



## ANNUAL FINANCIAL REPORT

### Smith County, Tennessee

*For the Year Ended June 30, 2024*

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



**DIVISION OF  
LOCAL GOVERNMENT AUDIT**

**ANNUAL FINANCIAL REPORT**  
**SMITH 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*

*JEFF BAILEY, CPA, CGFM, CFE*  
*Audit Manager*

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

---

## SMITH COUNTY, TENNESSEE TABLE OF CONTENTS

---

	Exhibit	Page(s)
Summary of Audit Findings		6
<b>INTRODUCTORY SECTION</b>		7
Smith County Officials		8
<b>FINANCIAL SECTION</b>		9
Independent Auditor's Report		10-13
<b>BASIC FINANCIAL STATEMENTS:</b>		14
Government-wide Financial Statements:		
Statement of Net Position	A	15-16
Statement of Activities	B	17-18
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C-1	19-20
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	C-2	21
Statement of Revenues, Expenditures, and Changes in Fund Balances	C-3	22-23
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	C-4	24
Statements of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
General Fund	C-5	25-28
Highway/Public Works Fund	C-6	29
Proprietary Fund:		
Statement of Net Position	D-1	30-31
Statement of Revenues, Expenses, and Changes in Net Position	D-2	32
Statement of Cash Flows	D-3	33-34
Fiduciary Funds:		
Statement of Net Position	E-1	35
Statement of Changes in Net Position	E-2	36
Index and Notes to the Financial Statements		37-92
<b>REQUIRED SUPPLEMENTARY INFORMATION:</b>		93
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on Participation in the Public Employee Pension Plan of TCRS – Primary Government	F-1	94
Schedule of Contributions Based on Participation in the Public Employee Pension Plan of TCRS – Primary Government	F-2	95
Schedule of Contributions Based on Participation in the Teacher Retirement Plan of TCRS – Discretely Presented Smith County School Department	F-3	96

	Exhibit	Page(s)
Schedule of Contributions Based on Participation in the Teacher Legacy Pension Plan of TCRS – Discretely Presented Smith County School Department	F-4	97
Schedule of Proportionate Share of the Net Pension Asset in the Teacher Retirement Plan of TCRS – Discretely Presented Smith County School Department	F-5	98
Schedule of Proportionate Share of the Net Pension Asset in the Teacher Legacy Pension Plan of TCRS – Discretely Presented Smith County School Department	F-6	99
Schedule of Changes in Total Other Postemployment Benefits Plan Liability and Related Ratios – Local Government Plans - Primary Government	F-7	100
Schedule of Changes in Total Other Postemployment Benefits Plan Liability and Related Ratios – Local Education Plan - Discretely Presented Smith County School Department	F-8	101
Notes to the Required Supplementary Information		102
<b>COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES:</b>		103
Nonmajor Governmental Funds:		104-105
Combining Balance Sheet	G-1	106-109
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	G-2	110-111
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
Drug Control Fund	G-3	112
Other General Government Fund	G-4	113
General Capital Projects Fund	G-5	114
Highway Capital Projects Fund	G-6	115
Major Governmental Fund:		116
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Actual and Budget:		
General Debt Service Fund	H	117
Fiduciary Funds:		118
Combining Statement of Net Position - Custodial Funds	I-1	119
Combining Statement of Changes in Net Position – Custodial Funds	I-2	120
Component Unit:		
Discretely Presented Smith County School Department:		121
Statement of Activities	J-1	122
Balance Sheet – Governmental Funds	J-2	123
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	J-3	124
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	J-4	125
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	J-5	126
Combining Balance Sheet – Nonmajor Governmental Funds	J-6	127
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds	J-7	128

	Exhibit	Page(s)
Schedules of Revenues, Expenditures, and Changes in Fund		
Balances – Actual (Budgetary Basis) and Budget:		
General Purpose School Fund	J-8	129-130
School Federal Projects Fund	J-9	131-132
Central Cafeteria Fund	J-10	133
Miscellaneous Schedules:		134
Schedule of Changes in Long-term Bonds, Notes, and Other Loans	K-1	135
Schedule of Long-term Debt Requirements by Year	K-2	136-138
Schedule of Transfers – Primary Government and Discretely		
Presented Smith County School Department	K-3	139
Schedule of Salaries and Official Bonds of Principal Officials –		
Primary Government and Discretely Presented Smith		
County School Department	K-4	140
Schedule of Detailed Revenues – All Governmental Fund Types	K-5	141-154
Schedule of Detailed Revenues – All Governmental Fund Types –		
Discretely Presented Smith County School Department	K-6	155-158
Schedule of Detailed Expenditures – All Governmental Fund Types	K-7	159-176
Schedule of Detailed Expenditures – All Governmental Fund Types –		
Discretely Presented Smith County School Department	K-8	177-188
Schedule of Detailed Revenues and Expenses – Proprietary Fund	K-9	189-190
<b>SINGLE AUDIT SECTION</b>		191
Independent Auditor's Report on Internal Control Over Financial Reporting and		
on Compliance and Other Matters Based on an Audit of Financial Statements		
Performed in Accordance with <i>Government Auditing Standards</i>		192-193
Independent Auditor's Report on Compliance for Each Major Federal Program;		
Report on Internal Control Over Compliance; and Report on the Schedule of		
Expenditures of Federal Awards Required by Uniform Guidance		194-196
Schedule of Expenditures of Federal Awards and State Grants		197-199
Summary Schedule of Prior-year Findings		200
Schedule of Findings and Questioned Costs		201-205
Management's Corrective Action Plan		206-209

## Summary of Audit Findings

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

### *Scope*

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

### *Results*

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

Our audit resulted in three findings and recommendations, which we have reviewed with Smith 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 Solid Waste Disposal Fund had a deficit in unrestricted net position.

#### **OFFICE OF DIRECTOR OF SCHOOLS**

- ◆ The school department was assessed a penalty of \$73,079 by the Internal Revenue Service for noncompliance with the Affordable Care Act.
- ◆ Questionable travel and cell phone/data reimbursements were paid to the director of schools.



## INTRODUCTORY SECTION

## SMITH COUNTY OFFICIALS

June 30, 2024

---

### Officials

Jeff Mason, County Mayor  
Mickey Barrett, Road Commissioner  
Barry Smith, Director of Schools  
Julie Wright, Trustee  
Terry Collins, Assessor of Property  
Clifa Norris, County Clerk  
Tommy Turner, Circuit and General Sessions Courts Clerk  
Jessie Goad, Clerk and Master  
Jerri Lin Vaden-Malone, Register of Deeds  
Steve Hopper, Sheriff  
Daisy Denton, Director of Accounts and Budgets

### Board of County Commissioners

Jeff Mason, County Mayor, Chairman	Greta Kirby
Tommy Bane	Cordell Smith
Billy Bass	Matthew Inyart
Barry Cahoon	Danny Irizarry
Steven Lish	Justin Mauldin
Terry Givens	Junior Fields
Ron Paschal	Eddie Stout
Helen Vose	Connor McDonald
Tim Bellar	Danny Huff
Charles Kent	Ed De La Rosa
Scotty Barrett	Lydia Gregory
Casey Elrod	Erika Ebel
Lynn Brown	

### Board of Education

Ricky Shoulders, Chairman	Marty McCaleb
David Apple	Mark Jones
Scotty Lewis	Randy Glover
Tommy Manning	Joe Taylor

### Budget Committee

Jeff Mason, County Mayor, Chairman  
Charles Kent  
Greta Kirby  
Matthew Inyart  
Tim Bellar

### Audit Committee

Larry Wilkerson, Chairman  
Anthony Apple  
Joseph Nixon  
Laura Piper  
Pat Nixon

### Financial Management Committee

Justin Mauldin, Chairman	Erika Ebel
Jeff Mason, County Mayor	Scotty Lewis
Mickey Barrett, Road Commissioner	Cordell Smith
Barry Smith, Director of Schools	



## FINANCIAL SECTION



JASON E. MUMPOWER  
*Comptroller*

## **Independent Auditor's Report**

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

To the County Mayor and Board of County Commissioners:

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

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

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

We did not audit the financial statements of the Internal School Fund of the Smith County School Department (a discretely presented component unit), which represent 2.07 percent, 2.2 percent, and four percent, respectively, of the assets, net position, and revenues of the discretely presented school department component unit. Those amounts were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to amounts included for the Smith County School Department's Internal School Fund is 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Smith 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., Smith 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 Smith 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 Smith 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 Smith County's ability to continue as a going concern for a reasonable period of time.

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

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

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

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Smith 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 Smith 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 Smith 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 10, 2025, on our consideration of Smith 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 Smith 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 Smith County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

February 10, 2025

JEM/gc

## BASIC FINANCIAL STATEMENTS SECTION

## Exhibit A

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

	<b>Primary Government</b>			<b>Component Unit</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Smith County School Department</b>
<b>ASSETS</b>				
Cash	\$ 638	\$ 0	\$ 638	\$ 996,102
Equity in Pooled Cash and Investments	12,993,243	5,005,335	17,998,578	12,213,053
Accounts Receivable	1,189,117	530,339	1,719,456	113,778
Allowance for Uncollectibles	(666,622)	0	(666,622)	0
Due from Other Governments	975,804	0	975,804	1,379,492
Internal Balances	1,222	(1,222)	0	0
Property Taxes Receivable	7,866,031	0	7,866,031	3,132,892
Allowance for Uncollectible Property Taxes	(73,987)	0	(73,987)	(37,379)
Net Pension Asset - Agent Plan	320,279	30,096	350,375	196,829
Net Pension Asset - Teacher Retirement Plan	0	0	0	82,575
Net Pension Asset - Teacher Legacy Pension Plan	0	0	0	3,679,948
Restricted Assets:				
Amounts Accumulated for Pension Benefits	0	0	0	387,920
Capital Assets:				
Assets Not Depreciated:				
Land	920,935	2,106,484	3,027,419	1,764,538
Intangible Assets - Indefinite Life	1,009,865	0	1,009,865	0
Construction in Progress	0	0	0	3,098,731
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	11,232,597	58,283	11,290,880	19,619,729
Infrastructure	20,235,154	0	20,235,154	61,006
Other Capital Assets	1,799,143	2,428,378	4,227,521	1,599,579
Landfill Facilities and Development	0	12,751,016	12,751,016	0
Total Assets	<u>\$ 57,803,419</u>	<u>\$ 22,908,709</u>	<u>\$ 80,712,128</u>	<u>\$ 48,288,793</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension Changes in Experience	\$ 385,646	\$ 36,239	\$ 421,885	\$ 1,116,533
Pension Changes in Investment Earnings	154,491	14,517	169,008	754,427
Pension Changes in Assumptions	537,801	50,537	588,338	1,591,662
Pension Changes in Proportion	0	0	0	66,584
Pension Contributions after Measurement Date	463,336	36,307	499,643	1,184,403
OPEB Changes in Experience	22,357	0	22,357	169,166
OPEB Changes in Assumptions	61,361	0	61,361	738,862
OPEB Changes in Proportion	0	0	0	61,293
OPEB Contributions After Measurement Date	9,705	0	9,705	88,980
Total Deferred Outflows of Resources	<u>\$ 1,634,697</u>	<u>\$ 137,600</u>	<u>\$ 1,772,297</u>	<u>\$ 5,771,910</u>

(Continued)

Exhibit A

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

	<b>Primary Government</b>			<b>Component Unit</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Smith County School Department</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 198,203	\$ 176,606	\$ 374,809	\$ 12,615
Payroll Deductions Payable	88,340	2,561	90,901	905,202
Accrued Interest Payable	12,921	0	12,921	0
Due to State of Tennessee	6	0	6	0
Due to Litigants, Heirs, and Others	7,025	0	7,025	0
Other Current Liabilities	518	0	518	0
Noncurrent Liabilities:				
Due Within One Year - Debt	1,047,164	650,654	1,697,818	0
Due Within One Year - Other	52,702	0	52,702	280,031
Due in More Than One Year - Debt	6,399,725	3,169,954	9,569,679	0
Due in More Than One Year - Other	248,019	21,161,663	21,409,682	3,202,758
Total Liabilities	<u>\$ 8,054,623</u>	<u>\$ 25,161,438</u>	<u>\$ 33,216,061</u>	<u>\$ 4,400,606</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Current Property Taxes	\$ 7,664,128	\$ 0	\$ 7,664,128	\$ 3,012,769
Pension Changes in Experience	0	0	0	218,971
Pension Changes in Proportion	0	0	0	234,905
OPEB Changes in Experience	67,958	0	67,958	194,039
OPEB Changes in Assumptions	83,965	0	83,965	395,495
OPEB Changes in Proportion	0	0	0	258,973
Total Deferred Inflows of Resources	<u>\$ 7,816,051</u>	<u>\$ 0</u>	<u>\$ 7,816,051</u>	<u>\$ 4,315,152</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	\$ 27,750,805	\$ 13,523,553	\$ 41,274,358	\$ 26,143,583
Restricted for:				
General Government	1,122,450	0	1,122,450	0
Finance	114,652	0	114,652	0
Public Safety	237,142	0	237,142	0
Public Health and Welfare	342,781	0	342,781	0
Highway/Public Works	1,320,525	0	1,320,525	0
Capital Outlay	1,543,304	0	1,543,304	0
Debt Service	509,574	0	509,574	0
Education	0	0	0	266,377
Pensions	320,279	30,096	350,375	4,347,272
Unrestricted	<u>10,305,930</u>	<u>(15,668,778)</u>	<u>(5,362,848)</u>	<u>14,587,713</u>
Total Net Position	<u>\$ 43,567,442</u>	<u>\$ (2,115,129)</u>	<u>\$ 41,452,313</u>	<u>\$ 45,344,945</u>

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



Exhibit B

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

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position				Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Smith	
					Governmental Activities	Business-type Activities	Total	County	
								School	
								Department	
Primary Government:									
Governmental Activities:									
General Government	\$ 4,256,070	\$ 330,059	\$ 333,568	\$ 0	\$ (3,592,443)	\$ 0	\$ (3,592,443)	\$ 0	
Finance	1,169,702	727,404	0	0	(442,298)	0	(442,298)	0	
Administration of Justice	1,207,892	448,007	9,000	0	(750,885)	0	(750,885)	0	
Public Safety	5,996,767	969,862	30,200	0	(4,996,705)	0	(4,996,705)	0	
Public Health and Welfare	2,786,840	1,555,272	2,232,448	11,317	1,012,197	0	1,012,197	0	
Social, Cultural, and Recreational Services	645,492	13,367	0	0	(632,125)	0	(632,125)	0	
Agriculture and Natural Resources	152,670	0	0	0	(152,670)	0	(152,670)	0	
Highways/Public Works	5,693,768	44,433	2,188,169	1,951,381	(1,509,785)	0	(1,509,785)	0	
Interest on Long-term Debt	158,006	0	0	0	(158,006)	0	(158,006)	0	
Total Governmental Activities	\$ 22,067,207	\$ 4,088,404	\$ 4,793,385	\$ 1,962,698	\$ (11,222,720)	\$ 0	\$ (11,222,720)	\$ 0	
Business-type Activities:									
Solid Waste Disposal	\$ 5,793,108	\$ 7,230,129	\$ 0	\$ 0	\$ 0	\$ 1,437,021	\$ 1,437,021	\$ 0	
Total Primary Government	\$ 27,860,315	\$ 11,318,533	\$ 4,793,385	\$ 1,962,698	\$ (11,222,720)	\$ 1,437,021	\$ (9,785,699)	\$ 0	
Component Unit:									
Smith County School Department	\$ 39,312,228	\$ 2,204,021	\$ 4,872,937	\$ 0	\$ 0	\$ 0	\$ 0	\$ (32,235,270)	

(Continued)

Exhibit B

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Smith
					Governmental Activities	Business-type Activities	Total	County
								School
								Department
General Revenues:								
Taxes:								
Property Taxes Levied for General Purposes					\$ 7,622,330	\$ 0	\$ 7,622,330	\$ 3,464,872
Property Taxes Levied for Debt Service					459,789	0	459,789	0
Payments In-Lieu-Of Taxes					24,509	0	24,509	0
Local Option Sales Taxes					1,464,237	0	1,464,237	2,819,900
Wheel Tax					301,125	0	301,125	0
Litigation Taxes					145,913	0	145,913	0
Business Tax					229,523	0	229,523	0
Mixed Drink Tax					4	0	4	0
Mineral Severance Tax					137,271	0	137,271	0
Wholesale Beer Tax					28,024	0	28,024	0
Bank Excise Tax					211,266	0	211,266	0
Other Local Taxes					0	0	0	3,139
Grants and Contributions Not Restricted to Specific Purposes					1,098,431	0	1,098,431	27,834,458
Unrestricted Investment Income					1,642,646	0	1,642,646	79,061
Miscellaneous					223,063	114,659	337,722	462,592
Total General Revenues					\$ 13,588,131	\$ 114,659	\$ 13,702,790	\$ 34,664,022
Transfers					\$ 100,000	\$ (100,000)	\$ 0	\$ 0
Change in Net Position					\$ 2,465,411	\$ 1,451,680	\$ 3,917,091	\$ 2,428,752
Net Position, July 1, 2023					41,102,031	(3,566,809)	37,535,222	42,916,193
Net Position, June 30, 2024					\$ 43,567,442	\$ (2,115,129)	\$ 41,452,313	\$ 45,344,945

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

**SMITH COUNTY, TENNESSEE****Balance Sheet**

Governmental Funds

**June 30, 2024**

	<b>Major Funds</b>			<b>Nonmajor Funds</b>	
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash	\$ 0	\$ 0	\$ 0	\$ 638	\$ 638
Equity in Pooled Cash and Investments	8,556,502	1,109,349	357,275	2,970,117	12,993,243
Accounts Receivable	1,166,618	0	0	22,499	1,189,117
Allowance for Uncollectibles	(666,622)	0	0	0	(666,622)
Due from Other Governments	652,372	230,521	0	92,911	975,804
Due from Other Funds	10,858	0	0	0	10,858
Property Taxes Receivable	6,679,233	327,722	445,447	413,629	7,866,031
Allowance for Uncollectible Property Taxes	(61,352)	(3,489)	(4,742)	(4,404)	(73,987)
Total Assets	<u>\$ 16,337,609</u>	<u>\$ 1,664,103</u>	<u>\$ 797,980</u>	<u>\$ 3,495,390</u>	<u>\$ 22,295,082</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 106,043	\$ 25,978	\$ 0	\$ 66,182	\$ 198,203
Payroll Deductions Payable	88,016	324	0	0	88,340
Due to Other Funds	0	0	7,750	1,886	9,636
Due to State of Tennessee	0	6	0	0	6
Due to Litigants, Heirs, and Others	0	0	0	7,025	7,025
Other Current Liabilities	518	0	0	0	518
Total Liabilities	<u>\$ 194,577</u>	<u>\$ 26,308</u>	<u>\$ 7,750</u>	<u>\$ 75,093</u>	<u>\$ 303,728</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred Current Property Taxes	\$ 6,515,180	\$ 317,270	\$ 431,241	\$ 400,437	\$ 7,664,128
Deferred Delinquent Property Taxes	90,129	6,336	8,612	7,996	113,073
Other Deferred/Unavailable Revenue	379,606	0	0	0	379,606
Total Deferred Inflows of Resources	<u>\$ 6,984,915</u>	<u>\$ 323,606</u>	<u>\$ 439,853</u>	<u>\$ 408,433</u>	<u>\$ 8,156,807</u>

(Continued)

**SMITH COUNTY, TENNESSEE****Balance Sheet**

Governmental Funds (Cont.)

**FUND BALANCES**

	<b>Major Funds</b>			<b>Nonmajor Funds</b>	
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
Nonspendable:					
Endowments	\$ 0	\$ 0	\$ 0	\$ 22,154	\$ 22,154
Restricted:					
Restricted for General Government	20,645	0	0	1,079,651	1,100,296
Restricted for Finance	114,652	0	0	0	114,652
Restricted for Public Safety	21,840	0	0	215,302	237,142
Restricted for Public Health and Welfare	85,180	0	0	0	85,180
Restricted for Highways/Public Works	0	1,314,189	0	0	1,314,189
Restricted for Debt Service	0	0	350,377	150,585	500,962
Restricted for Capital Projects	0	0	0	1,543,304	1,543,304
Committed:					
Committed for Social, Cultural, and Recreational Services	0	0	0	868	868
Committed for Other Purposes	19,899	0	0	0	19,899
Unassigned	8,895,901	0	0	0	8,895,901
Total Fund Balances	<u>\$ 9,158,117</u>	<u>\$ 1,314,189</u>	<u>\$ 350,377</u>	<u>\$ 3,011,864</u>	<u>\$ 13,834,547</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 16,337,609</u>	<u>\$ 1,664,103</u>	<u>\$ 797,980</u>	<u>\$ 3,495,390</u>	<u>\$ 22,295,082</u>

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

**SMITH 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)		\$ 13,834,547
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 920,935	
Add: intangible assets - indefinite life	1,009,865	
Add: buildings and improvements net of accumulated depreciation	11,232,597	
Add: infrastructure net of accumulated depreciation	20,235,154	
Add: other capital assets net of accumulated depreciation	<u>1,799,143</u>	35,197,694
(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	\$ (4,395,000)	
Less: other loans payable	(2,268,700)	
Less: unamortized premium on debt	(783,189)	
Less: compensated absences payable	(97,550)	
Less: net OPEB liability	(203,171)	
Less: accrued interest on debt	<u>(12,921)</u>	(7,760,531)
(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 expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 1,541,274	
Add: deferred outflows of resources related to OPEB	93,423	
Less: deferred inflows of resources related to OPEB	<u>(151,923)</u>	1,482,774
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.		320,279
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>492,679</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 43,567,442</u></u>

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

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

	<b>Major Funds</b>			<b>Nonmajor Funds</b>	
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<b>Revenues</b>					
Local Taxes	\$ 8,805,012	\$ 493,412	\$ 872,909	\$ 486,546	\$ 10,657,879
Licenses and Permits	162,924	0	0	0	162,924
Fines, Forfeitures, and Penalties	102,190	0	558	116,919	219,667
Charges for Current Services	1,476,164	0	0	6,180	1,482,344
Other Local Revenues	1,997,275	74,805	87,883	71,528	2,231,491
Fees Received From County Officials	1,084,538	0	0	0	1,084,538
State of Tennessee	2,868,415	4,166,884	0	0	7,035,299
Federal Government	796,576	151,016	0	399,921	1,347,513
Other Governments and Citizens Groups	129,349	0	283,632	0	412,981
Total Revenues	\$ 17,422,443	\$ 4,886,117	\$ 1,244,982	\$ 1,081,094	\$ 24,634,636
<b>Expenditures</b>					
Current:					
General Government	\$ 1,740,724	\$ 0	\$ 0	\$ 176,427	\$ 1,917,151
Finance	1,147,292	0	0	0	1,147,292
Administration of Justice	1,179,033	0	0	6,180	1,185,213
Public Safety	5,918,002	0	0	161,150	6,079,152
Public Health and Welfare	2,826,280	0	0	0	2,826,280
Social, Cultural, and Recreational Services	567,284	0	0	0	567,284
Agriculture and Natural Resources	150,337	0	0	0	150,337
Other Operations	1,943,023	0	0	19,985	1,963,008
Highways	0	4,855,999	0	568,966	5,424,965

(Continued)

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

	<b>Major Funds</b>			<b>Nonmajor Funds</b>	
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<b>Expenditures (Cont.)</b>					
Debt Service:					
Principal on Debt	\$ 0	\$ 0	\$ 1,024,777	\$ 0	\$ 1,024,777
Interest on Debt	0	0	209,505	0	209,505
Other Debt Service	0	0	15,403	0	15,403
Capital Projects	40,471	0	0	451,541	492,012
Total Expenditures	<u>\$ 15,512,446</u>	<u>\$ 4,855,999</u>	<u>\$ 1,249,685</u>	<u>\$ 1,384,249</u>	<u>\$ 23,002,379</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,909,997</u>	<u>\$ 30,118</u>	<u>\$ (4,703)</u>	<u>\$ (303,155)</u>	<u>\$ 1,632,257</u>
<b>Other Financing Sources (Uses)</b>					
Insurance Recovery	\$ 20,780	\$ 26,570	\$ 0	\$ 0	\$ 47,350
Transfers In	218,286	0	0	0	218,286
Transfers Out	0	0	0	(118,286)	(118,286)
Total Other Financing Sources (Uses)	<u>\$ 239,066</u>	<u>\$ 26,570</u>	<u>\$ 0</u>	<u>\$ (118,286)</u>	<u>\$ 147,350</u>
Net Change in Fund Balances	\$ 2,149,063	\$ 56,688	\$ (4,703)	\$ (421,441)	\$ 1,779,607
Fund Balance, July 1, 2023	<u>7,009,054</u>	<u>1,257,501</u>	<u>355,080</u>	<u>3,433,305</u>	<u>12,054,940</u>
Fund Balance, June 30, 2024	<u><u>\$ 9,158,117</u></u>	<u><u>\$ 1,314,189</u></u>	<u><u>\$ 350,377</u></u>	<u><u>\$ 3,011,864</u></u>	<u><u>\$ 13,834,547</u></u>

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

**SMITH COUNTY, TENNESSEE**

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

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

Net change in fund balances - total governmental funds (Exhibit C-3)		\$ 1,779,607
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 1,266,755	
Less: current-year depreciation expense	<u>(1,208,518)</u>	58,237
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2023	\$ (694,697)	
Add: deferred delinquent property taxes and other deferred June 30, 2024	<u>492,679</u>	(202,018)
(3) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items.		
Add: principal payments on bonds	\$ 765,000	
Add: principal payments on other loans	259,777	
Add: change in premium on debt issuances	<u>48,949</u>	1,073,726
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in compensated absences payable	\$ (28,921)	
Change in net OPEB liability	(73,680)	
Change in accrued interest payable	2,550	
Change in deferred outflows related to pensions	(153,034)	
Change in deferred inflows related to pensions	40,863	
Change in deferred outflows related to OPEB	49,575	
Change in deferred inflows related to OPEB	29,883	
Change in pension asset	<u>(111,377)</u>	<u>(244,141)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 2,465,411</u>

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



**SMITH 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: Encumbrances 7/1/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<b>Revenues</b>						
Local Taxes	\$ 8,805,012	\$ 0	\$ 8,805,012	\$ 8,453,011	\$ 8,453,011	\$ 352,001
Licenses and Permits	162,924	0	162,924	163,026	163,026	(102)
Fines, Forfeitures, and Penalties	102,190	0	102,190	93,538	93,538	8,652
Charges for Current Services	1,476,164	0	1,476,164	1,139,398	1,272,523	203,641
Other Local Revenues	1,997,275	0	1,997,275	524,258	601,562	1,395,713
Fees Received From County Officials	1,084,538	0	1,084,538	1,014,708	1,014,708	69,830
State of Tennessee	2,868,415	0	2,868,415	3,226,577	3,216,238	(347,823)
Federal Government	796,576	0	796,576	98,858	1,739,677	(943,101)
Other Governments and Citizens Groups	129,349	0	129,349	8,491	9,091	120,258
Total Revenues	\$ 17,422,443	\$ 0	\$ 17,422,443	\$ 14,721,865	\$ 16,563,374	\$ 859,069
<b>Expenditures</b>						
General Government						
County Commission	\$ 102,058	\$ 0	\$ 102,058	\$ 78,163	\$ 117,082	\$ 15,024
Board of Equalization	2,650	0	2,650	2,150	2,650	0
County Mayor/Executive	164,784	0	164,784	165,024	165,619	835
County Attorney	35,140	0	35,140	35,000	35,140	0
Election Commission	447,776	0	447,776	326,709	515,794	68,018
Register of Deeds	194,904	0	194,904	202,743	199,723	4,819
Planning	12,325	0	12,325	13,265	13,265	940
Codes Compliance	62,127	0	62,127	75,924	74,624	12,497
County Buildings	718,960	0	718,960	713,833	743,833	24,873
Finance						
Accounting and Budgeting	339,871	0	339,871	378,830	370,866	30,995
Property Assessor's Office	257,358	0	257,358	258,350	274,840	17,482
County Trustee's Office	222,191	0	222,191	237,243	233,243	11,052

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<b>Expenditures (Cont.)</b>						
Finance (Cont.)						
County Clerk's Office	\$ 327,872	\$ 0	\$ 327,872	\$ 325,364	\$ 334,456	\$ 6,584
Administration of Justice						
Circuit Court	361,266	0	361,266	397,001	397,001	35,735
General Sessions Judge	221,849	0	221,849	228,346	229,977	8,128
Drug Court	107,631	0	107,631	168,444	168,444	60,813
Chancery Court	193,791	0	193,791	205,364	205,364	11,573
Judicial Commissioners	47,790	0	47,790	43,353	55,347	7,557
Other Administration of Justice	420	0	420	7,500	5,869	5,449
Probation Services	116,066	0	116,066	127,185	127,185	11,119
Courtroom Security	130,220	0	130,220	0	133,430	3,210
Public Safety						
Sheriff's Department	3,092,558	0	3,092,558	3,049,002	3,157,468	64,910
Traffic Control	848	0	848	1,000	1,000	152
Jail	693,918	0	693,918	606,357	715,278	21,360
Correctional Incentive Program Improvements	1,135,268	0	1,135,268	1,217,728	1,147,738	12,470
Juvenile Services	50,191	0	50,191	52,754	52,754	2,563
Fire Prevention and Control	245,060	0	245,060	252,575	253,225	8,165
Rescue Squad	54,314	0	54,314	34,000	287,697	233,383
Other Emergency Management	83,977	0	83,977	82,419	86,704	2,727
County Coroner/Medical Examiner	68,164	0	68,164	112,500	112,500	44,336
Public Safety Grants Program	42,526	0	42,526	27,122	65,922	23,396
Other Public Safety	451,178	0	451,178	482,848	482,848	31,670
Public Health and Welfare						
Local Health Center	30,004	0	30,004	31,345	31,345	1,341
Ambulance/Emergency Medical Services	2,081,866	0	2,081,866	1,967,854	2,101,579	19,713

