,718	0	0	1,556,718	1,390,406	1,641,249	84,531
Operation of Non-Instructional Services							
Food Service	19,347	0	0	19,347	5,000	20,981	1,634
Community Services	68,318	(5,051)	0	63,267	616,256	615,256	551,989
Early Childhood Education	522,832	(17,211)	0	505,621	529,683	500,406	(5,215)
Capital Outlay							
Regular Capital Outlay	1,562,329	0	347,366	1,909,695	0	1,932,700	23,005
Total Expenditures	\$ 29,113,589	\$ (64,110)	\$ 409,785	\$ 29,459,264	\$ 29,450,974	\$ 34,277,011	\$ 4,817,747
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,969,545	\$ 64,110	\$ (409,785)	\$ 3,623,870	\$ 0	\$ (975,483)	\$ 4,599,353
Other Financing Sources (Uses)							
Insurance Recovery	\$ 61,708	\$ 0	\$ 0	\$ 61,708	\$ 0	\$ 0	\$ 61,708
Transfers In	18,369	0	0	18,369	25,000	25,000	(6,631)
Transfers Out	(589,904)	0	0	(589,904)	(589,904)	(589,904)	0
Total Other Financing Sources	\$ (509,827)	\$ 0	\$ 0	\$ (509,827)	\$ (564,904)	\$ (564,904)	\$ 55,077
Net Change in Fund Balance Fund Balance, July 1, 2023	\$ 3,459,718	\$ 64,110	\$ (409,785)	\$ 3,114,043	\$ (564,904)	\$ (1,540,387)	\$ 4,654,430
	11,697,728	(64,110)	0	11,633,618	8,619,739	8,619,739	3,013,879
Fund Balance, June 30, 2024	\$ 15,157,446	\$ 0	\$ (409,785)	\$ 14,747,661	\$ 8,054,835	\$ 7,079,352	\$ 7,668,309

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

Discretely Presented Overton County School Department

School Federal Projects 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	Original	Final	
Revenues								
Federal Government	\$ 5,700,596	\$ 0	\$ 0	\$ 5,700,596	\$ 7,269,026	\$ 7,876,800	\$ (2,176,204)	
Total Revenues	\$ 5,700,596	\$ 0	\$ 0	\$ 5,700,596	\$ 7,269,026	\$ 7,876,800	\$ (2,176,204)	
Expenditures								
Instruction								
Regular Instruction Program	\$ 796,731	\$ 0	\$ 0	\$ 796,731	\$ 1,208,709	\$ 893,369	\$ 96,638	
Special Education Program	1,055,440	(3,098)	0	1,052,342	800,262	1,112,659	60,317	
Career and Technical Education Program	81,461	0	0	81,461	85,054	81,461	0	
Support Services								
Attendance	3,600	0	0	3,600	3,600	3,600	0	
Health Services	13,258	(13,258)	0	0	1,000	1,000	1,000	
Other Student Support	142,996	0	0	142,996	181,663	289,477	146,481	
Regular Instruction Program	1,035,872	0	16,250	1,052,122	888,028	1,202,398	150,276	
Special Education Program	160,276	0	0	160,276	132,698	202,699	42,423	
Career and Technical Education Program	6,293	0	0	6,293	3,919	6,293	0	
Operation of Plant	4,034	0	0	4,034	0	4,300	266	
Transportation	40,735	0	0	40,735	42,531	44,943	4,208	
Operation of Non-Instructional Services								
Food Service	976	0	0	976	7,000	7,000	6,024	
Community Services	379,978	0	0	379,978	430,970	419,221	39,243	
Capital Outlay								
Regular Capital Outlay	1,939,123	(665,734)	1,233,268	2,506,657	3,392,446	3,588,953	1,082,296	
Total Expenditures	\$ 5,660,773	\$ (682,090)	\$ 1,249,518	\$ 6,228,201	\$ 7,177,880	\$ 7,857,373	\$ 1,629,172	

(Continued)

OVERTON COUNTY, TENNESSEE**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget**Discretely Presented Overton County School Department
School Federal Projects Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Excess (Deficiency) of Revenues Over Expenditures	\$ 39,823	\$ 682,090	\$ (1,249,518)	\$ (527,605)	\$ 91,146	\$ 19,427	\$ (547,032)
Other Financing Sources (Uses)							
Transfers Out	\$ (18,369)	\$ 0	\$ 0	\$ (18,369)	\$ (91,142)	\$ (19,427)	\$ 1,058
Total Other Financing Sources	\$ (18,369)	\$ 0	\$ 0	\$ (18,369)	\$ (91,142)	\$ (19,427)	\$ 1,058
Net Change in Fund Balance Fund Balance, July 1, 2023	\$ 21,454	\$ 682,090	\$ (1,249,518)	\$ (545,974)	\$ 4	\$ 0	\$ (545,974)
	678,550	(682,090)	0	(3,540)	0	0	(3,540)
Fund Balance, June 30, 2024	\$ 700,004	\$ 0	\$ (1,249,518)	\$ (549,514)	\$ 4	\$ 0	\$ (549,514)

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

Discretely Presented Overton 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	\$ 392,064	\$ 534,000	\$ 534,000	\$ (141,936)
Other Local Revenues	170	19,500	19,500	(19,330)
State of Tennessee	13,991	17,600	17,600	(3,609)
Federal Government	1,543,728	1,783,000	1,783,000	(239,272)
Total Revenues	<u>\$ 1,949,953</u>	<u>\$ 2,354,100</u>	<u>\$ 2,354,100</u>	<u>\$ (404,147)</u>
Expenditures				
Operation of Non-Instructional Services				
Food Service	\$ 1,976,685	\$ 2,354,100	\$ 2,354,100	\$ 377,415
Total Expenditures	<u>\$ 1,976,685</u>	<u>\$ 2,354,100</u>	<u>\$ 2,354,100</u>	<u>\$ 377,415</u>
Excess (Deficiency) of Revenues				
Over Expenditures	\$ (26,732)	\$ 0	\$ 0	\$ (26,732)
Net Change in Fund Balance	\$ (26,732)	\$ 0	\$ 0	\$ (26,732)
Fund Balance, July 1, 2023	789,278	694,404	694,404	94,874
Fund Balance, June 30, 2024	<u>\$ 762,546</u>	<u>\$ 694,404</u>	<u>\$ 694,404</u>	<u>\$ 68,142</u>

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

Discretely Presented Overton County School Department
Education Debt Service Fund

For the Year Ended June 30, 2024

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 695,626	\$ 601,244	\$ 601,244	\$ 94,382
Total Revenues	\$ 695,626	\$ 601,244	\$ 601,244	\$ 94,382
Expenditures				
Principal on Debt				
Education	\$ 1,095,108	\$ 1,097,520	\$ 1,095,108	\$ 0
Interest on Debt				
Education	91,440	54,828	91,440	0
Other Debt Service				
Education	7,267	6,800	7,500	233
Total Expenditures	\$ 1,193,815	\$ 1,159,148	\$ 1,194,048	\$ 233
Excess (Deficiency) of Revenues Over Expenditures	\$ (498,189)	\$ (557,904)	\$ (592,804)	\$ 94,615
Other Financing Sources (Uses)				
Transfers In	\$ 589,904	\$ 589,904	\$ 589,904	\$ 0
Total Other Financing Sources	\$ 589,904	\$ 589,904	\$ 589,904	\$ 0
Net Change in Fund Balance Fund Balance, July 1, 2023	\$ 91,715	\$ 32,000	\$ (2,900)	\$ 94,615
	1,450,701	1,356,793	1,356,793	93,908
Fund Balance, June 30, 2024	\$ 1,542,416	\$ 1,388,793	\$ 1,353,893	\$ 188,523

MISCELLANEOUS SCHEDULES

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-23	Issued During Period	Paid and/or Matured During Period			Outstanding 6-30-24					
							7-1-23	During Period	6-30-24						
BONDS PAYABLE															
Payable through General Debt Service Fund															
General Obligation Refunding - Series 2019	\$ 2,095,000	4 %	10-3-19	6-1-24	\$ 450,000	\$ 0	\$ 450,000	\$ 0	\$ 0						
General Obligation School Bonds, Series 2024	13,140,000	4 to 5	2-8-24	4-1-45	0	13,140,000	0	13,140,000							
Total Payable through the General Debt Service Fund					\$ 450,000	\$ 13,140,000	\$ 450,000	\$ 13,140,000							
Contributions Due by the Overton County Health and Rehab Center to the General Debt Service Fund															
Nursing Home Improvements	4,150,000	2.58	5-9-12	4-1-33	\$ 2,260,000	\$ 0	\$ 195,000	\$ 2,065,000							
Nursing Home Renovation and Construction	4,965,000	2.91	6-26-17	4-1-42	4,190,000	0	165,000	4,025,000							
Total Contributions Due by the Overton County Health and Rehab Center to the General Debt Service Fund					\$ 6,450,000	\$ 0	\$ 360,000	\$ 6,090,000							
Contributions Due by the School Department from the Education Debt Service Fund to the General Debt Service Fund															
School Refunding Bonds, Series 2015	4,230,000	2 to 4	3-5-15	6-1-25	\$ 1,690,250	\$ 0	\$ 855,000	\$ 835,250							
Total Contributions Due by the School Department from the Education Debt Service Fund to the General Debt Service Fund					\$ 1,690,250	\$ 0	\$ 855,000	\$ 835,250							
Total Bonds Payable					\$ 8,590,250	\$ 13,140,000	\$ 1,665,000	\$ 20,065,250							
OTHER LOANS PAYABLE															
Contributions Due by the School Department from the Education Debt Service Fund to the General Debt Service Fund															
Tennessee Energy Efficiency School Initiative Loan	2,925,917	1	1-29-19	8-1-32	\$ 2,258,501	\$ 0	\$ 240,108	\$ 2,018,393							

Exhibit J-2

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2025	\$ 1,210,250	\$ 909,635	\$ 2,119,885
2026	785,000	775,019	1,560,019
2027	820,000	744,494	1,564,494
2028	855,000	712,301	1,567,301
2029	890,000	679,251	1,569,251
2030	925,000	644,513	1,569,513
2031	960,000	607,463	1,567,463
2032	1,005,000	568,975	1,573,975
2033	1,040,000	528,026	1,568,026
2034	815,000	485,200	1,300,200
2035	855,000	448,850	1,303,850
2036	890,000	410,700	1,300,700
2037	930,000	370,313	1,300,313
2038	970,000	328,100	1,298,100
2039	1,015,000	283,975	1,298,975
2040	1,065,000	237,775	1,302,775
2041	1,100,000	197,200	1,297,200
2042	1,145,000	155,257	1,300,257
2043	895,000	111,600	1,006,600
2044	930,000	75,800	1,005,800
2045	965,000	38,600	1,003,600
Total	\$ 20,065,250	\$ 9,313,047	\$ 29,378,297

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2025	\$ 242,520	\$ 19,428	\$ 261,948
2026	244,956	16,992	261,948
2027	247,416	14,532	261,948
2028	249,912	12,036	261,948
2029	252,420	9,528	261,948
2030	254,952	6,996	261,948
2031	257,508	4,440	261,948
2032	260,100	1,848	261,948
2033	8,609	35,049	43,658
Total	\$ 2,018,393	\$ 120,849	\$ 2,139,242

OVERTON COUNTY, TENNESSEE**Schedule of Notes Receivable**

Primary Government

June 30, 2024

Description	Debtor	Original Amount of Notes	Date of Issue	Date of Maturity	Interest Rate	Balance 7-1-23	Paid/ Matured During Period	Balance 6-30-24
PRIMARY GOVERNMENT								
General Fund								
Purchase of Industrial Property	Overton County Industrial Development Authority	\$ 358,000	6-12-17	6-1-37	5%	\$ 217,907	\$ 13,644	\$ 204,263

Exhibit J-4

OVERTON COUNTY, TENNESSEE

Schedule of Transfers

Primary Government and Discretely Presented Overton County School Department
For the Year Ended June 30, 2024

From Fund	To Fund	Purpose	Amount
PRIMARY GOVERNMENT			
Solid Waste/Sanitation	General	Operations	\$ 32,000
General Debt Service	"	Interest earned	<u>713,000</u>
Total Transfers Primary Government			<u>\$ 745,000</u>
DISCRETELY PRESENTED OVERTON COUNTY SCHOOL DEPARTMENT			
General Purpose School	Education Debt Service	Debt retirement	\$ 589,904
School Federal Projects	General Purpose School	Indirect cost	<u>18,369</u>
Total Transfers Discretely Presented Overton County School Department			<u>\$ 608,273</u>