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<b>Expenditures (Cont.)</b>						
Public Health and Welfare (Cont.)						
Alcohol and Drug Programs	\$ 274,095	\$ 0	\$ 274,095	\$ 207,065	\$ 417,318	\$ 143,223
Other Local Health Services	54,417	0	54,417	60,645	60,645	6,228
Appropriation to State	0	0	0	12,952	0	0
General Welfare Assistance	111,380	0	111,380	84,941	110,641	(739)
Other Local Welfare Services	92,735	0	92,735	89,857	99,865	7,130
Waste Pickup	48,397	0	48,397	44,200	48,399	2
Other Public Health and Welfare	133,386	0	133,386	210,478	200,478	67,092
Social, Cultural, and Recreational Services						
Senior Citizens Assistance	88,848	0	88,848	92,702	110,702	21,854
Libraries	133,879	0	133,879	157,344	159,344	25,465
Parks and Fair Boards	344,557	(38)	344,519	373,700	371,999	27,480
Agriculture and Natural Resources						
Agricultural Extension Service	95,506	0	95,506	116,963	116,963	21,457
Soil Conservation	11,000	0	11,000	11,000	11,000	0
Other Agriculture and Natural Resources	43,831	0	43,831	63,400	55,902	12,071
Other Operations						
Tourism	200	0	200	1,000	1,000	800
Industrial Development	4,500	0	4,500	12,366	12,366	7,866
Other Economic and Community Development	47,867	0	47,867	47,867	47,867	0
Veterans' Services	25,193	0	25,193	28,139	28,139	2,946
Other Charges	515,693	0	515,693	528,152	515,702	9
Employee Benefits	881,523	0	881,523	770,725	887,757	6,234
American Rescue Plan Act Grant J	29,956	0	29,956	0	30,000	44
Miscellaneous	438,091	0	438,091	811,907	748,507	310,416

(Continued)

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

General Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<b>Expenditures (Cont.)</b>						
Capital Projects						
Public Health and Welfare Projects	\$ 27,268	\$ 0	\$ 27,268	\$ 0	\$ 465,400	\$ 438,132
Public Utility Projects	13,203	0	13,203	0	462,000	448,797
Total Expenditures	<u>\$ 15,512,446</u>	<u>\$ (38)</u>	<u>\$ 15,512,408</u>	<u>\$ 15,632,698</u>	<u>\$ 17,861,804</u>	<u>\$ 2,349,396</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,909,997	\$ 38	\$ 1,910,035	\$ (910,833)	\$ (1,298,430)	\$ 3,208,465
<b>Other Financing Sources (Uses)</b>						
Insurance Recovery	\$ 20,780	\$ 0	\$ 20,780	\$ 0	\$ 0	\$ 20,780
Transfers In	218,286	0	218,286	93,083	263,108	(44,822)
Total Other Financing Sources	<u>\$ 239,066</u>	<u>\$ 0</u>	<u>\$ 239,066</u>	<u>\$ 93,083</u>	<u>\$ 263,108</u>	<u>\$ (24,042)</u>
Net Change in Fund Balance	\$ 2,149,063	\$ 38	\$ 2,149,101	\$ (817,750)	\$ (1,035,322)	\$ 3,184,423
Fund Balance, July 1, 2023	<u>7,009,054</u>	<u>(38)</u>	<u>7,009,016</u>	<u>5,456,210</u>	<u>5,456,210</u>	<u>1,552,806</u>
Fund Balance, June 30, 2024	<u><u>\$ 9,158,117</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 9,158,117</u></u>	<u><u>\$ 4,638,460</u></u>	<u><u>\$ 4,420,888</u></u>	<u><u>\$ 4,737,229</u></u>

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

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Revenues</b>				
Local Taxes	\$ 493,412	\$ 453,987	\$ 453,987	\$ 39,425
Other Local Revenues	74,805	9,729	9,729	65,076
State of Tennessee	4,166,884	4,968,919	4,968,919	(802,035)
Federal Government	151,016	0	151,016	0
Total Revenues	<u>\$ 4,886,117</u>	<u>\$ 5,432,635</u>	<u>\$ 5,583,651</u>	<u>\$ (697,534)</u>
<b>Expenditures</b>				
Highways				
Administration	\$ 188,889	\$ 221,064	\$ 221,064	\$ 32,175
Highway and Bridge Maintenance	1,828,041	1,875,750	2,083,054	255,013
Operation and Maintenance of Equipment	389,947	353,330	453,838	63,891
Other Charges	103,886	107,700	106,215	2,329
Employee Benefits	385,176	464,700	462,685	77,509
Capital Outlay	1,960,060	2,749,390	2,749,390	789,330
Total Expenditures	<u>\$ 4,855,999</u>	<u>\$ 5,771,934</u>	<u>\$ 6,076,246</u>	<u>\$ 1,220,247</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 30,118</u>	<u>\$ (339,299)</u>	<u>\$ (492,595)</u>	<u>\$ 522,713</u>
<b>Other Financing Sources (Uses)</b>				
Insurance Recovery	\$ 26,570	\$ 0	\$ 0	\$ 26,570
Total Other Financing Sources	<u>\$ 26,570</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 26,570</u>
Net Change in Fund Balance	\$ 56,688	(339,299)	(492,595)	549,283
Fund Balance, July 1, 2023	<u>1,257,501</u>	<u>887,952</u>	<u>887,952</u>	<u>369,549</u>
Fund Balance, June 30, 2024	<u><u>\$ 1,314,189</u></u>	<u><u>\$ 548,653</u></u>	<u><u>\$ 395,357</u></u>	<u><u>\$ 918,832</u></u>

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

**SMITH COUNTY, TENNESSEE**  
**Statement of Net Position**  
 Proprietary Funds  
**June 30, 2024**

	<b>Business-type Activities</b> <hr/> <b>Major Enterprise Fund</b> <hr/> Solid Waste Disposal Fund <hr/>
<b>ASSETS</b>	
Current Assets:	
Equity in Pooled Cash and Investments	\$ 5,005,335
Accounts Receivable	530,339
Total Current Assets	<hr/> \$ 5,535,674
Noncurrent Assets:	
Net Pension Asset	\$ 30,096
Capital Assets:	
Assets Not Depreciated:	
Land	2,106,484
Assets Net of Accumulated Depreciation:	
Buildings and Improvements	58,283
Other Capital Assets	2,428,378
Landfill Facilities and Development	12,751,016
Total Noncurrent Assets	<hr/> \$ 17,374,257
Total Assets	<hr/> \$ 22,909,931
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Outflows of Resources:	
Pension Changes in Experience	\$ 36,239
Pension Changes in Investment Earnings	14,517
Pension Changes in Assumptions	50,537
Pension Contributions After Measurement Date	36,307
Total Deferred Outflows of Resources	<hr/> \$ 137,600

(Continued)

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

## Proprietary Fund (Cont.)

		<b>Business-type Activities</b> <hr/> <b>Major Enterprise Fund</b> <hr/> Solid Waste Disposal Fund <hr/>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable	\$	176,606
Payroll Deductions Payable		2,561
Due to Other Funds		1,222
General Obligation Bonds Payable		55,000
Capital Outlay Notes Payable		235,000
Other Loans Payable		360,654
Total Current Liabilities	\$	<u>831,043</u>
Noncurrent Liabilities:		
Capital Outlay Bonds Payable - Long-term	\$	1,305,000
Capital Outlay Notes Payable - Long-term		1,260,000
Other Loans Payable - Long-term		604,954
Accrued Liability for Landfill Closure/Postclosure Care Costs		21,161,663
Total Noncurrent Liabilities	\$	<u>24,331,617</u>
Total Liabilities	\$	<u>25,162,660</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	\$	13,523,553
Restricted for Pensions		30,096
Unrestricted		<u>(15,668,778)</u>
Total Net Position	\$	<u>(2,115,129)</u>

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

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

	<b>Business-type</b> <b>Activities</b> <b>Major</b> <b>Enterprise</b> <b>Fund</b> Solid Waste Disposal Fund
<b>Operating Revenues</b>	
Licenses and Permits	\$ 720
Charges for Current Services	7,230,129
Other Local Revenues	42,239
Total Operating Revenues	<u>\$ 7,273,088</u>
<b>Operating Expenses</b>	
Waste Pickup	\$ 44,968
Convenience Centers	332,998
Landfill Operations and Maintenance	3,606,343
Depreciation Expense	1,657,501
Total Operating Expenses	<u>\$ 5,641,810</u>
Operating Income (Loss)	<u>\$ 1,631,278</u>
<b>Nonoperating Revenues (Expenses)</b>	
Sale of Assets	71,700
Interest on Bonds	(34,450)
Interest on Notes	(51,750)
Interest on Other Loans	(65,098)
Total Nonoperating Revenues (Expenses)	<u>\$ (79,598)</u>
Income (Loss) Before Transfers	\$ 1,551,680
Transfers In (Out)	<u>(100,000)</u>
Change in Net Position	\$ 1,451,680
Net Position, July 1, 2023	<u>(3,566,809)</u>
Net Position, June 30, 2024	<u><u>\$ (2,115,129)</u></u>

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



**SMITH COUNTY, TENNESSEE****Statement of Cash Flows**

Proprietary Fund

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

	<b>Business-type Activities</b> <hr/> <b>Major Enterprise Fund</b> <hr/> Solid Waste Disposal Fund <hr/>
<b>Cash Flows from Operating Activities</b>	
Receipts from Customers and Users	\$ 7,473,171
Other Receipts	42,959
Payments to Suppliers	(2,360,435)
Payments to Employees	(1,180,774)
Net Cash Provided By (Used In) Operating Activities	<u>\$ 3,974,921</u>
<b>Cash Flows from Capital and Related Financing Activities</b>	
Proceeds from Capital Debt	\$ 1,301,982
Acquisition and Construction of Capital Assets	(4,080,740)
Sale of Capital Assets	71,700
Principal Paid on Bonds	(50,000)
Principal Paid on Capital Outlay Notes	(230,000)
Principal Paid on Other Loans	(336,374)
Interest Paid on Bonds	(34,450)
Interest Paid on Capital Outlay Notes	(51,750)
Interest Paid on Other Loans	(65,098)
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>\$ (3,474,730)</u>
<b>Cash Flows from Noncapital Financing Activities</b>	
Transfers to Other Funds	<u>\$ (100,000)</u>
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>\$ (100,000)</u>
Net Increase (Decrease) in Cash	\$ 400,191
Cash, July 1, 2023	<u>4,605,144</u>
Cash, June 30, 2024	<u><u>\$ 5,005,335</u></u>

(Continued)

**SMITH COUNTY, TENNESSEE****Statement of Cash Flows**

Proprietary Fund (Cont.)

	<b>Business-type Activities</b> <hr/> <b>Major Enterprise Fund</b> <hr/> Solid Waste Disposal Fund <hr/>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities</b>	
Operating Income (Loss)	\$ 1,631,278
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Depreciation Expense	1,657,501
(Increase) Decrease in Net Pension Asset	1,706
(Increase) Decrease in Deferred Outflows Related to Pensions	(4,731)
(Increase) Decrease in Accounts Receivable, Net	243,042
Increase (Decrease) in Deferred Inflows Related to Pensions	(3,011)
Increase (Decrease) in Accounts Payable	91,374
Increase (Decrease) in Payroll Deductions	(6,286)
Increase (Decrease) in Due to Other Funds	857
Increase (Decrease) in Landfill Closure/Postclosure Care Cost	363,191
	<hr/>
Net Cash Provided By (Used In) Operating Activities	<u><u>\$ 3,974,921</u></u>

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

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

	<u><b>Custodial Funds</b></u>
<b>ASSETS</b>	
Cash	\$ 944,026
Due from Other Governments	<u>229,112</u>
Total Assets	<u>\$ 1,173,138</u>
<b>LIABILITIES</b>	
Due to Other Taxing Units	<u>\$ 229,112</u>
Total Liabilities	<u>\$ 229,112</u>
<b>NET POSITION</b>	
Restricted for Individuals, Organizations and Other Governments	<u>\$ 944,026</u>
Total Net Position	<u><u>\$ 944,026</u></u>

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

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

	<u><b>Custodial Funds</b></u>
<b>ADDITIONS</b>	
Sales Tax Collections for Other Governments	\$ 1,366,414
Fines/Fees and Other Collections	<u>5,301,476</u>
Total Additions	<u>\$ 6,667,890</u>
<b>DEDUCTIONS</b>	
Payment of Sales Tax Collections to Other Governments	\$ 1,366,414
Payments to State	2,892,619
Payments to Cities, Individuals, and Others	<u>2,598,833</u>
Total Deductions	<u>\$ 6,857,866</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ (189,976)
Net Position, July 1, 2023	<u>1,134,002</u>
Net Position, June 30, 2024	<u><u>\$ 944,026</u></u>

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

---

## SMITH COUNTY, TENNESSEE

### INDEX OF NOTES TO THE FINANCIAL STATEMENTS

---

Note	Page(s)
<b>I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</b>	
A. Reporting Entity	38
B. Government-wide and Fund Financial Statements	39
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	39
D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance	
1. Deposits and Investments	42
2. Receivables and Payables	43
3. Restricted Assets	44
4. Capital Assets	44
5. Deferred Outflows/Inflows of Resources	45
6. Compensated Absences	45
7. Long-term Debt and Long-term Obligations	46
8. Net Position and Fund Balance	46
E. Pension Plans	48
F. Other Postemployment Benefit (OPEB) Plans	48
<b>II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS</b>	
A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position	49
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	49
<b>III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY</b>	
A. Budgetary Information	49
B. Net Position Deficit	50
<b>IV. DETAILED NOTES ON ALL FUNDS</b>	
A. Deposits and Investments	50
B. Capital Assets	53
C. Interfund Receivables, Payables, and Transfers	57
D. Long-term Debt	58
E. Long-term Obligations	63
F. Pledges of Receivables and Future Revenues	65
G. On-Behalf Payments	65
<b>V. OTHER INFORMATION</b>	
A. Risk Management	65
B. Accounting Change	66
C. Contingent Liabilities	66
D. Landfill Closure/Postclosure Care Costs	67
E. Joint Venture	67
F. Jointly Governed Organization	67
G. Retirement Commitments	
1. Tennessee Consolidated Retirement System (TCRS)	68
2. Deferred Compensation	83
H. Other Postemployment Benefits (OPEB)	83
I. Office of Central Accounting, Budgeting, and Purchasing	91
J. Purchasing Laws	91
K. Subsequent Event	92

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

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Smith 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 Smith County:

***A. Reporting Entity***

Smith County is a public municipal corporation governed by an elected 24-member board. As required by GAAP, these financial statements present Smith County (the primary government) and its component units. The financial statements of the Smith 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 report 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 Smith County School Department operates the public school system in the county, and the voters of Smith 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 Smith County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Smith County, and the Smith County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the county commission's approval. The financial statements of the Smith County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

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

Administrative Office:

Smith County Emergency Communications District  
515 Jefferson Avenue, East  
Carthage, TN 37030

**Related Organization** – The Industrial Development Board of Smith County is a related organization of Smith County. The county mayor nominates, and the Smith County Commission confirms the board members, but the county's accountability for the organization does not extend beyond making the appointments.

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

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

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

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

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

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

Fund financial statements of Smith 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 inflows of resources, fund balance/fund net position, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. Smith County reports one proprietary fund, an enterprise fund.

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

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

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

Smith County reports the following major governmental funds:

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

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



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

Smith County reports the following major enterprise fund:

**Solid Waste Disposal Fund** – This fund accounts for transactions of the county-owned landfill.

Additionally, Smith County reports the following fund types:

**Capital Projects Funds** – The capital projects funds are used to account for, and report financial resources used for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

**Permanent Fund** – The Library Endowment Fund is used to account for resources that are being held in trust for library operations. Earnings on invested resources may be used to fund library operations, but the principal is required to be maintained intact.

**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 Smith County.

The discretely presented Smith County School Department reports the following major governmental fund:

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

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has one proprietary fund used to account for the operations of the landfill. Operating

revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the county's enterprise fund are tipping fees.

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

**1. Deposits and Investments**

For purposes of the Statement of Cash Flows, cash includes cash on deposit with the county trustee.

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

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

All other investments are reported at fair value. Other than the pension stabilization trust discussed in Note IV.A., no investments required to be reported at fair value were held at the balance sheet date.

## **2. Receivables and Payables**

Activity between funds for unremitted current collections outstanding at the end of the fiscal year is referred to as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

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 one percent of total taxes levied.

Property taxes receivable are recognized as of the date an enforceable legal claim to the taxable property arises. This date is January 1 and is referred to as the lien date. However, revenues from property taxes are recognized in the period for which the taxes are levied, which is the ensuing fiscal year. Since the receivable is recognized before the period of revenue recognition, the entire amount of the receivable, less an estimated allowance for uncollectible taxes, is reported as deferred 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 with offsetting deferred inflow of resources to reflect amounts not available as of June 30. Property taxes collected within 30 days of year-end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount of the receivable that will be filed in court for collection. Delinquent taxes filed in court for collection are not included in taxes receivable since they are neither measurable nor available.

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

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

### 3. **Restricted Assets**

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

### 4. **Capital Assets**

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental and business-type columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$10,000 (\$25,000 for the school department) or more and an estimated useful life exceeding three years (five years for the school department). 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. Interest incurred during the construction phase of capital assets of the enterprise fund is included as part of the capitalized value of the assets constructed.

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

<u>Assets</u>	<u>Years</u>
Landfill Facilities and Development	25
Buildings and Improvements	7 - 40
Other Capital Assets	5 - 20
Infrastructure	20 - 75

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	20 - 40
Other Capital Assets	5 - 15
Infrastructure	20 - 40

## 5. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government only 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 changes in experience, assumptions, investment earnings, and proportionate share of contributions; employer contributions made to the pension and other postemployment benefits (OPEB) plans after the measurement date; and OPEB changes in experience, assumptions, and proportionate share.

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 changes in experience and proportionate share of contributions; OPEB changes in experience, assumptions, and changes in proportionate share; and various receivables for revenues, which do not meet the availability criteria in governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

## 6. Compensated Absences

### Primary Government

It is the county's policy not to allow employees to accumulate unused vacation days beyond year-end. There is no liability for unpaid accumulated sick leave since Smith County does not provide for payment when employees separate from service with the government. A liability for compensatory time is reported in government-wide financial statements.

### Discretely Presented Smith County School Department

The general policy of the school department does not allow for the accumulation of vacation days beyond year-end for professional personnel. However, the school department's policy does permit non-certified personnel to accumulate earned but unused vacation benefits beyond year-end. All professional personnel (teachers) and non-certified employees of the school department are allowed to accumulate

unlimited sick leave days. The granting of sick leave has no guaranteed payment attached, and therefore, is not required to be accrued or recorded. All non-certified employees' vacation pay is accrued when incurred in the government-wide financial statements for the school department. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

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

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

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

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

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

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

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

- c. Unrestricted net position – All other net position that does not meet the definition of restricted or net investment in capital assets.

As of June 30, 2024, Smith County had \$2,268,700 in outstanding debt for capital purposes for the discretely presented Smith County School Department. This debt is a liability of Smith County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Smith County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

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

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

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

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

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

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

exceed the amounts that are restricted, committed, and assigned are reported as negative unassigned fund balance.

***E. Pension Plans***

**Primary Government**

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

**Discretely Presented Smith 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 Smith 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 Smith County School Department

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

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

#### Primary Government

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

#### Discretely Presented Smith County School Department

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

## III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

### A. *Budgetary Information*

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

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

The budgetary level of control is at the major category level established by the County Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major

categories: County Commission, Board of Equalization, County Mayor/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, the discretely presented school department's General Purpose School Fund had outstanding encumbrances totaling \$64,604.

#### ***B. Net Position Deficit***

The Solid Waste Disposal Fund had a deficit of \$15,668,778 in unrestricted net position on June 30, 2024. This deficit resulted from the recognition of a liability of \$21,161,663 in the financial statements for costs associated with closing the county's landfill and monitoring the landfill for 30 years after its closure. Generally accepted accounting principles and state statutes require that such costs be reflected in the financial statements.

### **IV. DETAILED NOTES ON ALL FUNDS**

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

Smith County and the Smith 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 the purposes of credit risk disclosure.

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

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

## **Investments**

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

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

## TCRS Stabilization Trust

**Legal Provisions.** The Smith 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 Smith 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 Smith County School Department had the following investments held by the trust on its behalf. These funds are recognized as restricted assets in 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	\$ 120,255
Developed Market International Equity	N/A	N/A	54,309
Emerging Market International Equity	N/A	N/A	15,517
U.S. Fixed Income	N/A	N/A	77,584
Real Estate	N/A	N/A	38,792
Short-term Securities	N/A	N/A	3,879
NAV - Private Equity and Strategic Lending	N/A	N/A	77,584
Total			<u>\$ 387,920</u>

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

**B. Capital Assets**

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

**Primary Government**

**Governmental Activities:**

	Balance				Balance
	7-1-23	Increases	Decreases		6-30-24
Capital Assets Not Depreciated:					
Land	\$ 920,935	\$ 0	\$ 0	\$	920,935
Intangible Assets - Indefinite Life	1,009,865	0	0		1,009,865
Total Capital Assets Not Depreciated	\$ 1,930,800	\$ 0	\$ 0	\$	1,930,800
Capital Assets Depreciated:					
Buildings and Improvements	\$ 16,876,009	\$ 350,797	\$ 0	\$	17,226,806
Infrastructure	29,426,087	0	0		29,426,087
Other Capital Assets	6,990,927	915,958	(22,718)		7,884,167
Total Capital Assets Depreciated	\$ 53,293,023	\$ 1,266,755	\$ (22,718)	\$	54,537,060
Less Accumulated Depreciation For:					
Buildings and Improvements	\$ 5,598,085	\$ 396,124	\$ 0	\$	5,994,209
Infrastructure	8,960,479	230,454	0		9,190,933
Other Capital Assets	5,525,802	581,940	(22,718)		6,085,024
Total Accumulated Depreciation	\$ 20,084,366	\$ 1,208,518	\$ (22,718)	\$	21,270,166
Total Capital Assets Depreciated, Net	\$ 33,208,657	\$ 58,237	\$ 0	\$	33,266,894
Governmental Activities Capital Assets, Net	\$ 35,139,457	\$ 58,237	\$ 0	\$	35,197,694

Depreciation expense was charged to functions of the governmental activities as follows:

**Governmental Activities:**

General Government	\$ 63,690
Public Safety	446,901
Public Health and Welfare	182,801
Social, Cultural, and Recreational Services	76,375
Highways/Public Works	<u>438,751</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 1,208,518</u></u>

**Net Investment in Capital Assets**

---

Capital Assets	\$ 35,197,694
Less:	
Outstanding principal of capital debt and other capital borrowings	(6,663,700)
Unamortized balance of original issue premiums on outstanding capital-related debt	<u>(783,189)</u>
Net Investment in Capital Assets	<u><u>\$ 27,750,805</u></u>

**Business-type Activities:**

	Balance 7-1-23	Increases	Decreases	Balance 6-30-24
Capital Assets Not Depreciated:				
Land	\$ 2,106,484	\$ 0	\$ 0	\$ 2,106,484
Construction in Progress	373,016	0	(373,016)	0
Total Capital Assets Not Depreciated	<u>\$ 2,479,500</u>	<u>\$ 0</u>	<u>\$ (373,016)</u>	<u>\$ 2,106,484</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 98,389	\$ 0	\$ 0	\$ 98,389
Other Capital Assets	3,642,635	1,519,685	0	5,162,320
Landfill Facilities and Development	14,870,245	2,934,071	0	17,804,316
Total Capital Assets Depreciated	<u>\$ 18,611,269</u>	<u>\$ 4,453,756</u>	<u>\$ 0</u>	<u>\$ 23,065,025</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 38,486	\$ 1,620	\$ 0	\$ 40,106
Other Capital Assets	2,325,624	408,318	0	2,733,942
Landfill Facilities and Development	3,805,737	1,247,563	0	5,053,300
Total Accumulated Depreciation	<u>\$ 6,169,847</u>	<u>\$ 1,657,501</u>	<u>\$ 0</u>	<u>\$ 7,827,348</u>
Total Capital Assets Depreciated, Net	<u>\$ 12,441,422</u>	<u>\$ 2,796,255</u>	<u>\$ 0</u>	<u>\$ 15,237,677</u>
Business-type Activities Capital Assets, Net	<u>\$ 14,920,922</u>	<u>\$ 2,796,255</u>	<u>\$ (373,016)</u>	<u>\$ 17,344,161</u>

Depreciation expense of \$1,657,501 was charged to the business-type activities.

**Net Investment in Capital Assets**

Capital Assets	\$ 17,344,161
Less:	
Outstanding principal of capital debt and other capital borrowings	(3,820,608)
Net Investment in Capital Assets	<u>\$ 13,523,553</u>

## Discretely Presented Smith County School Department

### Governmental Activities:

	Balance 7-1-23	Increases	Decreases	Balance 6-30-24
Capital Assets Not Depreciated:				
Land	\$ 1,764,538	\$ 0	\$ 0	\$ 1,764,538
Construction in Progress	170,630	2,928,101	0	3,098,731
Total Capital Assets Not Depreciated	<u>\$ 1,935,168</u>	<u>\$ 2,928,101</u>	<u>\$ 0</u>	<u>\$ 4,863,269</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 39,925,754	\$ 0	\$ 0	\$ 39,925,754
Infrastructure	129,000	0	0	129,000
Other Capital Assets	3,557,819	327,714	(343,318)	3,542,215
Total Capital Assets Depreciated	<u>\$ 43,612,573</u>	<u>\$ 327,714</u>	<u>\$ (343,318)</u>	<u>\$ 43,596,969</u>
Less Accumulated Depreciated For:				
Buildings and Improvements	\$ 19,473,676	\$ 832,350	\$ 0	\$ 20,306,026
Infrastructure	64,769	3,225	0	67,994
Other Capital Assets	2,044,362	200,749	(302,475)	1,942,636
Total Accumulated Depreciation	<u>\$ 21,582,807</u>	<u>\$ 1,036,324</u>	<u>\$ (302,475)</u>	<u>\$ 22,316,656</u>
Total Capital Assets Depreciated, Net	<u>\$ 22,029,766</u>	<u>\$ (708,610)</u>	<u>\$ (40,843)</u>	<u>\$ 21,280,313</u>
Governmental Activities Capital Assets, Net	<u>\$ 23,964,934</u>	<u>\$ 2,219,491</u>	<u>\$ (40,843)</u>	<u>\$ 26,143,582</u>

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

### Governmental Activities:

Instruction	\$ 821,768
Support Services	<u>214,556</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 1,036,324</u></u>



**C. *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	Solid Waste Disposal	\$ 1,222
"	General Debt Service	7,750
"	Nonmajor governmental	1,886

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.

**Interfund Transfers:**

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

**Primary Government**

Transfers Out	Transfers In	
	General Fund	Purpose
Nonmajor governmental funds	\$ 118,286	American Rescue Plan Funds
Solid Waste Disposal Fund	100,000	Accounting services
Total	<u>\$ 218,286</u>	

**Discretely Presented Smith County School Department**

Transfers Out	Transfers In		
	General Purpose School Fund	School Federal Projects Fund	Purpose
School Federal Projects Fund	\$ 11,400	\$ 0	Indirect costs
General Purpose School Fund	0	250,000	Cash flow
Total	<u>\$ 11,400</u>	<u>\$ 250,000</u>	

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

**D. Long-term Debt**

**Primary Government**

**General Obligation Bonds and Other Loans**

**General Obligation Bonds** - Smith County has issued general obligation bonds to refund other general obligation bonds and other loans. 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 10 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** - Smith County issues other loans to provide funds for the acquisition and construction of major capital facilities for the discretely presented school department. Other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Other loans outstanding was issued for original term of up to 14 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 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 - Refunding	2 to 4 %	6-1-30	\$ 7,365,000	\$ 4,395,000
Direct Borrowing and Direct Placement: Other Loans	1	11-1-32	3,208,725	2,268,700

In a prior year, Smith County entered into a loan agreement with the Tennessee Energy Efficient Schools Council to receive funding from the Energy Efficient Schools Initiative program. Under this loan agreement, the council has loaned \$3,208,725 to Smith County to increase energy efficiency in the Smith County School Department. The interest rate on the loan is one percent.

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2025	\$ 785,000	\$ 155,050	\$ 940,050
2026	745,000	123,650	868,650
2027	760,000	93,850	853,850
2028	705,000	63,450	768,450
2029	725,000	35,250	760,250
2030	675,000	13,500	688,500
Total	\$ 4,395,000	\$ 484,750	\$ 4,879,750

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2025	\$ 262,164	\$ 21,249	\$ 283,413
2026	264,792	18,618	283,410
2027	267,456	15,952	283,408
2028	270,144	13,262	283,406
2029	272,856	10,547	283,403
2030-2033	931,288	15,285	946,573
Total	\$ 2,268,700	\$ 94,913	\$ 2,363,613

There is \$350,377 available in the General Debt Service Fund and \$150,585 available in the Education Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$221, based on the 2020 federal census. Total debt per capita, including bonds, other loans, and unamortized debt premiums, totaled \$374, based on the 2020 federal census.