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

Primary Government and Discretely Presented Overton County School Department

For the Year Ended June 30, 2024

Official	Salary	Authorization	Bond	Surety
County Executive		Section 8-24-102, <i>TCA</i>	\$ (1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 100,157</u></u>			
Highway Superintendent		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 95,388</u></u>			
Director of Schools		State Board of Education and County Board of Education	100,000	RLI Insurance Company
Base salary	\$ 95,983			
Chief executive officer training supplement	<u>1,000</u>			
Total compensation	<u><u>\$ 96,983</u></u>			
Trustee		Section 8-24-102, <i>TCA</i>	987,641	Pennsylvania National Mutual Casualty Insurance Company
Base salary/Total compensation	<u><u>\$ 86,716</u></u>			
Assessor of Property		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 86,716</u></u>			
County Clerk		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 86,716</u></u>			
Circuit and General Sessions Courts Clerk		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 86,716</u></u>			
Clerk and Master		Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	(1)	Local Government Insurance Pool
Base salary	\$ 86,716			
Special commissioner fees	<u>20,401</u>			
Total compensation	<u><u>\$ 107,117</u></u>			
Register of Deeds		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 86,716</u></u>			
Sheriff		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary	\$ 95,388			
Law enforcement training supplement	<u>800</u>			
Total compensation	<u><u>\$ 96,188</u></u>			
Director of Accounts and Budgets		County Commission	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 76,391</u></u>			
Employee Blanket Bonds:				
Employee Fidelity - County Departments			400,000	Local Government Insurance Pool
Employee Fidelity - School Department			500,000	Tennessee Risk Management Trust

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

Exhibit J-6

OVERTON COUNTY, TENNESSEE

Schedule of Detailed Revenues -

All Governmental Fund Types

For the Year Ended June 30, 2024

	Special Revenue Funds					Constitu - tional Officers - Fees
	Courthouse General	Solid and Jail Maintenance	Waste / Sanitation	Drug Control	American Rescue Plan	
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 5,918,911	\$ 0	\$ 374,311	\$ 0	\$ 0	0
Trustee's Collections - Prior Year	194,621	0	13,474	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	32,482	0	2,195	0	0	0
Interest and Penalty	47,221	0	3,206	0	0	0
Pickup Taxes	735	0	51	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	372,879	0	23,581	0	0	0
Payments in-Lieu-of Taxes - Other	7,018	0	444	0	0	0
County Local Option Taxes						
Local Option Sales Tax	1,009,319	0	941,824	0	0	0
Hotel/Motel Tax	75,410	0	0	0	0	0
Litigation Tax - General	70,531	267	0	0	0	0
Litigation Tax - Special Purpose	0	37	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	14,348	0	0	0	0	0
Business Tax	243,087	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
Statutory Local Taxes						
Bank Excise Tax	91,271	0	5,772	0	0	0
Beer Privilege Tax	1,615	0	0	0	0	0
Total Local Taxes	\$ 8,079,448	\$ 304	\$ 1,364,858	\$ 0	\$ 0	0
Licenses and Permits						
Licenses						
Cable TV Franchise	\$ 42,767	\$ 0	\$ 0	\$ 0	\$ 0	0
Permits						
Beer Permits	1,425	0	0	0	0	0
Total Licenses and Permits	\$ 44,192	\$ 0	\$ 0	\$ 0	\$ 0	0

(Continued)

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	American Rescue Plan	
Fines, Forfeitures, and Penalties						
Circuit Court						
Fines	\$ 1,108	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	13,595	0	0	0	0	0
Drug Control Fines	0	0	0	356	0	0
Veterans Treatment Court Fees	549	0	0	0	0	0
Jail Fees	1,487	0	0	0	0	0
DUI Treatment Fines	530	0	0	0	0	0
Data Entry Fee - Circuit Court	963	0	0	0	0	0
Criminal Court						
Drug Court Fees	926	0	0	0	0	0
DUI Treatment Fines	870	0	0	0	0	0
General Sessions Court						
Fines	23,341	0	0	0	0	0
Officers Costs	31,309	0	0	0	0	0
Game and Fish Fines	118	0	0	0	0	0
Drug Control Fines	0	0	0	39	0	0
Drug Court Fees	4,445	0	0	0	0	0
Veterans Treatment Court Fees	2,954	0	0	0	0	0
Jail Fees	19,018	0	0	0	0	0
DUI Treatment Fines	190	0	0	0	0	0
Data Entry Fee - General Sessions Court	6,152	0	0	0	0	0
Juvenile Court						
Fines	204	0	0	0	0	0
Chancery Court						
Officers Costs	4,435	0	0	0	0	0
Data Entry Fee - Chancery Court	2,510	0	0	0	0	0

(Continued)

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

	Special Revenue Funds						Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	American Rescue Plan		
Fines, Forfeitures, and Penalties (Cont.)							
Other Fines, Forfeitures, and Penalties							
Proceeds from Confiscated Property	\$ 0	\$ 0	\$ 0	\$ 9,210	\$ 0	\$ 0	0
Total Fines, Forfeitures, and Penalties	\$ 114,704	\$ 0	\$ 0	\$ 9,605	\$ 0	\$ 0	0
Charges for Current Services							
General Service Charges							
Tipping Fees	\$ 0	\$ 0	\$ 605,708	\$ 0	\$ 0	\$ 0	0
Surcharge - Waste Tire Disposal	0	0	19,718	0	0	0	0
Patient Charges	1,848,529	0	0	0	0	0	0
Fees							
Copy Fees	2,350	0	0	0	0	0	0
Archives and Records Management Fee	18,998	0	0	0	0	0	0
Greenbelt Late Application Fee	300	0	0	0	0	0	0
Telephone Commissions	34,246	0	0	0	0	0	0
Additional Fees - Titling and Registration	24,725	0	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	2,812	
Data Processing Fee - Register	8,478	0	0	0	0	0	0
Data Processing Fee - Sheriff	1,626	0	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	3,450	0	0	0	0	0	0
Data Processing Fee - County Clerk	3,060	0	0	0	0	0	0
Education Charges							
Tuition - Other	63,650	0	0	0	0	0	0
Other Charges for Services	3,348	0	0	0	0	0	0
Total Charges for Current Services	\$ 2,012,760	\$ 0	\$ 625,426	\$ 0	\$ 0	\$ 0	2,812

(Continued)

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

	Special Revenue Funds						Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	American Rescue Plan		
Other Local Revenues							
Recurring Items							
Investment Income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 99,358	\$ 0	0
Lease/Rentals/PPP	30,696	0	0	0	0	0	0
Sale of Materials and Supplies	108	0	0	0	0	0	0
Commissary Sales	53,858	0	0	0	0	0	0
Sale of Recycled Materials	2,108	0	61,394	0	0	0	0
Miscellaneous Refunds	63,227	0	10,577	0	556	0	0
Nonrecurring Items							
Accrued Interest on Debt Issues	70	0	0	0	0	0	0
Sale of Equipment	0	0	0	0	0	0	0
Sale of Property	1,056	0	0	0	0	0	0
Damages Recovered from Individuals	465	0	0	3,093	0	0	0
Total Other Local Revenues	\$ 151,588	\$ 0	\$ 71,971	\$ 3,093	\$ 99,914	\$ 0	0
Fees Received From County Officials							
Fees In-Lieu-of Salary							
County Clerk	\$ 318,951	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Circuit Court Clerk	48,659	0	0	0	0	0	0
General Sessions Court Clerk	108,477	0	0	0	0	0	0
Clerk and Master	71,102	0	0	0	0	0	0
Juvenile Court Clerk	0	0	0	180	0	0	0
Register	112,566	0	0	0	0	0	0
Sheriff	12,818	0	0	0	0	0	0
Trustee	427,599	0	0	0	0	0	0
Total Fees Received From County Officials	\$ 1,100,172	\$ 0	\$ 0	\$ 180	\$ 0	\$ 0	0

(Continued)

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	American Rescue Plan	
State of Tennessee						
General Government Grants						
Juvenile Services Program	\$ 4,500	\$ 0	\$ 0	\$ 0	\$ 0	0
Aging Programs	37,095	0	0	0	0	0
Public Safety Grants						
Law Enforcement Training Programs	21,600	0	0	0	0	0
Health and Welfare Grants						
Health Department Programs	1,971	0	0	0	0	0
Public Works Grants						
State Aid Program	0	0	0	0	0	0
Other State Revenues						
Beer Tax	18,498	0	0	0	0	0
Vehicle Certificate of Title Fees	7,276	0	0	0	0	0
Alcoholic Beverage Tax	74,778	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	117,275	0	0	0	0	0
State Revenue Sharing - T.V.A.	0	0	0	0	0	0
State Revenue Sharing - Telecommunications	75,221	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	34,542	0	0	0	0	0
Emergency Hospital - Prisoners	52,731	0	0	0	0	0
Contracted Prisoner Boarding	705,118	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	11,970	0	0	0	0	0
Other State Revenues	519,706	0	0	0	0	0
Total State of Tennessee	\$ 1,697,445	\$ 0	\$ 0	\$ 0	\$ 0	0

(Continued)

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	American Rescue Plan	
Federal Government						
Federal Through State						
Other Federal through State	\$ 393,549	\$ 0	\$ 0	\$ 0	\$ 0	0
Direct Federal Revenue						
Other Direct Federal Revenue	255,460	0	0	0	0	0
Total Federal Government	\$ 649,009	\$ 0	\$ 0	\$ 0	\$ 0	0
Other Governments and Citizens Groups						
Other Governments						
Prisoner Board	\$ 28,912	\$ 0	\$ 0	\$ 0	\$ 0	0
Contributions	40,025	0	0	0	0	0
Citizens Groups						
Donations	3,339	0	0	0	0	0
Other						
Opioid Settlement Funds - Past Remediation	122,269	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 194,545	\$ 0	\$ 0	\$ 0	\$ 0	0
Total	\$ 14,043,863	\$ 304	\$ 2,062,255	\$ 12,878	\$ 99,914	\$ 2,812

(Continued)

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

	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	
	Highway / Public Works	General Debt Service	Other Capital Projects -	Total
Local Taxes				
County Property Taxes				
Current Property Tax	\$ 374,311	\$ 0	\$ 0	\$ 6,667,533
Trustee's Collections - Prior Year	13,474	14,403	0	235,972
Circuit Clerk/Clerk and Master Collections - Prior Years	2,195	1,781	0	38,653
Interest and Penalty	3,145	2,784	0	56,356
Pickup Taxes	51	55	0	892
Payments in-Lieu-of Taxes - Local Utilities	23,581	0	0	420,041
Payments in-Lieu-of Taxes - Other	444	0	0	7,906
County Local Option Taxes				
Local Option Sales Tax	0	0	0	1,951,143
Hotel/Motel Tax	0	0	0	75,410
Litigation Tax - General	0	0	0	70,798
Litigation Tax - Special Purpose	0	0	0	37
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	14,348
Business Tax	0	0	0	243,087
Mineral Severance Tax	148,664	0	0	148,664
Statutory Local Taxes				
Bank Excise Tax	5,772	0	0	102,815
Beer Privilege Tax	0	0	0	1,615
Total Local Taxes	\$ 571,637	\$ 19,023	\$ 0	\$ 10,035,270
Licenses and Permits				
Licenses				
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 42,767
Permits				
Beer Permits	0	0	0	1,425
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 44,192

(Continued)

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

	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	
	Highway / Public Works	General Debt Service	Other Capital Projects -	Total
Fines, Forfeitures, and Penalties				
Circuit Court				
Fines	\$ 0	\$ 0	\$ 0	1,108
Officers Costs	0	0	0	13,595
Drug Control Fines	0	0	0	356
Veterans Treatment Court Fees	0	0	0	549
Jail Fees	0	0	0	1,487
DUI Treatment Fines	0	0	0	530
Data Entry Fee - Circuit Court	0	0	0	963
Criminal Court				
Drug Court Fees	0	0	0	926
DUI Treatment Fines	0	0	0	870
General Sessions Court				
Fines	0	0	0	23,341
Officers Costs	0	0	0	31,309
Game and Fish Fines	0	0	0	118
Drug Control Fines	0	0	0	39
Drug Court Fees	0	0	0	4,445
Veterans Treatment Court Fees	0	0	0	2,954
Jail Fees	0	0	0	19,018
DUI Treatment Fines	0	0	0	190
Data Entry Fee - General Sessions Court	0	0	0	6,152
Juvenile Court				
Fines	0	0	0	204
Chancery Court				
Officers Costs	0	0	0	4,435
Data Entry Fee - Chancery Court	0	0	0	2,510

(Continued)