The school department is currently contributing funds to service some of the debt issued on its behalf by the primary government as noted in the table below.

### Discretely Presented Smith County School Department

Description of Debt	Outstanding 6-30-24
<u>Other Loans - Direct Placement</u>	
<u>Contributions from the General Purpose School Fund</u>	
Energy Efficiency Upgrades and Computer Software	\$ 2,268,700
Total	\$ 2,268,700

## Changes in Long-term Debt

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

Governmental Activities:			Other	
			Loans -	
			Direct	
			Placement	
	Bonds			
Balance, July 1, 2023	\$	5,160,000	\$	2,528,477
Reductions		(765,000)		(259,777)
Balance, June 30, 2024	\$	4,395,000	\$	2,268,700
Balance Due Within One Year	\$	785,000	\$	262,164

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2024	\$	6,663,700
Less: Due Within One Year - Debt		(1,047,164)
Add: Unamortized Premium on Debt		783,189
Noncurrent Liabilities - Due in		
More Than One Year - Debt - Exhibit A	\$	6,399,725

## Solid Waste Disposal (enterprise fund)

### General Obligation Bonds, Notes, and Other Loans

**General Obligation Bonds** – General obligation bonds have been issued to refund other loans. 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 20 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 Solid Waste Disposal Fund.

**Direct Borrowing and Direct Placements** - Capital outlay notes are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes and other loans outstanding were issued for original terms of up to 12 years for notes and 13 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes included in long-term debt as of June 30, 2024, will be retired from the Solid Waste Disposal Fund.

General obligation bonds and capital outlay notes outstanding as of June 30, 2024, for business-type activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-24
General Obligation Bonds -				
Refunding	2 to 4 %	6-1-40	\$ 1,555,000	\$ 1,360,000
Direct Borrowings and Direct Placements:				
Capital Outlay Notes	2.7	5-1-30	2,800,000	1,495,000
Other Loans	6.99	6-30-26	1,301,982	965,608

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2025	\$ 55,000	\$ 32,450	\$ 87,450
2026	55,000	30,250	85,250
2027	60,000	28,050	88,050
2028	60,000	25,650	85,650
2029	65,000	23,250	88,250
2030-2034	465,000	89,300	554,300
2035-2039	500,000	40,000	540,000
2040	100,000	2,000	102,000
Total	<u>\$ 1,360,000</u>	<u>\$ 270,950</u>	<u>\$ 1,630,950</u>

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2025	\$ 235,000	\$ 44,850	\$ 279,850
2026	240,000	37,800	277,800
2027	245,000	30,600	275,600
2028	250,000	23,250	273,250
2029	260,000	15,750	275,750
2030	265,000	7,950	272,950
Total	<u>\$ 1,495,000</u>	<u>\$ 160,200</u>	<u>\$ 1,655,200</u>

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2025	\$ 360,654	\$ 40,818	\$ 401,472
2026	604,954	14,838	619,792
Total	<u>\$ 965,608</u>	<u>\$ 55,656</u>	<u>\$ 1,021,264</u>

Bonded debt per capita totaled \$68, based on the 2020 federal census. Total debt per capita, including bonds, notes, and other loans totaled \$192, based on the 2020 federal census.

*Changes in Long-term Debt*

Long-term debt activity for the Solid Waste Disposal Fund (enterprise fund) for the year ended June 30, 2024, was as follows:

**Business-type Activities:**

	Bonds	Notes - Direct Placement	Other Loans Direct Placement
Balance, July 1, 2023	\$ 1,410,000	\$ 1,725,000	\$ 0
Additions	0	0	1,301,982
Reductions	(50,000)	(230,000)	(336,374)
Balance, June 30, 2024	<u>\$ 1,360,000</u>	<u>\$ 1,495,000</u>	<u>\$ 965,608</u>
Balance Due Within One Year	<u>\$ 55,000</u>	<u>\$ 235,000</u>	<u>\$ 360,654</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities, Debt - June 30, 2024	\$ 3,820,608
Less: Due Within One Year - Debt	<u>(650,654)</u>
Noncurrent Liabilities - Due in More Than One Year - Debt- Exhibit A	<u>\$ 3,169,954</u>

***E. Long-term Obligations***

**Primary Government**

**Changes in Long-term Obligations**

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

**Governmental Activities:**

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2023	\$ 68,629	\$ 129,491
Additions	124,461	82,171
Reductions	(95,540)	(8,491)
Balance, June 30, 2024	<u>\$ 97,550</u>	<u>\$ 203,171</u>
Balance Due Within One Year	<u>\$ 48,775</u>	<u>\$ 3,927</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2024	\$ 300,721
Less: Balance Due Within One Year - Other	<u>(52,702)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 248,019</u>

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

**Solid Waste Disposal (Enterprise) Fund**

**Changes in Long-term Obligations**

Long-term obligations activity for the Solid Waste Disposal Fund (enterprise fund) for the year ended June 30, 2024, was as follows:

**Business-type Activities:**

	Closure/ Postclosure Care Costs
Balance, July 1, 2023	\$ 20,798,472
Additions	363,191
Balance, June 30, 2024	<u>\$ 21,161,663</u>
Balance Due Within One Year	<u>\$ 0</u>

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

Total Noncurrent Liabilities - Other, June 30, 2024	\$ 21,161,663
Less: Balance Due Within One Year - Other	<u>0</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 21,161,663</u>

Landfill postclosure care costs will be paid from the Solid Waste Disposal Fund.

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

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

**Governmental Activities:**

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2023	\$ 73,855	\$ 3,085,876
Additions	32,956	758,342
Reductions	<u>(17,140)</u>	<u>(451,100)</u>
Balance, June 30, 2024	<u>\$ 89,671</u>	<u>\$ 3,393,118</u>
Balance Due Within One Year	<u>\$ 17,934</u>	<u>\$ 262,097</u>



Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2024	\$ 3,482,789
Less: Due Within One Year - Other	<u>(280,031)</u>
Noncurrent Liabilities - Due in	
More Than One Year - Other - Exhibit A	<u>\$ 3,202,758</u>

Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General Purpose School Fund.

***F. Pledges of Receivables and Future Revenues***

**Wheel Tax Revenues Pledged**

In 2008, Smith County voters approved an additional \$15 increase in the local wheel tax that was allocated 100 percent for the repayment of county indebtedness related to the jail construction. The tax will terminate 20 years from the date of debt issuance or as soon as indebtedness related to the jail is paid off. The other loan payable for the Head Start Facility and New Jail Facility was divided into 49 percent for the Head Start facility and 51 percent for the jail. The other original loans issued for jail construction were refunded with a General Obligation Refunding Bond on August 20, 2015. The Head Start Facility and New Jail Facility other loans and the General Obligation Refunding Bonds dated August 20, 2015, were refunded by General Obligation Refunding Bonds on December 15, 2020.

***G. On-Behalf Payments***

**Discretely Presented Smith County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Smith County School Department. These payments are made by the state to the Local Education Group Insurance Plan. The plan is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2024, were \$114,127. 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**

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

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

The county 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 the fund. The state statute provides for the LGGIF to be self-sustaining through member premiums.

### **Discretely Presented Smith County School Department**

It is the policy of the school department to purchase commercial insurance for the risks of losses to which it is exposed. These risks include general liability, property, and casualty and workers' compensation. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

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 Closure/Postclosure Care Costs***

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

State and federal laws and regulations require Smith County to place a final cover on its operating sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. \$21,161,663 is reported as landfill closure and postclosure care liability on June 30, 2024. The liability on June 30, 2024, represents 95.5 percent use of the estimated capacity of the landfill. These amounts are based on what it would cost to perform all closure and postclosure care in 2024. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

***E. Joint Venture***

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

Administrative Office:

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

***F. Jointly Governed Organization***

The Nashville and Eastern Railroad Authority was created according to an act of the Tennessee Legislature in 1983 to purchase the property, track, and roadbed along approximately 130 miles in Davidson, Wilson, Smith, and Putnam counties from Seaboard System Railroad, Inc. The business of the authority is conducted by a board of directors whose members are appointed by the governing bodies of the cities and counties of service. The authority's primary source of revenue is rehabilitation contracts with the Tennessee Department of Transportation. The counties do not have any ongoing financial interest or

responsibility for the entity. Complete financial statements for the authority can be obtained at the following address:

Nashville and Eastern Railroad Authority  
206 South Maple Street  
Lebanon, TN 37087

**G. Retirement Commitments**

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

**Primary Government**

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

*Plan Description.* Employees of Smith County and non-certified employees of the discretely presented Smith County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 64.03 percent and the non-certified employees of the discretely presented school department comprise 35.97 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	164
Inactive Employees Entitled to But Not Yet Receiving Benefits	432
Active Employees	<u>354</u>
Total	<u>950</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. Smith 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 Smith County were \$766,212 based on a rate of six percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Smith 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)***

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

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

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

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

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

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

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

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

*Discount Rate.* The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Smith 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	Plan	Net Pension
	Pension	Fiduciary	Liability
	Liability	Net Position	(Asset)
	(a)	(b)	(a)-(b)
Balance, July 1, 2022	\$ 30,741,811	\$ 31,467,893	\$ (726,082)
Changes for the Year:			
Service Cost	\$ 1,160,748	\$ 0	\$ 1,160,748
Interest	2,110,168	0	2,110,168
Differences Between Expected and Actual Experience	235,886	0	235,886
Contributions-Employer	0	679,655	(679,655)
Contributions-Employees	0	566,380	(566,380)
Net Investment Income	0	2,112,989	(2,112,989)
Benefit Payments, Including Refunds of Employee Contributions	(1,281,612)	(1,281,612)	0
Administrative Expense	0	(31,100)	31,100
Net Changes	\$ 2,225,190	\$ 2,046,312	\$ 178,878
Balance, June 30, 2023	\$ 32,967,001	\$ 33,514,205	\$ (547,204)

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

		Total	Plan	Net
		Pension	Fiduciary	Pension
		Liability	Net	Liability
			Position	(Asset)
Primary Government	64.03%	\$ 21,108,771	\$ 21,459,145	\$ (350,375)
School Department	35.97%	11,858,230	12,055,060	(196,829)
Total		\$ 32,967,001	\$ 33,514,205	\$ (547,204)

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

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

Net Pension Liability (Asset)      \$    4,286,361    \$    (547,204)    \$    (4,485,696)

***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, Smith County recognized pension expense (negative pension expense) of \$1,128,763.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2024, Smith 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	\$    658,886	\$            0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	263,951	0
Changes in Assumptions	918,846	0
Contributions Subsequent to the Measurement Date of June 30, 2023 (1)	766,212	N/A
Total	<u>\$    2,607,895</u>	<u>\$            0</u>

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



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

		Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	64.03%	\$ 1,678,873	\$ 0
School Department	35.97%	929,022	0
Total		<u>\$ 2,607,895</u>	<u>\$ 0</u>

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

Year Ending June 30	Amount
2025	\$ 555,372
2026	384,691
2027	852,670
2028	48,946
2029	0
Thereafter	0

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

**Discretely Presented Smith County School Department - Non-certified Employees**

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

*Plan Description.* As noted above under the primary government, employees of Smith County and non-certified employees of the discretely presented Smith County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 64.03 percent and the non-certified employees of the discretely presented school department comprise 35.97 percent of the plan based on contribution data.

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

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

*Plan Description.* Teachers of the Smith 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 \$171,073, which is 2.95 percent of covered payroll. In addition, employer contributions of \$54,473, 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, 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 (\$82,575) 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 0.194738 percent. The proportion as of June 30, 2022, was 0.205165 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2024, the Smith County School Department recognized pension expense (negative pension expense) of \$104,279.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2024, the school department reported deferred outflows 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	\$ 2,781	\$ 48,197
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	20,994	0
Changes in Assumptions	62,125	0
Changes in Proportion of Net Pension Liability (Asset)	16,172	21,540
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	171,073	N/A
Total	<u>\$ 273,145</u>	<u>\$ 69,737</u>

The school department's employer contributions of \$171,073, 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	\$ (612)
2026	(3,668)
2027	28,719
2028	1,261
2029	1,389
Thereafter	5,248

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

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

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)	\$ 379,843	\$ (82,575)	\$ (415,479)

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

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

*Plan Description.* Teachers of the Smith 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 Smith County School Department for the year ended June 30, 2024, to the Teacher Legacy Pension Plan were \$746,761, which is 10.27 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 (\$3,679,948) 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 0.312131 percent. The proportion measured on June 30, 2022, was 0.297979 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2024, the school department recognized pension expense (negative pension expense) of \$887,102.

*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	\$ 876,751	\$ 170,774
Changes in Assumptions	1,199,028	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	638,490	0
Changes in Proportion of Net Pension Liability (Asset)	50,412	213,365
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	746,761	N/A
Total	<u>\$ 3,511,442</u>	<u>\$ 384,139</u>

The school department's employer contributions of \$746,761 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	\$ 833,402
2026	(564,475)
2027	2,106,612
2028	5,002
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 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 all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

School Department's		Current	
Proportionate Share of	1%	Discount	1%
the Net Pension	Decrease	Rate	Increase
Liability (Asset)	5.75%	6.75%	7.75%

Net Pension Liability (Asset)	\$ 8,015,183	\$ (3,679,948)	\$ (13,406,999)
-------------------------------	--------------	----------------	-----------------

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

## 2. Deferred Compensation

The Smith County School Department offers its employees a deferred compensation plan established pursuant to IRC Section 403(b). All costs of administering and funding the program are the responsibility of the 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 \$268,828 and teachers contributed \$180,046 to this deferred compensation pension plan.

## H. Other Postemployment Benefits (OPEB)

Smith County and the discretely presented Smith County School Department provide OPEB benefits to its retirees under various OPEB plans. These include OPEB provided through state administered public entity risk pools. For reporting purposes, the plans are all 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 meet the criteria of paragraph 4 of GASB Statement No. 75.

Retirees of Smith County and the Smith County Highway Department (Hwy Dept) are provided healthcare under separate Local Government Plans (LGPs) until they reach Medicare eligibility. The retirees of Smith County and the Smith County Highway Department may then join the Tennessee Plan – Medicare (TNMs), which provides supplemental medical insurance for retirees with Medicare. 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. Both certified and noncertified retirees of the school department may then join the Tennessee Plan - Medicare (TNM) which provides supplemental medical insurance for retirees with Medicare. However,

the school department does not provide any subsidy (direct or indirect) to this plan and therefore does not recognize any OPEB liability associated with the TNM.

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

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

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	Salary increases used in the July 1, 2021, TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.65%
Healthcare Cost Trend Rates	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%. TNMs: The premium subsidies provided to retirees are assumed to remain unchanged for the entire projection; therefore, trend rates are not applicable.
Retirees Share of Benefit Related Cost	Discussed under each plan

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

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

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

males and a 14 percent load for females, projected generationally with MP-2021 from 2010. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load, projected generationally from 2018 with MP-2021.

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

**Local Government OPEB Plan (Primary Government)**

*Plan Description.* Employees of Smith County are provided with pre-65 retiree health insurance benefits through the 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.* Smith 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 *Tennessee Code Annotated (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. Smith County does not provide a direct subsidy and is only subject to the implicit subsidy.

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

	Smith County	Hwy Dept	Total
Inactive Employees Currently			
Receiving Benefit Payments	2	0	2
Inactive Employees Entitled To But Not			
Yet Receiving Benefit Payments	0	0	0
Active Employees Eligible for Benefits	132	15	147
Total	134	15	149

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 \$9,705 (Smith County - \$9,541, Hwy Dept - \$164) to the LGPs for OPEB benefits as they came due.

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

	Smith County	Hwy Dept.	Total OPEB Liability
Balance July 1, 2022	\$ 111,488	\$ 18,003	\$ 129,491
Changes for the Year:			
Service Cost	\$ 13,202	\$ 2,213	\$ 15,415
Interest	4,316	709	5,025
Difference between Expected and Actuarial Experience	12,897	(2,547)	10,350
Changes in Assumption	41,653	7,181	48,834
Benefit Payments	(5,580)	(364)	(5,944)
Net Changes	\$ 66,488	\$ 7,192	\$ 73,680
Balance June 30, 2023	\$ 177,976	\$ 25,195	\$ 203,171

*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 \$3,927 (Smith County - \$8,096, Hwy Dept. - (\$4,169)). On June 30, 2024, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience (DO - County \$21,604; Hwy \$753) (DI - County \$48,520; Hwy \$19,438)	\$ 22,357	\$ 67,958
Changes of Assumptions (DO - County \$52,221; Hwy \$9,140) (DI - County \$69,418; Hwy \$14,547)	61,361	83,965
Net Difference Between Projected and Benefits Paid After the Measurement Date of June 30, 2023 (DO - County \$9,541; Hwy \$164)	9,705	0
Total	\$ 93,423	\$ 151,923

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

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

Year Ending June 30	County	Hwy Dept	Total Amount
2025	\$ (9,422)	\$ (6,884)	\$ (16,306)
2026	(9,422)	(6,072)	(15,494)
2027	(9,422)	(4,289)	(13,711)
2028	(8,165)	(4,309)	(12,474)
2029	(8,600)	(2,041)	(10,641)
Thereafter	918	(497)	421

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

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

<u>Discount Rate</u>	1% Decrease 2.65%	Current Discount Rate 3.65%	1% Increase 4.65%
County	\$ 193,031	\$ 177,976	\$ 164,181
Hwy Dept	27,399	25,195	23,150
Total OPEB Liability	<u>\$ 220,430</u>	<u>\$ 203,171</u>	<u>\$ 187,331</u>

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

<u>Healthcare Cost Trend Rate</u>	1% Decrease 9.31 to 3.5%	Current Trend Rates 10.31 to 4.5%	1% Increase 11.31 to 5.5%
County	\$ 158,351	\$ 177,976	\$ 201,509
Hwy Dept	22,121	25,195	28,859
Total OPEB Liability	<u>\$ 180,472</u>	<u>\$ 203,171</u>	<u>\$ 230,368</u>

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

*Plan Description.* Employees of the Smith 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 Smith 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 the retiree premiums. The school department does not provide a direct subsidy and is only subject to the implicit subsidy.

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

Inactive Employees Currently Receiving	
Benefit Payments	13
Inactive Employees Entitled to But Not Yet	
Receiving Benefit Payments	0
Active Employees Eligible For Benefits	<u>255</u>
Total	<u><u>268</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 \$88,980 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		Total OPEB Liability
	Smith County	State of	
	School Dept 58.46%	TN 41.54%	
Balance July 1, 2022	\$ 3,085,876	\$ 1,006,954	\$ 5,113,707
Changes for the Year:			
Service Cost	\$ 141,079	\$ 100,246	\$ 241,325
Interest	108,930	77,402	186,332
Difference between Expected and Actuarial Experience	1,866	1,326	3,192
Changes in Proportion	(96,270)	96,270	0
Changes in Assumption	259,450	184,357	443,807
Benefit Payments	(107,811)	(76,608)	(184,419)
Net Changes	\$ 307,243	\$ 382,994	\$ 690,237
Balance June 30, 2023	\$ 3,393,118	\$ 1,389,949	\$ 5,803,944

The Smith 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 Smith 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 \$234,919 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Smith County School Department's proportionate share of the collective OPEB liability was 58.46 percent and the State of Tennessee's share was 41.54 percent.

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2024, the school department recognized OPEB expense of \$497,016, 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	\$ 169,166	\$ 194,039
Changes of Assumptions	738,862	395,495
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	61,293	258,973
Benefits Paid After the Measurement Date of June 30, 2023	88,980	0
Total	<u>\$ 1,058,301</u>	<u>\$ 848,507</u>

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

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

Year Ending June 30	School Department
2025	\$ 12,079
2026	12,079
2027	12,079
2028	13,156
2029	26,696
Thereafter	44,725

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

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

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

Proportionate Share of the Collective Total OPEB Liability	\$ 3,674,103	\$ 3,393,118	\$ 3,126,977
--	--------------	--------------	--------------

*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>		Curent	
	1%	Rates	1%
	Decrease		Increase
	9.31 to 3.5%	10.31 to 4.5%	11.31 to 5.5%

Proportionate Share of the Collective Total OPEB Liability	\$ 3,002,917	\$ 3,393,118	\$ 3,850,452
--	--------------	--------------	--------------

#### ***I. Office of Central Accounting, Budgeting, and Purchasing***

Smith 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 mayor and road commissioner. However, the county did not adopt the budgeting provisions of these statutes. The funds administered by the county mayor and road commissioner are maintained in the Office of Central Accounting, Budgeting, and Purchasing under the supervision of the director of accounts and budgets.

#### ***J. Purchasing Laws***

##### **Offices of County Mayor and Road Commissioner**

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*. 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.

##### **Office of Director of Schools**

Purchasing procedures for the school department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, *TCA*, which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board

of Education), to make all purchases. This statute also requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$25,000.

***K Subsequent Event***

On July 1, 2024, Smith County entered into a lease agreement for office space totaling \$180,000.

## REQUIRED SUPPLEMENTARY INFORMATION SECTION

Exhibit F-1

**SMITH 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
<b>Total Pension Liability</b>										
Service Cost	\$ 606,110	\$ 643,084	\$ 717,506	\$ 711,390	\$ 769,768	\$ 847,823	\$ 954,757	\$ 917,993	\$ 1,076,352	\$ 1,160,748
Interest	1,210,149	1,273,746	1,334,107	1,391,491	1,460,486	1,533,745	1,659,864	1,794,212	1,951,923	2,110,168
Differences Between Actual and Expected Experience	(151,864)	(348,936)	(427,979)	(181,695)	(412,425)	186,709	285,077	210,220	548,452	235,886
Changes in Assumptions	0	0	0	476,706	0	0	0	2,297,115	0	0
Benefit Payments, Including Refunds of Employee Contributions	(861,463)	(845,349)	(829,673)	(875,119)	(854,578)	(916,240)	(955,052)	(1,064,654)	(1,351,892)	(1,281,612)
Net Change in Total Pension Liability	\$ 802,932	\$ 722,545	\$ 793,961	\$ 1,522,773	\$ 963,251	\$ 1,652,037	\$ 1,944,646	\$ 4,154,886	\$ 2,224,835	\$ 2,225,190
Total Pension Liability, Beginning	15,959,945	16,762,877	17,485,422	18,279,383	19,802,156	20,765,407	22,417,444	24,362,090	28,516,976	30,741,811
Total Pension Liability, Ending (a)	\$ 16,762,877	\$ 17,485,422	\$ 18,279,383	\$ 19,802,156	\$ 20,765,407	\$ 22,417,444	\$ 24,362,090	\$ 28,516,976	\$ 30,741,811	\$ 32,967,001
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer	\$ 536,853	\$ 541,749	\$ 566,282	\$ 588,687	\$ 523,354	\$ 558,272	\$ 600,570	\$ 625,959	\$ 658,275	\$ 679,655
Contributions - Employee	384,014	380,541	399,685	413,005	436,397	465,279	503,287	521,635	548,565	566,380
Net Investment Income	2,513,790	545,638	486,744	2,146,638	1,757,592	1,713,137	1,231,040	6,742,017	(1,255,298)	2,112,989
Benefit Payments, Including Refunds of Employee Contributions	(861,463)	(845,349)	(829,673)	(875,119)	(854,578)	(916,240)	(955,052)	(1,064,654)	(1,351,892)	(1,281,612)
Administrative Expense	(12,045)	(16,009)	(24,091)	(26,908)	(31,369)	(29,759)	(29,965)	(31,697)	(34,391)	(31,100)
Other	0	0	1,318	0	0	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 2,561,149	\$ 606,570	\$ 600,265	\$ 2,246,303	\$ 1,831,396	\$ 1,790,689	\$ 1,349,880	\$ 6,793,260	\$ (1,434,741)	\$ 2,046,312
Plan Fiduciary Net Position, Beginning	15,123,122	17,684,271	18,290,841	18,891,106	21,137,409	22,968,805	24,759,494	26,109,374	32,902,634	31,467,893
Plan Fiduciary Net Position, Ending (b)	\$ 17,684,271	\$ 18,290,841	\$ 18,891,106	\$ 21,137,409	\$ 22,968,805	\$ 24,759,494	\$ 26,109,374	\$ 32,902,634	\$ 31,467,893	\$ 33,514,205
Net Pension Liability (Asset), Ending (a - b)	\$ (921,394)	\$ (805,419)	\$ (611,723)	\$ (1,335,253)	\$ (2,203,398)	\$ (2,342,050)	\$ (1,747,284)	\$ (4,385,658)	\$ (726,082)	\$ (547,204)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	105.50%	104.61%	103.35%	106.74%	110.61%	110.45%	107.17%	115.38%	102.36%	101.66%
Covered Payroll	\$ 7,680,267	\$ 7,576,891	\$ 7,920,012	\$ 8,233,383	\$ 8,722,565	\$ 9,304,525	\$ 10,009,498	\$ 10,283,315	\$ 10,971,238	\$ 11,327,570
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(12.00)%	(10.63)%	(7.72)%	(16.22)%	(25.26)%	(25.17)%	(17.46)%	(42.65)%	(6.62)%	(4.83)%

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

**SMITH 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	\$ 541,749	\$ 566,282	\$ 588,687	\$ 523,354	\$ 436,383	\$ 441,419	\$ 314,023	\$ 283,058	\$ 643,407	\$ 766,212
Less: Contributions in Relation to the										
Actuarially Determined Contribution	(541,749)	(566,282)	(588,687)	(523,354)	(558,272)	(600,570)	(625,959)	(658,275)	(679,655)	(766,212)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ (121,889)	\$ (159,151)	\$ (311,936)	\$ (375,217)	\$ (36,248)	\$ 0
Covered Payroll	\$ 7,576,891	\$ 7,920,012	\$ 8,233,383	\$ 8,722,565	\$ 9,304,525	\$ 10,009,498	\$ 10,283,315	\$ 10,971,238	\$ 11,327,570	\$ 12,770,200
Contributions as a Percentage of Covered Payroll	7.15%	7.15%	7.15%	6.00%	6.00%	6.00%	6.09%	6.00%	6.00%	6.00%

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

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

Discretely Presented Smith County School Department

**For the Fiscal Year Ended June 30**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 16,725	\$ 31,329	\$ 48,178	\$ 57,178	\$ 40,783	\$ 54,524	\$ 56,288	\$ 70,422	\$ 111,167	\$ 171,073
Less: Contributions in Relation to the Contractually Required Contribution	(16,725)	(31,329)	(48,178)	(57,178)	(40,783)	(54,524)	(56,288)	(70,422)	(111,167)	(171,073)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 418,110	\$ 783,218	\$ 1,204,442	\$ 1,429,467	\$ 2,102,258	\$ 2,685,887	\$ 2,933,848	\$ 3,503,611	\$ 3,873,432	\$ 5,187,905
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.00%	1.94%	2.03%	1.92%	2.01%	2.87%	2.95%

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

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%



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

Discretely Presented Smith County School Department

**For the Fiscal Year Ended June 30**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 1,017,572	\$ 983,929	\$ 953,438	\$ 931,241	\$ 1,073,033	\$ 1,105,315	\$ 1,017,636	\$ 1,010,049	\$ 880,194	\$ 746,761
Less: Contributions in Relation to the Contractually Required Contribution	(1,017,572)	(983,929)	(953,438)	(931,241)	(1,073,033)	(1,105,315)	(1,017,636)	(1,010,049)	(880,194)	(746,761)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 11,256,331	\$ 10,884,163	\$ 10,546,881	\$ 10,255,946	\$ 10,258,434	\$ 10,398,058	\$ 9,908,806	\$ 9,806,306	\$ 10,128,789	\$ 7,271,285
Contributions as a Percentage of Covered Payroll	9.04%	9.04%	9.04%	9.08%	10.46%	10.63%	10.27%	10.30%	8.69%	10.27%

**SMITH COUNTY, TENNESSEE****Schedule of Proportionate Share of the Net Pension Liability (Asset)  
in the Teacher Retirement Plan of TCRS**

Discretely Presented Smith 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)	0.197082%	0.178003%	0.183510%	0.163576%	0.198660%	0.212842%	0.193076%	0.205165%	0.194738%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (8,096)	\$ (18,531)	\$ (48,416)	\$ (74,186)	\$ (112,141)	\$ (121,031)	\$ (209,142)	\$ (62,150)	\$ (82,575)
Covered Payroll	\$ 418,110	\$ 783,218	\$ 1,204,442	\$ 1,429,467	\$ 2,102,258	\$ 2,685,887	\$ 2,933,848	\$ 3,503,611	\$ 3,873,432
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.02)%	(5.19)%	(5.33)%	(4.51)%	(7.13)%	(1.77)%	(2.13)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	127.46%	121.88%	126.81%	126.97%	123.07%	116.52%	121.53%	104.55%	104.97%

Note: Ten years of data will be presented when available.

**SMITH COUNTY, TENNESSEE****Schedule of Proportionate Share of the Net Pension Liability (Asset)****in the Teacher Legacy Pension Plan of TCRS**

Discretely Presented Smith 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)	0.296629%	0.300690%	0.301517%	0.298360%	0.292887%	0.305935%	0.312418%	0.301898%	0.297979%	0.312131%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (48,201)	\$ 123,173	\$ 1,884,316	\$ (97,620)	\$ (1,030,646)	\$ (3,145,563)	\$ (2,382,416)	\$ (13,021,601)	\$ (3,654,431)	\$ (3,679,948)
Covered Payroll	\$ 11,642,663	\$ 11,256,331	\$ 10,884,163	\$ 10,546,881	\$ 10,255,946	\$ 10,258,434	\$ 10,398,058	\$ 9,908,806	\$ 9,806,306	\$ 10,128,789
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41)%	1.09%	17.31%	(0.93)%	(10.05)%	(30.66)%	(22.91)%	(131.41)%	(37.27)%	(36.33)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	100.08%	99.81%	97.14%	100.14%	101.49%	104.28%	103.09%	116.13%	104.42%	104.11%

**SMITH 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****Smith County Plan****Total OPEB Liability**

	2017	2018	2019	2020	2021	2022	2023
Service Cost	\$ 16,767	\$ 15,225	\$ 18,806	\$ 19,697	\$ 24,276	\$ 19,631	\$ 13,202
Interest	4,013	5,268	5,615	5,616	4,992	3,813	4,316
Differences Between Actual and Expected Experience	0	(22,637)	(27,122)	19,930	(25,592)	(15,033)	12,897
Changes in Assumptions or Other Inputs	(8,163)	6,682	7,633	19,034	(43,626)	(51,460)	41,653
Benefit Payments	0	(1,109)	(827)	(1,095)	(4,836)	(4,692)	(5,580)
Net Change in Total OPEB Liability	\$ 12,617	\$ 3,429	\$ 4,105	\$ 63,182	\$ (44,786)	\$ (47,741)	\$ 66,488
Total OPEB Liability, Beginning	120,682	133,299	136,728	140,833	204,015	159,229	111,488
Total OPEB Liability, Ending	\$ 133,299	\$ 136,728	\$ 140,833	\$ 204,015	\$ 159,229	\$ 111,488	\$ 177,976
Covered Employee Payroll	\$ 4,520,106	\$ 5,985,243	\$ 6,119,619	\$ 5,793,850	\$ 6,301,717	\$ 6,673,283	\$ 7,580,383
Net OPEB Liability as a Percentage of Covered Employee Payroll	2.95%	2.28%	2.30%	3.52%	2.53%	1.67%	2.35%

**Smith County Highway Plan****Total OPEB Liability**

	2017	2018	2019	2020	2021	2022	2023
Service Cost	\$ 4,455	\$ 4,325	\$ 5,704	\$ 3,881	\$ 5,111	\$ 3,972	\$ 2,213
Interest	1,293	1,706	2,275	1,525	1,097	718	709
Differences Between Actual and Expected Experience	0	3,777	(26,240)	(3,170)	(8,987)	(5,484)	(2,547)
Changes in Assumptions or Other Inputs	(1,755)	4,587	1,639	3,406	(11,837)	(10,252)	7,181
Benefit Payments	0	(455)	(1,258)	(614)	(763)	(480)	(364)
Net Change in Total OPEB Liability	\$ 3,993	\$ 13,940	\$ (17,880)	\$ 5,028	\$ (15,379)	\$ (11,526)	\$ 7,192
Total OPEB Liability, Beginning	39,827	43,820	57,760	39,880	44,908	29,529	18,003
Total OPEB Liability, Ending	\$ 43,820	\$ 57,760	\$ 39,880	\$ 44,908	\$ 29,529	\$ 18,003	\$ 25,195
Covered Employee Payroll	\$ 1,489,270	\$ 675,727	\$ 710,761	\$ 717,817	\$ 662,167	\$ 581,200	\$ 747,000
Net OPEB Liability as a Percentage of Covered Employee Payroll	2.94%	8.55%	5.61%	6.26%	4.46%	3.10%	3.37%

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 the 2024 plan year was updated from 8.37% to an rate of 10.3%.

(c) In 2023, the mortality improvement scale was updated from Scale MP2020 to Scale MP2021.

Note 3: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

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

Discretely Presented Smith County School Department

**For the Fiscal Year Ended June 30**

	2017	2018	2019	2020	2021	2022	2023
<b>Total OPEB Liability</b>							
Service Cost	\$ 233,355	\$ 215,317	\$ 197,910	\$ 185,699	\$ 242,917	\$ 318,473	\$ 241,325
Interest	127,381	151,547	136,768	137,133	102,082	123,666	186,332
Differences Between Actual and Expected Experience	0	(653,174)	372,015	54,820	108,457	(49,529)	3,192
Changes in Assumptions or Other Inputs	(200,821)	89,468	(317,619)	501,248	792,111	(582,663)	443,807
Benefit Payments	(236,162)	(258,461)	(273,064)	(222,541)	(224,690)	(205,023)	(184,419)
Net Change in Total OPEB Liability	\$ (76,247)	\$ (455,303)	\$ 116,010	\$ 656,359	\$ 1,020,877	\$ (395,076)	\$ 690,237
Total OPEB Liability, Beginning	4,247,087	4,170,840	3,715,537	3,831,547	4,487,906	5,508,783	5,113,707
Total OPEB Liability, Ending	\$ 4,170,840	\$ 3,715,537	\$ 3,831,547	\$ 4,487,906	\$ 5,508,783	\$ 5,113,707	\$ 5,803,944
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 1,520,355	\$ 1,335,806	\$ 1,439,715	\$ 1,584,734	\$ 2,051,240	\$ 2,027,831	\$ 2,410,826
Employer Proportionate Share of the Total OPEB Liability	2,650,485	2,379,731	2,391,832	2,903,172	3,457,543	3,085,876	3,393,118
Covered Employee Payroll	\$ 14,567,311	\$ 15,407,917	\$ 16,354,874	\$ 16,554,027	\$ 17,032,737	\$ 16,384,601	\$ 16,534,721
Net OPEB Liability as a Percentage of Covered Employee Payroll	28.63%	24.11%	23.43%	27.11%	32.34%	31.21%	35.10%

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:

Plan year 2019	- from 5.4% to 6.75%
Plan year 2020	- from 6.75% to 6.03%
Plan year 2021	- from 6.03% to 9.02%
Plan year 2022	- from 9.02% to 7.36%
Plan year 2023	- from 7.36% to 8.37%
Plan year 2024	- from 8.37% to 10.3%

Note 3: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

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

**TENNESSEE CONSOLIDATED RETIREMENT SYSTEM**

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

Methods and assumptions used to determine contribution rates:

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

*Changes in 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 the inflation rate from 3 percent to 2.5 percent; decreased the investment rate from 7.5 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.5 percent to 2.25 percent; decreased the salary growth rate graded ranges from an average of 4.25 to an average of 4 percent; and modified mortality assumptions.

# COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

# NONMAJOR GOVERNMENTAL FUNDS

## SPECIAL REVENUE FUNDS

---

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

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

**Other General Government Fund** – The Other General Government Fund is used to account for transactions of the county's funding from the American Rescue Plan Act.

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

## EDUCATION DEBT SERVICE FUND

---

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

## 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.*

**General Capital Projects Fund** – The General Capital Projects Fund is 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.

**Highway Capital Projects Fund** – The Highway Capital Projects Fund is 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 for the highway department.



## PERMANENT FUND

---

*The Library Endowment Fund is used to account for resources that are being held in trust for library operations. Earnings on invested resources may be used to fund library operations, but the principal is required to be maintained intact.*

Exhibit G-1

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	Drug Control	Other General Government Fund	Constitutional Officers - Fees	Total	Education Debt Service	General Capital Projects
<b>ASSETS</b>						
Cash	\$ 0	\$ 0	\$ 638	\$ 638	\$ 0	\$ 0
Equity in Pooled Cash and Investments	212,786	1,085,388	0	1,298,174	150,585	743,850
Accounts Receivable	2,516	3,996	6,387	12,899	0	9,600
Due from Other Governments	0	0	0	0	0	92,911
Property Taxes Receivable	0	0	0	0	0	413,629
Allowance for Uncollectible Property Taxes	0	0	0	0	0	(4,404)
Total Assets	\$ 215,302	\$ 1,089,384	\$ 7,025	\$ 1,311,711	\$ 150,585	\$ 1,255,586
<b>LIABILITIES</b>						
Accounts Payable	\$ 0	\$ 7,847	\$ 0	\$ 7,847	\$ 0	\$ 0
Due to Other Funds	0	1,886	0	1,886	0	0
Due to Litigants, Heirs, and Others	0	0	7,025	7,025	0	0
Total Liabilities	\$ 0	\$ 9,733	\$ 7,025	\$ 16,758	\$ 0	\$ 0
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 400,437
Deferred Delinquent Property Taxes	0	0	0	0	0	7,996
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 408,433

(Continued)

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	Drug Control	Other General Government Fund	Constitutional Officers - Fees	Total	Education Debt Service	General Capital Projects
<b>FUND BALANCES</b>						
Nonspendable:						
Endowments	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Restricted:						
Restricted for General Government	0	1,079,651	0	1,079,651	0	0
Restricted for Public Safety	215,302	0	0	215,302	0	0
Restricted for Debt Service	0	0	0	0	150,585	0
Restricted for Capital Projects	0	0	0	0	0	847,153
Committed:						
Committed for Social, Cultural, and Recreational Services	0	0	0	0	0	0
Total Fund Balances	\$ 215,302	\$ 1,079,651	\$ 0	\$ 1,294,953	\$ 150,585	\$ 847,153
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 215,302	\$ 1,089,384	\$ 7,025	\$ 1,311,711	\$ 150,585	\$ 1,255,586

(Continued)

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

	<u>Capital Projects Funds (Cont.)</u>		<u>Permanent Fund</u>	Total Nonmajor Governmental Funds
	Highway Capital Projects	Total	Endowment	
<b>ASSETS</b>				
Cash	\$ 0	\$ 0	\$ 0	\$ 638
Equity in Pooled Cash and Investments	754,486	1,498,336	23,022	2,970,117
Accounts Receivable	0	9,600	0	22,499
Due from Other Governments	0	92,911	0	92,911
Property Taxes Receivable	0	413,629	0	413,629
Allowance for Uncollectible Property Taxes	0	(4,404)	0	(4,404)
Total Assets	<u>\$ 754,486</u>	<u>\$ 2,010,072</u>	<u>\$ 23,022</u>	<u>\$ 3,495,390</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 58,335	\$ 58,335	\$ 0	\$ 66,182
Due to Other Funds	0	0	0	1,886
Due to Litigants, Heirs, and Others	0	0	0	7,025
Total Liabilities	<u>\$ 58,335</u>	<u>\$ 58,335</u>	<u>\$ 0</u>	<u>\$ 75,093</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Current Property Taxes	\$ 0	\$ 400,437	\$ 0	\$ 400,437
Deferred Delinquent Property Taxes	0	7,996	0	7,996
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 408,433</u>	<u>\$ 0</u>	<u>\$ 408,433</u>

(Continued)

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

**FUND BALANCES**

Nonspendable:

Endowments

Restricted:

Restricted for General Government

Restricted for Public Safety

Restricted for Debt Service

Restricted for Capital Projects

Committed:

Committed for Social, Cultural, and Recreational Services

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

<u>Capital Projects Funds (Cont.)</u>		<u>Permanent Fund</u>	Total Nonmajor Governmental Funds
Highway Capital Projects	Total	Endowment	
\$ 0	\$ 0	\$ 22,154	\$ 22,154
0	0	0	1,079,651
0	0	0	215,302
0	0	0	150,585
696,151	1,543,304	0	1,543,304
0	0	868	868
<u>\$ 696,151</u>	<u>\$ 1,543,304</u>	<u>\$ 23,022</u>	<u>\$ 3,011,864</u>
<u>\$ 754,486</u>	<u>\$ 2,010,072</u>	<u>\$ 23,022</u>	<u>\$ 3,495,390</u>

**SMITH 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				Debt Service Fund	Capital Projects Funds
	Drug Control	Other General Government Fund	Constitutional Officers - Fees	Total	Education Debt Service	General Capital Projects
<b>Revenues</b>						
Local Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 435,469
Fines, Forfeitures, and Penalties	116,919	0	0	116,919	0	0
Charges for Current Services	0	0	6,180	6,180	0	0
Other Local Revenues	0	61,533	0	61,533	0	9,600
Federal Government	0	50,000	0	50,000	0	349,921
Total Revenues	\$ 116,919	\$ 111,533	\$ 6,180	\$ 234,632	\$ 0	\$ 794,990
<b>Expenditures</b>						
Current:						
General Government	\$ 0	\$ 176,427	\$ 0	\$ 176,427	\$ 0	\$ 0
Administration of Justice	0	0	6,180	6,180	0	0
Public Safety	161,150	0	0	161,150	0	0
Other Operations	0	19,985	0	19,985	0	0
Highways	0	164,652	0	164,652	0	0
Capital Projects	0	0	0	0	0	450,757
Total Expenditures	\$ 161,150	\$ 361,064	\$ 6,180	\$ 528,394	\$ 0	\$ 450,757
Excess (Deficiency) of Revenues Over Expenditures	\$ (44,231)	\$ (249,531)	\$ 0	\$ (293,762)	\$ 0	\$ 344,233
<b>Other Financing Sources (Uses)</b>						
Transfers Out	\$ 0	\$ (118,286)	\$ 0	\$ (118,286)	\$ 0	\$ 0
Total Other Financing Sources (Uses)	\$ 0	\$ (118,286)	\$ 0	\$ (118,286)	\$ 0	\$ 0
Net Change in Fund Balances	\$ (44,231)	\$ (367,817)	\$ 0	\$ (412,048)	\$ 0	\$ 344,233
Fund Balance, July 1, 2023	259,533	1,447,468	0	1,707,001	150,585	502,920
Fund Balance, June 30, 2024	\$ 215,302	\$ 1,079,651	\$ 0	\$ 1,294,953	\$ 150,585	\$ 847,153

(Continued)

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

	<u>Capital Projects Funds (Cont.)</u>		<u>Permanent Fund</u>	Total Nonmajor Governmental Funds
	Highway Capital Projects	Total	Endowment	
<b>Revenues</b>				
Local Taxes	\$ 51,077	\$ 486,546	\$ 0	\$ 486,546
Fines, Forfeitures, and Penalties	0	0	0	116,919
Charges for Current Services	0	0	0	6,180
Other Local Revenues	0	9,600	395	71,528
Federal Government	0	349,921	0	399,921
Total Revenues	<u>\$ 51,077</u>	<u>\$ 846,067</u>	<u>\$ 395</u>	<u>\$ 1,081,094</u>
<b>Expenditures</b>				
Current:				
General Government	\$ 0	\$ 0	\$ 0	\$ 176,427
Administration of Justice	0	0	0	6,180
Public Safety	0	0	0	161,150
Other Operations	0	0	0	19,985
Highways	404,314	404,314	0	568,966
Capital Projects	784	451,541	0	451,541
Total Expenditures	<u>\$ 405,098</u>	<u>\$ 855,855</u>	<u>\$ 0</u>	<u>\$ 1,384,249</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (354,021)</u>	<u>\$ (9,788)</u>	<u>\$ 395</u>	<u>\$ (303,155)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	\$ 0	\$ 0	\$ 0	\$ (118,286)
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (118,286)</u>
Net Change in Fund Balances	\$ (354,021)	\$ (9,788)	\$ 395	\$ (421,441)
Fund Balance, July 1, 2023	1,050,172	1,553,092	22,627	3,433,305
Fund Balance, June 30, 2024	<u>\$ 696,151</u>	<u>\$ 1,543,304</u>	<u>\$ 23,022</u>	<u>\$ 3,011,864</u>

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

Drug Control Fund

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

		<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Fines, Forfeitures, and Penalties	\$ 116,919	\$ 19,000	\$ 19,000	\$ 97,919
Total Revenues	\$ 116,919	\$ 19,000	\$ 19,000	\$ 97,919
<b>Expenditures</b>				
Public Safety				
Sheriff's Department	\$ 159,994	\$ 19,000	\$ 218,000	\$ 58,006
Drug Enforcement	1,156	1,000	2,000	844
Total Expenditures	\$ 161,150	\$ 20,000	\$ 220,000	\$ 58,850
Excess (Deficiency) of Revenues Over Expenditures	\$ (44,231)	\$ (1,000)	\$ (201,000)	\$ 156,769
Net Change in Fund Balance	\$ (44,231)	\$ (1,000)	\$ (201,000)	\$ 156,769
Fund Balance, July 1, 2023	259,533	255,604	255,604	3,929
Fund Balance, June 30, 2024	\$ 215,302	\$ 254,604	\$ 54,604	\$ 160,698



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

		<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Other Local Revenues	\$ 61,533	\$ 5,000	\$ 5,000	\$ 56,533
Federal Government	50,000	0	0	50,000
Total Revenues	<u>\$ 111,533</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 106,533</u>
<b>Expenditures</b>				
General Government				
County Buildings	\$ 176,427	\$ 183,083	\$ 183,083	\$ 6,656
Other Operations				
American Rescue Plan Act Grant #4	19,985	700,000	700,000	680,015
American Rescue Plan Act Grant #5	0	150,000	33,600	33,600
Highways				
Highway and Bridge Maintenance	164,652	181,581	181,582	16,930
Total Expenditures	<u>\$ 361,064</u>	<u>\$ 1,214,664</u>	<u>\$ 1,098,265</u>	<u>\$ 737,201</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (249,531)</u>	<u>\$ (1,209,664)</u>	<u>\$ (1,093,265)</u>	<u>\$ 843,734</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	\$ (118,286)	\$ 0	\$ (116,400)	\$ (1,886)
Total Other Financing Sources	<u>\$ (118,286)</u>	<u>\$ 0</u>	<u>\$ (116,400)</u>	<u>\$ (1,886)</u>
Net Change in Fund Balance	\$ (367,817)	\$ (1,209,664)	\$ (1,209,665)	\$ 841,848
Fund Balance, July 1, 2023	<u>1,447,468</u>	<u>1,247,912</u>	<u>1,247,912</u>	<u>199,556</u>
Fund Balance, June 30, 2024	<u><u>\$ 1,079,651</u></u>	<u><u>\$ 38,248</u></u>	<u><u>\$ 38,247</u></u>	<u><u>\$ 1,041,404</u></u>

**SMITH COUNTY, TENNESSEE**

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<b>Revenues</b>						
Local Taxes	\$ 435,469	\$ 0	\$ 435,469	\$ 406,117	\$ 406,117	\$ 29,352
Other Local Revenues	9,600	0	9,600	0	0	9,600
State of Tennessee	0	0	0	362,580	0	0
Federal Government	349,921	0	349,921	0	362,580	(12,659)
Total Revenues	\$ 794,990	\$ 0	\$ 794,990	\$ 768,697	\$ 768,697	\$ 26,293
<b>Expenditures</b>						
General Government						
County Buildings	\$ 0	\$ 0	\$ 0	\$ 355,000	\$ 355,000	\$ 355,000
Capital Projects						
Public Safety Projects	117,637	0	117,637	0	170,637	53,000
Other General Government Projects	333,120	(750)	332,370	371,580	371,580	39,210
Total Expenditures	\$ 450,757	\$ (750)	\$ 450,007	\$ 726,580	\$ 897,217	\$ 447,210
Excess (Deficiency) of Revenues Over Expenditures	\$ 344,233	\$ 750	\$ 344,983	\$ 42,117	\$ (128,520)	\$ 473,503
Net Change in Fund Balance	\$ 344,233	\$ 750	\$ 344,983	\$ 42,117	\$ (128,520)	\$ 473,503
Fund Balance, July 1, 2023	502,920	(750)	502,170	38,319	388,240	113,930
Fund Balance, June 30, 2024	\$ 847,153	\$ 0	\$ 847,153	\$ 80,436	\$ 259,720	\$ 587,433

**SMITH COUNTY, TENNESSEE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
 Highway Capital Projects Fund  
**For the Year Ended June 30, 2024**

		<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Local Taxes	\$ 51,077	\$ 500	\$ 500	\$ 50,577
Total Revenues	\$ 51,077	\$ 500	\$ 500	\$ 50,577
<b>Expenditures</b>				
Highways				
Highway and Bridge Maintenance	\$ 404,314	\$ 999,000	\$ 999,000	\$ 594,686
Capital Projects				
Other General Government Projects	784	1,000	1,000	216
Total Expenditures	\$ 405,098	\$ 1,000,000	\$ 1,000,000	\$ 594,902
Excess (Deficiency) of Revenues Over Expenditures	\$ (354,021)	\$ (999,500)	\$ (999,500)	\$ 645,479
Net Change in Fund Balance	\$ (354,021)	\$ (999,500)	\$ (999,500)	\$ 645,479
Fund Balance, July 1, 2023	1,050,172	1,043,887	1,043,887	6,285
Fund Balance, June 30, 2024	\$ 696,151	\$ 44,387	\$ 44,387	\$ 651,764

## MAJOR GOVERNMENTAL FUND

### GENERAL DEBT SERVICE FUND

---

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

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Revenues</b>				
Local Taxes	\$ 872,909	\$ 838,109	\$ 838,109	\$ 34,800
Fines, Forfeitures, and Penalties	558	4,500	4,500	(3,942)
Other Local Revenues	87,883	100,000	100,000	(12,117)
Other Governments and Citizens Groups	283,632	0	283,632	0
Total Revenues	<u>\$ 1,244,982</u>	<u>\$ 942,609</u>	<u>\$ 1,226,241</u>	<u>\$ 18,741</u>
<b>Expenditures</b>				
Principal on Debt				
General Government	\$ 1,024,777	\$ 1,025,000	\$ 1,025,000	\$ 223
Interest on Debt				
General Government	209,505	210,500	210,500	995
Other Debt Service				
General Government	15,403	30,000	30,000	14,597
Total Expenditures	<u>\$ 1,249,685</u>	<u>\$ 1,265,500</u>	<u>\$ 1,265,500</u>	<u>\$ 15,815</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (4,703)</u>	<u>\$ (322,891)</u>	<u>\$ (39,259)</u>	<u>\$ 34,556</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	\$ 0	\$ 283,632	\$ 0	\$ 0
Total Other Financing Sources	<u>\$ 0</u>	<u>\$ 283,632</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ (4,703)	\$ (39,259)	\$ (39,259)	\$ 34,556
Fund Balance, July 1, 2023	<u>355,080</u>	<u>301,337</u>	<u>301,337</u>	<u>53,743</u>
Fund Balance, June 30, 2024	<u><u>\$ 350,377</u></u>	<u><u>\$ 262,078</u></u>	<u><u>\$ 262,078</u></u>	<u><u>\$ 88,299</u></u>

## CUSTODIAL FUNDS

---

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

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

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

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

	<b>Custodial Funds</b>		
	Cities - Sales Tax	Constitu- tional Officers - Custodial	Total
<b>ASSETS</b>			
Cash	\$ 0	\$ 944,026	\$ 944,026
Due from Other Governments	229,112	0	229,112
Total Assets	\$ 229,112	\$ 944,026	\$ 1,173,138
<b>LIABILITIES</b>			
Due to Other Taxing Units	\$ 229,112	\$ 0	\$ 229,112
Total Liabilities	\$ 229,112	\$ 0	\$ 229,112
<b>NET POSITION</b>			
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 944,026	\$ 944,026
Total Net Position	\$ 0	\$ 944,026	\$ 944,026

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

	<b>Custodial Funds</b>		
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Total
<b>ADDITIONS</b>			
Sales Tax Collections for Other Governments	\$ 1,366,414	\$ 0	\$ 1,366,414
Fines/Fees and Other Collections	0	5,301,476	5,301,476
Total Additions	\$ 1,366,414	\$ 5,301,476	\$ 6,667,890
<b>DEDUCTIONS</b>			
Payment of Sales Tax Collections to Other Governments	\$ 1,366,414	\$ 0	\$ 1,366,414
Payments to State	0	2,892,619	2,892,619
Payments to City, Individuals, and Others	0	2,598,833	2,598,833
Total Deductions	\$ 1,366,414	\$ 5,491,452	\$ 6,857,866
Change in Net Position	\$ 0	\$ (189,976)	\$ (189,976)
Net Position July 1, 2023	0	1,134,002	1,134,002
Net Position June 30, 2024	\$ 0	\$ 944,026	\$ 944,026



## SMITH COUNTY SCHOOL DEPARTMENT

---

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

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

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

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

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

**SMITH COUNTY, TENNESSEE****Statement of Activities**

Discretely Presented Smith County School Department

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

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position Total Governmental Activities
Governmental Activities:				
Instruction	\$ 17,984,453	\$ 1,670,666	\$ 2,300,269	\$ (14,013,518)
Support Services	15,884,973	40,980	251,356	(15,592,637)
Operation of Non-instructional Services	5,183,025	492,375	2,321,312	(2,369,338)
Other Debt Service	259,777	0	0	(259,777)
Total Governmental Activities	\$ 39,312,228	\$ 2,204,021	\$ 4,872,937	\$ (32,235,270)
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				\$ 3,464,872
Local Option Sales Taxes				2,819,900
Other Local Taxes				3,139
Grants and Contributions Not Restricted for Specific Programs				27,834,458
Unrestricted Investment Income				79,061
Miscellaneous				462,592
Total General Revenues				\$ 34,664,022
Change in Net Position				\$ 2,428,752
Net Position, July 1, 2023				42,916,193
Net Position, June 30, 2024				\$ 45,344,945

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

Discretely Presented Smith County School Department

**June 30, 2024**

	<b>Major Funds</b>		<b>Nonmajor Funds</b>	
	General Purpose School	School Federal Projects	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash	\$ 0	\$ 0	\$ 996,102	\$ 996,102
Equity in Pooled Cash and Investments	11,526,793	89,800	596,460	12,213,053
Accounts Receivable	1,419	0	112,359	113,778
Due from Other Governments	687,339	692,153	0	1,379,492
Property Taxes Receivable	3,132,892	0	0	3,132,892
Allowance for Uncollectible Property Taxes	(37,379)	0	0	(37,379)
Restricted Assets	387,920	0	0	387,920
Total Assets	<u>\$ 15,698,984</u>	<u>\$ 781,953</u>	<u>\$ 1,704,921</u>	<u>\$ 18,185,858</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 12,615	\$ 0	\$ 0	\$ 12,615
Payroll Deductions Payable	876,927	27,297	978	905,202
Total Liabilities	<u>\$ 889,542</u>	<u>\$ 27,297</u>	<u>\$ 978</u>	<u>\$ 917,817</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Current Property Taxes	\$ 3,012,769	\$ 0	\$ 0	\$ 3,012,769
Deferred Delinquent Property Taxes	76,481	0	0	76,481
Other Deferred/Unavailable Revenue	230,750	0	0	230,750
Total Deferred Inflows of Resources	<u>\$ 3,320,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,320,000</u>
<b>FUND BALANCES</b>				
Restricted:				
Restricted for Education	\$ 245,636	\$ 4,656	\$ 1,703,943	\$ 1,954,235
Restricted for Instruction	16,085	0	0	16,085
Restricted for Hybrid Retirement Stabilization Funds	387,920	0	0	387,920
Committed:				
Committed for Education	5,904,253	750,000	0	6,654,253
Assigned:				
Assigned for Education	64,604	0	0	64,604
Unassigned	4,870,944	0	0	4,870,944
Total Fund Balances	<u>\$ 11,489,442</u>	<u>\$ 754,656</u>	<u>\$ 1,703,943</u>	<u>\$ 13,948,041</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 15,698,984</u>	<u>\$ 781,953</u>	<u>\$ 1,704,921</u>	<u>\$ 18,185,858</u>

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

Discretely Presented Smith County School Department

**June 30, 2024**

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

Total fund balances - balance sheet - governmental funds (Exhibit J-2)		\$ 13,948,041
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.		
Add: land	\$ 1,764,538	
Add: construction in progress	3,098,731	
Add: buildings and improvements net of accumulated depreciation	19,619,729	
Add: infrastructure net of accumulated depreciation	61,006	
Add: other capital assets net of accumulated depreciation	<u>1,599,579</u>	26,143,583
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: compensated absences payable	\$ (89,671)	
Less: net OPEB liability	<u>(3,393,118)</u>	(3,482,789)
(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 expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 4,713,609	
Less: deferred inflows of resources related to pensions	(453,876)	
Add: deferred outflows of resources related to OPEB	1,058,301	
Less: deferred inflows of resources related to OPEB	<u>(848,507)</u>	4,469,527
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - agent plan	\$ 196,829	
Add: net pension asset - teacher retirement plan	82,575	
Add: net pension asset - teacher legacy pension plan	<u>3,679,948</u>	3,959,352
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>307,231</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 45,344,945</u></u>

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

Discretely Presented Smith County School Department

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

	<b>Major Funds</b>		<b>Nonmajor Funds</b>	
	General Purpose School	School Federal Projects	Other Govern- mental Funds	Total Governmental Funds
<b>Revenues</b>				
Local Taxes	\$ 6,466,096	\$ 0	\$ 0	\$ 6,466,096
Licenses and Permits	1,892	0	0	1,892
Charges for Current Services	41,920	0	492,375	534,295
Other Local Revenues	210,728	0	1,702,439	1,913,167
State of Tennessee	24,198,914	0	27,415	24,226,329
Federal Government	336,388	5,867,678	1,865,527	8,069,593
Other Governments and Citizens Groups	251,356	0	0	251,356
Total Revenues	\$ 31,507,294	\$ 5,867,678	\$ 4,087,756	\$ 41,462,728
<b>Expenditures</b>				
Current:				
Instruction	\$ 17,940,132	\$ 1,737,506	\$ 0	\$ 19,677,638
Support Services	11,353,386	959,301	0	12,312,687
Operation of Non-Instructional Services	514,993	415,211	4,226,620	5,156,824
Capital Outlay	717,049	2,744,779	0	3,461,828
Debt Service:				
Other Debt Service	283,632	0	0	283,632
Total Expenditures	\$ 30,809,192	\$ 5,856,797	\$ 4,226,620	\$ 40,892,609
Excess (Deficiency) of Revenues Over Expenditures	\$ 698,102	\$ 10,881	\$ (138,864)	\$ 570,119
<b>Other Financing Sources (Uses)</b>				
Insurance Recovery	\$ 92,643	\$ 0	\$ 0	\$ 92,643
Transfers In	11,400	250,000	0	261,400
Transfers Out	(250,000)	(11,400)	0	(261,400)
Total Other Financing Sources (Uses)	\$ (145,957)	\$ 238,600	\$ 0	\$ 92,643
Net Change in Fund Balances	\$ 552,145	\$ 249,481	\$ (138,864)	\$ 662,762
Fund Balance, July 1, 2023	10,937,297	505,175	1,842,807	13,285,279
Fund Balance, June 30, 2024	\$ 11,489,442	\$ 754,656	\$ 1,703,943	\$ 13,948,041