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

	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	
	Highway / Public Works	General Debt Service	Other Capital Projects -	Total
Fines, Forfeitures, and Penalties (Cont.)				
Other Fines, Forfeitures, and Penalties				
Proceeds from Confiscated Property	\$ 0	\$ 0	\$ 0	\$ 9,210
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 124,309
Charges for Current Services				
General Service Charges				
Tipping Fees	\$ 0	\$ 0	\$ 0	\$ 605,708
Surcharge - Waste Tire Disposal	0	0	0	19,718
Patient Charges	0	0	0	1,848,529
Fees				
Copy Fees	0	0	0	2,350
Archives and Records Management Fee	0	0	0	18,998
Greenbelt Late Application Fee	0	0	0	300
Telephone Commissions	0	0	0	34,246
Additional Fees - Titling and Registration	0	0	0	24,725
Constitutional Officers' Fees and Commissions	0	0	0	2,812
Data Processing Fee - Register	0	0	0	8,478
Data Processing Fee - Sheriff	0	0	0	1,626
Sexual Offender Registration Fee - Sheriff	0	0	0	3,450
Data Processing Fee - County Clerk	0	0	0	3,060
Education Charges				
Tuition - Other	0	0	0	63,650
Other Charges for Services	0	0	0	3,348
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 2,640,998

(Continued)

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

	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	
	Highway / Public Works	General Debt Service	Other Capital Projects -	Total
Other Local Revenues				
Recurring Items				
Investment Income	\$ 0	\$ 1,579,571	\$ 0	\$ 1,678,929
Lease/Rentals/PPP	0	0	0	30,696
Sale of Materials and Supplies	591	0	0	699
Commissary Sales	0	0	0	53,858
Sale of Recycled Materials	790	0	0	64,292
Miscellaneous Refunds	5,047	0	0	79,407
Nonrecurring Items				
Accrued Interest on Debt Issues	0	0	0	70
Sale of Equipment	17,812	0	0	17,812
Sale of Property	0	0	0	1,056
Damages Recovered from Individuals	0	0	0	3,558
Total Other Local Revenues	\$ 24,240	\$ 1,579,571	\$ 0	\$ 1,930,377
Fees Received From County Officials				
Fees In-Lieu-of Salary				
County Clerk	\$ 0	\$ 0	\$ 0	\$ 318,951
Circuit Court Clerk	0	0	0	48,659
General Sessions Court Clerk	0	0	0	108,477
Clerk and Master	0	0	0	71,102
Juvenile Court Clerk	0	0	0	180
Register	0	0	0	112,566
Sheriff	0	0	0	12,818
Trustee	0	0	0	427,599
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 1,100,352

(Continued)

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

	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	
	Highway / Public Works	General Debt Service	Other Capital Projects -	Total
State of Tennessee				
General Government Grants				
Juvenile Services Program	\$ 0	\$ 0	\$ 0	4,500
Aging Programs	0	0	0	37,095
Public Safety Grants				
Law Enforcement Training Programs	0	0	0	21,600
Health and Welfare Grants				
Health Department Programs	0	0	0	1,971
Public Works Grants				
State Aid Program	1,792,299	0	0	1,792,299
Other State Revenues				
Beer Tax	0	0	0	18,498
Vehicle Certificate of Title Fees	0	0	0	7,276
Alcoholic Beverage Tax	0	0	0	74,778
Opioid Settlement Funds - TN Abatement Council	0	0	0	117,275
State Revenue Sharing - T.V.A.	0	0	674,821	674,821
State Revenue Sharing - Telecommunications	0	0	0	75,221
State Shared Sports Gaming Privilege Tax	0	0	0	34,542
Emergency Hospital - Prisoners	0	0	0	52,731
Contracted Prisoner Boarding	0	0	0	705,118
Gasoline and Motor Fuel Tax	2,425,345	0	0	2,425,345
Hybrid/Electric Vehicle Registration Fee	9,795	0	0	9,795
Petroleum Special Tax	9,944	0	0	9,944
Registrar's Salary Supplement	0	0	0	15,164
Other State Grants	0	0	0	11,970
Other State Revenues	0	0	0	519,706
Total State of Tennessee	\$ 4,237,383	\$ 0	\$ 674,821	\$ 6,609,649

(Continued)

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

	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	
	Highway / Public Works	General Debt Service	Other Capital Projects -	Total
Federal Government				
Federal Through State				
Other Federal through State	\$ 0	\$ 0	\$ 0	\$ 393,549
Direct Federal Revenue				
Other Direct Federal Revenue	0	0	0	255,460
Total Federal Government	\$ 0	\$ 0	\$ 0	\$ 649,009
Other Governments and Citizens Groups				
Other Governments				
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 28,912
Contributions	0	1,377,399	0	1,417,424
Citizens Groups				
Donations	0	0	0	3,339
Other				
Opioid Settlement Funds - Past Remediation	0	0	0	122,269
Total Other Governments and Citizens Groups	\$ 0	\$ 1,377,399	\$ 0	\$ 1,571,944
Total	\$ 4,833,260	\$ 2,975,993	\$ 674,821	\$ 24,706,100

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

Discretely Presented Overton County School Department

For the Year Ended June 30, 2024

	Special Revenue Funds				Debt Service Fund
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Debt Service
Local Taxes					
County Property Taxes					
Current Property Tax	\$ 2,010,204	\$ 0	\$ 0	\$ 0	\$ 0
Trustee's Collections - Prior Year	75,994	0	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	12,226	0	0	0	0
Interest and Penalty	18,095	0	0	0	0
Pickup Taxes	288	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	126,641	0	0	0	0
Payments in-Lieu-of Taxes - Other	2,311	0	0	0	0
County Local Option Taxes					
Local Option Sales Tax	3,465,026	0	0	0	0
Wheel Tax	0	0	0	0	695,626
Mixed Drink Tax	18,455	0	0	0	0
Other County Local Option Taxes	1,137	0	0	0	0
Statutory Local Taxes					
Bank Excise Tax	30,999	0	0	0	0
Wholesale Beer Tax	108,958	0	0	0	0
Total Local Taxes	\$ 5,870,334	\$ 0	\$ 0	\$ 0	\$ 695,626
Licenses and Permits					
Licenses					
Marriage Licenses	\$ 1,437	\$ 0	\$ 0	\$ 0	\$ 0
Total Licenses and Permits	\$ 1,437	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

	Special Revenue Funds				Debt Service Fund
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Debt Service
Charges for Current Services					
Education Charges					
Lunch Payments - Children	\$ 0	\$ 0	\$ 230,151	\$ 0	\$ 0
Lunch Payments - Adults	0	0	18,720	0	0
Income from Breakfast	0	0	47,589	0	0
A la Carte Sales	0	0	95,604	0	0
Receipts from Individual Schools	19,378	0	0	0	0
Total Charges for Current Services	\$ 19,378	\$ 0	\$ 392,064	\$ 0	\$ 0
Other Local Revenues					
Recurring Items					
Investment Income	\$ 22,406	\$ 0	\$ 170	\$ 0	\$ 0
Lease/Rentals/PPP	13,984	0	0	0	0
Sale of Materials and Supplies	575	0	0	0	0
E-Rate Funding	31,146	0	0	0	0
Miscellaneous Refunds	44,846	0	0	0	0
Nonrecurring Items					
Damages Recovered from Individuals	3,383	0	0	0	0
Contributions and Gifts	7,762	0	0	0	0
Other Local Revenues					
Other Local Revenues	0	0	0	1,233,657	0
Total Other Local Revenues	\$ 124,102	\$ 0	\$ 170	\$ 1,233,657	\$ 0
State of Tennessee					
General Government Grants					
On-behalf Contributions for OPEB	\$ 171,590	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

	Special Revenue Funds				Debt Service Fund
	General Purpose School School	School Federal Federal Projects	Central Cafeteria	Internal School	Education Debt Debt Service
State of Tennessee (Cont.)					
State Education Funds					
Tennessee Investment in Student Achievement	\$ 23,542,493	\$ 0	\$ 0	\$ 0	\$ 0
TISA - On-behalf Payments	54,530	0	0	0	0
Early Childhood Education	535,890	0	0	0	0
School Food Service	0	0	13,991	0	0
Other State Education Funds	719,718	0	0	0	0
Paid Parental Leave	64,397	0	0	0	0
Career Ladder Program	26,489	0	0	0	0
Other Vocational	1,533,974	0	0	0	0
Other State Revenues					
Other State Grants	101,032	0	0	0	0
Total State of Tennessee	\$ 26,750,113	\$ 0	\$ 13,991	\$ 0	\$ 0
Federal Government					
Federal Through State					
USDA School Lunch Program	\$ 0	\$ 0	\$ 899,108	\$ 0	\$ 0
USDA - Commodities	0	0	95,428	0	0
Breakfast	0	0	345,198	0	0
USDA - Other	0	0	179,740	0	0
USDA Food Service Equipment Grant	0	0	24,254	0	0
Vocational Education - Basic Grants to States	0	111,244	0	0	0
Title I Grants to Local Education Agencies	0	996,102	0	0	0
Special Education - Grants to States	0	1,214,494	0	0	0
Special Education Preschool Grants	0	40,104	0	0	0
21st Century Community Learning Centers	0	390,695	0	0	0

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

	Special Revenue Funds				Debt Service Fund
	General Purpose School School	School Federal Projects	Central Cafeteria	Internal School	Education Debt Service
Federal Government (Cont.)					
Federal Through State (Cont.)					
Eisenhower Professional Development State Grants	\$ 0	\$ 120,627	\$ 0	\$ 0	\$ 0
COVID-19 Grant B	0	57,000	0	0	0
COVID-19 Grant D	0	99,533	0	0	0
American Rescue Plan Act Grant #1	0	2,575,883	0	0	0
American Rescue Plan Act Grant #2	0	2,844	0	0	0
American Rescue Plan Act Grant #3	0	224	0	0	0
American Rescue Plan Act Grant #4	0	8,917	0	0	0
Other Federal through State	194,319	82,929	0	0	0
Direct Federal Revenue					
ROTC Reimbursement	15,447	0	0	0	0
Total Federal Government	\$ 209,766	\$ 5,700,596	\$ 1,543,728	\$ 0	\$ 0
Other Governments and Citizens Groups					
Other Governments					
Contributions	\$ 108,004	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Governments and Citizens Groups	\$ 108,004	\$ 0	\$ 0	\$ 0	\$ 0
Total	\$ 33,083,134	\$ 5,700,596	\$ 1,949,953	\$ 1,233,657	\$ 695,626

(Continued)

OVERTON COUNTY, TENNESSEE**Schedule of Detailed Revenues -**

All Governmental Fund Types

Discretely Presented Overton County School Department (Cont.)

	<u>Capital Projects Fund</u>		
	Education	Capital Projects	Total
Local Taxes			
County Property Taxes			
Current Property Tax	\$ 0	\$ 2,010,204	
Trustee's Collections - Prior Year	0	75,994	
Circuit Clerk/Clerk and Master Collections - Prior Years	0	12,226	
Interest and Penalty	0	18,095	
Pickup Taxes	0	288	
Payments in-Lieu-of Taxes - Local Utilities	0	126,641	
Payments in-Lieu-of Taxes - Other	0	2,311	
County Local Option Taxes			
Local Option Sales Tax	0	3,465,026	
Wheel Tax	0	695,626	
Mixed Drink Tax	0	18,455	
Other County Local Option Taxes	0	1,137	
Statutory Local Taxes			
Bank Excise Tax	0	30,999	
Wholesale Beer Tax	0	108,958	
Total Local Taxes	\$ 0	\$ 6,565,960	
Licenses and Permits			
Licenses			
Marriage Licenses	\$ 0	\$ 1,437	
Total Licenses and Permits	\$ 0	\$ 1,437	

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

	<u>Capital Projects Fund</u>		
	Education Capital Projects		Total
Charges for Current Services			
Education Charges			
Lunch Payments - Children	\$ 0	\$ 230,151	
Lunch Payments - Adults	0	18,720	
Income from Breakfast	0	47,589	
A la Carte Sales	0	95,604	
Receipts from Individual Schools	0	19,378	
Total Charges for Current Services	\$ 0	\$ 411,442	
Other Local Revenues			
Recurring Items			
Investment Income	\$ 296,348	\$ 318,924	
Lease/Rentals/PPP	0	13,984	
Sale of Materials and Supplies	0	575	
E-Rate Funding	0	31,146	
Miscellaneous Refunds	0	44,846	
Nonrecurring Items			
Damages Recovered from Individuals	0	3,383	
Contributions and Gifts	0	7,762	
Other Local Revenues			
Other Local Revenues	0	1,233,657	
Total Other Local Revenues	\$ 296,348	\$ 1,654,277	
State of Tennessee			
General Government Grants			
On-behalf Contributions for OPEB	\$ 0	\$ 171,590	