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

Discretely Presented Smith County School Department

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

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

Net change in fund balances - total governmental funds (Exhibit J-4)		\$ 662,762
(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	\$ 3,255,815	
Less: current-year depreciation expense	<u>(1,036,324)</u>	2,219,491
(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		(40,842)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2023	\$ (315,698)	
Add: deferred delinquent property taxes and other deferred June 30, 2024	<u>307,231</u>	(8,467)
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in compensated absences payable	\$ (15,816)	
Change in net OPEB liability	(307,242)	
Change in deferred outflows related to pensions	(452,564)	
Change in deferred inflows related to pensions	257,158	
Change in deferred outflows related to OPEB	57,662	
Change in deferred inflows related to OPEB	76,463	
Change in net pension asset - agent plan	(65,795)	
Change in net pension asset - teacher retirement plan	20,425	
Change in net pension asset - teacher legacy pension plan	<u>25,517</u>	<u>(404,192)</u>
Change in net position of governmental activities (Exhibit B)		<u><u>\$ 2,428,752</u></u>

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

Discretely Presented Smith County School Department

**June 30, 2024**

	<u>Special Revenue Funds</u>		Total Nonmajor Governmental Funds
	Central Cafeteria	Internal School	
<b>ASSETS</b>			
Cash	\$ 0	\$ 996,102	\$ 996,102
Equity in Pooled Cash and Investments	596,460	0	596,460
Accounts Receivable	109,202	3,157	112,359
Total Assets	\$ 705,662	\$ 999,259	\$ 1,704,921
<b>LIABILITIES</b>			
Payroll Deductions Payable	\$ 978	\$ 0	\$ 978
Total Liabilities	\$ 978	\$ 0	\$ 978
<b>FUND BALANCES</b>			
Restricted:			
Restricted for Education	\$ 704,684	\$ 999,259	\$ 1,703,943
Total Fund Balances	\$ 704,684	\$ 999,259	\$ 1,703,943
Total Liabilities and Fund Balances	\$ 705,662	\$ 999,259	\$ 1,704,921

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

Discretely Presented Smith County School Department

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

	<u>Special Revenue Funds</u>		Total Nonmajor Governmental Funds
	Central Cafeteria	Internal School	
<b>Revenues</b>			
Charges for Current Services	\$ 492,375	\$ 0	\$ 492,375
Other Local Revenues	32,855	1,669,584	1,702,439
State of Tennessee	27,415	0	27,415
Federal Government	1,865,527	0	1,865,527
Total Revenues	<u>\$ 2,418,172</u>	<u>\$ 1,669,584</u>	<u>\$ 4,087,756</u>
<b>Expenditures</b>			
Current:			
Operation of Non-Instructional Services	\$ 2,679,709	\$ 1,546,911	\$ 4,226,620
Total Expenditures	<u>\$ 2,679,709</u>	<u>\$ 1,546,911</u>	<u>\$ 4,226,620</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (261,537)</u>	<u>\$ 122,673</u>	<u>\$ (138,864)</u>
Net Change in Fund Balances	\$ (261,537)	\$ 122,673	\$ (138,864)
Fund Balance, July 1, 2023	<u>966,221</u>	<u>876,586</u>	<u>1,842,807</u>
Fund Balance, June 30, 2024	<u>\$ 704,684</u>	<u>\$ 999,259</u>	<u>\$ 1,703,943</u>



Exhibit J-8

**SMITH COUNTY, TENNESSEE**

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

Discretely Presented Smith County School Department

General Purpose School Fund

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Revenues</b>							
Local Taxes	\$ 6,466,096	\$ 0	\$ 0	\$ 6,466,096	\$ 6,386,780	\$ 6,386,780	\$ 79,316
Licenses and Permits	1,892	0	0	1,892	1,839	1,839	53
Charges for Current Services	41,920	0	0	41,920	36,000	36,000	5,920
Other Local Revenues	210,728	0	0	210,728	58,150	58,150	152,578
State of Tennessee	24,198,914	0	0	24,198,914	24,280,059	24,645,806	(446,892)
Federal Government	336,388	0	0	336,388	27,500	363,947	(27,559)
Other Governments and Citizens Groups	251,356	0	0	251,356	3,000	254,356	(3,000)
Total Revenues	\$ 31,507,294	\$ 0	\$ 0	\$ 31,507,294	\$ 30,793,328	\$ 31,746,878	\$ (239,584)
<b>Expenditures</b>							
Instruction							
Regular Instruction Program	\$ 14,534,337	\$ (1,414)	\$ 50,910	\$ 14,583,833	\$ 14,852,400	\$ 15,081,668	\$ 497,835
Alternative Instruction Program	85,518	0	0	85,518	107,400	107,400	21,882
Special Education Program	1,924,084	0	0	1,924,084	2,035,400	2,035,400	111,316
Career and Technical Education Program	1,396,193	0	0	1,396,193	1,851,280	1,851,280	455,087
Support Services							
Attendance	201,761	0	0	201,761	205,100	205,100	3,339
Health Services	428,339	0	0	428,339	403,802	448,802	20,463
Other Student Support	1,262,399	0	0	1,262,399	904,700	1,331,918	69,519
Regular Instruction Program	934,179	0	0	934,179	1,006,000	1,006,000	71,821
Special Education Program	251,744	0	0	251,744	242,400	259,400	7,656
Career and Technical Education Program	35,221	0	0	35,221	54,950	54,950	19,729
Technology	281,274	0	11,927	293,201	285,800	306,250	13,049
Other Programs	114,127	0	0	114,127	0	114,127	0
Board of Education	625,185	0	0	625,185	682,400	682,400	57,215
Director of Schools	243,026	0	997	244,023	242,700	255,400	11,377
Office of the Principal	2,281,692	0	0	2,281,692	2,175,800	2,328,300	46,608

(Continued)

Exhibit J-8

**SMITH COUNTY, TENNESSEE**

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

Discretely Presented Smith 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	
<b>Expenditures (Cont.)</b>							
Support Services (Cont.)							
Fiscal Services	\$ 523,424	\$ 0	\$ 0	\$ 523,424	\$ 568,100	\$ 568,100	\$ 44,676
Operation of Plant	1,739,540	0	0	1,739,540	1,968,200	1,896,500	156,960
Maintenance of Plant	915,618	0	0	915,618	809,850	998,287	82,669
Transportation	1,515,857	0	770	1,516,627	1,974,650	1,789,000	272,373
Operation of Non-Instructional Services							
Community Services	76,602	0	0	76,602	78,700	82,900	6,298
Early Childhood Education	438,391	0	0	438,391	442,400	442,400	4,009
Capital Outlay							
Regular Capital Outlay	717,049	0	0	717,049	1,395,250	1,395,250	678,201
Principal on Debt							
Education	0	0	0	0	260,000	0	0
Interest on Debt							
Education	0	0	0	0	30,000	0	0
Other Debt Service							
Education	283,632	0	0	283,632	0	290,000	6,368
Total Expenditures	\$ 30,809,192	\$ (1,414)	\$ 64,604	\$ 30,872,382	\$ 32,577,282	\$ 33,530,832	\$ 2,658,450
Excess (Deficiency) of Revenues Over Expenditures	\$ 698,102	\$ 1,414	\$ (64,604)	\$ 634,912	\$ (1,783,954)	\$ (1,783,954)	\$ 2,418,866
<b>Other Financing Sources (Uses)</b>							
Insurance Recovery	\$ 92,643	\$ 0	\$ 0	\$ 92,643	\$ 10,000	\$ 10,000	\$ 82,643
Transfers In	11,400	0	0	11,400	10,000	10,000	1,400
Transfers Out	(250,000)	0	0	(250,000)	(250,000)	(250,000)	0
Total Other Financing Sources	\$ (145,957)	\$ 0	\$ 0	\$ (145,957)	\$ (230,000)	\$ (230,000)	\$ 84,043
Net Change in Fund Balance	\$ 552,145	\$ 1,414	\$ (64,604)	\$ 488,955	\$ (2,013,954)	\$ (2,013,954)	\$ 2,502,909
Fund Balance, July 1, 2023	10,937,297	(1,414)	0	10,935,883	10,357,019	10,357,019	578,864
Fund Balance, June 30, 2024	\$ 11,489,442	\$ 0	\$ (64,604)	\$ 11,424,838	\$ 8,343,065	\$ 8,343,065	\$ 3,081,773

Exhibit J-9

**SMITH COUNTY, TENNESSEE**

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

Discretely Presented Smith County School Department  
School Federal Projects Fund

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<b>Revenues</b>						
Federal Government	\$ 5,867,678	\$ 0	\$ 5,867,678	\$ 8,436,117	\$ 8,499,859	\$ (2,632,181)
Total Revenues	\$ 5,867,678	\$ 0	\$ 5,867,678	\$ 8,436,117	\$ 8,499,859	\$ (2,632,181)
<b>Expenditures</b>						
Instruction						
Regular Instruction Program	\$ 979,157	\$ 0	\$ 979,157	\$ 1,093,090	\$ 1,127,923	\$ 148,766
Special Education Program	724,320	0	724,320	1,029,356	1,061,043	336,723
Career and Technical Education Program	34,029	0	34,029	34,706	34,039	10
Support Services						
Other Student Support	42,300	0	42,300	78,035	76,226	33,926
Regular Instruction Program	671,423	0	671,423	766,156	773,172	101,749
Special Education Program	82,580	0	82,580	200,105	202,605	120,025
Career and Technical Education Program	2,262	0	2,262	2,645	2,262	0
Fiscal Services	11,847	0	11,847	29,722	29,722	17,875
Maintenance of Plant	108,471	0	108,471	500,000	350,000	241,529
Transportation	40,418	0	40,418	47,300	55,200	14,782
Operation of Non-Instructional Services						
Community Services	415,211	0	415,211	442,581	442,582	27,371
Capital Outlay						
Regular Capital Outlay	2,744,779	(13,016)	2,731,763	4,168,605	4,318,605	1,586,842
Total Expenditures	\$ 5,856,797	\$ (13,016)	\$ 5,843,781	\$ 8,392,301	\$ 8,473,379	\$ 2,629,598

(Continued)

Exhibit J-9

**SMITH COUNTY, TENNESSEE**

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

Discretely Presented Smith County School Department  
School Federal Projects Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Excess (Deficiency) of Revenues Over Expenditures	\$ 10,881	\$ 13,016	\$ 23,897	\$ 43,816	\$ 26,480	\$ (2,583)
<b>Other Financing Sources (Uses)</b>						
Transfers In	\$ 250,000	\$ 0	\$ 250,000	\$ 0	\$ 0	\$ 250,000
Transfers Out	(11,400)	0	(11,400)	(43,811)	(26,479)	15,079
Total Other Financing Sources	\$ 238,600	\$ 0	\$ 238,600	\$ (43,811)	\$ (26,479)	\$ 265,079
Net Change in Fund Balance	\$ 249,481	\$ 13,016	\$ 262,497	\$ 5	\$ 1	\$ 262,496
Fund Balance, July 1, 2023	505,175	(13,016)	492,159	505,175	505,175	(13,016)
Fund Balance, June 30, 2024	\$ 754,656	\$ 0	\$ 754,656	\$ 505,180	\$ 505,176	\$ 249,480

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

		<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Charges for Current Services	\$ 492,375	\$ 510,000	\$ 510,000	\$ (17,625)
Other Local Revenues	32,855	12,000	12,000	20,855
State of Tennessee	27,415	24,000	24,000	3,415
Federal Government	1,865,527	1,991,170	2,081,161	(215,634)
Total Revenues	<u>\$ 2,418,172</u>	<u>\$ 2,537,170</u>	<u>\$ 2,627,161</u>	<u>\$ (208,989)</u>
<b>Expenditures</b>				
Operation of Non-Instructional Services				
Food Service	\$ 2,679,709	\$ 2,537,170	\$ 2,719,661	\$ 39,952
Total Expenditures	<u>\$ 2,679,709</u>	<u>\$ 2,537,170</u>	<u>\$ 2,719,661</u>	<u>\$ 39,952</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (261,537)</u>	<u>\$ 0</u>	<u>\$ (92,500)</u>	<u>\$ (169,037)</u>
Net Change in Fund Balance	\$ (261,537)	\$ 0	\$ (92,500)	\$ (169,037)
Fund Balance, July 1, 2023	966,221	1,035,411	1,035,411	(69,190)
Fund Balance, June 30, 2024	<u><u>\$ 704,684</u></u>	<u><u>\$ 1,035,411</u></u>	<u><u>\$ 942,911</u></u>	<u><u>\$ (238,227)</u></u>

## MISCELLANEOUS SCHEDULES

**SMITH COUNTY, TENNESSEE****Schedule of Changes in Long-term Bonds, Notes, 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
<b>GOVERNMENTAL ACTIVITIES</b>								
<b>BONDS PAYABLE</b>								
Payable through General Debt Service Fund								
General Obligation Refunding Bonds, Series 2020	\$ 7,365,000	2 to 4 %	12-15-20	6-1-30	\$ 5,160,000	\$ 0	\$ 765,000	\$ 4,395,000
Total Bonds Payable					\$ 5,160,000	\$ 0	\$ 765,000	\$ 4,395,000
<b>OTHER LOANS PAYABLE</b>								
Payable through General Debt Service Fund								
Energy Efficient Schools Initiative	3,208,725	1	10-8-18	11-1-32	\$ 2,528,477	\$ 0	\$ 259,777	\$ 2,268,700
Total Other Loans Payable					\$ 2,528,477	\$ 0	\$ 259,777	\$ 2,268,700
<b>BUSINESS-TYPE ACTIVITIES</b>								
<b>BONDS PAYABLE</b>								
Payable through Solid Waste Disposal Fund								
General Obligation Refunding Bonds, Series 2020	1,555,000	2 to 4	12-15-20	6-1-40	\$ 1,410,000	\$ 0	\$ 50,000	\$ 1,360,000
Total Bonds Payable					\$ 1,410,000	\$ 0	\$ 50,000	\$ 1,360,000
<b>NOTES PAYABLE</b>								
Payable through Solid Waste Disposal Fund								
Landfill Site Development Tract III Phases 1 and 2	2,800,000	2.7	5-4-18	5-1-30	\$ 1,725,000	\$ 0	\$ 230,000	\$ 1,495,000
Total Notes Payable					\$ 1,725,000	\$ 0	\$ 230,000	\$ 1,495,000
<b>OTHER LOANS PAYABLE</b>								
Payable through Solid Waste Disposal Fund								
2023 Track Loader 973K	676,795	6.99	7-1-23	6-30-26	\$ 0	\$ 676,795	\$ 173,295	\$ 503,500
2023 Hydraulic Excavator 352-08FG	625,187	6.99	7-1-23	6-30-26	0	625,187	163,079	462,108
Total Other Loans Payable					\$ 0	\$ 1,301,982	\$ 336,374	\$ 965,608

**SMITH COUNTY, TENNESSEE****Schedule of Long-term Debt Requirements by Year****GOVERNMENTAL ACTIVITIES**

<b>Year Ending June 30</b>	<b>Bonds</b>		
	Principal	Interest	Total
2025	\$ 785,000	\$ 155,050	\$ 940,050
2026	745,000	123,650	868,650
2027	760,000	93,850	853,850
2028	705,000	63,450	768,450
2029	725,000	35,250	760,250
2030	675,000	13,500	688,500
Total	\$ 4,395,000	\$ 484,750	\$ 4,879,750

<b>Year Ending June 30</b>	<b>Other Loans</b>		
	Principal	Interest	Total
2025	\$ 262,164	\$ 21,249	\$ 283,413
2026	264,792	18,618	283,410
2027	267,456	15,952	283,408
2028	270,144	13,262	283,406
2029	272,856	10,547	283,403
2030	275,604	7,798	283,402
2031	278,364	5,035	283,399
2032	281,160	2,305	283,465
2033	96,160	147	96,307
Total	\$ 2,268,700	\$ 94,913	\$ 2,363,613

(Continued)



**SMITH COUNTY, TENNESSEE****Schedule of Long-term Debt Requirements by Year (Cont.)****BUSINESS-TYPE ACTIVITIES**

<b>Year Ending June 30</b>	<b>Bonds</b>		
	Principal	Interest	Total
2025	\$ 55,000	\$ 32,450	\$ 87,450
2026	55,000	30,250	85,250
2027	60,000	28,050	88,050
2028	60,000	25,650	85,650
2029	65,000	23,250	88,250
2030	65,000	21,300	86,300
2031	100,000	20,000	120,000
2032	100,000	18,000	118,000
2033	100,000	16,000	116,000
2034	100,000	14,000	114,000
2035	100,000	12,000	112,000
2036	100,000	10,000	110,000
2037	100,000	8,000	108,000
2038	100,000	6,000	106,000
2039	100,000	4,000	104,000
2040	100,000	2,000	102,000
Total	<u>\$ 1,360,000</u>	<u>\$ 270,950</u>	<u>\$ 1,630,950</u>

<b>Year Ending June 30</b>	<b>Notes</b>		
	Principal	Interest	Total
2025	\$ 235,000	\$ 44,850	\$ 279,850
2026	240,000	37,800	277,800
2027	245,000	30,600	275,600
2028	250,000	23,250	273,250
2029	260,000	15,750	275,750
2030	265,000	7,950	272,950
Total	<u>\$ 1,495,000</u>	<u>\$ 160,200</u>	<u>\$ 1,655,200</u>

(Continued)

**SMITH COUNTY, TENNESSEE****Schedule of Long-term Debt Requirements by Year (Cont.)****BUSINESS-TYPE ACTIVITIES (CONT.)**

<b>Year Ending June 30</b>	<b>Other Loans</b>		
	Principal	Interest	Total
2025	\$ 360,654	\$ 40,818	\$ 401,472
2026	604,954	14,838	619,792
Total	\$ 965,608	\$ 55,656	\$ 1,021,264

**SMITH COUNTY, TENNESSEE****Schedule of Transfers**

Primary Government and Discretely Presented Smith County School Department

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

<b>From Fund</b>	<b>To Fund</b>	<b>Purpose</b>	<b>Amount</b>
<b>PRIMARY GOVERNMENT</b>			
Other General Government	General	American Rescue Plan Funds	\$ 118,286
Solid Waste Disposal	"	Accounting services	<u>100,000</u>
Total Transfers Primary Government			<u><u>\$ 218,286</u></u>
<b>DISCRETELY PRESENTED SMITH COUNTY SCHOOL DEPARTMENT</b>			
School Federal Projects	General Purpose School	Indirect costs	\$ 11,400
General Purpose School	School Federal Projects	Cash flow	<u>250,000</u>
Total Transfers Discretely Presented Smith County School Department			<u><u>\$ 261,400</u></u>

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

Primary Government and Discretely Presented Smith County School Department

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

<b>Official</b>	<b>Salary</b>	<b>Authorization</b>	<b>Bond</b>	<b>Surety</b>
<b>County Mayor</b>		Section 8-24-102, <i>TCA</i>	\$ 100,000	Cincinnati Insurance Company
Base salary/Total compensation	<u>\$ 100,157</u>			
<b>Road Commissioner</b>		Section 8-24-102, <i>TCA</i>	100,000	Cincinnati Insurance Company
Base salary/Total compensation	<u>\$ 95,388</u>			
<b>Director of Schools</b>		State Board of Education and County Board of Education	100,000	Cincinnati Insurance Company
Base salary/Total compensation	<u>\$ 178,810</u>			
<b>Trustee</b>		Section 8-24-102, <i>TCA</i>	1,303,672	Cincinnati Insurance Company
Base salary/Total compensation	<u>\$ 86,716</u>			
<b>Assessor of Property</b>		Section 8-24-102, <i>TCA</i>	50,000	Cincinnati Insurance Company
Base salary/Total compensation	<u>\$ 86,716</u>			
<b>County Clerk</b>		Section 8-24-102, <i>TCA</i>	100,000	Cincinnati Insurance Company
Base salary/Total compensation	<u>\$ 86,716</u>			
<b>Circuit and General Sessions Courts Clerk</b>		Section 8-24-102, <i>TCA</i>	100,000	Cincinnati Insurance Company
Base salary/Total compensation	<u>\$ 86,716</u>			
<b>Clerk and Master</b>		Section 8-24-102, <i>TCA</i>	100,000	Cincinnati Insurance Company
Base salary	\$ 86,716			
Special commissioner fees	6,180			
Total compensation	<u>\$ 92,896</u>			
<b>Register of Deeds</b>		Section 8-24-102, <i>TCA</i>	100,000	Cincinnati Insurance Company
Base salary/Total compensation	<u>\$ 86,716</u>			
<b>Sheriff</b>		Section 8-24-102, <i>TCA</i>	100,000	Cincinnati Insurance Company
Base salary	\$ 95,388			
Law enforcement training supplement	800			
Total compensation	<u>\$ 96,188</u>			
<b>Director of Accounts and Budgets</b>		County Commission	100,000	Cincinnati Insurance Company
Base salary/Total compensation	<u>\$ 86,716</u>			
Employee Blanket Bonds:				
Employee Fidelity - County Departments			400,000	Local Government Property and Casualty Fund
Employee Fidelity - School Department			400,000	Cincinnati Insurance Company

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

	Special Revenue Funds				
	General	Drug Control	Other General Government Fund	Constitutional Officers - Fees	Highway / Public Works
<b>Local Taxes</b>					
County Property Taxes					
Current Property Tax	\$ 6,655,730	\$ 0	\$ 0	\$ 0	\$ 331,865
Discount on Property Taxes	(64,295)	0	0	0	(3,212)
Trustee's Collections - Prior Year	113,118	0	0	0	7,669
Trustee's Collections - Bankruptcy	433	0	0	0	22
Circuit Clerk/Clerk and Master Collections - Prior Years	94,115	0	0	0	6,381
Interest and Penalty	20,085	0	0	0	1,262
Payments in-Lieu-of Taxes - T.V.A.	1,488	0	0	0	74
Payments in-Lieu-of Taxes - Other	19,271	0	0	0	961
County Local Option Taxes					
Local Option Sales Tax	1,464,074	0	0	0	0
Wheel Tax	0	0	0	0	0
Litigation Tax - General	64,703	0	0	0	0
Litigation Tax - Special Purpose	866	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	3,467	0	0	0	0
Business Tax	229,523	0	0	0	0
Mixed Drink Tax	4	0	0	0	0
Mineral Severance Tax	0	0	0	0	137,271
Statutory Local Taxes					
Bank Excise Tax	174,202	0	0	0	11,119
Wholesale Beer Tax	28,024	0	0	0	0
Other Statutory Local Taxes	204	0	0	0	0
Total Local Taxes	\$ 8,805,012	\$ 0	\$ 0	\$ 0	\$ 493,412

(Continued)

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

	<b>Special Revenue Funds</b>				
	General	Drug Control	Other General Government Fund	Constitutional Officers - Fees	Highway / Public Works
<b>Licenses and Permits</b>					
Licenses					
Cable TV Franchise	\$ 60,339	\$ 0	\$ 0	\$ 0	0
Permits					
Beer Permits	535	0	0	0	0
Building Permits	102,050	0	0	0	0
Total Licenses and Permits	\$ 162,924	\$ 0	\$ 0	\$ 0	0
<b>Fines, Forfeitures, and Penalties</b>					
Circuit Court					
Fines	\$ 209	\$ 0	\$ 0	\$ 0	0
Jail Fees	0	0	0	0	0
Data Entry Fee - Circuit Court	1,135	0	0	0	0
Victims Assistance Assessments	2,006	0	0	0	0
General Sessions Court					
Fines	4,560	0	0	0	0
Game and Fish Fines	22	0	0	0	0
Drug Control Fines	7,695	6,562	0	0	0
Drug Court Fees	7,045	21,231	0	0	0
DUI Treatment Fines	2,613	0	0	0	0
Data Entry Fee - General Sessions Court	10,161	0	0	0	0
Courtroom Security Fee	48,326	0	0	0	0
Victims Assistance Assessments	10,129	0	0	0	0
Juvenile Court					
Fines	48	0	0	0	0
Officers Costs	114	0	0	0	0
Data Entry Fee - Juvenile Court	16	0	0	0	0

(Continued)

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

	<b>Special Revenue Funds</b>				
	General	Drug Control	Other General Government Fund	Constitutional Officers - Fees	Highway / Public Works
<b>Fines, Forfeitures, and Penalties (Cont.)</b>					
Chancery Court					
Officers Costs	\$ 1,890	\$ 0	\$ 0	\$ 0	0
Data Entry Fee - Chancery Court	1,444	0	0	0	0
Other Fines, Forfeitures, and Penalties					
Proceeds from Confiscated Property	0	89,126	0	0	0
Other Fines, Forfeitures, and Penalties	4,777	0	0	0	0
<b>Total Fines, Forfeitures, and Penalties</b>	<b>\$ 102,190</b>	<b>\$ 116,919</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0</b>
<b>Charges for Current Services</b>					
General Service Charges					
Patient Charges	\$ 1,206,263	\$ 0	\$ 0	\$ 0	0
Other General Service Charges	350	0	0	0	0
Service Charges	1,400	0	0	0	0
Fees					
Recreation Fees	13,367	0	0	0	0
Copy Fees	497	0	0	0	0
Archives and Records Management Fee	41,807	0	0	0	0
Telephone Commissions	85,949	0	0	0	0
Additional Fees - Titling and Registration	16,178	0	0	0	0
Constitutional Officers' Fees and Commissions	100	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	6,180	0
Data Processing Fee - Register	7,480	0	0	0	0
Probation Fees	42,885	0	0	0	0
Data Processing Fee - Sheriff	1,648	0	0	0	0
Sexual Offender Registration Fee - Sheriff	4,500	0	0	0	0
Data Processing Fee - County Clerk	585	0	0	0	0
Vehicle Registration Reinstatement Fees	7,079	0	0	0	0

(Continued)

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

	<b>Special Revenue Funds</b>				
	General	Drug Control	Other General Government Fund	Constitutional Officers - Fees	Highway / Public Works
<b>Charges for Current Services (Cont.)</b>					
Education Charges					
Tuition - Other	\$ 46,011	\$ 0	\$ 0	\$ 0	0
Other Charges for Services	65	0	0	0	0
Total Charges for Current Services	\$ 1,476,164	\$ 0	\$ 0	\$ 6,180	0
<b>Other Local Revenues</b>					
Recurring Items					
Investment Income	\$ 1,580,718	\$ 0	\$ 61,533	\$ 0	0
Lease/Rentals/PPP	15,250	0	0	0	0
Sale of Materials and Supplies	159	0	0	0	0
Commissary Sales	6,696	0	0	0	0
Miscellaneous Refunds	53,538	0	0	0	30,372
Nonrecurring Items					
Sale of Equipment	0	0	0	0	0
Contributions and Gifts	6,000	0	0	0	0
Other Local Revenues					
Other Local Revenues	334,914	0	0	0	44,433
Total Other Local Revenues	\$ 1,997,275	\$ 0	\$ 61,533	\$ 0	74,805
<b>Fees Received From County Officials</b>					
Excess Fees					
Circuit Court Clerk	\$ 141	\$ 0	\$ 0	\$ 0	0
General Sessions Court Clerk	729	0	0	0	0
Fees In-Lieu-of Salary					
County Clerk	199,088	0	0	0	0
Circuit Court Clerk	48,574	0	0	0	0

(Continued)



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

	<b>Special Revenue Funds</b>				
	General	Drug Control	Other General Government Fund	Constitutional Officers - Fees	Highway / Public Works
<b>Fees Received From County Officials (Cont.)</b>					
Fees In-Lieu-of Salary (Cont.)					
General Sessions Court Clerk	\$ 151,360	\$ 0	\$ 0	\$ 0	\$ 0
Clerk and Master	67,432	0	0	0	0
Register	104,318	0	0	0	0
Sheriff	43,150	0	0	0	0
Trustee	469,746	0	0	0	0
<b>Total Fees Received From County Officials</b>	<b>\$ 1,084,538</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>State of Tennessee</b>					
General Government Grants					
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0
Aging Programs	32,798	0	0	0	0
Public Safety Grants					
Law Enforcement Training Programs	24,700	0	0	0	0
Drug Control Grants	106,212	0	0	0	0
Safe and Drug-Free Schools and Communities	25,686	0	0	0	0
School Resource Officer Grants	675,000	0	0	0	0
Other Public Safety Grants	196,059	0	0	0	0
Public Works Grants					
State Aid Program	0	0	0	0	1,951,381
Litter Program	52,205	0	0	0	0
Other State Revenues					
Flood Control	12,956	0	0	0	0
Vehicle Certificate of Title Fees	6,693	0	0	0	0
Alcoholic Beverage Tax	59,957	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	126,908	0	0	0	0

(Continued)