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

	<u>Capital Projects Fund</u>		
	Education Capital Projects		Total
State of Tennessee (Cont.)			
State Education Funds			
Tennessee Investment in Student Achievement	\$ 0	\$ 23,542,493	
TISA - On-behalf Payments	0	54,530	
Early Childhood Education	0	535,890	
School Food Service	0	13,991	
Other State Education Funds	0	719,718	
Paid Parental Leave	0	64,397	
Career Ladder Program	0	26,489	
Other Vocational	0	1,533,974	
Other State Revenues			
Other State Grants	0	101,032	
Total State of Tennessee	\$ 0	\$ 26,764,104	
Federal Government			
Federal Through State			
USDA School Lunch Program	\$ 0	\$ 899,108	
USDA - Commodities	0	95,428	
Breakfast	0	345,198	
USDA - Other	0	179,740	
USDA Food Service Equipment Grant	0	24,254	
Vocational Education - Basic Grants to States	0	111,244	
Title I Grants to Local Education Agencies	0	996,102	
Special Education - Grants to States	0	1,214,494	
Special Education Preschool Grants	0	40,104	
21st Century Community Learning Centers	0	390,695	

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

	<u>Capital Projects Fund</u>		
	Education Capital Projects		Total
Federal Government (Cont.)			
Federal Through State (Cont.)			
Eisenhower Professional Development State Grants	\$ 0	\$ 120,627	
COVID-19 Grant B	0	57,000	
COVID-19 Grant D	0	99,533	
American Rescue Plan Act Grant #1	0	2,575,883	
American Rescue Plan Act Grant #2	0	2,844	
American Rescue Plan Act Grant #3	0	224	
American Rescue Plan Act Grant #4	0	8,917	
Other Federal through State	0	277,248	
Direct Federal Revenue			
ROTC Reimbursement	0	15,447	
Total Federal Government	\$ 0	\$ 7,454,090	
Other Governments and Citizens Groups			
Other Governments			
Contributions	\$ 14,003,850	\$ 14,111,854	
Total Other Governments and Citizens Groups	\$ 14,003,850	\$ 14,111,854	
Total	\$ 14,300,198	\$ 56,963,164	

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

General Fund

General Government

County Commission

Board and Committee Members Fees	\$ 108,100
Social Security	8,119
Pensions	3,110
Medical Insurance	22,399
Audit Services	9,680
Communication	103
Dues and Memberships	<u>2,951</u>
Total County Commission	\$ 154,462

Board of Equalization

Board and Committee Members Fees	\$ 600
Total Board of Equalization	600

County Mayor/Executive

County Official/Administrative Officer	\$ 100,157
Supervisor/Director	56,696
Deputy(es)	30,117
Accountants/Bookkeepers	11,195
Social Security	14,716
Pensions	13,291
Medical Insurance	23,966
Communication	3,796
Data Processing Services	22,269
Dues and Memberships	3,528
Legal Notices, Recording, and Court Costs	4,887
Postal Charges	3,478
Travel	10,558
Other Contracted Services	687
Office Supplies	10,420
Office Equipment	15,572
Other Equipment	<u>743</u>
Total County Mayor/Executive	326,076

County Attorney

Social Security	\$ 639
Legal Services	<u>35,458</u>
Total County Attorney	36,097

Election Commission

County Official/Administrative Officer	\$ 78,044
Deputy(es)	37,804
Election Commission	5,800
Election Workers	10,758
Social Security	9,473
Pensions	7,971
Medical Insurance	7,261
Communication	1,371

(Continued)

OVERTON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types (Cont.)****General Fund (Cont.)****General Government (Cont.)****Election Commission (Cont.)**

Data Processing Services	\$	7,566
Legal Notices, Recording, and Court Costs		2,240
Maintenance and Repair Services - Equipment		12,434
Postal Charges		40
Printing, Stationery, and Forms		555
Other Contracted Services		17,723
Office Supplies		4,313
Voting Machines		197,250
Other Equipment		<u>13,803</u>
Total Election Commission	\$	414,406

Register of Deeds

County Official/Administrative Officer	\$	86,716
Deputy(ies)		33,885
Accountants/Bookkeepers		27,839
Social Security		10,100
Pensions		10,189
Medical Insurance		18,497
Communication		644
Data Processing Services		7,767
Dues and Memberships		813
Travel		656
Other Contracted Services		180
Office Supplies		<u>2,037</u>
Total Register of Deeds		199,323

Planning

Board and Committee Members Fees	\$	4,700
Social Security		360
Contracts with Government Agencies		<u>12,750</u>
Total Planning		17,810

County Buildings

Custodial Personnel	\$	36,181
Maintenance Personnel		35,803
Part-time Personnel		864
Social Security		5,607
Pensions		4,814
Medical Insurance		12,791
Communication		18,581
Maintenance and Repair Services - Buildings		124,977
Maintenance and Repair Services - Equipment		1,817
Maintenance and Repair Services - Vehicles		974
Other Contracted Services		7,775
Custodial Supplies		9,565
Electricity		92,499
Gasoline		5,278

(Continued)

OVERTON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types (Cont.)****General Fund (Cont.)****General Government (Cont.)****County Buildings (Cont.)**

Natural Gas	\$	16,634
Office Supplies		422
Small Tools		297
Tires and Tubes		525
Uniforms		3,269
Utilities		128
Other Supplies and Materials		11
Other Charges		910
Other Equipment		16,796
Total County Buildings	\$	396,518

Other General Administration

Teachers	\$	2,750
Social Security		210
Life Insurance		8,045
Unemployment Compensation		15,850
On-behalf Payments to OPEB		688
Other Fringe Benefits		9,940
Evaluation and Testing		948
Remittance of Revenue Collected		41,191
Other Supplies and Materials		9,632
Liability Insurance		572,601
Trustee's Commission		190,674
Workers' Compensation Insurance		294,851
Other Charges		3,871
Total Other General Administration		1,151,251

Preservation of Records

Supervisor/Director	\$	11,092
Social Security		867
Travel		85
Office Supplies		1,652
Total Preservation of Records		13,696

Finance**Accounting and Budgeting**

County Official/Administrative Officer	\$	76,391
Social Security		5,838
Pensions		5,256
Dues and Memberships		100
Total Accounting and Budgeting		87,585

Property Assessor's Office

County Official/Administrative Officer	\$	86,716
Deputy(ies)		40,130
Assessment Personnel		33,217
Clerical Personnel		28,114

(Continued)

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

Finance (Cont.)

Property Assessor's Office (Cont.)

Social Security	\$	13,756
Pensions		12,946
Medical Insurance		14,581
Communication		2,363
Data Processing Services		2,963
Dues and Memberships		1,577
Legal Notices, Recording, and Court Costs		40
Maintenance and Repair Services - Vehicles		1,066
Postal Charges		1,466
Travel		381
Other Contracted Services		15,942
Gasoline		1,119
Office Supplies		1,102
Tires and Tubes		150
Other Charges		5,077
Total Property Assessor's Office	\$	262,706

County Trustee's Office

County Official/Administrative Officer	\$	86,716
Deputy(ies)		38,564
Accountants/Bookkeepers		30,303
Social Security		11,607
Pensions		10,704
Medical Insurance		21,842
Communication		1,879
Data Processing Services		16,691
Dues and Memberships		908
Postal Charges		1,170
Other Contracted Services		12,924
Office Supplies		1,702
Premiums on Corporate Surety Bonds		1,905
Office Equipment		9,779
Total County Trustee's Office		246,694

County Clerk's Office

County Official/Administrative Officer	\$	86,716
Deputy(ies)		32,888
Accountants/Bookkeepers		30,303
Salary Supplements		10,000
Clerical Personnel		47,811
Part-time Personnel		7,084
Social Security		16,192
Pensions		13,764
Medical Insurance		15,169
Communication		1,525
Dues and Memberships		788
Legal Notices, Recording, and Court Costs		387

(Continued)

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

Finance (Cont.)

County Clerk's Office (Cont.)

Postal Charges	\$	12,675
Travel		1,588
Other Contracted Services		11,323
Office Supplies		4,593
Other Charges		1,284
Office Equipment		<u>1,555</u>
Total County Clerk's Office	\$	295,645

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	86,716
Deputy(ies)		34,223
Accountants/Bookkeepers		30,912
Clerical Personnel		85,205
Other Salaries and Wages		3,600
Jury and Witness Expense		7,245
Social Security		18,129
Pensions		16,557
Medical Insurance		43,564
Communication		3,462
Data Processing Services		18,274
Dues and Memberships		863
Legal Notices, Recording, and Court Costs		408
Postal Charges		2,520
Other Contracted Services		180
Office Supplies		2,237
Office Equipment		<u>356</u>
Total Circuit Court		354,451

General Sessions Court

Judge(s)	\$	118,540
Deputy(ies)		33,885
Social Security		11,448
Pensions		10,487
Medical Insurance		14,521
Dues and Memberships		845
Travel		1,785
Office Supplies		<u>7,246</u>
Total General Sessions Court		198,757

Drug Court

Supervisor/Director	\$	70,467
Guidance Personnel		36,277
Part-time Personnel		22,676
Communication		7,989
Evaluation and Testing		3,641
Travel		16,734

(Continued)

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

Administration of Justice (Cont.)

Drug Court (Cont.)

Drug Treatment	\$	37,767
Other Contracted Services		16,839
Drugs and Medical Supplies		16,455
Office Supplies		4,514
Utilities		<u>3,327</u>

Total Drug Court	\$	236,686
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Chancery Court

County Official/Administrative Officer	\$	86,716
Deputy(ies)		43,024
Accountants/Bookkeepers		37,345
Clerical Personnel		37,256
Social Security		15,216
Pensions		8,079
Medical Insurance		15,841
Communication		3,596
Data Processing Services		14,541
Dues and Memberships		688
Other Contracted Services		2,921
Office Supplies		5,001
Premiums on Corporate Surety Bonds		250
Office Equipment		<u>2,868</u>

Total Chancery Court	\$	273,342
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Juvenile Court

Guidance Personnel	\$	24,410
Social Security		1,867
Dues and Memberships		380
Travel		<u>376</u>

Total Juvenile Court	\$	27,033
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Judicial Commissioners

County Official/Administrative Officer	\$	5,913
Supervisor/Director		23,992
Social Security		<u>2,279</u>

Total Judicial Commissioners	\$	32,184
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Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	95,388
Supervisor/Director		35,256
Deputy(ies)		507,246
Investigator(s)		264,386
Captain(s)		74,568
Lieutenant(s)		43,866
Sergeant(s)		187,793
Salary Supplements		<u>22,400</u>

(Continued)

OVERTON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types (Cont.)****General Fund (Cont.)****Public Safety (Cont.)****Sheriff's Department (Cont.)**

Clerical Personnel	\$ 61,818
School Resource Officer	163,988
Overtime Pay	57,270
Other Salaries and Wages	2,080
In-service Training	8,344
Social Security	109,875
Pensions	100,391
Medical Insurance	186,782
Communication	35,718
Data Processing Services	11,552
Dues and Memberships	4,615
Legal Notices, Recording, and Court Costs	1,404
Licenses	414
Maintenance and Repair Services - Equipment	4,680
Maintenance and Repair Services - Vehicles	36,175
Postal Charges	2,275
Other Contracted Services	33,092
Gasoline	120,987
Law Enforcement Supplies	24,216
Office Supplies	8,635
Tires and Tubes	11,155
Uniforms	10,694
Vehicle Parts	17,899
Other Supplies and Materials	3,290
Other Charges	36
Law Enforcement Equipment	10,343
Motor Vehicles	420,686
Office Equipment	25,673
Other Equipment	129,140
Total Sheriff's Department	\$ 2,834,130

Special Patrols

Deputy(ies)	\$ 35,523
Social Security	2,711
Pensions	2,443
Medical Insurance	7,261
Maintenance and Repair Services - Vehicles	901
Disposal Fees	3,131
Gasoline	1,929
Other Supplies and Materials	1,535
Total Special Patrols	\$ 55,434

Jail

Supervisor/Director	\$ 42,567
Lieutenant(s)	50,177
Sergeant(s)	228,829
Guards	446,858

(Continued)

OVERTON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types (Cont.)****General Fund (Cont.)****Public Safety (Cont.)****Jail (Cont.)**

Overtime Pay	\$	102,631
In-service Training		400
Social Security		66,500
Pensions		60,064
Medical Insurance		128,385
Contracts with Government Agencies		111
Evaluation and Testing		7,151
Maintenance and Repair Services - Buildings		86,075
Maintenance and Repair Services - Equipment		19,834
Medical and Dental Services		366,626
Travel		19,701
Other Contracted Services		16,311
Custodial Supplies		47,277
Electricity		46,314
Food Supplies		144,484
Natural Gas		57,931
Prisoners Clothing		7,580
Uniforms		8,358
Water and Sewer		396
Other Supplies and Materials		10,514
Judgments		1,300,000
Other Charges		500
Office Equipment		150
Total Jail		\$ 3,265,724

Fire Prevention and Control

Contracts with Government Agencies	\$	1,000
Contributions		110,000
Electricity		2,636
Liability Insurance		68,957
Vehicle and Equipment Insurance		44,720
Workers' Compensation Insurance		11,575
Total Fire Prevention and Control		238,888

Civil Defense

Supervisor/Director	\$	6,408
In-service Training		350
Social Security		490
Pensions		68
Communication		963
Dues and Memberships		10
Travel		100
Other Contracted Services		612
Electricity		628
Gasoline		2,991
Other Equipment		8,000
Total Civil Defense		20,620

(Continued)

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

Public Safety (Cont.)

Rescue Squad

Contributions	\$ 10,100	
Total Rescue Squad		\$ 10,100

Other Emergency Management

Contributions	\$ 150,000	
Total Other Emergency Management		150,000

County Coroner/Medical Examiner

Other Contracted Services	\$ 75,167	
Total County Coroner/Medical Examiner		75,167

Public Health and Welfare

Local Health Center

Communication	\$ 9,025	
Contracts with Other Public Agencies	18,180	
Maintenance and Repair Services - Buildings	3,827	
Other Contracted Services	12,572	
Custodial Supplies	487	
Office Supplies	1,796	
Utilities	10,945	
Other Supplies and Materials	1,970	
Office Equipment	567	
Total Local Health Center		59,369

Ambulance/Emergency Medical Services

Assistant(s)	\$ 45,225	
Supervisor/Director	83,486	
Accountants/Bookkeepers	29,702	
Medical Personnel	42,618	
Paraprofessionals	649,169	
Truck Drivers	8,496	
Clerical Personnel	27,830	
Attendants	495,302	
Overtime Pay	344,550	
In-service Training	2,935	
Social Security	128,758	
Pensions	119,199	
Medical Insurance	217,887	
Communication	17,682	
Data Processing Services	27,755	
Dues and Memberships	2,132	
Evaluation and Testing	1,634	
Licenses	2,748	
Maintenance and Repair Services - Buildings	26,187	
Maintenance and Repair Services - Equipment	5,519	
Maintenance and Repair Services - Vehicles	135,331	
Travel	771	

(Continued)

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

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Tuition	\$ 7,321
Other Contracted Services	54,393
Custodial Supplies	6,547
Drugs and Medical Supplies	90,541
Electricity	20,895
Gasoline	81,724
Natural Gas	7,582
Office Supplies	4,031
Tires and Tubes	10,454
Uniforms	16,055
Water and Sewer	779
Other Charges	162
Office Equipment	16,552
Other Equipment	41,140
Total Ambulance/Emergency Medical Services	\$ 2,773,092

Regional Mental Health Center

Contracts with Other Public Agencies	\$ 6,327
Total Regional Mental Health Center	6,327

Other Public Health and Welfare

Cafeteria Personnel	\$ 38,206
Social Security	3,032
Licenses	50
Custodial Supplies	2,707
Food Supplies	23,909
Gasoline	2,294
Total Other Public Health and Welfare	70,198

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Supervisor/Director	\$ 50,796
Part-time Personnel	2,878
Social Security	3,815
Pensions	3,495
Medical Insurance	4,321
Data Processing Services	503
Maintenance and Repair Services - Vehicles	1,090
Gasoline	150
Office Supplies	244
Other Equipment	34,373
Total Senior Citizens Assistance	101,665

Libraries

Librarians	\$ 49,469
Clerical Personnel	31,996
Part-time Personnel	49,262

(Continued)

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

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Social Security	\$	9,608
Pensions		5,605
Medical Insurance		14,581
Communication		5,764
Data Processing Services		3,745
Dues and Memberships		275
Maintenance and Repair Services - Buildings		9,396
Matching Share		1,650
Travel		95
Custodial Supplies		1,975
Library Books/Media		4,776
Office Supplies		3,257
Utilities		13,128
Other Charges		1,948
Office Equipment		2,574
Total Libraries	\$	209,104

Other Social, Cultural, and Recreational

Communication	\$	1,279
Contributions		4,500
Other Charges		25,000
Total Other Social, Cultural, and Recreational		30,779

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$	50,016
Extension Service Medicare		3,085
Pensions		6,233
Medical Insurance		4,867
Other Fringe Benefits		719
Communication		3,056
Contributions		3,283
Dues and Memberships		200
Travel		1,800
Office Supplies		27
Workers' Compensation Insurance		58
Office Equipment		2,629
Other Equipment		19,084
Total Agricultural Extension Service		95,057

Soil Conservation

Assistant(s)	\$	35,137
Deputy(ies)		34,911
Social Security		4,937
Pensions		4,819
Medical Insurance		14,581
Total Soil Conservation		94,385

(Continued)

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

Other Operations

Tourism

Advertising	\$ 2,100
Total Tourism	<u> </u>

	\$ 2,100
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Industrial Development

Contributions	\$ 21,000
Engineering Services	<u>4,500</u>
Total Industrial Development	<u> </u>

	25,500
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Other Economic and Community Development

Contributions	\$ 1,500
Travel	257
Other Charges	<u>14,625</u>
Total Other Economic and Community Development	<u> </u>

	16,382
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Airport

Airport Improvement	\$ 13,475
Total Airport	<u> </u>

	13,475
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Veterans' Services

Supervisor/Director	\$ 18,454
Social Security	1,415
Communication	1,022
Contributions	4,990
Data Processing Services	849
Travel	1,161
Office Supplies	90
Office Equipment	<u>240</u>
Total Veterans' Services	<u> </u>

	28,221
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Contributions to Other Agencies

Contributions	\$ 16,854
Total Contributions to Other Agencies	<u> </u>

	16,854
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Highways

Traffic Control

Road Signs	\$ 6,128
Total Traffic Control	<u> </u>

	6,128
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Litter and Trash Collection

Supervisor/Director	\$ 24,998
Social Security	1,912
Advertising	13,272
Maintenance and Repair Services - Vehicles	183
Custodial Supplies	1,242
Gasoline	<u>2,656</u>
Total Litter and Trash Collection	<u> </u>

	44,263
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Total General Fund	\$ 14,968,284
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(Continued)

OVERTON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types (Cont.)****Courthouse and Jail Maintenance Fund**

Other Operations

Other Charges

Trustee's Commission

\$ 3

Total Other Charges

\$ 3

Total Courthouse and Jail Maintenance Fund

\$ 3

Solid Waste/Sanitation Fund

General Government

Other General Administration

Life Insurance

\$ 525

Other Fringe Benefits

700

Data Processing Services

9,160

Evaluation and Testing

2,112

Licenses

1,000

Other Contracted Services

240

Office Supplies

2,878

Liability Insurance

40,893

Trustee's Commission

24,551

Workers' Compensation Insurance

29,978

Office Equipment

860

Total Other General Administration

\$ 112,897

Public Health and Welfare**Convenience Centers**

Laborers

\$ 213,357

Social Security

16,304

Medical Insurance

7,261

Communication

4,808

Maintenance and Repair Services - Buildings

934

Maintenance and Repair Services - Equipment

10,607

Rentals

4,200

Custodial Supplies

2,700

Electricity

9,232

Water and Sewer

11,452

Solid Waste Equipment

49,538

Total Convenience Centers

\$ 330,393

Transfer Stations

Supervisor/Director

\$ 68,417

Deputy(ies)

35,256

Foremen

36,916

Equipment Operators

74,333

Truck Drivers

98,530

Social Security

23,214

Pensions

25,407

Medical Insurance

56,938

Communication

606

Licenses

1,500

(Continued)

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

Public Health and Welfare (Cont.)

Transfer Stations (Cont.)

Maintenance and Repair Services - Buildings	\$ 5,128
Maintenance and Repair Services - Equipment	86,124
Disposal Fees	751,490
Other Contracted Services	61,549
Diesel Fuel	56,939
Lubricants	3,685
Tires and Tubes	14,137
Other Supplies and Materials	434
Other Charges	<u>1,000</u>
Total Transfer Stations	\$ 1,401,603

Recycling Center

Communication	\$ 1,949
Maintenance and Repair Services - Buildings	5,817
Maintenance and Repair Services - Equipment	7,639
Custodial Supplies	708
Electricity	2,811
Gasoline	4,823
Propane Gas	2,881
Uniforms	7,634
Water and Sewer	2,243
Other Supplies and Materials	2,316
Other Equipment	<u>14,959</u>
Total Recycling Center	53,780

Postclosure Care Costs

Testing	\$ 34,222
Total Postclosure Care Costs	<u>34,222</u>

Total Solid Waste/Sanitation Fund

\$ 1,932,895

Drug Control Fund

Public Safety

Drug Enforcement

Dues and Memberships	\$ 336
Maintenance and Repair Services - Buildings	550
Towing Services	525
Veterinary Services	1,109
Animal Food and Supplies	6,457
Other Supplies and Materials	1,637
Trustee's Commission	4
Other Equipment	<u>436</u>
Total Drug Enforcement	\$ 11,054

Total Drug Control Fund

11,054

(Continued)

OVERTON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types (Cont.)****American Rescue Plan Fund**

Other Operations

American Rescue Plan Act Grant #1

Maintenance and Repair Services - Buildings	\$ 115,994
Matching Share	13,742
Building Construction	<u>12,175</u>
Total American Rescue Plan Act Grant #1	<u>\$ 141,911</u>

Total American Rescue Plan Fund

\$ 141,911

Constitutional Officers - Fees Fund

Finance

County Trustee's Office

Constitutional Officers' Operating Expenses	\$ 300
Total County Trustee's Office	\$ 300

Administration of Justice

Chancery Court

Constitutional Officers' Operating Expenses	\$ 2,400
Total Chancery Court	2,400

Public Safety

Sheriff's Department

Constitutional Officers' Operating Expenses	\$ 112
Total Sheriff's Department	<u>112</u>

Total Constitutional Officers - Fees Fund

2,812

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 95,388
Supervisor/Director	51,589
Overtime Pay	18,337
Communication	13,441
Dues and Memberships	5,725
Evaluation and Testing	4,376
Legal Notices, Recording, and Court Costs	522
Maintenance and Repair Services - Buildings	1,737
Travel	2,467
Other Contracted Services	885
Custodial Supplies	763
Electricity	3,675
Office Supplies	1,360
Utilities	6,302
Other Charges	2,236
Office Equipment	<u>1,442</u>
Total Administration	\$ 210,245

(Continued)

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

Supervisor/Director	\$	180,190
Equipment Operators		504,202
Truck Drivers		122,736
Laborers		67,453
Secretary(ies)		1,400
Overtime Pay		71,625
Asphalt - Cold Mix		188,557
Asphalt - Hot Mix		20,631
Asphalt - Liquid		259,021
Crushed Stone		109,053
Pipe		8,861
Pipe - Metal		17,135
Road Signs		7,602
Salt		5,524
Other Supplies and Materials		4,807
Other Charges		5,365
Total Highway and Bridge Maintenance	\$	1,574,162

Operation and Maintenance of Equipment

Supervisor/Director	\$	45,181
Mechanic(s)		39,568
Overtime Pay		14,221
Freight Expenses		2,601
Maintenance and Repair Services - Equipment		62,859
Equipment and Machinery Parts		77,519
Gasoline		200,502
Lubricants		8,708
Small Tools		4,903
Tires and Tubes		41,090
Uniforms		5,502
Highway Equipment		62,307
Total Operation and Maintenance of Equipment	\$	564,961

Quarry Operations

Supervisor/Director	\$	38,656
Equipment Operators		79,448
Overtime Pay		17,684
Lease/SBITA Payments		9,600
Permits		3,381
Electricity		29,281
Equipment and Machinery Parts		21,129
Uniforms		1,798
Total Quarry Operations	\$	200,977

Other Charges

Liability Insurance	\$	82,785
Trustee's Commission		34,380
Workers' Compensation Insurance		74,247
Total Other Charges	\$	191,412

(Continued)

OVERTON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types (Cont.)****Highway/Public Works Fund (Cont.)**

Highways (Cont.)