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

	<b>Special Revenue Funds</b>				
	General	Drug Control	Other General Government Fund	Constitutional Officers - Fees	Highway / Public Works
<b>State of Tennessee (Cont.)</b>					
Other State Revenues (Cont.)					
State Revenue Sharing - T.V.A.	\$ 557,625	\$ 0	\$ 0	\$ 0	0
State Revenue Sharing - Telecommunications	44,953	0	0	0	0
State Shared Sports Gaming Privilege Tax	27,402	0	0	0	0
Contracted Prisoner Boarding	710,777	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	2,193,438
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	8,877
Petroleum Special Tax	0	0	0	0	13,188
Registrar's Salary Supplement	15,164	0	0	0	0
Other State Grants	31,520	0	0	0	0
Other State Revenues	152,800	0	0	0	0
Total State of Tennessee	<u>\$ 2,868,415</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>4,166,884</u>
<b>Federal Government</b>					
Federal Through State					
Community Development	\$ 74,549	\$ 0	\$ 0	\$ 0	0
American Rescue Plan Act Grant #2	0	0	50,000	0	0
American Rescue Plan Act Grant B	11,317	0	0	0	0
Other Federal through State	677,194	0	0	0	151,016
Direct Federal Revenue					
Police Service (Lake Area)	28,016	0	0	0	0
Other Direct Federal Revenue	5,500	0	0	0	0
Total Federal Government	<u>\$ 796,576</u>	<u>\$ 0</u>	<u>\$ 50,000</u>	<u>\$ 0</u>	<u>151,016</u>

(Continued)

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

	<b>Special Revenue Funds</b>				
	General	Drug Control	Other General Government Fund	Constitu - tional Officers - Fees	Highway / Public Works
<b>Other Governments and Citizens Groups</b>					
Other Governments					
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Citizens Groups					
Donations	3,281	0	0	0	0
Other					
Other	17,384	0	0	0	0
Opioid Settlement Funds - Past Remediation	108,684	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 129,349</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total	<u>\$ 17,422,443</u>	<u>\$ 116,919</u>	<u>\$ 111,533</u>	<u>\$ 6,180</u>	<u>\$ 4,886,117</u>

(Continued)

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

	Debt Service Fund		Capital Projects Funds		Permanent Fund		
	General Debt Service	General Capital Projects	Highway Capital Projects		Endowment	Total	
<b>Local Taxes</b>							
County Property Taxes							
Current Property Tax	\$ 451,074	\$ 418,866	\$ 0	\$ 0	\$ 0	7,857,535	
Discount on Property Taxes	(4,361)	(4,058)	0	0	0	(75,926)	
Trustee's Collections - Prior Year	10,424	9,680	26,061	0	0	166,952	
Trustee's Collections - Bankruptcy	29	27	0	0	0	511	
Circuit Clerk/Clerk and Master Collections - Prior Years	8,673	8,054	21,683	0	0	138,906	
Interest and Penalty	1,715	1,593	3,333	0	0	27,988	
Payments in-Lieu-of Taxes - T.V.A.	101	94	0	0	0	1,757	
Payments in-Lieu-of Taxes - Other	1,307	1,213	0	0	0	22,752	
County Local Option Taxes							
Local Option Sales Tax	0	0	0	0	0	1,464,074	
Wheel Tax	301,125	0	0	0	0	301,125	
Litigation Tax - General	17,359	0	0	0	0	82,062	
Litigation Tax - Special Purpose	0	0	0	0	0	866	
Litigation Tax - Jail, Workhouse, or Courthouse	59,518	0	0	0	0	62,985	
Business Tax	0	0	0	0	0	229,523	
Mixed Drink Tax	0	0	0	0	0	4	
Mineral Severance Tax	0	0	0	0	0	137,271	
Statutory Local Taxes							
Bank Excise Tax	25,945	0	0	0	0	211,266	
Wholesale Beer Tax	0	0	0	0	0	28,024	
Other Statutory Local Taxes	0	0	0	0	0	204	
Total Local Taxes	\$ 872,909	\$ 435,469	\$ 51,077	\$ 0	\$ 0	10,657,879	

(Continued)

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

	Debt Service Fund	Capital Projects Funds		Permanent Fund	Total
	General Debt Service	General Capital Projects	Highway Capital Projects	Endowment	
<b>Licenses and Permits</b>					
Licenses					
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 0	60,339
Permits					
Beer Permits	0	0	0	0	535
Building Permits	0	0	0	0	102,050
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	162,924
<b>Fines, Forfeitures, and Penalties</b>					
Circuit Court					
Fines	\$ 0	\$ 0	\$ 0	\$ 0	209
Jail Fees	558	0	0	0	558
Data Entry Fee - Circuit Court	0	0	0	0	1,135
Victims Assistance Assessments	0	0	0	0	2,006
General Sessions Court					
Fines	0	0	0	0	4,560
Game and Fish Fines	0	0	0	0	22
Drug Control Fines	0	0	0	0	14,257
Drug Court Fees	0	0	0	0	28,276
DUI Treatment Fines	0	0	0	0	2,613
Data Entry Fee - General Sessions Court	0	0	0	0	10,161
Courtroom Security Fee	0	0	0	0	48,326
Victims Assistance Assessments	0	0	0	0	10,129
Juvenile Court					
Fines	0	0	0	0	48
Officers Costs	0	0	0	0	114
Data Entry Fee - Juvenile Court	0	0	0	0	16

(Continued)

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

	Debt Service Fund	Capital Projects Funds		Permanent Fund	Total
	General Debt Service	General Capital Projects	Highway Capital Projects	Endowment	
<b>Fines, Forfeitures, and Penalties (Cont.)</b>					
Chancery Court					
Officers Costs	\$ 0	\$ 0	\$ 0	\$ 0	1,890
Data Entry Fee - Chancery Court	0	0	0	0	1,444
Other Fines, Forfeitures, and Penalties					
Proceeds from Confiscated Property	0	0	0	0	89,126
Other Fines, Forfeitures, and Penalties	0	0	0	0	4,777
Total Fines, Forfeitures, and Penalties	\$ 558	\$ 0	\$ 0	\$ 0	219,667
<b>Charges for Current Services</b>					
General Service Charges					
Patient Charges	\$ 0	\$ 0	\$ 0	\$ 0	1,206,263
Other General Service Charges	0	0	0	0	350
Service Charges	0	0	0	0	1,400
Fees					
Recreation Fees	0	0	0	0	13,367
Copy Fees	0	0	0	0	497
Archives and Records Management Fee	0	0	0	0	41,807
Telephone Commissions	0	0	0	0	85,949
Additional Fees - Titling and Registration	0	0	0	0	16,178
Constitutional Officers' Fees and Commissions	0	0	0	0	100
Special Commissioner Fees/Special Master Fees	0	0	0	0	6,180
Data Processing Fee - Register	0	0	0	0	7,480
Probation Fees	0	0	0	0	42,885
Data Processing Fee - Sheriff	0	0	0	0	1,648
Sexual Offender Registration Fee - Sheriff	0	0	0	0	4,500
Data Processing Fee - County Clerk	0	0	0	0	585
Vehicle Registration Reinstatement Fees	0	0	0	0	7,079

(Continued)

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

	Debt Service Fund	Capital Projects Funds		Permanent Fund	Total
	General Debt Service	General Capital Projects	Highway Capital Projects	Endowment	
<b>Charges for Current Services (Cont.)</b>					
Education Charges					
Tuition - Other	\$ 0	\$ 0	\$ 0	\$ 0	46,011
Other Charges for Services	0	0	0	0	65
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 0	1,482,344
<b>Other Local Revenues</b>					
Recurring Items					
Investment Income	\$ 0	\$ 0	\$ 0	395	1,642,646
Lease/Rentals/PPP	87,883	0	0	0	103,133
Sale of Materials and Supplies	0	0	0	0	159
Commissary Sales	0	0	0	0	6,696
Miscellaneous Refunds	0	0	0	0	83,910
Nonrecurring Items					
Sale of Equipment	0	9,600	0	0	9,600
Contributions and Gifts	0	0	0	0	6,000
Other Local Revenues					
Other Local Revenues	0	0	0	0	379,347
Total Other Local Revenues	\$ 87,883	\$ 9,600	\$ 0	395	2,231,491
<b>Fees Received From County Officials</b>					
Excess Fees					
Circuit Court Clerk	\$ 0	\$ 0	\$ 0	\$ 0	141
General Sessions Court Clerk	0	0	0	0	729
Fees In-Lieu-of Salary					
County Clerk	0	0	0	0	199,088
Circuit Court Clerk	0	0	0	0	48,574

(Continued)

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

	Debt Service Fund	Capital Projects Funds		Permanent Fund	Total
	General Debt Service	General Capital Projects	Highway Capital Projects	Endowment	
<b>Fees Received From County Officials (Cont.)</b>					
Fees In-Lieu-of Salary (Cont.)					
General Sessions Court Clerk	\$ 0	\$ 0	\$ 0	\$ 0	151,360
Clerk and Master	0	0	0	0	67,432
Register	0	0	0	0	104,318
Sheriff	0	0	0	0	43,150
Trustee	0	0	0	0	469,746
<b>Total Fees Received From County Officials</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>1,084,538</b>
<b>State of Tennessee</b>					
General Government Grants					
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	9,000
Aging Programs	0	0	0	0	32,798
Public Safety Grants					
Law Enforcement Training Programs	0	0	0	0	24,700
Drug Control Grants	0	0	0	0	106,212
Safe and Drug-Free Schools and Communities	0	0	0	0	25,686
School Resource Officer Grants	0	0	0	0	675,000
Other Public Safety Grants	0	0	0	0	196,059
Public Works Grants					
State Aid Program	0	0	0	0	1,951,381
Litter Program	0	0	0	0	52,205
Other State Revenues					
Flood Control	0	0	0	0	12,956
Vehicle Certificate of Title Fees	0	0	0	0	6,693
Alcoholic Beverage Tax	0	0	0	0	59,957
Opioid Settlement Funds - TN Abatement Council	0	0	0	0	126,908

(Continued)



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

	Debt Service Fund	Capital Projects Funds		Permanent Fund	Total
	General Debt Service	General Capital Projects	Highway Capital Projects	Endowment	
<b>State of Tennessee (Cont.)</b>					
Other State Revenues (Cont.)					
State Revenue Sharing - T.V.A.	\$ 0	\$ 0	\$ 0	\$ 0	557,625
State Revenue Sharing - Telecommunications	0	0	0	0	44,953
State Shared Sports Gaming Privilege Tax	0	0	0	0	27,402
Contracted Prisoner Boarding	0	0	0	0	710,777
Gasoline and Motor Fuel Tax	0	0	0	0	2,193,438
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	8,877
Petroleum Special Tax	0	0	0	0	13,188
Registrar's Salary Supplement	0	0	0	0	15,164
Other State Grants	0	0	0	0	31,520
Other State Revenues	0	0	0	0	152,800
Total State of Tennessee	\$ 0	\$ 0	\$ 0	\$ 0	7,035,299
<b>Federal Government</b>					
Federal Through State					
Community Development	\$ 0	\$ 0	\$ 0	\$ 0	74,549
American Rescue Plan Act Grant #2	0	0	0	0	50,000
American Rescue Plan Act Grant B	0	0	0	0	11,317
Other Federal through State	0	349,921	0	0	1,178,131
Direct Federal Revenue					
Police Service (Lake Area)	0	0	0	0	28,016
Other Direct Federal Revenue	0	0	0	0	5,500
Total Federal Government	\$ 0	\$ 349,921	\$ 0	\$ 0	1,347,513

(Continued)

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

	<b>Debt Service Fund</b>	<b>Capital Projects Funds</b>	<b>Permanent Fund</b>	
	General Debt Service	General Capital Projects	Highway Capital Projects	Endowment
				Total
<b>Other Governments and Citizens Groups</b>				
Other Governments				
Contributions	\$ 283,632	\$ 0	\$ 0	\$ 0
Citizens Groups				
Donations	0	0	0	0
Other				
Other	0	0	0	0
Opioid Settlement Funds - Past Remediation	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 283,632</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total	<u>\$ 1,244,982</u>	<u>\$ 794,990</u>	<u>\$ 51,077</u>	<u>\$ 395</u>
				<u>\$ 24,634,636</u>

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

Discretely Presented Smith County School Department

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

	Special Revenue Funds					
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 3,274,481	\$ 0	\$ 0	\$ 0	\$ 3,274,481	
Discount on Property Taxes	9	0	0	0	9	
Trustee's Collections - Prior Year	91,138	0	0	0	91,138	
Trustee's Collections - Bankruptcy	216	0	0	0	216	
Circuit Clerk/Clerk and Master Collections - Prior Years	90,003	0	0	0	90,003	
Interest and Penalty	14,457	0	0	0	14,457	
Payments in-Lieu-of Taxes - T.V.A.	741	0	0	0	741	
Payments in-Lieu-of Taxes - Other	9,601	0	0	0	9,601	
County Local Option Taxes						
Local Option Sales Tax	2,822,935	0	0	0	2,822,935	
Mixed Drink Tax	3,097	0	0	0	3,097	
Mineral Severance Tax	42	0	0	0	42	
Statutory Local Taxes						
Bank Excise Tax	159,376	0	0	0	159,376	
Total Local Taxes	\$ 6,466,096	\$ 0	\$ 0	\$ 0	\$ 6,466,096	
Licenses and Permits						
Licenses						
Marriage Licenses	\$ 1,892	\$ 0	\$ 0	\$ 0	\$ 1,892	
Total Licenses and Permits	\$ 1,892	\$ 0	\$ 0	\$ 0	\$ 1,892	
Charges for Current Services						
Education Charges						
Tuition - Summer School	\$ 940	\$ 0	\$ 0	\$ 0	\$ 940	

(Continued)

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

Discretely Presented Smith County School Department (Cont.)

	<b>Special Revenue Funds</b>				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
<b>Charges for Current Services (Cont.)</b>					
Education Charges (Cont.)					
Lunch Payments - Children	\$ 0	\$ 0	\$ 351,735	\$ 0	\$ 351,735
Lunch Payments - Adults	0	0	52,482	0	52,482
A la Carte Sales	0	0	88,158	0	88,158
Receipts from Individual Schools	40,980	0	0	0	40,980
Total Charges for Current Services	\$ 41,920	\$ 0	\$ 492,375	\$ 0	\$ 534,295
<b>Other Local Revenues</b>					
Recurring Items					
Investment Income	\$ 46,936	\$ 0	\$ 32,125	\$ 0	\$ 79,061
Lease/Rentals/PPP	4,101	0	0	0	4,101
Sale of Materials and Supplies	0	0	93	0	93
Sale of Recycled Materials	0	0	72	0	72
Miscellaneous Refunds	86,921	0	565	0	87,486
Nonrecurring Items					
Sale of Equipment	72,528	0	0	0	72,528
Damages Recovered from Individuals	100	0	0	0	100
Other Local Revenues					
Other Local Revenues	142	0	0	1,669,584	1,669,726
Total Other Local Revenues	\$ 210,728	\$ 0	\$ 32,855	\$ 1,669,584	\$ 1,913,167
<b>State of Tennessee</b>					
General Government Grants					
On-behalf Contributions for OPEB	\$ 114,127	\$ 0	\$ 0	\$ 0	\$ 114,127

(Continued)

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

Discretely Presented Smith County School Department (Cont.)

	Special Revenue Funds					
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
State of Tennessee (Cont.)						
State Education Funds						
Tennessee Investment in Student Achievement	\$ 22,636,359	\$ 0	\$ 0	\$ 0	\$ 22,636,359	
TISA - On-behalf Payments	37,536	0	0	0	37,536	
Early Childhood Education	438,170	0	0	0	438,170	
School Food Service	0	0	17,615	0	17,615	
Driver Education	11,736	0	0	0	11,736	
Paid Parental Leave	55,654	0	0	0	55,654	
Career Ladder Program	36,493	0	0	0	36,493	
Other Vocational	585,786	0	0	0	585,786	
Other State Revenues						
Other State Grants	283,053	0	9,800	0	292,853	
Total State of Tennessee	\$ 24,198,914	\$ 0	\$ 27,415	\$ 0	\$ 24,226,329	
Federal Government						
Federal Through State						
USDA School Lunch Program	\$ 0	\$ 0	1,029,803	\$ 0	\$ 1,029,803	
USDA - Commodities	0	0	156,422	0	156,422	
Breakfast	0	0	471,558	0	471,558	
USDA - Other	0	0	207,744	0	207,744	
Vocational Education - Basic Grants to States	0	52,560	0	0	52,560	
Title I Grants to Local Education Agencies	0	764,880	0	0	764,880	
Special Education - Grants to States	0	812,825	0	0	812,825	
Special Education Preschool Grants	0	28,423	0	0	28,423	
Rural Education	0	1,089	0	0	1,089	
Eisenhower Professional Development State Grants	0	208,944	0	0	208,944	

(Continued)

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

Discretely Presented Smith County School Department (Cont.)

	<b>Special Revenue Funds</b>				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
<b>Federal Government (Cont.)</b>					
Federal Through State (Cont.)					
COVID-19 Grant B	\$ 0	\$ 1,023,881	\$ 0	\$ 0	\$ 1,023,881
COVID-19 Grant D	0	101,767	0	0	101,767
American Rescue Plan Act Grant #1	0	2,394,643	0	0	2,394,643
American Rescue Plan Act Grant #2	0	5,302	0	0	5,302
American Rescue Plan Act Grant #3	0	767	0	0	767
American Rescue Plan Act Grant #4	0	8,710	0	0	8,710
Other Federal through State	98,526	463,887	0	0	562,413
Direct Federal Revenue					
Other Direct Federal Revenue	237,862	0	0	0	237,862
Total Federal Government	<u>\$ 336,388</u>	<u>\$ 5,867,678</u>	<u>\$ 1,865,527</u>	<u>\$ 0</u>	<u>\$ 8,069,593</u>
<b>Other Governments and Citizens Groups</b>					
Other Governments					
Contributions	\$ 251,356	\$ 0	\$ 0	\$ 0	\$ 251,356
Total Other Governments and Citizens Groups	<u>\$ 251,356</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 251,356</u>
Total	<u>\$ 31,507,294</u>	<u>\$ 5,867,678</u>	<u>\$ 2,418,172</u>	<u>\$ 1,669,584</u>	<u>\$ 41,462,728</u>

**SMITH 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	\$	23,634	
Other Per Diem and Fees		35,550	
Social Security		4,528	
Audit Services		8,559	
Dues and Memberships		2,036	
Legal Services		27,751	
Total County Commission			\$ 102,058

**Board of Equalization**

Board and Committee Members Fees	\$	2,650	
Total Board of Equalization			2,650

**County Mayor/Executive**

County Official/ Administrative Officer	\$	100,157	
Secretary(ies)		33,030	
Overtime Pay		619	
Social Security		10,150	
Pensions		8,028	
Advertising		199	
Communication		5,595	
Dues and Memberships		1,485	
Maintenance and Repair Services - Office Equipment		88	
Medical and Dental Services		30	
Travel		2,150	
Office Supplies		3,253	
Total County Mayor/Executive			164,784

**County Attorney**

County Official/ Administrative Officer	\$	35,140	
Total County Attorney			35,140

**Election Commission**

County Official/ Administrative Officer	\$	78,044	
Clerical Personnel		39,420	
Custodial Personnel		5,892	
Part-time Personnel		7,292	
Overtime Pay		1,113	
Other Salaries and Wages		29,753	
Election Commission		5,100	
Election Workers		10,757	
Social Security		11,735	
Pensions		8,065	
Advertising		2,467	
Communication		4,146	
Data Processing Services		12,430	
Maintenance Agreements		18,802	
Postal Charges		1,873	

(Continued)

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

**General Fund (Cont.)**

General Government (Cont.)

**Election Commission (Cont.)**

Printing, Stationery, and Forms	\$	1,226	
Rentals		425	
Travel		494	
Office Supplies		1,879	
Other Supplies and Materials		1,134	
Data Processing Equipment		16,644	
Other Equipment		189,085	
Total Election Commission			\$ 447,776

**Register of Deeds**

County Official/ Administrative Officer	\$	86,716	
Deputy(ies)		74,256	
Data Processing Personnel		6,523	
Social Security		12,159	
Pensions		9,658	
Communication		3,206	
Dues and Memberships		688	
Lease/SBITA Payments		102	
Office Supplies		1,596	
Total Register of Deeds			194,904

**Planning**

Other Per Diem and Fees	\$	1,550	
Social Security		25	
Dues and Memberships		10,750	
Total Planning			12,325

**Codes Compliance**

County Official/ Administrative Officer	\$	49,586	
Social Security		3,793	
Pensions		2,975	
Advertising		228	
Communication		1,618	
Contracts with Private Agencies		445	
Postal Charges		156	
Printing, Stationery, and Forms		676	
Road Signs		2,650	
Total Codes Compliance			62,127

**County Buildings**

Deputy(ies)	\$	185,765	
Overtime Pay		2,145	
Social Security		12,606	
Pensions		9,088	
Communication		31,778	
Maintenance and Repair Services - Buildings		162,172	
Maintenance and Repair Services - Equipment		4,566	

(Continued)



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

**General Fund (Cont.)**

General Government (Cont.)

**County Buildings (Cont.)**

Maintenance and Repair Services - Vehicles	\$	4,782	
Rentals		8,533	
Other Contracted Services		11,300	
Custodial Supplies		11,240	
Gasoline		10,404	
Uniforms		456	
Utilities		263,874	
Other Supplies and Materials		251	
Total County Buildings			\$ 718,960

Finance

**Accounting and Budgeting**

Supervisor/Director	\$	86,716	
Accountants/Bookkeepers		160,980	
Overtime Pay		1,251	
In-service Training		355	
Social Security		18,361	
Pensions		13,715	
Advertising		120	
Communication		1,159	
Dues and Memberships		170	
Postal Charges		5,339	
Printing, Stationery, and Forms		547	
Travel		1,611	
Other Contracted Services		3,390	
Office Supplies		4,070	
Other Supplies and Materials		16	
Premiums on Corporate Surety Bonds		321	
Data Processing Equipment		28,901	
Office Equipment		12,849	
Total Accounting and Budgeting			339,871

**Property Assessor's Office**

County Official/Administrative Officer	\$	86,716	
Deputy(ies)		102,230	
Salary Supplements		6,990	
Social Security		14,897	
Pensions		9,595	
Advertising		1,490	
Communication		2,995	
Contracts with Government Agencies		7,825	
Postal Charges		2,917	
Travel		11,185	
Other Contracted Services		8,915	
Office Supplies		1,603	
Total Property Assessor's Office			257,358

(Continued)

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

**General Fund (Cont.)**

Finance (Cont.)

**County Trustee's Office**

County Official/ Administrative Officer	\$	86,716	
Deputy(ies)		87,795	
Overtime Pay		28	
In-service Training		300	
Social Security		13,310	
Pensions		10,162	
Advertising		88	
Communication		3,070	
Dues and Memberships		788	
Postal Charges		3,400	
Travel		527	
Other Contracted Services		6,600	
Office Supplies		2,193	
Premiums on Corporate Surety Bonds		332	
Refunds		174	
Data Processing Equipment		6,708	
Total County Trustee's Office			\$ 222,191

**County Clerk's Office**

County Official/ Administrative Officer	\$	86,716	
Deputy(ies)		139,728	
Salary Supplements		8,000	
Part-time Personnel		10,526	
Overtime Pay		2,472	
Social Security		18,629	
Pensions		13,735	
Advertising		33	
Communication		5,112	
Dues and Memberships		705	
Lease/SBITA Payments		916	
Postal Charges		14,939	
Printing, Stationery, and Forms		2,014	
Office Supplies		5,057	
Premiums on Corporate Surety Bonds		300	
Data Processing Equipment		18,990	
Total County Clerk's Office			327,872

Administration of Justice

**Circuit Court**

County Official/ Administrative Officer	\$	86,716	
Deputy(ies)		172,333	
Overtime Pay		2,739	
Jury and Witness Expense		9,661	
Social Security		18,368	
Pensions		15,146	
Communication		3,440	
Dues and Memberships		688	

(Continued)

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

**General Fund (Cont.)**

Administration of Justice (Cont.)

**Circuit Court (Cont.)**

Postal Charges	\$	2,448	
Travel		69	
Other Contracted Services		1,427	
Office Supplies		23,421	
Premiums on Corporate Surety Bonds		392	
Data Processing Equipment		24,418	
Total Circuit Court			\$ 361,266

**General Sessions Judge**

Judge(s)	\$	118,769	
Paraprofessionals		51,952	
Part-time Personnel		15,230	
Overtime Pay		224	
In-service Training		984	
Social Security		14,295	
Pensions		10,257	
Communication		930	
Contracts with Private Agencies		1,596	
Dues and Memberships		565	
Gasoline		16	
Library Books/Media		306	
Office Supplies		4,625	
Other Supplies and Materials		2,100	
Total General Sessions Judge			221,849

**Drug Court**

Assistant(s)	\$	11,638	
Supervisor/Director		10,694	
Accountants/Bookkeepers		2,600	
Overtime Pay		55	
Other Salaries and Wages		30,705	
Social Security		4,240	
Pensions		3,185	
Communication		1,983	
Travel		2,979	
Other Contracted Services		16,672	
Office Supplies		22,880	
Total Drug Court			107,631

**Chancery Court**

County Official/Administrative Officer	\$	86,716	
Deputy(ies)		66,611	
Social Security		10,514	
Pensions		9,200	
Communication		1,720	
Dues and Memberships		903	
Lease/SBITA Payments		156	

(Continued)

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

**General Fund (Cont.)**

Administration of Justice (Cont.)

**Chancery Court (Cont.)**

Legal Notices, Recording, and Court Costs	\$	1,036	
Postal Charges		1,739	
Travel		409	
Library Books/Media		312	
Office Supplies		3,269	
Premiums on Corporate Surety Bonds		150	
Data Processing Equipment		10,831	
Office Equipment		225	
Total Chancery Court			\$ 193,791

**Judicial Commissioners**

County Official/Administrative Officer	\$	43,780	
In-service Training		500	
Social Security		3,051	
Pensions		394	
Communication		65	
Total Judicial Commissioners			47,790

**Other Administration of Justice**

Contracts with Private Agencies	\$	420	
Total Other Administration of Justice			420

**Probation Services**

County Official/Administrative Officer	\$	48,717	
Probation Officer(s)		27,002	
Overtime Pay		533	
Other Salaries and Wages		13,159	
Social Security		6,806	
Pensions		5,365	
Communication		1,908	
Drugs and Medical Supplies		4,241	
Office Supplies		4,433	
Office Equipment		3,902	
Total Probation Services			116,066

**Courtroom Security**

In-service Training	\$	817	
Other Supplies and Materials		41,596	
Communication Equipment		11,615	
Other Equipment		76,192	
Total Courtroom Security			130,220

Public Safety

**Sheriff's Department**

County Official/Administrative Officer	\$	95,388	
Deputy(ies)		423,270	
Detective(s)		108,606	

(Continued)

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

**General Fund (Cont.)**

Public Safety (Cont.)

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

Captain(s)	\$	73,028	
Lieutenant(s)		119,409	
Sergeant(s)		361,442	
Paraprofessionals		40,018	
Salary Supplements		24,700	
Dispatchers/Radio Operators		157,191	
Guards		153,566	
Clerical Personnel		43,657	
Attendants		59,809	
Custodial Personnel		27,046	
Maintenance Personnel		31,039	
School Resource Officer		398,113	
Overtime Pay		180,545	
Other Salaries and Wages		46,427	
In-service Training		20,193	
Social Security		176,447	
Pensions		132,896	
Communication		31,920	
Dues and Memberships		1,500	
Lease/SBITA Payments		7,700	
Maintenance and Repair Services - Office Equipment		803	
Maintenance and Repair Services - Vehicles		78,315	
Medical and Dental Services		2,340	
Veterinary Services		323	
Gasoline		132,020	
Office Supplies		12,769	
Uniforms		16,214	
Other Supplies and Materials		7,749	
Judgments		1,600	
Law Enforcement Equipment		30,481	
Other Equipment		96,034	
Total Sheriff's Department			\$ 3,092,558

**Traffic Control**

Traffic Control Equipment	\$	848	
Total Traffic Control			848

**Jail**

Cafeteria Personnel	\$	31,719	
Overtime Pay		113	
Social Security		2,410	
Pensions		1,921	
Medical and Dental Services		356,211	
Custodial Supplies		7,791	
Food Supplies		240,442	
Other Supplies and Materials		53,311	
Total Jail			693,918

(Continued)

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

**General Fund (Cont.)**

Public Safety (Cont.)

**Correctional Incentive Program Improvements**

Supervisor/Director	\$	70,068	
Deputy(ies)		892,406	
Overtime Pay		49,683	
Social Security		75,606	
Pensions		47,505	
Total Correctional Incentive Program Improvements	\$		1,135,268

**Juvenile Services**

Youth Service Officer(s)	\$	40,180	
Overtime Pay		21	
In-service Training		190	
Social Security		2,939	
Pensions		2,437	
Communication		1,441	
Travel		685	
Other Contracted Services		1,400	
Drugs and Medical Supplies		614	
Office Supplies		284	
Total Juvenile Services			50,191

**Fire Prevention and Control**

Deputy(ies)	\$	14,414	
In-service Training		2,390	
Social Security		1,103	
Maintenance and Repair Services - Equipment		13,146	
Maintenance and Repair Services - Vehicles		17,834	
Rentals		20,470	
Other Contracted Services		96,104	
Gasoline		7,051	
Office Supplies		389	
Utilities		13,864	
Other Supplies and Materials		2,139	
Other Equipment		56,156	
Total Fire Prevention and Control			245,060

**Rescue Squad**

Contributions	\$	34,000	
Maintenance and Repair Services - Vehicles		20,314	
Total Rescue Squad			54,314

**Other Emergency Management**

Supervisor/Director	\$	47,128	
Social Security		3,605	
Communication		5,053	
Maintenance and Repair Services - Vehicles		3,281	
Other Contracted Services		1,365	
Gasoline		2,541	

(Continued)

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

**General Fund (Cont.)**

Public Safety (Cont.)

**Other Emergency Management (Cont.)**

Uniforms	\$	319	
Utilities		664	
Other Supplies and Materials		1,223	
Office Equipment		1,692	
Other Equipment		17,106	
Total Other Emergency Management			\$ 83,977

**County Coroner/Medical Examiner**

Pauper Burials	\$	2,154	
Other Contracted Services		66,010	
Total County Coroner/Medical Examiner			68,164

**Public Safety Grants Program**

Accountants/Bookkeepers	\$	900	
Social Security		69	
Advertising		8,126	
Communication		442	
Rentals		1,645	
Other Contracted Services		28,758	
Instructional Supplies and Materials		1,293	
Office Supplies		1,293	
Total Public Safety Grants Program			42,526

**Other Public Safety**

Deputy(ies)	\$	16,160	
Dispatchers/Radio Operators		341,436	
Overtime Pay		43,666	
Social Security		29,967	
Pensions		19,056	
Communication		893	
Total Other Public Safety			451,178

Public Health and Welfare

**Local Health Center**

Communication	\$	3,833	
Dues and Memberships		375	
Maintenance and Repair Services - Buildings		4,484	
Custodial Supplies		1,142	
Drugs and Medical Supplies		992	
Food Supplies		256	
Office Supplies		958	
Uniforms		369	
Utilities		16,367	
Other Supplies and Materials		1,228	
Total Local Health Center			30,004

(Continued)

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

**General Fund (Cont.)**

Public Health and Welfare (Cont.)

**Ambulance/Emergency Medical Services**

Medical Personnel	\$	874,217	
Overtime Pay		475,436	
In-service Training		30,566	
Social Security		101,154	
Pensions		73,267	
Communication		29,699	
Contracts with Private Agencies		24,078	
Lease/SBITA Payments		670	
Licenses		2,250	
Maintenance and Repair Services - Equipment		11,751	
Maintenance and Repair Services - Vehicles		31,532	
Medical and Dental Services		210	
Printing, Stationery, and Forms		365	
Other Contracted Services		74,514	
Custodial Supplies		1,767	
Drugs and Medical Supplies		85,324	
Gasoline		54,715	
Office Supplies		1,717	
Uniforms		16,150	
Utilities		16,272	
Other Supplies and Materials		10,930	
Refunds		10,655	
Fines, Assessments, and Penalties		28,101	
Building Improvements		13,936	
Data Processing Equipment		1,909	
Other Equipment		110,681	
Total Ambulance/Emergency Medical Services	\$		2,081,866

**Alcohol and Drug Programs**

Accountants/Bookkeepers	\$	9,320	
Social Security		713	
Advertising		75,099	
Communication		400	
Postal Charges		114	
Printing, Stationery, and Forms		612	
Rentals		5,006	
Travel		21,417	
Other Contracted Services		141,466	
Office Supplies		19,577	
Liability Insurance		371	
Total Alcohol and Drug Programs			274,095

**Other Local Health Services**

Other Salaries and Wages	\$	28,610	
Social Security		2,189	
Communication		3,237	
Contributions		9,180	

(Continued)



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

**General Fund (Cont.)**

Public Health and Welfare (Cont.)

**Other Local Health Services (Cont.)**

Rentals	\$	904	
Office Supplies		497	
Utilities		7,462	
Other Supplies and Materials		2,338	
Total Other Local Health Services			\$ 54,417

**General Welfare Assistance**

Accountants/Bookkeepers	\$	610	
Social Security		47	
Advertising		5,260	
Communication		427	
Printing, Stationery, and Forms		300	
Rentals		2,735	
Travel		278	
Other Contracted Services		93,719	
Office Supplies		7,754	
Liability Insurance		250	
Total General Welfare Assistance			111,380

**Other Local Welfare Services**

Accountants/Bookkeepers	\$	460	
Social Security		35	
Advertising		302	
Communication		474	
Contributions		28,018	
Rentals		2,614	
Travel		6,644	
Other Contracted Services		53,039	
Office Supplies		649	
Liability Insurance		500	
Total Other Local Welfare Services			92,735

**Waste Pickup**

Other Salaries and Wages	\$	28,153	
Social Security		2,154	
Pensions		1,689	
Maintenance and Repair Services - Vehicles		585	
Gasoline		5,381	
Instructional Supplies and Materials		8,900	
Other Supplies and Materials		1,535	
Total Waste Pickup			48,397

**Other Public Health and Welfare**

Accountants/Bookkeepers	\$	1,840	
Part-time Personnel		24,046	
Other Salaries and Wages		63,223	
Social Security		6,779	

(Continued)

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

**General Fund (Cont.)**

Public Health and Welfare (Cont.)

**Other Public Health and Welfare (Cont.)**

Handling Charges and Administrative Costs	\$	29	
Pensions		3,040	
Contracts with Private Agencies		244	
Postal Charges		211	
Printing, Stationery, and Forms		616	
Rentals		615	
Travel		15,571	
Other Contracted Services		15,000	
Office Supplies		2,172	
Total Other Public Health and Welfare			\$ 133,386

Social, Cultural, and Recreational Services

**Senior Citizens Assistance**

Supervisor/Director	\$	46,342	
Other Salaries and Wages		17,323	
In-service Training		175	
Social Security		4,658	
Pensions		2,780	
Communication		2,230	
Financial Advisory Services		1,300	
Food Supplies		4,409	
Office Supplies		632	
Utilities		8,390	
Other Supplies and Materials		609	
Total Senior Citizens Assistance			88,848

**Libraries**

County Official/Administrative Officer	\$	37,283	
Other Salaries and Wages		51,740	
Social Security		6,546	
Pensions		1,309	
Communication		6,739	
Data Processing Services		1,490	
Dues and Memberships		150	
Lease/SBITA Payments		323	
Travel		341	
Custodial Supplies		62	
Data Processing Supplies		3,294	
Library Books/Media		18,427	
Office Supplies		1,823	
Utilities		3,459	
Other Supplies and Materials		604	
Office Equipment		289	
Total Libraries			133,879

**Parks and Fair Boards**

Contracts with Government Agencies	\$	8,400	
------------------------------------	----	-------	--

(Continued)

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

**General Fund (Cont.)**

Social, Cultural, and Recreational Services (Cont.)

**Parks and Fair Boards (Cont.)**

Maintenance and Repair Services - Buildings	\$	321,996	
Other Supplies and Materials		2,327	
Building Improvements		11,834	
Total Parks and Fair Boards			\$ 344,557

Agriculture and Natural Resources

**Agricultural Extension Service**

Assistant(s)	\$	3,513	
Salary Supplements		46,140	
Secretary(ies)		4,800	
Longevity Pay		246	
Social Security		3,987	
Pensions		5,205	
Medical Insurance		12,290	
Unemployment Compensation		7	
Communication		3,624	
Rentals		11,580	
Travel		3,094	
Other Supplies and Materials		900	
Workers' Compensation Insurance		120	
Total Agricultural Extension Service			95,506

**Soil Conservation**

Other Contracted Services	\$	11,000	
Total Soil Conservation			11,000

**Other Agriculture and Natural Resources**

Maintenance and Repair Services - Buildings	\$	15,209	
Custodial Supplies		377	
Utilities		27,445	
Refunds		800	
Total Other Agriculture and Natural Resources			43,831

Other Operations

**Tourism**

Maintenance Agreements	\$	200	
Total Tourism			200

**Industrial Development**

Other Charges	\$	4,500	
Total Industrial Development			4,500

**Other Economic and Community Development**

Contributions	\$	47,867	
Total Other Economic and Community Development			47,867

(Continued)

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

**General Fund (Cont.)**

Other Operations (Cont.)

**Veterans' Services**

Supervisor/Director	\$	21,430	
Social Security		1,639	
Communication		1,229	
Data Processing Services		449	
Travel		403	
Office Supplies		43	
Total Veterans' Services			\$ 25,193

**Other Charges**

Building and Contents Insurance	\$	93,269	
Liability Insurance		120,578	
Vehicle and Equipment Insurance		127,132	
Workers' Compensation Insurance		174,714	
Total Other Charges			515,693

**Employee Benefits**

Longevity Pay	\$	75,498	
Social Security		5,162	
Pensions		4,049	
Life Insurance		7,274	
Medical Insurance		784,065	
Unemployment Compensation		5,475	
Total Employee Benefits			881,523

**American Rescue Plan Act Grant J**

Other Supplies and Materials	\$	29,956	
Total American Rescue Plan Act Grant J			29,956

**Miscellaneous**

Bank Charges	\$	524	
Communication		95,758	
Dues and Memberships		4,180	
Engineering Services		14,616	
Medical and Dental Services		8,325	
Other Contracted Services		82,625	
Refunds		1,241	
Trustee's Commission		198,943	
Tax Relief Program		31,879	
Total Miscellaneous			438,091

Capital Projects

**Public Health and Welfare Projects**

Building Construction	\$	27,268	
Total Public Health and Welfare Projects			27,268

**Public Utility Projects**

Other Capital Outlay	\$	13,203	
Total Public Utility Projects			13,203

Total General Fund \$ 15,512,446

(Continued)

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

**Drug Control Fund**

Public Safety

**Sheriff's Department**

Other Supplies and Materials	\$	13,764	
Law Enforcement Equipment		46,949	
Motor Vehicles		99,281	

Total Sheriff's Department			\$	159,994
----------------------------	--	--	----	---------

**Drug Enforcement**

Trustee's Commission	\$	1,156	
----------------------	----	-------	--

Total Drug Enforcement				1,156
------------------------	--	--	--	-------

Total Drug Control Fund			\$	161,150
-------------------------	--	--	----	---------

**Other General Government Fund**

General Government

**County Buildings**

Maintenance and Repair Services - Buildings	\$	176,427	
---	----	---------	--

Total County Buildings			\$	176,427
------------------------	--	--	----	---------

Other Operations

**American Rescue Plan Act Grant #4**

Other Contracted Services	\$	19,985	
---------------------------	----	--------	--

Total American Rescue Plan Act Grant #4				19,985
---	--	--	--	--------

Highways

**Highway and Bridge Maintenance**

Asphalt	\$	2,700	
Crushed Stone		99,155	
Equipment and Machinery Parts		18,711	
Garage Supplies		20,072	
Pipe		24,014	

Total Highway and Bridge Maintenance				164,652
--------------------------------------	--	--	--	---------

Total Other General Government Fund				361,064
-------------------------------------	--	--	--	---------

**Constitutional Officers - Fees Fund**

Administration of Justice

**Chancery Court**

Special Commissioner Fees/Special Master Fees	\$	6,180	
---	----	-------	--

Total Chancery Court			\$	6,180
----------------------	--	--	----	-------

Total Constitutional Officers - Fees Fund				6,180
---	--	--	--	-------

**Highway/Public Works Fund**

Highways

**Administration**

County Official/Administrative Officer	\$	95,388	
Assistant(s)		41,420	
Overtime Pay		1,215	

(Continued)

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

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

Highways (Cont.)

**Administration (Cont.)**

Other Salaries and Wages	\$	25,778	
Advertising		635	
Communication		8,105	
Dues and Memberships		3,618	
Maintenance and Repair Services - Buildings		21	
Medical and Dental Services		680	
Travel		1,490	
Office Supplies		4,030	
Utilities		6,124	
Water and Sewer		297	
Premiums on Corporate Surety Bonds		88	
Total Administration			\$ 188,889

**Highway and Bridge Maintenance**

Foremen	\$	90,482	
Equipment Operators		135,486	
Truck Drivers		156,299	
Laborers		219,210	
Overtime Pay		37,381	
Rentals		229,113	
Other Contracted Services		219,279	
Asphalt - Cold Mix		315,790	
Asphalt - Hot Mix		35,575	
Concrete		47,573	
Crushed Stone		276,388	
Other Road Materials		10,411	
Pipe		45,087	
Salt		7,986	
Small Tools		1,981	
Total Highway and Bridge Maintenance			1,828,041

**Operation and Maintenance of Equipment**

Mechanic(s)	\$	32,048	
Freight Expenses		40	
Maintenance and Repair Services - Equipment		19,038	
Towing Services		350	
Diesel Fuel		129,234	
Equipment and Machinery Parts		20,818	
Garage Supplies		22,558	
Tires and Tubes		18,905	
Uniforms		1,923	
Other Supplies and Materials		2,385	
Motor Vehicles		84,458	
Other Equipment		58,190	
Total Operation and Maintenance of Equipment			389,947

(Continued)

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

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

Highways (Cont.)

**Other Charges**

Building and Contents Insurance	\$ 5,200
Liability Insurance	3,500
Trustee's Commission	30,453
Vehicle and Equipment Insurance	19,015
Workers' Compensation Insurance	45,718

Total Other Charges \$ 103,886

**Employee Benefits**

Longevity Pay	\$ 22,220
Social Security	65,080
Pensions	44,820
Employee and Dependent Insurance	248,163
Unemployment Compensation	4,893

Total Employee Benefits 385,176

**Capital Outlay**

State Aid Projects	\$ 1,960,060
--------------------	--------------

Total Capital Outlay 1,960,060

Total Highway/Public Works Fund \$ 4,855,999

**General Debt Service Fund**

Principal on Debt

**General Government**

Principal on Bonds	\$ 765,000
Principal on Other Loans	259,777

Total General Government \$ 1,024,777

Interest on Debt

**General Government**

Interest on Bonds	\$ 185,650
Interest on Other Loans	23,855

Total General Government 209,505

Other Debt Service

**General Government**

Financial Advisory Services	\$ 1,000
Trustee's Commission	14,403

Total General Government 15,403

Total General Debt Service Fund 1,249,685

**General Capital Projects Fund**

Capital Projects

**Public Safety Projects**

Other Contracted Services	\$ 7,000
Motor Vehicles	110,637

Total Public Safety Projects \$ 117,637

(Continued)

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

**General Capital Projects Fund (Cont.)**

Capital Projects (Cont.)

**Other General Government Projects**

Trustee's Commission	\$ 8,713	
Building Construction	<u>324,407</u>	
Total Other General Government Projects		<u>\$ 333,120</u>

Total General Capital Projects Fund \$ 450,757

**Highway Capital Projects Fund**

Highways

**Highway and Bridge Maintenance**

Asphalt	\$ 216,034	
Crushed Stone	<u>188,280</u>	
Total Highway and Bridge Maintenance		<u>\$ 404,314</u>

Capital Projects

**Other General Government Projects**

Trustee's Commission	<u>\$ 784</u>	
Total Other General Government Projects		<u>784</u>

Total Highway Capital Projects Fund 405,098

Total Governmental Funds - Primary Government \$ 23,002,379



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

**General Purpose School Fund**

Instruction

**Regular Instruction Program**

Teachers	\$	9,252,066	
Career Ladder Program		23,100	
Educational Assistants		834,557	
Bonus Payments		35,900	
Other Salaries and Wages		85,716	
Certified Substitute Teachers		178,762	
Non-certified Substitute Teachers		151,816	
Social Security		609,141	
Pensions		550,069	
Medical Insurance		1,640,933	
Local Retirement		179,465	
Employer Medicare		144,933	
Contracts with Private Agencies		600	
Maintenance and Repair Services - Equipment		24,298	
Other Contracted Services		138,935	
Instructional Supplies and Materials		102,389	
Textbooks - Bound		307,509	
Other Supplies and Materials		6,248	
Fines, Assessments, and Penalties		73,079	
Fee Waivers		9,990	
TISA - On-behalf Payments		37,536	
Other Charges		1,082	
Regular Instruction Equipment		146,213	
Total Regular Instruction Program			\$ 14,534,337

**Alternative Instruction Program**

Teachers	\$	64,458	
Social Security		3,622	
Pensions		4,390	
Medical Insurance		12,201	
Employer Medicare		847	
Total Alternative Instruction Program			85,518

**Special Education Program**

Teachers	\$	1,118,328	
Career Ladder Program		1,780	
Homebound Teachers		29,817	
Educational Assistants		237,819	
Speech Pathologist		60,095	
Bonus Payments		2,950	
Other Salaries and Wages		5,342	
Certified Substitute Teachers		3,170	
Non-certified Substitute Teachers		350	
Social Security		84,655	
Pensions		74,380	
Medical Insurance		245,672	

(Continued)

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

Discretely Presented Smith County School Department (Cont.)

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

## Instruction (Cont.)

**Special Education Program (Cont.)**

Local Retirement	\$	26,989	
Employer Medicare		19,801	
Contracts with Private Agencies		2,075	
Instructional Supplies and Materials		6,601	
Other Supplies and Materials		3,058	
Other Charges		1,202	
Total Special Education Program			\$ 1,924,084

**Career and Technical Education Program**

Teachers	\$	911,327	
Career Ladder Program		1,000	
Bonus Payments		850	
Other Salaries and Wages		4,000	
Certified Substitute Teachers		10,600	
Non-certified Substitute Teachers		665	
Social Security		55,651	
Pensions		45,952	
Medical Insurance		159,703	
Local Retirement		23,994	
Employer Medicare		13,024	
Other Contracted Services		2,312	
Instructional Supplies and Materials		35,990	
Software		63,210	
Other Charges		195	
Vocational Instruction Equipment		67,720	
Total Career and Technical Education Program			1,396,193

## Support Services

**Attendance**

Supervisor/Director	\$	75,773	
Social Workers		54,249	
Social Security		7,585	
Pensions		8,854	
Medical Insurance		21,092	
Employer Medicare		1,774	
Travel		104	
Other Contracted Services		26,152	
In Service/Staff Development		1,418	
Attendance Equipment		4,760	
Total Attendance			201,761

**Health Services**

Medical Personnel	\$	224,332	
Other Salaries and Wages		70,355	
Social Security		16,193	
Pensions		11,511	

(Continued)

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

Discretely Presented Smith County School Department (Cont.)

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

## Support Services (Cont.)

**Health Services (Cont.)**

Medical Insurance	\$	63,647	
Local Retirement		10,871	
Employer Medicare		3,787	
Travel		6,550	
Drugs and Medical Supplies		1,231	
Other Supplies and Materials		9,082	
In Service/Staff Development		1,404	
Health Equipment		9,376	
Total Health Services			\$ 428,339

**Other Student Support**

Guidance Personnel	\$	498,295	
Other Salaries and Wages		7,586	
Social Security		30,064	
Pensions		29,674	
Medical Insurance		96,241	
Local Retirement		7,290	
Employer Medicare		7,031	
Internet Connectivity		251,356	
Other Contracted Services		332,000	
Other Supplies and Materials		39	
In Service/Staff Development		2,573	
Other Charges		250	
Total Other Student Support			1,262,399

**Regular Instruction Program**

Supervisor/Director	\$	164,923	
Career Ladder Program		1,000	
Librarians		289,688	
Other Salaries and Wages		243,921	
Social Security		36,696	
Pensions		39,225	
Medical Insurance		93,627	
Local Retirement		4,113	
Employer Medicare		9,708	
Travel		11,456	
Other Contracted Services		28,525	
Library Books/Media		1,525	
In Service/Staff Development		9,772	
Total Regular Instruction Program			934,179

**Special Education Program**

Supervisor/Director	\$	51,477	
Psychological Personnel		51,477	
Assessment Personnel		90,739	
Social Security		11,274	

(Continued)

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

Discretely Presented Smith County School Department (Cont.)

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

## Support Services (Cont.)

**Special Education Program (Cont.)**

Pensions	\$	13,191	
Medical Insurance		24,493	
Employer Medicare		2,637	
Communication		315	
Postal Charges		247	
Travel		4,124	
In Service/Staff Development		1,512	
Other Charges		258	
Total Special Education Program			\$ 251,744

**Career and Technical Education Program**

Supervisor/Director	\$	27,081	
Social Security		1,562	
Pensions		1,844	
Medical Insurance		3,327	
Employer Medicare		365	
Travel		338	
In Service/Staff Development		704	
Total Career and Technical Education Program			35,221

**Technology**

Supervisor/Director	\$	68,165	
Instructional Computer Personnel		105,249	
Social Security		9,434	
Pensions		7,632	
Medical Insurance		21,341	
Local Retirement		3,408	
Employer Medicare		2,390	
Internet Connectivity		53,073	
Travel		2,667	
Other Supplies and Materials		3,214	
Other Equipment		4,701	
Total Technology			281,274

**Other Programs**

On-behalf Payments to OPEB	\$	114,127	
Total Other Programs			114,127

**Board of Education**

Secretary to Board	\$	2,400	
Board and Committee Members Fees		21,250	
Social Security		1,466	
Pensions		144	
Medical Insurance		1,008	
Unemployment Compensation		3,653	
Employer Medicare		343	

(Continued)

**SMITH COUNTY, TENNESSEE****Schedule of Detailed Expenditures -****All Governmental Fund Types****Discretely Presented Smith County School Department (Cont.)****General Purpose School Fund (Cont.)**

## Support Services (Cont.)

**Board of Education (Cont.)**

Audit Services	\$	9,000	
Contracts with Government Agencies		2,960	
Contracts with Private Agencies		13,466	
Dues and Memberships		13,727	
Legal Services		92,289	
Other Contracted Services		61,589	
Other Supplies and Materials		604	
Liability Insurance		162,827	
Premiums on Corporate Surety Bonds		320	
Trustee's Commission		126,961	
Workers' Compensation Insurance		69,689	
Refund to Applicant for Criminal Investigation		9,966	
Other Charges		31,523	
Total Board of Education	\$		625,185

**Director of Schools**

County Official/Administrative Officer	\$	178,810	
Social Security		9,658	
Pensions		9,549	
Employer Medicare		2,259	
Communication		18,909	
Dues and Memberships		2,408	
Travel		17,706	
Other Charges		2,577	
Administration Equipment		1,150	
Total Director of Schools			243,026

**Office of the Principal**

Principals	\$	855,476	
Career Ladder Program		3,000	
Accountants/Bookkeepers		162,142	
Assistant Principals		587,796	
Clerical Personnel		195,041	
Social Security		107,246	
Pensions		115,700	
Medical Insurance		183,513	
Local Retirement		3,178	
Employer Medicare		25,082	
Communication		1,871	
Dues and Memberships		12,800	
Other Contracted Services		172	
Other Charges		19,091	
Administration Equipment		9,584	
Total Office of the Principal			2,281,692

(Continued)

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

Discretely Presented Smith County School Department (Cont.)

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

## Support Services (Cont.)

**Fiscal Services**

Supervisor/Director	\$	82,262	
Accountants/Bookkeepers		195,753	
Clerical Personnel		105,195	
Social Security		22,317	
Pensions		21,948	
Medical Insurance		54,845	
Employer Medicare		5,495	
Data Processing Services		23,610	
Maintenance and Repair Services - Office Equipment		1,648	
Travel		599	
Office Supplies		7,584	
In Service/Staff Development		150	
Other Charges		494	
Administration Equipment		1,524	
Total Fiscal Services			\$ 523,424

**Operation of Plant**

Custodial Personnel	\$	429,636	
Other Salaries and Wages		8,897	
Social Security		27,135	
Pensions		22,822	
Employer Medicare		6,346	
Contracts with Government Agencies		3,715	
Contracts with Private Agencies		79,009	
Maintenance and Repair Services - Equipment		11,112	
Pest Control		1,785	
Other Contracted Services		64,004	
Custodial Supplies		73,920	
Electricity		660,557	
Natural Gas		53,252	
Water and Sewer		75,744	
Other Supplies and Materials		5,508	
Building and Contents Insurance		135,335	
Other Charges		3,234	
Plant Operation Equipment		77,529	
Total Operation of Plant			1,739,540

**Maintenance of Plant**

Supervisor/Director	\$	78,899	
Maintenance Personnel		249,653	
Other Salaries and Wages		34,528	
Social Security		22,434	
Pensions		22,626	
Medical Insurance		40,748	
Local Retirement		37	
Employer Medicare		5,247	

(Continued)

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

Discretely Presented Smith County School Department (Cont.)

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

## Support Services (Cont.)

**Maintenance of Plant (Cont.)**

Contracts with Private Agencies	\$	7,237	
Laundry Service		330	
Maintenance and Repair Services - Buildings		57,513	
Maintenance and Repair Services - Equipment		29,285	
Other Contracted Services		19,581	
Other Supplies and Materials		88,029	
Administration Equipment		126,332	
Maintenance Equipment		133,139	
Total Maintenance of Plant			\$ 915,618

**Transportation**

Supervisor/Director	\$	59,860	
Mechanic(s)		98,974	
Bus Drivers		509,265	
Educational Assistants		103,813	
Other Salaries and Wages		19,263	
Social Security		47,385	
Pensions		38,544	
Medical Insurance		43,657	
Employer Medicare		11,380	
Contracts with Private Agencies		18,111	
Contracts with Parents		10,410	
Laundry Service		2,660	
Maintenance and Repair Services - Equipment		1,208	
Maintenance and Repair Services - Vehicles		1,083	
Medical and Dental Services		4,075	
Towing Services		313	
Travel		1,257	
Diesel Fuel		100,230	
Garage Supplies		2,512	
Gasoline		17,162	
Lubricants		6,362	
Tires and Tubes		24,146	
Vehicle Parts		52,208	
Other Supplies and Materials		521	
Vehicle and Equipment Insurance		45,985	
Other Charges		1,469	
Administration Equipment		1,295	
Transportation Equipment		292,709	
Total Transportation			1,515,857

## Operation of Non-Instructional Services

**Community Services**

Other Salaries and Wages	\$	54,169	
Social Security		2,923	
Pensions		3,250	

(Continued)

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

Discretely Presented Smith County School Department (Cont.)

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

## Operation of Non-Instructional Services (Cont.)

**Community Services (Cont.)**

Medical Insurance	\$	13,549	
Employer Medicare		683	
Travel		741	
Other Supplies and Materials		1,157	
In Service/Staff Development		130	
Total Community Services			\$ 76,602

**Early Childhood Education**

Supervisor/Director	\$	11,411	
Teachers		238,838	
Educational Assistants		79,194	
Social Security		15,499	
Pensions		21,204	
Medical Insurance		40,172	
Employer Medicare		4,494	
Travel		55	
Instructional Supplies and Materials		4,214	
Other Supplies and Materials		17,072	
Other Charges		1,463	
Regular Instruction Equipment		4,775	
Total Early Childhood Education			438,391

## Capital Outlay

**Regular Capital Outlay**

Architects	\$	175,331	
Building Construction		96,195	
Building Improvements		351,673	
Other Capital Outlay		93,850	
Total Regular Capital Outlay			717,049

## Other Debt Service

**Education**

Debt Service Contribution to Primary Government	\$	283,632	
Total Education			283,632

Total General Purpose School Fund	\$	30,809,192
-----------------------------------	----	------------

**School Federal Projects Fund**

## Instruction

**Regular Instruction Program**

Teachers	\$	297,330	
Educational Assistants		186,107	
Other Salaries and Wages		14,500	
Social Security		30,433	
Pensions		25,108	
Medical Insurance		45,107	

(Continued)



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

Discretely Presented Smith County School Department (Cont.)

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

## Instruction (Cont.)

**Regular Instruction Program (Cont.)**

Local Retirement	\$	4,020	
Employer Medicare		7,117	
Maintenance and Repair Services - Equipment		9,439	
Other Contracted Services		222	
Instructional Supplies and Materials		64,391	
Software		194,081	
Regular Instruction Equipment		101,302	
Total Regular Instruction Program			\$ 979,157

**Special Education Program**

Educational Assistants	\$	456,441	
Other Salaries and Wages		5,104	
Social Security		27,505	
Pensions		23,817	
Medical Insurance		647	
Employer Medicare		6,730	
Other Contracted Services		95,167	
Instructional Supplies and Materials		49,001	
Other Supplies and Materials		49,961	
Special Education Equipment		9,947	
Total Special Education Program			724,320

**Career and Technical Education Program**

Instructional Supplies and Materials	\$	22,657	
Other Supplies and Materials		9,623	
Vocational Instruction Equipment		1,749	
Total Career and Technical Education Program			34,029

## Support Services

**Other Student Support**

Guidance Personnel	\$	12,500	
Bus Drivers		1,489	
Social Security		28	
Pensions		27	
Employer Medicare		6	
Travel		10,500	
Other Supplies and Materials		2,489	
In Service/Staff Development		4,220	
Other Charges		11,041	
Total Other Student Support			42,300

**Regular Instruction Program**

Supervisor/Director	\$	110,953	
Educational Assistants		15,245	
Part-time Personnel		7,980	
Other Salaries and Wages		78,564	

(Continued)

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

Discretely Presented Smith County School Department (Cont.)