Employee Benefits

Social Security	\$ 97,586
Pensions	90,886
Life Insurance	3,501
Medical Insurance	331,363
Unemployment Compensation	7,468
Other Fringe Benefits	1,890
Total Employee Benefits	<u>532,694</u>

Capital Outlay

Engineering Services	\$ 42,786
Legal Services	4,461
Matching Share	33,187
Asphalt	<u>1,626,157</u>
Total Capital Outlay	<u>1,706,591</u>

Total Highway/Public Works Fund

\$ 4,981,042

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$ 810,000
Total General Government	<u>810,000</u>

Education

Principal on Bonds	\$ 855,000
Principal on Other Loans	<u>240,108</u>
Total Education	1,095,108

Interest on Debt

General Government

Interest on Bonds	\$ 208,551
Total General Government	<u>208,551</u>

Education

Interest on Bonds	\$ 69,600
Interest on Other Loans	<u>21,840</u>
Total Education	91,440

Other Debt Service

General Government

Fiscal Agent Charges	\$ 400
Trustee's Commission	<u>16,735</u>
Total General Government	17,135

Education

Other Debt Service	\$ 300
Total Education	<u>300</u>

Total General Debt Service Fund

2,222,534

(Continued)

OVERTON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types (Cont.)****Education Capital Projects Fund**

Other Debt Service

Education

Underwriter's Discount	\$ 109,385
Other Debt Issuance Charges	<u>110,889</u>
Total Education	\$ 220,274

Capital Projects - Donated

Capital Projects Donated to School Department

Contributions	\$ 14,003,850
Total Capital Projects Donated to School Department	<u>14,003,850</u>

Total Education Capital Projects Fund

\$ 14,224,124

Other Capital Projects Fund

Capital Projects

Public Safety Projects

Trustee's Commission	\$ 6,748
Motor Vehicles	<u>429,700</u>
Total Public Safety Projects	\$ 436,448

Total Other Capital Projects Fund

436,448

Total Governmental Funds - Primary Government

\$ 38,921,107

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

Discretely Presented Overton County School Department

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

Instruction

Regular Instruction Program

Teachers	\$ 8,290,134
Career Ladder Program	12,500
Homebound Teachers	3,930
Educational Assistants	187,591
Bonus Payments	85,250
Other Salaries and Wages	161,340
Certified Substitute Teachers	72,486
Non-certified Substitute Teachers	190,721
Social Security	517,924
Pensions	487,033
Life Insurance	6,109
Medical Insurance	1,613,835
Unemployment Compensation	4,815
Local Retirement	122,543
Employer Medicare	122,522
Payments to Retirees	89,968
Other Fringe Benefits	1,072
Other Contracted Services	124,943
Instructional Supplies and Materials	81,070
Textbooks - Bound	692,552
Software	30,633
Other Supplies and Materials	51,245
Fee Waivers	41,408
TISA - On-behalf Payments	41,428
Other Charges	28,731
Regular Instruction Equipment	274,897
Total Regular Instruction Program	\$ 13,336,680

Alternative Instruction Program

Teachers	\$ 62,530
Career Ladder Program	1,000
Social Security	3,439
Pensions	4,326
Medical Insurance	10,935
Unemployment Compensation	21
Employer Medicare	804
Total Alternative Instruction Program	\$ 83,055

Special Education Program

Teachers	\$ 1,196,492
Career Ladder Program	1,000
Homebound Teachers	11,868
Educational Assistants	236,212
Speech Pathologist	62,568
Certified Substitute Teachers	1,846
Non-certified Substitute Teachers	5,175

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Social Security	\$	86,624
Pensions		80,600
Medical Insurance		364,138
Unemployment Compensation		898
Local Retirement		24,680
Employer Medicare		20,494
Other Contracted Services		46,223
Instructional Supplies and Materials		3,800
Other Supplies and Materials		365
In Service/Staff Development		387
TISA - On-behalf Payments		13,103
Other Charges		2,347
Total Special Education Program	\$	2,158,820

Career and Technical Education Program

Teachers	\$	585,210
Guidance Personnel		125,588
Clerical Personnel		20,265
Other Salaries and Wages		5,635
Certified Substitute Teachers		3,189
Non-certified Substitute Teachers		7,838
Social Security		42,970
Pensions		48,404
Medical Insurance		143,671
Unemployment Compensation		317
Local Retirement		2,307
Employer Medicare		10,091
Other Fringe Benefits		1,295
Instructional Supplies and Materials		59,047
Other Supplies and Materials		8,330
Other Charges		5,085
Vocational Instruction Equipment		127,611
Total Career and Technical Education Program	\$	1,196,853

Support Services

Attendance

Supervisor/Director	\$	79,736
Clerical Personnel		5,600
Other Salaries and Wages		8,968
Social Security		5,722
Pensions		6,433
Medical Insurance		8,179
Unemployment Compensation		20
Employer Medicare		1,338
Other Fringe Benefits		21
Travel		765

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Attendance (Cont.)

Software	\$ 17,701
Other Supplies and Materials	581
In Service/Staff Development	2,663
Attendance Equipment	425
Total Attendance	\$ 138,152

Health Services

Supervisor/Director	\$ 46,364
Medical Personnel	190,063
Certified Substitute Teachers	126
Non-certified Substitute Teachers	1,260
Social Security	13,176
Pensions	14,206
Life Insurance	25
Medical Insurance	63,064
Unemployment Compensation	166
Local Retirement	2,166
Employer Medicare	3,088
Other Fringe Benefits	25
Travel	3,121
Other Supplies and Materials	1,093
In Service/Staff Development	1,714
Total Health Services	339,657

Other Student Support

Guidance Personnel	\$ 484,518
Other Salaries and Wages	4,758
Social Security	28,593
Pensions	26,178
Medical Insurance	81,037
Unemployment Compensation	206
Local Retirement	9,258
Employer Medicare	6,687
Other Fringe Benefits	22
Contracts with Government Agencies	14,492
Other Contracted Services	2,674
Other Equipment	95,642
Total Other Student Support	754,065

Regular Instruction Program

Supervisor/Director	\$ 156,687
Career Ladder Program	5,300
Librarians	337,938
Clerical Personnel	22,395
Other Salaries and Wages	134,763
Certified Substitute Teachers	475

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Non-certified Substitute Teachers	\$ 915
Social Security	38,427
Pensions	44,610
Medical Insurance	98,783
Unemployment Compensation	216
Employer Medicare	9,002
Travel	9,092
Other Contracted Services	2,730
Library Books/Media	3,414
Other Supplies and Materials	59,496
In Service/Staff Development	26,814
Other Charges	674
Total Regular Instruction Program	\$ 951,731

Special Education Program

Supervisor/Director	\$ 78,456
Psychological Personnel	65,158
Medical Personnel	59,956
Clerical Personnel	22,395
Other Salaries and Wages	27,191
Social Security	14,766
Pensions	17,260
Medical Insurance	40,875
Unemployment Compensation	94
Employer Medicare	3,461
Travel	3,543
In Service/Staff Development	2,055
Other Charges	1,500
Other Equipment	456
Total Special Education Program	\$ 337,166

Career and Technical Education Program

Supervisor/Director	\$ 16,081
Career Ladder Program	200
Social Security	928
Pensions	1,109
Medical Insurance	2,612
Unemployment Compensation	4
Employer Medicare	217
Travel	679
In Service/Staff Development	9,012
Other Equipment	3,296
Total Career and Technical Education Program	\$ 34,138

Technology

Other Salaries and Wages	\$ 116,290
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(Continued)

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

Discretely Presented Overton County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Technology (Cont.)

Social Security	\$	6,954
Pensions		7,981
Medical Insurance		23,233
Unemployment Compensation		66
Employer Medicare		1,626
Internet Connectivity		134,629
Travel		3,676
Other Contracted Services		12,144
Software		18,023
Other Supplies and Materials		1,548
In Service/Staff Development		177
Other Charges		972
Other Equipment		4,550
Total Technology		\$ 331,869

Other Programs

On-behalf Payments to OPEB	\$	171,590
Total Other Programs		171,590

Board of Education

Secretary to Board	\$	1,800
Board and Committee Members Fees		25,350
Social Security		1,380
Pensions		124
Unemployment Compensation		1
Employer Medicare		394
Audit Services		7,000
Legal Services		30,280
Medical and Dental Services		8,108
Other Contracted Services		4,000
Other Supplies and Materials		918
Liability Insurance		46,106
Premiums on Corporate Surety Bonds		350
Trustee's Commission		134,201
Workers' Compensation Insurance		183,466
In Service/Staff Development		20,933
Fines, Assessments, and Penalties		4,609
Refund to Applicant for Criminal Investigation		743
Other Charges		1,944
Total Board of Education		471,707

Director of Schools

County Official/Administrative Officer	\$	95,983
Assistant(s)		5,000
Career Ladder Program		1,000
Social Security		5,728

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

Pensions	\$ 6,945
Medical Insurance	15,036
Unemployment Compensation	22
Employer Medicare	1,340
Dues and Memberships	11,848
Postal Charges	4,132
Travel	93
Other Supplies and Materials	380
In Service/Staff Development	3,166
Other Charges	17
Total Director of Schools	\$ 150,690

Office of the Principal

Principals	\$ 513,166
Career Ladder Program	2,500
Assistant Principals	461,519
Secretary(ies)	456,381
Other Salaries and Wages	19,537
Social Security	84,243
Pensions	96,768
Medical Insurance	254,462
Unemployment Compensation	667
Local Retirement	3,098
Employer Medicare	19,702
Other Fringe Benefits	1,298
Software	2,800
Other Supplies and Materials	378
Excess Risk Insurance	21,811
In Service/Staff Development	3,297
Administration Equipment	745
Total Office of the Principal	1,942,372

Fiscal Services

Accountants/Bookkeepers	\$ 121,300
Secretary(ies)	71,612
Other Salaries and Wages	64,262
Social Security	15,164
Pensions	17,694
Medical Insurance	35,385
Unemployment Compensation	137
Employer Medicare	3,546
Dues and Memberships	50
Travel	29
Other Contracted Services	926
Data Processing Supplies	3,966
Office Supplies	2,597

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Fiscal Services (Cont.)

Software	\$ 13,982
In Service/Staff Development	2,794
Administration Equipment	<u>5,951</u>
Total Fiscal Services	\$ 359,395

Operation of Plant

Custodial Personnel	\$ 632,111
Social Security	37,588
Pensions	39,969
Medical Insurance	167,875
Unemployment Compensation	770
Employer Medicare	8,913
Other Fringe Benefits	26
Communication	51,743
Maintenance and Repair Services - Equipment	2,227
Pest Control	10,425
Other Contracted Services	80,695
Custodial Supplies	63,811
Electricity	520,912
Natural Gas	81,161
Propane Gas	56,268
Water and Sewer	56,744
Chemicals	19,773
Other Supplies and Materials	3,155
Boiler Insurance	4,710
Building and Contents Insurance	207,100
Other Charges	1,312
Plant Operation Equipment	<u>855</u>
Total Operation of Plant	2,048,143

Maintenance of Plant

Supervisor/Director	\$ 58,590
Maintenance Personnel	175,012
Social Security	14,067
Pensions	16,031
Medical Insurance	37,369
Unemployment Compensation	96
Employer Medicare	3,290
Maintenance and Repair Services - Buildings	49,580
Maintenance and Repair Services - Equipment	17,144
Maintenance and Repair Services - Vehicles	809
Rentals	413
Other Contracted Services	97,050
Custodial Supplies	28
Equipment and Machinery Parts	15,228
General Construction Materials	38,142

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

Small Tools	\$ 8,462
Uniforms	1,753
Other Supplies and Materials	4,712
Vehicle and Equipment Insurance	5,838
Other Charges	1,176
Maintenance Equipment	<u>33,172</u>
Total Maintenance of Plant	\$ 577,962

Transportation

Supervisor/Director	\$ 36,141
Mechanic(s)	59,314
Bus Drivers	548,135
Other Salaries and Wages	32,082
Social Security	36,751
Pensions	34,626
Medical Insurance	98,815
Unemployment Compensation	474
Employer Medicare	9,640
Other Fringe Benefits	202
Maintenance and Repair Services - Vehicles	14,387
Medical and Dental Services	4,910
Towing Services	850
Other Contracted Services	421
Crushed Stone	1,406
Custodial Supplies	677
Diesel Fuel	141,673
Garage Supplies	5,424
Gasoline	11,488
Lubricants	7,243
Small Tools	38
Tires and Tubes	17,906
Uniforms	1,208
Vehicle Parts	74,371
Software	770
Other Supplies and Materials	3,595
Vehicle and Equipment Insurance	38,416
In Service/Staff Development	2,309
Other Charges	22
Transportation Equipment	<u>373,424</u>
Total Transportation	1,556,718

Operation of Non-Instructional Services

Food Service

Other Charges	\$ 19,347
Total Food Service	19,347

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services

Supervisor/Director	\$	11,951
Teachers		27,330
Educational Assistants		5,175
Other Salaries and Wages		3,500
Social Security		2,915
Pensions		2,379
Medical Insurance		677
Unemployment Compensation		23
Employer Medicare		682
Other Fringe Benefits		293
Travel		13
Instructional Supplies and Materials		1,909
Other Supplies and Materials		3,142
In Service/Staff Development		304
Other Charges		8,025
Total Community Services	\$	68,318

Early Childhood Education

Supervisor/Director	\$	15,950
Teachers		253,485
Clerical Personnel		3,870
Educational Assistants		90,067
Certified Substitute Teachers		474
Non-certified Substitute Teachers		4,545
Social Security		21,538
Pensions		21,425
Life Insurance		131
Medical Insurance		71,311
Unemployment Compensation		257
Local Retirement		3,948
Employer Medicare		5,041
Other Fringe Benefits		829
Travel		61
Instructional Supplies and Materials		11,478
Other Supplies and Materials		9,776
In Service/Staff Development		3,366
Other Charges		410
Regular Instruction Equipment		4,870
Total Early Childhood Education		522,832

Capital Outlay

Regular Capital Outlay

Architects	\$	79,440
Other Contracted Services		31,775
Building Construction		1,450,682
Building Improvements		432
Total Regular Capital Outlay		1,562,329

Total General Purpose School Fund

\$ 29,113,589

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$ 138,339
Educational Assistants	72,000
Other Salaries and Wages	234,361
Certified Substitute Teachers	3,604
Non-certified Substitute Teachers	12,998
Social Security	26,156
Pensions	24,759
Medical Insurance	99,785
Unemployment Compensation	291
Local Retirement	6,207
Employer Medicare	6,295
Other Fringe Benefits	2,149
Instructional Supplies and Materials	33,599
Software	75,306
Regular Instruction Equipment	<u>60,882</u>
Total Regular Instruction Program	\$ 796,731

Special Education Program

Teachers	\$ 50,140
Educational Assistants	638,117
Other Salaries and Wages	30,840
Certified Substitute Teachers	221
Non-certified Substitute Teachers	2,085
Social Security	40,420
Pensions	43,476
Medical Insurance	188,802
Unemployment Compensation	1,071
Local Retirement	2,640
Employer Medicare	9,589
Other Fringe Benefits	1,217
Instructional Supplies and Materials	26,403
Other Supplies and Materials	5,880
Special Education Equipment	<u>14,539</u>
Total Special Education Program	1,055,440

Career and Technical Education Program

Educational Assistants	\$ 5,956
Social Security	361
Pensions	410
Medical Insurance	3,445
Unemployment Compensation	2
Employer Medicare	84
Maintenance and Repair Services - Equipment	265
Instructional Supplies and Materials	20,470
Other Charges	1,308
Vocational Instruction Equipment	<u>49,160</u>
Total Career and Technical Education Program	81,461

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services

Attendance

Software	\$ 3,600	
Total Attendance		\$ 3,600

Health Services

Health Equipment	\$ 13,258	
Total Health Services		13,258

Other Student Support

Bus Drivers	\$ 1,010	
Other Salaries and Wages	76,239	
Social Security	4,696	
Pensions	5,224	
Unemployment Compensation	65	
Employer Medicare	1,108	
Other Fringe Benefits	239	
Travel	9,156	
Other Contracted Services	2,038	
Software	3,500	
Other Supplies and Materials	6,079	
In Service/Staff Development	8,560	
Other Charges	25,082	
Total Other Student Support		142,996

Regular Instruction Program

Supervisor/Director	\$ 86,037	
Secretary(ies)	742	
Other Salaries and Wages	502,420	
In-service Training	4,000	
Social Security	32,888	
Pensions	37,723	
Life Insurance	221	
Medical Insurance	75,255	
Unemployment Compensation	189	
Employer Medicare	8,178	
Other Fringe Benefits	2,786	
Travel	6,155	
Other Contracted Services	164,572	
Software	15,085	
Other Supplies and Materials	16,374	
In Service/Staff Development	47,883	
Other Charges	9,566	
Other Equipment	25,798	
Total Regular Instruction Program		1,035,872

Special Education Program

Supervisor/Director	\$ 6,945	
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(Continued)

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

Discretely Presented Overton County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Psychological Personnel	\$	57,194
Other Salaries and Wages		1,680
Social Security		4,076
Pensions		2,210
Life Insurance		25
Medical Insurance		8,466
Unemployment Compensation		21
Local Retirement		2,860
Employer Medicare		953
Other Fringe Benefits		250
Communication		1,200
Contracts with Private Agencies		20,762
Evaluation and Testing		721
Travel		9,462
Other Supplies and Materials		10,369
In Service/Staff Development		14,963
Other Equipment		18,119
Total Special Education Program	\$	160,276

Career and Technical Education Program

Clerical Personnel	\$	2,028
Social Security		124
Pensions		140
Medical Insurance		713
Unemployment Compensation		6
Employer Medicare		29
In Service/Staff Development		3,253
Total Career and Technical Education Program		6,293

Operation of Plant

Other Supplies and Materials	\$	2,812
Plant Operation Equipment		1,222
Total Operation of Plant		4,034

Transportation

Bus Drivers	\$	18,550
Other Salaries and Wages		3,586
Social Security		1,369
Pensions		1,273
Unemployment Compensation		21
Employer Medicare		321
Other Fringe Benefits		200
Contracts with Parents		15,415
Total Transportation		40,735

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

School Federal Projects Fund (Cont.)

Operation of Non-Instructional Services

Food Service

Food Supplies	\$ 976	\$ 976
Total Food Service		

Community Services

Supervisor/Director	\$ 30,469	
Teachers	215,062	
Educational Assistants	47,488	
Other Salaries and Wages	21,600	
Social Security	18,466	
Pensions	18,856	
Medical Insurance	2,672	
Unemployment Compensation	151	
Employer Medicare	4,339	
Other Fringe Benefits	1,783	
Travel	7	
In Service/Staff Development	1,610	
Other Charges	<u>17,475</u>	
Total Community Services		379,978

Capital Outlay**Regular Capital Outlay**

Architects	\$ 102,612	
Building Improvements	1,832,095	
Plant Operation Equipment	<u>4,416</u>	
Total Regular Capital Outlay		<u>1,939,123</u>

Total School Federal Projects Fund

\$ 5,660,773

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$ 79,736	
Clerical Personnel	14,855	
Cafeteria Personnel	588,848	
Temporary Personnel	13,783	
Social Security	41,744	
Pensions	44,529	
Life Insurance	25	
Medical Insurance	178,791	
Unemployment Compensation	821	
Employer Medicare	9,801	
Other Fringe Benefits	22,862	
Dues and Memberships	1,068	
Maintenance and Repair Services - Equipment	15,632	
Travel	2,168	
Other Contracted Services	46,943	

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Food Supplies	\$ 683,039
USDA - Commodities	95,428
Other Supplies and Materials	78,220
In Service/Staff Development	4,324
Other Charges	1,314
Food Service Equipment	<u>52,754</u>
Total Food Service	<u>\$ 1,976,685</u>

Total Central Cafeteria Fund

\$ 1,976,685

Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$ 1,401,240
Total Community Services	<u>\$ 1,401,240</u>

Total Internal School Fund

1,401,240

Education Debt Service Fund

Principal on Debt

Education

Debt Service Contribution to Primary Government	\$ 1,095,108
Total Education	\$ 1,095,108

Interest on Debt

Education

Debt Service Contribution to Primary Government	\$ 91,440
Total Education	91,440

Other Debt Service

Education

Trustee's Commission	\$ 6,967
Debt Service Contribution to Primary Government	<u>300</u>
Total Education	<u>7,267</u>

Total Education Debt Service Fund

1,193,815

Total Governmental Funds - Overton County School Department

\$ 39,346,102

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***

Overton County Executive and
Board of County Commissioners
Overton County, Tennessee

To the County Executive and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Overton County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Overton County's basic financial statements as listed in the table of contents, and have issued our report thereon dated February 13, 2025. Our report includes a reference to other auditors who audited the financial statements of the discretely presented Overton County Health and Rehab Center and the financial statements of the Internal School Fund of the Overton County School Department (a discretely presented component unit) as described in our report on Overton 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 Overton County's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Overton County's internal control. Accordingly, we do not express an opinion on the effectiveness of Overton 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. We identified the following deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be a material weakness: 2024-001.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Overton County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and is described in the accompanying Schedule of Findings and Questioned Costs as item: 2024-002.

Overton County's Responses to Findings

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

Purpose of this Report

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

Very truly yours,

Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 13, 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

Overton County Executive and
Board of County Commissioners
Overton County, Tennessee

To the County Executive and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Overton 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 Overton County's major federal programs for the year ended June 30, 2024. Overton 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, Overton 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 Overton 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 Overton 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 Overton 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 Overton 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 Overton 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 Overton 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 Overton 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 Overton 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.

Other Matter

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying Schedule of Findings and Questioned Costs as item: 2024-003. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on Overton County's response to the noncompliance findings identified in our compliance audit described in the accompanying Schedule of

Findings and Questioned Costs. Overton County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Overton County is responsible for preparing a corrective action plan to address each noncompliance audit finding included in our auditor's report in accordance with the Uniform Guidance. Overton County's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the corrective action plan.

Report on Internal Control Over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Overton County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Overton County's basic financial statements. We issued our report thereon dated February 13, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the

United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,

Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 13, 2025

JEM/gc

OVERTON COUNTY, TENNESSEE, AND THE OVERTON COUNTY SCHOOL DEPARTMENT

Schedule of Expenditures of Federal Awards and State Grants (1) (2) (7)
For the Year-Ended June 30, 2024

Federal/Pass-through Agency/State Grantor Program Title	Assistance Listing Number	Passed-through Entity Identifying Number	Amount Passed-through to Subrecipients			Expenditures
U.S. Department of Agriculture:						
Passed-through State Department of Education:						
Child Nutrition Cluster: (3)						
School Breakfast Program	10.553	N/A	\$	0	\$	345,198
National School Lunch Program	10.555	N/A		0		1,072,132 (5)
Child Nutrition Discretionary Grants Limited Availability	10.579	225TN350N8103		0		24,254
COVID 19 - Pandemic EBT Administrative Costs	10.649	235TN102S900945		0		3,256
Passed-through State Department of Agriculture:						
Child Nutrition Cluster: (3)						
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A		0		95,428 (5)
Rebate of Storage and Distribution Fees	10.555	N/A		0		3,460 (5)
Total U.S. Department of Agriculture						<u>\$ 1,543,728</u>
U.S. Department of the Interior:						
Direct Program:						
Payments in Lieu of Taxes	15.226	N/A		0		<u>\$ 668</u>
Total U.S. Department of the Interior						<u>\$ 668</u>
U.S. Department of Transportation:						
Passed-through State Department of Safety and Homeland Security:						
Alcohol Open Container Requirements	20.607	(6)		0		<u>\$ 8,344</u>
Total U.S. Department of Transportation						<u>\$ 8,344</u>
U.S. Department of the Treasury:						
Direct Program:						
COVID 19 - Coronavirus State and Local Recovery Funds (ARP)	21.027	N/A		0		<u>\$ 100,000 (5)</u>
Passed-through State Department of Environment and Conservation:						
COVID 19 - Coronavirus State and Local Recovery Funds (ARP)	21.027	2022-8418		41,226		41,226 (5) (8)
Passed-through State Department of Education:						
COVID 19 - Coronavirus State and Local Recovery Funds (ARP)	21.027	(4)		0		<u>40,269 (5)</u>
Total U.S. Department of the Treasury						<u>\$ 181,495</u>
U.S. National Foundation on the Arts and the Humanities:						
Passed-through Tennessee Secretary of State:						
Grants to States	45.310	(4)		0		<u>\$ 1,650</u>
Total U.S. National Foundation on the Arts and the Humanities						<u>\$ 1,650</u>
U.S. Department of Education:						
Passed-through State Department of Education:						
Title I Grants to Local Educational Agencies	84.010	N/A		0		<u>\$ 980,414</u>
Special Education Cluster: (3)						
Special Education - Grants to States	84.027	N/A		0		<u>1,213,261 (5)</u>
COVID 19 - Special Education - Grants to States	84.027X	N/A		0		<u>2,862 (5)</u>
Special Education - Preschool Grants	84.173	N/A		0		<u>40,104 (5)</u>
COVID 19 - Special Education - Preschool Grants	84.173X	N/A		0		<u>224 (5)</u>
Career and Technical Education - Basic Grants to States	84.048	N/A		0		<u>111,190</u>
Twenty-first Century Community Learning Centers	84.287	N/A		0		<u>390,695</u>
Supporting Effective Instruction State Grants	84.367	N/A		0		<u>116,130</u>
Comprehensive Literacy Development	84.371	N/A		0		<u>99,533</u>
Student Support and Academic Enrichment Program	84.424	N/A		0		<u>56,482</u>
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	N/A		0		<u>243,642 (5)</u>
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	N/A		0		<u>2,389,242 (5)</u>
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund - Homeless Children and Youth (ESSER ARP)	84.425W	N/A		0		<u>8,917 (5)</u>
Passed-through Tennessee Higher Education Commission:						
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	P334A170004		0		<u>154,050</u>
Total U.S. Department of Education						<u>\$ 5,806,746</u>
U.S. Election Assistance Commission:						
Passed-through Tennessee Secretary of State:						
Help America Vote Act Requirements Payments	90.401	(4)		0		<u>\$ 187,388</u>
Total U.S. Election Assistance Commission						<u>\$ 187,388</u>