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

## Support Services (Cont.)

**Regular Instruction Program (Cont.)**

Social Security	\$	17,000	
Pensions		17,341	
Medical Insurance		24,281	
Local Retirement		1,698	
Employer Medicare		5,070	
Maintenance and Repair Services - Equipment		446	
Travel		3,784	
Other Contracted Services		290,037	
In Service/Staff Development		26,735	
Other Charges		4,167	
Other Equipment		68,122	
Total Regular Instruction Program			\$ 671,423

**Special Education Program**

Secretary(ies)	\$	28,598	
Social Security		1,762	
Pensions		1,738	
Medical Insurance		7,866	
Employer Medicare		412	
Contracts with Private Agencies		30,647	
Travel		142	
Other Supplies and Materials		1,357	
In Service/Staff Development		10,058	
Total Special Education Program			82,580

**Career and Technical Education Program**

Clerical Personnel	\$	1,000	
Social Security		58	
Pensions		30	
Local Retirement		50	
Employer Medicare		14	
In Service/Staff Development		1,110	
Total Career and Technical Education Program			2,262

**Fiscal Services**

Other Contracted Services	\$	11,847	
Total Fiscal Services			11,847

**Maintenance of Plant**

Other Contracted Services	\$	108,471	
Total Maintenance of Plant			108,471

**Transportation**

Bus Drivers	\$	35,563	
Social Security		2,205	
Pensions		2,134	
Employer Medicare		516	
Total Transportation			40,418

(Continued)

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

Discretely Presented Smith County School Department (Cont.)

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

## Operation of Non-Instructional Services

**Community Services**

Supervisor/Director	\$	154,001	
Teachers		111,682	
Educational Assistants		79,665	
Other Salaries and Wages		1,968	
Social Security		21,076	
Pensions		18,440	
Local Retirement		3,853	
Employer Medicare		4,993	
Travel		417	
Food Supplies		984	
Instructional Supplies and Materials		11,115	
Other Supplies and Materials		4,721	
In Service/Staff Development		1,669	
Other Charges		627	
Total Community Services			\$ 415,211

## Capital Outlay

**Regular Capital Outlay**

Building Construction	\$	1,803,995	
Building Improvements		940,784	
Total Regular Capital Outlay			2,744,779

Total School Federal Projects Fund \$ 5,856,797

**Central Cafeteria Fund**

## Operation of Non-Instructional Services

**Food Service**

Supervisor/Director	\$	92,229	
Accountants/Bookkeepers		42,012	
Clerical Personnel		21,841	
Cafeteria Personnel		761,464	
Other Salaries and Wages		13,901	
Social Security		57,470	
Pensions		45,452	
Medical Insurance		16,500	
Unemployment Compensation		178	
Employer Medicare		13,441	
Communication		3,322	
Maintenance and Repair Services - Equipment		3,080	
Pest Control		1,995	
Printing, Stationery, and Forms		1,424	
Travel		2,986	
Other Contracted Services		30,065	
Data Processing Supplies		2,889	
Equipment and Machinery Parts		9,107	
Food Supplies		1,181,462	

(Continued)

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

Discretely Presented Smith County School Department (Cont.)

**Central Cafeteria Fund (Cont.)**

Operation of Non-Instructional Services (Cont.)

**Food Service (Cont.)**

Office Supplies	\$	3,559	
Uniforms		1,421	
USDA - Commodities		156,422	
Other Supplies and Materials		112,768	
In Service/Staff Development		1,811	
Fines, Assessments, and Penalties		13,195	
Refund to Applicant for Criminal Investigation		1,226	
Food Service Equipment		88,489	
Total Food Service			\$ 2,679,709

Total Central Cafeteria Fund		\$	2,679,709
------------------------------	--	----	-----------

**Internal School Fund**

Operation of Non-Instructional Services

**Community Services**

Other Charges	\$	1,546,911	
Total Community Services			\$ 1,546,911

Total Internal School Fund			1,546,911
----------------------------	--	--	-----------

Total Governmental Funds - Smith County School Department			\$ 40,892,609
---	--	--	---------------

**SMITH COUNTY, TENNESSEE**  
**Schedule of Detailed Revenues and Expenses**  
Proprietary Fund  
**For the Year Ended June 30, 2024**

	Business-type Activities -
	Major Enterprise Fund
	Solid Waste Disposal Fund
<hr/>	
<b>Revenues</b>	
Operating Revenues	
<b>Licenses and Permits</b>	
Other Permits	\$ 720
<b>Charges for Current Services</b>	
Tipping Fees	7,221,062
Surcharge - Waste Tire Disposal	9,067
<b>Other Local Revenues</b>	
<b>Recurring Items</b>	
Sale of Recycled Materials	23,531
Miscellaneous Refunds	18,708
Total Operating Revenues	<u>\$ 7,273,088</u>
Nonoperating Revenues	
Sale of Assets	<u>\$ 71,700</u>
Total Nonoperating Revenues	<u>\$ 71,700</u>
Total Revenues	<u><u>\$ 7,344,788</u></u>
 <b>Expenses</b>	
Operating Expenses	
<b>Waste Pickup</b>	
Overtime Pay	\$ 3,743
Other Salaries and Wages	21,340
Social Security	1,903
Pensions	1,505
Communication	326
Maintenance and Repair Services - Equipment	10,166
Gasoline	5,985
<b>Convenience Centers</b>	
Overtime Pay	2,323
Other Salaries and Wages	239,938
Social Security	18,533
Communication	8,150
Maintenance and Repair Services - Buildings	8,455
Maintenance and Repair Services - Equipment	11,611
Medical and Dental Services	30
Rentals	6,000
Utilities	11,678
Other Contracted Services	26,070
Other Supplies and Materials	210

(Continued)

**SMITH COUNTY, TENNESSEE**  
**Schedule of Detailed Revenues and Expenses**  
 Proprietary Fund (Cont.)

		Business-type Activities - <b>Major</b> <b>Enterprise</b> <b>Fund</b> Solid Waste Disposal Fund
<hr/>		
<b>Expenses (Cont.)</b>		
Operating Expenses (Cont.)		
<b>Landfill Operation and Maintenance</b>		
Supervisor/Director	\$	70,554
Longevity Pay		2,944
Overtime Pay		90,755
Other Salaries and Wages		550,227
Social Security		53,991
Pensions		28,766
Advertising		560
Bank Charges		500
Communication		8,659
Contracts with Private Agencies		52,150
Engineering Services		86,538
Lease Payments		523,323
Maintenance and Repair Services - Buildings		14,750
Maintenance and Repair Services - Equipment		472,227
Medical and Dental Services		710
Rentals		273,704
Other Contracted Services		329,261
Gasoline		359,556
Office Supplies		1,991
Uniforms		848
Utilities		15,053
Other Supplies and Materials		20,087
Liability Insurance		15,000
Trustee's Commission		74,681
Vehicle and Equipment Insurance		30,000
Workers' Compensation Insurance		34,936
Depreciation		1,657,501
Other Charges		344,036
Motor Vehicles		56,000
Data Processing Equipment		6,320
<b>Other Operations</b>		
Medical Insurance		88,216
Total Operating Expenses	\$	<u>5,641,810</u>
Nonoperating Expenses		
Interest on Bonds	\$	34,450
Interest on Notes		51,750
Interest on Other Notes		65,098
Total Nonoperating Expenses	\$	<u>151,298</u>
Total Expenses	\$	<u><u>5,793,108</u></u>

## SINGLE AUDIT SECTION



JASON E. MUMPOWER  
*Comptroller*

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Smith County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Smith County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated February 10, 2025. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of Smith County School Department (a discretely presented component unit), as described in our report on Smith 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 Smith County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Smith County's internal control. Accordingly, we do not express an opinion on the effectiveness of Smith County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified the following deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be significant deficiencies: 2024-001 and 2024-003.



## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Smith 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.


## Smith County's Responses to Findings

*Government Auditing Standards* requires the auditor to perform limited procedures on Smith County's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Smith 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 Smith 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 10, 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**

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

To the County Mayor and Board of County Commissioners:

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Smith 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 Smith County's major federal programs for the year ended June 30, 2024. Smith 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, Smith 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 Smith 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 Smith 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 Smith 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 Smith 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 Smith 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 Smith 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 Smith 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 Smith County's internal control over compliance. Accordingly, no such opinion is expressed.

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

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

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

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

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


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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Smith County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Smith County's basic financial statements. We issued our report thereon dated February 10, 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 10, 2025

JEM/gc

**SMITH COUNTY, TENNESSEE, AND THE SMITH COUNTY SCHOOL DEPARTMENT**  
**Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7) (8)**  
**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: (5)				
School Breakfast Program	10.553	(3)	\$ 0	\$ 471,558
National School Lunch Program	10.555	(3)	0	1,064,786 (6)
Farm to School Grant Program	10.575	(3)	0	89,991
COVID 19 - Pandemic EBT Administrative Costs	10.649	(3)	0	3,256
Passed-through State Department of Agriculture:				
Child Nutrition Cluster: (5)				
National School Lunch Program (Commodities - Noncash Assistance)	10.555	(3)	0	156,422 (6)
Rebate of Storage and Distribution Fees	10.555	(3)	0	3,779 (6)
National School Lunch Program	10.555	(3)	0	75,735 (6)
Total U.S. Department of Agriculture				<u>\$ 1,865,527</u>
U.S. Department of Housing and Urban Development:				
Passed-through State Department of Health:				
Community Development Block Grants/State's Program	14.228	(3)	0	\$ 349,921 (6)
Passed-through State Department of Economic and Community Development:				
Community Development Block Grants/State's Program	14.228	(3)	0	20,666 (6)
Total U.S. Department of Housing and Urban Development				<u>\$ 370,587</u>
U.S. Department of the Interior:				
Direct Program:				
Payments in Lieu of Taxes	15.226	N/A	0	\$ 961 (6)
COVID 19 - Payments in Lieu of Taxes	15.226	N/A	0	19,271 (6)
Total U.S. Department of the Interior				<u>\$ 20,232</u>
U.S. Department of Justice:				
Direct Program:				
Public Safety Partnership and Community Policing Grants	16.710	N/A	0	<u>\$ 237,862</u>
Total U.S. Department of Justice				<u>\$ 237,862</u>
U.S. Department of the Treasury:				
Direct Program:				
COVID 19 - Local Assistance and Tribal Consistency Fund	21.032	N/A	0	\$ 50,000
Passed-through State Department of Environment and Conservation:				
COVID 19 - Coronavirus State And Local Fiscal Recovery Funds	21.027	32701-05153 (4)	11,317	11,317 (6)
Passed-through State Department of Education:				
COVID 19 - Coronavirus State And Local Fiscal Recovery Funds	21.027	(3)	0	13,541 (6)
Total U.S. Department of the Treasury				<u>\$ 74,858</u>
U.S. National Foundation on the Arts and the Humanities:				
Passed-through Secretary of State:				
Grants to States	45.310	(3)	0	<u>\$ 1,492</u>
Total U.S. National Foundation on the Arts and the Humanities				<u>\$ 1,492</u>
U.S. Department of Education:				
Passed-through State Department of Education:				
Title I Grants to Local Educational Agencies	84.010	(3)	0	\$ 764,880
Special Education Cluster: (5)				
Special Education - Grants to States	84.027	(3)	0	812,825 (6)
COVID 19 - Special Education - Grants to States	84.027X	(3)	0	5,302 (6)
Special Education - Preschool Grants	84.173	(3)	0	28,423 (6)
COVID 19 - Special Education - Preschool Grants	84.173X	(3)	0	767 (6)

(Continued)

**SMITH COUNTY, TENNESSEE, AND THE SMITH COUNTY SCHOOL DEPARTMENT**  
**Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7) (8) (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 Education (Cont.):				
Passed-through State Department of Education (Cont.):				
Career and Technical Education - Basic Grants to States	84.048	(3)	\$ 0	\$ 52,560
Twenty-first Century Community Learning Centers	84.287	(3)	0	415,211
Rural Education	84.358	(3)	0	1,089
Supporting Effective Instruction State Grants	84.367	(3)	0	208,944
Comprehensive Literacy Development	84.371C	(3)	0	101,767
Student Support and Academic Enrichment Program	84.424	(3)	0	36,177
COVID 19 - Education Stabilization Fund - Elementary and Secondary				
School Emergency Relief Fund (ESSER II)	84.425D	(3)	0	1,023,881 (6)
COVID 19 - American Rescue Plan - Education Stabilization Fund Program -				
Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	(3)	0	2,394,644 (6)
COVID 19 - American Rescue Plan - Elementary and Secondary School Emergency				
Relief Fund (ESSER ARP, Homeless Children and Youth)	84.425W	(3)	0	8,710 (6)
Passed-through State Department of Human Resources:				
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	(3)	0	84,985
Total U.S. Department of Education				<u>\$ 5,940,165</u>
U.S. Election Assistance Commission:				
Passed-through Secretary of State:				
2018 HAVA Election Security Grants	90.404	(3)	0	<u>\$ 157,565</u>
Total U.S. Election Assistance Commission				<u>\$ 157,565</u>
U.S. Department of Health and Human Services:				
Passed-through State Department of Disability and Aging:				
Aging Cluster: (5)				
Special Programs for the Aging, Title III, Part B, Grants for Supportive				
Services and Senior Centers	93.044	(3)	0	\$ 26,342
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	(3)	0	3,962
Passed-through State Department of Health:				
Title V State Sexual Risk Avoidance Education	93.235	GG-23-76137-00	0	45,006
Passed-through State Department of Mental Health and Substance Abuse Services:				
Temporary Assistance for Needy Families	93.558	(3)	0	64,716
Opioid STR	93.788	78005	0	262,097
Block Grants for Prevention and Treatment of Substance Abuse	93.959	73278	0	53,883 (6)
Block Grants for Prevention and Treatment of Substance Abuse	93.959	73278	0	84,634 (6)
Passed-through State Department of Education:				
Public Health Emergency Response: Cooperative Agreement for Emergency				
Response: Public Health Crisis Response	93.354	(3)	0	12,500
Total U.S. Department of Health and Human Services				<u>\$ 553,140</u>
U.S. Department of Homeland Security:				
Passed-through State Department of Military:				
Disaster Grants - Public Assistance	97.036	(3)	0	\$ 151,016
Emergency Management Performance Grants	97.042	(3)	0	31,380
Total U.S. Department of Homeland Security				<u>\$ 182,396</u>
Total Expenditures of Federal Grants				<u>\$ 9,403,824</u>

(Continued)

**SMITH COUNTY, TENNESSEE, AND THE SMITH COUNTY SCHOOL DEPARTMENT**  
**Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7) (8) (Cont.)**

Federal/Pass-through Agency/State Grantor Program Title	Assistance Listing Number	Contract Number	Expenditures
<b>State Grants</b>			
No Kid Hungry Grant - No Kid Hungry Tennessee	N/A	(3)	\$ 9,800
HAVA Election Security Grants - Secretary of State	N/A	(3)	31,520
State Supplemental Juvenile Court Improvement Funds - State Department of Children Services	N/A	(3)	9,000
Early Childhood Education - State Department of Education	N/A	(3)	438,170
Learning Camp Transportation - State Department of Education	N/A	(3)	37,215
Public School Security Grant - State Department of Education	N/A	(3)	120,937
State Matching - State Department of Education	N/A	(3)	17,615
Summer Learning Camp - State Department of Education	N/A	(3)	123,101
Supporting Postsecondary Access in Rural Counties - State Department of Education	N/A	(3)	585,786
Youth Risk Behavior Surveillance System - State Department of Education	N/A	(3)	1,800
Local Health Services Grant - State Department of Health	N/A	(3)	118,487
Addictions Recovery Program - Tennessee Certified Recovery Court Program (TCRP) - State Department of Mental Health and Substance Abuse Services	N/A	(3)	14,825
Coalitions EUDL - State Department of Mental Health and Substance Abuse Services	N/A	(3)	25,686
Tennessee Certified Recovery Court Program (TCRP) - State Department of Mental Health and Substance Abuse Services	N/A	(3)	91,387
SRO Grant - State Department of Safety and Homeland Security	N/A	(3)	675,000
Litter Program - State Department of Transportation	N/A	(3)	52,205
VCIF Community Crime Prevention - State Office of Criminal Justice Programs	N/A	(3)	55,498
AOC Security Grant - Tennessee Administrative Office of the Courts	N/A	(3)	67,716
Court Security Grant - Tennessee Administrative Office of the Courts	N/A	(3)	62,504
FY24 Training Equipment Grants - Tennessee Corrections Institute	N/A	(3)	10,341
Aging Program - Upper Cumberland Development District	N/A	(3)	32,798
Total State Grants			<u>\$ 2,581,393</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) Smith County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.  
(3) Information not available.  
(4) SUBRECIPIENT AMOUNTS

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

Subrecipient	ALN	Amount Provided to Subrecipients
Dekalb County Utility District	21.027	\$ 11,317
Total amounts provided to subrecipients		<u>\$ 11,317</u>

- (5) Child Nutrition Cluster total \$1,772,280; Special Education Cluster total \$847,317; Aging Cluster total \$30,304.  
(6) Total for ALN 10.555 is \$1,300,722; Total for ALN 14.228 is \$370,587; Total for ALN 15.226 is \$20,232; Total for ALN 21.027 is \$24,858;  
Total for ALN 84.027 is \$818,127; Total for ALN 84.173 is \$29,190; Total for ALN 84.425 is \$3,427,235; Total for ALN 93.959 is \$138,517.

(7) AMOUNTS TRANSFERRED

Program Title	Amounts Transferred
Transferred from Title II, Part A (ALN 84.367) to Title I (ALN 84.010)	\$ 28,000
Transferred from Title IV (ALN 84.424) to Title I (ALN 84.010)	39,500
Total amounts transferred	<u>\$ 67,500</u>

(8) 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	\$ 121,687
Supporting Effective Instruction State Grants	84.367	20,798
Student Support and Academic Enrichment Program	84.424	1,089
		<u>\$ 143,574</u>

**SMITH 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 Smith County, Tennessee, for the year ended June 30, 2024.

**Prior-year Financial Statement Findings**

Fiscal Year	Page Number	Finding Number	Title of Finding	ALN	Current Status
<b>OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS</b>					
2023	208	2023-001	The Solid Waste Disposal Fund had a deficit in unrestricted net position.	N/A	Not Corrected - See Explanation on Corrective Action Plan
<b>OFFICE OF DIRECTOR OF SCHOOLS</b>					
2023	209	2023-002	Deficiencies were noted in amounts reported as compensation for the Director of Schools to the Tennessee Consolidated Retirement System.	N/A	Corrected
2023	210	2023-003	The school department was assessed a penalty of \$59,509 by the Internal Revenue Service for noncompliance with the Affordable Care Act.	N/A	Not Corrected - See Explanation on Corrective Action Plan
2023	210	2023-004	Material audit adjustments were required for proper financial statement presentation.	N/A	Corrected

**Prior-year Federal Awards Findings**

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



---

---

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

---

---

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

**Financial Statements:**

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

**Federal Awards:**

4. Internal Control Over Major Federal Programs:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
  - \* Assistance Listing Numbers: 84.027 and 84.173      Special Education Cluster:  
Special Education - Grants to States and  
Special Education - Preschool Grants
  - \* Assistance Listing Number: 84.425      COVID 19 - Education Stabilization Fund
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **NO**

## PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

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

### OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS

FINDING 2024-001

#### **THE SOLID WASTE DISPOSAL FUND HAD A DEFICIT IN UNRESTRICTED NET POSITION**

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The Solid Waste Disposal Fund had a deficit of \$15,668,778 in unrestricted net position on June 30, 2024. This deficit resulted from the recognition of a liability of \$21,161,663 in the financial statements for costs associated with closing the county's landfill and monitoring the landfill for 30 years after its closure. Generally accepted accounting principles and state statutes require that such costs be reflected in the financial statements. This deficiency is the result of management's failure to correct the finding reported in prior-year audit reports.

#### **RECOMMENDATION**

County officials should develop and implement a plan that would fund the deficit in unrestricted net position.

### MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

No formal management's response was submitted. An explanation to the finding is included in the Corrective Action Plan.

---

### OFFICE OF DIRECTOR OF SCHOOLS

FINDING 2024-002

#### **THE SCHOOL DEPARTMENT WAS ASSESSED A PENALTY OF \$73,079 BY THE INTERNAL REVENUE SERVICE FOR NONCOMPLIANCE WITH THE AFFORDABLE CARE ACT**

(Noncompliance Under *Government Auditing Standards*)

During the year, the school department paid a penalty of \$73,079 to the Internal Revenue Service for failure to comply with the Affordable Care Act for 2021. The school department provides health insurance coverage to its employees; however, this coverage was not in compliance with federal regulations for certain employees. This deficiency resulted from a management decision and failure to correct the prior-year finding.

#### **RECOMMENDATION**

The school department should ensure the health insurance coverage provided to its employees complies with the Affordable Care Act.

## MANAGEMENT’S RESPONSE – DIRECTOR OF SCHOOLS

We concur. Beginning January 2025, non- certified employees of SCBOE were offered affordable health insurance. Each full-time non-certified employee was offered a free medical health insurance policy.

---

FINDING 2024-003

### QUESTIONABLE TRAVEL AND CELL PHONE/DATA REIMBURSEMENTS WERE PAID TO THE DIRECTOR OF SCHOOLS

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

On April 19, 2022, the Smith County Board of Education voted to amend and extend the director of school’s (director) existing contract. The amended contract included the following “The BOARD shall reimburse the DIRECTOR for all actual necessary travel and other expenses required in the performance of the official duties during employment under this Contract subject to such limitations as provided by law and by BOARD policy. If approved in FY 2023/24 Budget the DIRECTOR shall receive a monthly reimbursement of \$1,000 covering travel and for a cell phone/data reimbursement.”

The director received 12 payments of \$1,000 coded to travel during the audit period. The only supporting documentation for these payments was a copy of the director’s contract. It should be noted that the director also submitted and received payment for 11 detailed travel claims totaling \$5,406.84 coded to travel. The payment of \$12,000 for travel and cell phone/data reimbursement in addition to paying actual travel expenses is questionable.

## RECOMMENDATION

School officials should seek an explanation and/or reimbursement for the questionable payments.

## MANAGEMENT’S RESPONSE – DIRECTOR OF SCHOOLS

We do not concur.

The auditors have failed to consider plain language of the provisions within the Director's contract, which we believe are relevant to the findings and conclusions presented.

1. **Compensation Structure:** The Director of Schools' contract clearly specifies two forms of compensation is to be paid:
  - **Reimbursement for Travel and Expenses:** The Director is reimbursed for all actual and necessary travel and other expenses incurred in the performance of official duties, in accordance with applicable laws and Board policy.
  - **Monthly Reimbursement:** In addition, the Director receives a monthly reimbursement of \$1,000. This is specifically for travel and cell phone/data reimbursement, as outlined in the contract.

The Director has received compensation in strict accordance with these provisions. These forms of compensation are not discretionary but are required as part of the contract between the Director and the Board of Education. County Finance has continued to pay these amounts in the same manner as the Board of Education. As explained in the exit conference held on February 10, 2025, when the contract was negotiated, the \$1000 monthly reimbursement was negotiated in response from the Tennessee School Board Association

(TSBA)'s suggestion that Director Barry H. Smith should receive an allowance for a vehicle and cell phone. This amount was significantly less than the amount suggested by the TSBA.

2. **Authority of the Board of Education:** The Board of Education operates under the authority granted by **Tenn. Code Ann. § 49-2-203**, which explicitly permits the Board to enter into a written contract with the Director of Schools. This contract is subject to negotiation between the Board and the Director, and the terms agreed upon in that contract are binding.

As such, the Board of Education has the full authority to establish the terms of the Director's compensation, including the monthly reimbursement of \$1,000 for travel and cell phone/data expenses. The Board is not required to provide any additional substantiation for this payment beyond the written contract, which both parties have agreed to.

3. **Good Faith Performance of the Contract:** The payments made to the Director, including the monthly \$1,000 reimbursement, have been executed in good faith and are in full compliance with the terms of the contract. Any failure to make these payments would result in a breach of the contract by the Board of Education, as the contract clearly mandates these payments as part of the compensation associated with the Director's employment.

The Board of Education has acted in good faith in fulfilling its obligations under the Director's contract. We strongly reject the audit finding as it fails to account for the full scope of the Director's compensation as defined by the contract, and we assert that the payments were made in accordance with the legal authority and contractual terms governing the Director's employment.

We trust that this clarification will address the concerns raised in the audit.

#### **AUDITOR'S COMMENT**

The contract language allowing reimbursement for actual travel expenses along with a monthly stipend of \$1,000 for travel/cell phone expenses is contradictory and results in paying for the same expenses multiple times. In this instance, both the stipend and the reimbursements are for local travel expenses. At a minimum, the contract language needs to be reconsidered and amended.

### **PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

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

**SMITH 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
-------------------	------------------	---------------------------------------

**OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS**

2024-001	The Solid Waste Disposal Fund had a deficit in unrestricted net position.	207
----------	---	-----

**OFFICE OF DIRECTOR OF SCHOOLS**

2024-002	The school department was assessed a penalty of \$73,079 by the Internal Revenue Service for noncompliance with the Affordable Care Act.	208
----------	--	-----

2024-003	Questionable travel and cell phone/data reimbursements were paid to the Director of Schools.	209
----------	--	-----

***Smith County Finance  
122 Turner High Circle  
Carthage, TN 37030  
615-588-1595***

**FINDING:** **THE SOLID WASTE DISPOSAL FUND HAD A DEFICIT  
IN UNRESTRICTED NET POSITION**

**Response and Corrective Action Plan Prepared by:**  
Daisy Denton, Director of Accounts and Budgets

**Person Responsible for Implementing the Corrective Action:**  
Daisy Denton, Director of Accounts & Budgets

**Anticipated Completion Date of Corrective Action:**  
unknown

**Repeat Finding:**  
Yes

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

Residents of Smith County do not fund any of the cost of the operation and maintenance of the landfill or its convenience sites located throughout the county, as they do not pay any fee for use and no portion of local tax dollars go into the solid waste fund. The entire operation and maintenance depend on the tipping fees collected from private businesses, contracts and out of county residents who use the landfill and sites. The costs for the solid waste fund are accrued for future years and reported in comparison to current assets and cash. As Smith County can close portions of the landfill, the deficit will be reduced, but until then, the finding will continue.

**Planned Corrective Action:**

Smith County continues the goal to build a stronger fund balance that can support the reduction of the deficit in unrestricted net position.

Signature: \_\_\_\_\_

*Daisy Denton*

**SMITH COUNTY SCHOOLS**  
**126 Smith County Middle School Lane**  
**Carthage, Tennessee 37030**

---

Barry H. Smith, Director of Schools  
(615) 735-9625  
(615) 735-8271 Fax

Corrective Action Plan

FINDING 2024-001 THE SCHOOL DEPARTMENT WAS ASSESSED A  
PENALTY OF \$73,079 BY THE INTERNAL REVENUE  
SERVICE FOR NONCOMPLIANCE WITH THE  
AFFORDABLE CARE ACT  
(Noncompliance Under Government Auditing Standards)

During the year, the school department paid a penalty of \$73,079 to the Internal Revenue Service for failure to comply with the Affordable Care Act for 2021. The school department provides health insurance coverage to its employees; however, this coverage was not in compliance with federal regulations for certain employees. This deficiency is the result of a lack of management oversight, management's failure to correct the finding noted in the prior-year audit report, and the failure to implement their corrective action plan.

Management Response to Finding: We concur with the finding.

Response and Corrective Action Plan Prepared by:

Norma Mitchell, Budget Supervisor

Person Responsible for Implementing the Corrective Action:

Barry Smith, Director

Anticipated Completion Date of Corrective Action:

January 1, 2025

Repeat Finding: Yes

Reason Corrective Action was Not Taken in the Prior Year:

Cost was considered excessive to tax payers of Smith County.

Planned Corrective Action:

Prior to 2024, SCBOE paid the penalty as that was a large cost-savings factor for the County. As of January 1, 2025, all fulltime non-certified employees of SCBOE were offered affordable insurance, giving each employee a free medical health insurance policy, with the annual cost exceeding \$1M.



FINDING 2024-002 QUESTIONABLE TRAVEL AND CELL PHONE/DATA  
REIMBURSEMENTS WERE PAID TO THE DIRECTOR  
OF SCHOOLS

(Internal Control – Significant Deficiency Under  
Government Auditing Standards)

On April 19, 2022, the Smith County Board of Education voted to amend and extend the director of school's (director) existing contract. The amended contract included the following "The BOARD shall reimburse the DIRECTOR for all actual necessary travel and other expenses required in the performance of the official duties during employment under this Contract subject to such limitations as provided by law and by BOARD policy. If approved in FY 2023/24 Budget the DIRECTOR shall receive a monthly reimbursement of \$1,000 covering travel and for a cell phone/data reimbursement."

The director received 12 payments of \$1,000 coded to travel during the audit period. The only supporting documentation for these payments was a copy of the director's contract. It should be noted that the director also submitted and received payment for 11 detailed travel claims totaling \$5,406.84 coded to travel. The payment of \$12,000 for travel and cell phone/data reimbursement in addition to paying actual travel expenses is questionable.

Management Response to Finding: We do not concur with the finding.

Response and Corrective Action Plan Prepared by:

Norma Mitchell, Budget Supervisor

Person Responsible for Implementing the Corrective Action:

Barry Smith, Director

Anticipated Completion Date of Corrective Action:

June 30, 2025

Repeat Finding: No

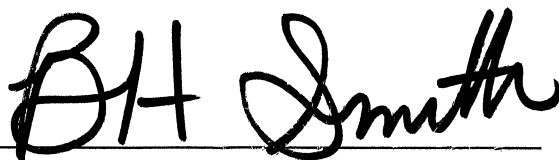
Reason Corrective Action was Not Taken in the Prior Year: N/A

Planned Corrective Action:.

The Board of Education will discuss with the attorney for possible remedies that would appease audit and still provide autonomy to the Board in contracting with the Director of Schools as provided under Tennessee law.

At present, County Finance is also making these payments in the same manner they were paid by the Board of Education.

Signature: \_\_\_\_\_

A handwritten signature in black ink, appearing to read "BH Smith", written over a horizontal line.