(Continued)

OVERTON COUNTY, TENNESSEE, AND THE OVERTON COUNTY SCHOOL DEPARTMENT

Schedule of Expenditures of Federal Awards and State Grants (1) (2) (7) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Assistance Listing Number	Passed-through Entity Identifying Number	Amount Passed-through to Subrecipients			Expenditures
U.S. Department of Health and Human Services:						
Direct Program:						
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	N/A	\$	0	\$	190,460
Passed-through Upper Cumberland Development District:						
Aging Cluster: (3)						
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	(4)	0			23,318
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	(4)	0			54,209
Nutrition Services Incentive Program	93.053	(4)	0			5,800
Passed-through State Department of Health:						
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	Z23260615	0			54,234
Passed-through State Department of Education:						
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	(4)	0			26,447
Total U.S. Department of Health and Human Services						<u>\$ 354,468</u>
Total Expenditures of Federal Grants						<u>\$ 8,084,487</u>

State Grants	Contract Number	
Juvenile Court State Supplement - State Department of Children Services	N/A	N/A
TLETA Cost Sharing Grant - State Department of Commerce and Insurance	N/A	N/A
Innovative School Models (ISM) - State Department of Education	N/A	N/A
Learning Camp Transportation - State Department of Education	N/A	N/A
Lottery Education Afterschool Programs - State Department of Education	N/A	N/A
Public School Security Grant - State Department of Education	N/A	N/A
State Special Education Preschool - State Department of Education	N/A	N/A
Summer Learning Camp - State Department of Education	N/A	N/A
Voluntary Pre-K - State Department of Education	N/A	N/A
Youth Risk Behavior Survey - State Department of Education	N/A	N/A
Violent Crime Intervention Fund - State Department of Finance and Administration	N/A	N/A
Local Health Services - State Department of Health	N/A	GG2480391
SRO Grant Program - State Department of Safety and Homeland Security	N/A	SROTDOSH245
HAVA Election Security Grant - State Department of State	N/A	N/A
Training Opportunities to the Public (TOP) Grant - Tennessee Secretary of State	N/A	N/A
Governor's Investment in Vocational Education (GIVE) - Tennessee College of Applied Technology Livingston	N/A	N/A
Senior Center Competitive Grant - Tennessee Commission on Aging and Disability	N/A	N/A
Aging Program - Upper Cumberland Development District	N/A	N/A
Special Programs for the Aging, Title III, Part C, Nutrition Services		
- Upper Cumberland Development District	N/A	N/A
Total State Grants		<u>\$ 2,981,157</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) Overton County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.

(3) Child Nutrition Cluster total \$1,516,218; Special Education Cluster \$1,256,451; Aging Cluster \$83,327.

(4) Information not available.

(5) Total for ALN 10.555 is \$1,171,020; Total for ALN 21.027 is \$181,495; Total for ALN 84.027 is \$1,216,123;

 Total for ALN 84.173 is \$40,328; Total for ALN 84.425 is \$2,641,801.

(6) Z-23-THS12: \$4,631; Z-24-THS23: \$3,713.

(7) CONSOLIDATED ADMINISTRATION

 The following amounts were consolidated for administration purposes:

Program Title	ALN	Amount Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	\$ 87,782
Supporting Effective Instruction State Grant	84.367	10,500
Student Support and Academic Enrichment Program	84.424	1,383
Total amounts consolidated for administration purposes		<u>\$ 99,665</u>

(8) SUBRECIPIENT AMOUNTS

 The following amounts were paid to subrecipients from the COVID 19 - Coronavirus State and Local Fiscal Recovery Funds (ARP):

Subrecipient	ALN	Amount Provided to Subrecipients
West Overton Utility District	21.027	\$ 41,266

OVERTON COUNTY, TENNESSEE
Summary Schedule of Prior-year Findings
For the Year Ended June 30, 2024

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or not. Presented below are financial statement findings along with their current status from the Annual Financial Report for Overton County, Tennessee, for the year ended June 30, 2024.

Prior-year Financial Statement Findings

Fiscal Year	Page Number	Finding Number	Title of Finding	ALN	Current Status
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OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS

2023	236	2023-001	Expenditures exceeded appropriations.	N/A	Corrected
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OFFICE OF DIRECTOR OF SCHOOLS

2023	236	2023-002	Operations of the school department are currently being reviewed.	N/A	N/A
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OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK

2023	237	2023-003	Bank statements were not reconciled properly with the general ledger.	N/A	Corrected
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Prior-year Federal Awards Findings

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

OVERTON COUNTY, TENNESSEE
SCHEDEULE 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 Overton County is unmodified.

2. Internal Control Over Financial Reporting:

* Material weakness identified?	YES
* Significant deficiency identified?	NONE REPORTED
3. Noncompliance material to the financial statements noted?	NO

Federal Awards:

4. Internal Control Over Major Federal Programs:

* Material weakness identified?	NO
* Significant deficiency identified?	NONE REPORTED

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

UNMODIFIED

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

YES

7. Identification of Major Federal Programs:

* Assistance Listing Numbers: 10.553 and 10.555	Child Nutrition Cluster: School Breakfast Program and National School Lunch Program
* Assistance Listing Number: 21.027	COVID 19 - Coronavirus State and Local Fiscal Recovery Funds
* Assistance Listing Number: 84.425	COVID 19 - Education Stabilization Fund

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

9. Auditee qualified as low-risk auditee? **YES**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

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

OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS

FINDING 2024-001

THE HIGHWAY/PUBLIC WORKS FUND REQUIRED MATERIAL AUDIT ADJUSTMENTS FOR PROPER FINANCIAL STATEMENT PRESENTATION

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

On June 30, 2024, certain general ledger account balances in the Highway/Public Works Fund were not materially correct, and audit adjustments for accounts receivables and accounts payable totaling \$343,520, were required for the financial statements to be materially correct at year-end. Generally accepted account principles require Overton County to have adequate internal controls over the maintenance of its accounting records. Material audit adjustments were required because the department's financial reporting system did not prevent, detect, or correct potential misstatements in the account records. It is a strong indicator of a material weakness in internal controls if the department has ineffective controls over the maintenance of its accounting records, which are used to prepare the financial statements, including the related notes to the financial statements. This deficiency is a result of a lack of management oversight. We presented audit adjustments to management that they approved and posted to properly present the financial statements in this report.

RECOMMENDATION

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

MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

I concur with this finding.

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 2024-002

INVESTIGATIONS OF THE OVERTON COUNTY SCHOOL DEPARTMENT NOTED DEFICIENCIES IN SCHOOL OPERATIONS

(Noncompliance Under *Government Auditing Standards*)

The Comptroller's Division of Investigations issued two separate investigative reports on the Overton County School Department. These reports are summarized below and are available at www.comptroller.tn.gov/ia.

- A. On November 13, 2024, a report was issued noting that former school department officials permitted questionable time reporting practices. Under the direction of the former director of schools, the former budget director double-counted hours worked, failed to report lunch breaks, and retroactively applied compensatory hours. The former director of schools also approved time sheets including improper calculations for the former budget director.

B. On January 30, 2025, a report was issued that disclosed serious deficiencies in the department's afterschool program. Three school system employees improperly received at least \$24,420 in compensation by reporting at least 877 hours of time not worked. In addition, afterschool program attendance data was inaccurately reported by the former afterschool director.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

I concur with this finding. We do concur that these deficiencies did occur and were corrected. However, none of the deficiencies happened during the 2023-2024 school year and audit cycle. These issues have been resolved and were corrected in 2021-2022 and 2022-2023.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

Findings and recommendations, as a result of our audit of federal awards of Overton County, Tennessee, for the year ended June 30, 2024, are presented below. Our audit followed 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).

We reviewed these findings and recommendations with federal program management to provide an opportunity for their response. Responses and/or corrective action plans for all findings, whether related to the financial statements or federal awards, are presented separately in the Management's Corrective Action Plan section of this report.

Findings relating specifically to the audit of the financial statements of Overton County, Tennessee, are separately presented under Part II, Findings Relating to the Financial Statements.

FINDING 2024-003

AN INVESTIGATION OF THE OVERTON COUNTY AFTERSCHOOL PROGRAM DISCLOSED SERIOUS DEFICIENCIES

(Noncompliance Under *Government Auditing Standards* and OMB Uniform Guidance)

Entity	Overton County, Tennessee – School Department
Repeat Finding Number	N/A
Assistance Listings #	84.287
Assistance Listings Title	Twenty-first Century Community Learning Centers
Federal Agency	Department of Education
State Pass-Through Agency	Department of Education
Grant/Contract No.	N/A
Federal Award Year	2020-2023
Finding Type	Noncompliance – 84.287
Compliance Requirement	Allowable Costs
Known Questioned Costs	\$24,420

On January 30, 2025, the Comptroller's Division of Investigations issued an investigative report on the Overton County Afterschool Program. Three school system employees improperly received at least \$24,420 in compensation by reporting at least 877 hours of time not worked. In addition, afterschool program attendance data was inaccurately reported by the former afterschool director. This report is available at www.comptroller.tn.gov/ia.

RECOMMENDATION

Adequate oversight should be provided to the program employees.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

I concur with this finding. We do concur that these deficiencies did occur and were corrected. However, none of the deficiencies happened during the 2023-2024 school year and audit cycle. These issues have been resolved and were corrected in 2021-2022 and 2022-2023.

OVERTON 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 ACCOUNTS AND BUDGETS

2024-001 The Highway/Public Works Fund required material audit adjustments for proper financial statement presentation. 232

OFFICE OF DIRECTOR OF SCHOOLS

2024-002	Investigations of the Overton County School Department noted deficiencies and in school operations.	233
2024-003		



Community working together!

OVERTON COUNTY GOVERNMENT

306 W. Main St. Rm 232 • Livingston, TN 38570
Phone: (931) 823-5638 • Fax: (931) 823-9417 • Email: overtonexec@twlakes.net

Steven Barlow

County Executive

Corrective Action Plan

OVERTON COUNTY OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS

FINDING:

THE HIGHWAY/PUBLIC WORKS FUNDS REQUIRED MATERIAL AUDIT ADJUSTMENTS FOR PROPER FINANCIAL STATEMENT PRESENTATION

Response and Corrective Action Plan Prepared by:

Connie York, Director of Accounts and Budgets

Person Responsible for Implementing the Corrective Action:

Connie York, Director of Accounts and Budgets

Anticipated Completion Date of Corrective Action:

February 10, 2025

Repeat Finding:

No

Reason Corrective Action was Not Taken in the Prior Year:

N/A

Planned Corrective Action:

I will ensure revenues and expenditures have proper documentation.

Signature:

Connie York



Corrective Action Plan

OVERTON COUNTY OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS

FINDING: INVESTIGATIONS OF THE OVERTON COUNTY SCHOOL DEPARTMENT NOTED DEFICIENCIES IN SCHOOL OPERATIONS

Response and Corrective Action Plan Prepared by:

Dr. Donnie Holman, Director of Schools

Person Responsible for Implementing the Corrective Action:

Dr. Donnie Holman, Director of Schools

Anticipated Completion Date of Corrective Action:

All corrective actions regarding Finding 2024-001 A. were implemented and completed immediately upon the finding of said deficiencies during the 2021-22 school year.

All corrective actions regarding Finding 2024-001 B. were implemented and completed immediately upon the finding of deficiencies during the 2022-23 school year.

Repeat Finding:

No

Reason Corrective Action was Not Taken in the Prior Year:

N/A

Planned Corrective Action:

Deficiencies were found during the 2020-2021 school year in regard to actions of the former budget director and former director of schools. These deficiencies were corrected immediately.

Deficiencies were also found in the 2022-2023 school year in regard to actions of former employees improperly receiving compensation for time not worked during the afterschool program and inaccurately reporting attendance for the afterschool program. Immediately upon finding the deficiencies, all deficiencies were corrected during FY23.

Signature:

Donnie Holman

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 Overton County.

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

Overton County does not have a central system of accounting, budgeting, and purchasing for all departments. Overton County operates under the provisions of the Fiscal Control Acts of 1957. These acts provide for a central system of accounting, budgeting, and purchasing covering all funds administered by the county executive and highway superintendent but exclude the school department. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the county commission resulting in decentralization and some duplication of effort. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing that includes all departments is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Overton County. Therefore, we recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.