



## ANNUAL FINANCIAL REPORT

# Hardeman County, Tennessee

*For the Year Ended June 30, 2025*

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



**DIVISION OF  
LOCAL GOVERNMENT AUDIT**

**ANNUAL FINANCIAL REPORT**  
**HARDEMAN COUNTY, TENNESSEE**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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

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

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

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

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# HARDEMAN COUNTY, TENNESSEE

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## Summary of Audit Findings

Annual Financial Report  
Hardeman County, Tennessee  
For the Year Ended June 30, 2025

### *Scope*

We have audited the basic financial statements of Hardeman County as of and for the year ended June 30, 2025.

### *Results*

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

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

### *Findings*

The following are summaries of the audit findings:

#### **OFFICE OF COUNTY MAYOR**

- ◆ The office had deficiencies in budget operations.
- ◆ The office did not review its software audit logs.

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

- ◆ Several budget amendments posted in the General Purpose School Fund were not approved by the county commission.

#### **OFFICE OF COUNTY CLERK**

- ◆ The office did not review its software audit logs.
- ◆ An investigation disclosed the county clerk charged unlawful fees to officiate marriage ceremonies.



## **OFFICE OF JUVENILE COURT CLERK**

- ◆ The office had accounting deficiencies.

## **OFFICE OF SHERIFF**

- ◆ Profits earned from commissary operations were not remitted to the county trustee monthly.



## INTRODUCTORY SECTION



# HARDEMAN COUNTY OFFICIALS

June 30, 2025

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## Officials

Todd Pulse, County Mayor  
Casey Swift, Highway Superintendent  
Christy Smith, Director of Schools  
Sandy Hammons, Trustee  
Josh Pulse, Assessor of Property  
Tonet Griggs, County Clerk  
Eunice Gudger, Circuit and General Sessions Courts Clerk  
Kimberly Paras, Clerk and Master  
Lily Barnes, Register of Deeds  
John Doolen, Sheriff

## Board of County Commissioners

Todd Pulse, County Mayor, Chairman  
David Bell  
Cory Bufford  
Russell DeBerry  
Michion Gatlin  
Mark Gilliam  
Brad Grantham  
Bobby Hensley  
Joseph Jenkins

Jeff Kennamore  
Chandra Lake  
Johnny Lanier  
Bethany Miller  
Jackie Sain  
John Vickers  
Johnny Weems  
Bobby Wright

## Board of Highway Supervisors

Danny Davila, Chairman  
Mark McCrory  
John Mitchell

## Board of Education

Bobby Henderson, Chairman  
Kenny Adkins  
Jennifer Aylor  
Patricia Carter  
Johnny Davis

Anthony Ford  
Brad Polk  
Gene Ross  
Stacey Swift

## Audit Committee

Mark Gilliam, Chairman  
David Bell  
Cory Bufford

Don Cherry  
Calvin Howell  
Chandra Lake

## FINANCIAL SECTION



JASON E. MUMPOWER  
*Comptroller*

## **Independent Auditor's Report**

Hardeman County Mayor and  
Board of County Commissioners  
Hardeman 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 Hardeman County, Tennessee, as of and for the year ended June 30, 2025, 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 Hardeman County, Tennessee, as of June 30, 2025, 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 Hardeman County School Department (a discretely presented component unit), which represent 2.1 percent, 2.5 percent, and 2.6 percent, respectively, of the assets, net position, and revenues of the discretely presented component unit as of June 30, 2025. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Hardeman County School Department's Internal School Fund, is based solely on the report of the other auditors.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Hardeman 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., Hardeman County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences* and GASB Statement No. 102, *Certain Risk Disclosures*. GASB 101 updates the recognition and measurement guidance for compensated absences under a unified model and amends certain previously required disclosures. GASB 102 provides users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

### ***Emphasis of Matter***

We draw attention to Note I.D.9. to the financial statements, which describes restatements to the beginning Governmental Activities net position totaling (\$202,512) for the governmental activities of the primary government, (\$4,898) for the business-type activities, and (\$129,542) for the discretely presented Hardeman County School Department. These restatements were necessary because of the transitional requirements of GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

### ***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 Hardeman 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 Hardeman County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Hardeman County's ability to continue as a going concern for a reasonable period of time.

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

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

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

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Hardeman County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds, combining and individual fund financial statements of the Hardeman 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, combining and individual fund financial statements of the Hardeman 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***

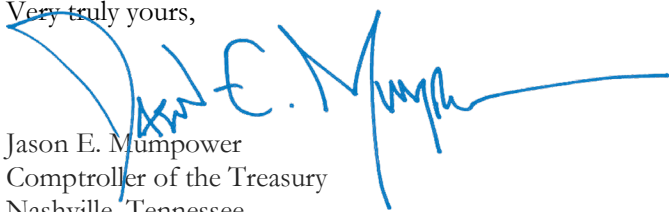
Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, 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 October 6, 2025, on our consideration of Hardeman County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Hardeman 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 Hardeman County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

October 6, 2025

JEM/gc

## BASIC FINANCIAL STATEMENTS SECTION

**HARDEMAN COUNTY, TENNESSEE**  
**Statement of Net Position**  
**June 30, 2025**

	<b>Primary Government</b>			<b>Component Unit</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Hardeman County School Department</b>
<b>ASSETS</b>				
Cash	\$ 85,695	\$ 340	\$ 86,035	\$ 1,195,586
Equity in Pooled Cash and Investments	14,478,483	2,086,484	16,564,967	18,269,926
Accounts Receivable	2,994,508	34,917	3,029,425	12,330
Allowance for Uncollectibles	(1,455,147)	(22,696)	(1,477,843)	0
Due from Other Governments	690,397	0	690,397	2,928,423
Property Taxes Receivable	6,381,198	0	6,381,198	6,141,710
Allowance for Uncollectible Property Taxes	(192,432)	0	(192,432)	(192,603)
Restricted Assets - Amounts Accumulated for Pension Benefits	0	0	0	539,659
Net Pension Asset - Teacher Retirement Plan	0	0	0	172,490
Net Pension Asset - Teacher Legacy Pension Plan	0	0	0	6,171,633
Capital Assets:				
Assets Not Depreciated:				
Land	1,757,650	219,838	1,977,488	358,116
Construction in Progress	0	0	0	1,528,840
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	8,622,882	728,653	9,351,535	16,298,461
Infrastructure	6,710,860	0	6,710,860	0
Other Capital Assets	4,935,591	1,105,186	6,040,777	2,284,327
Total Assets	<u>\$ 45,009,685</u>	<u>\$ 4,152,722</u>	<u>\$ 49,162,407</u>	<u>\$ 55,708,898</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Charge on Refunding	\$ 418,375	\$ 0	\$ 418,375	\$ 0
Pension Changes in Experience	959,622	50,081	1,009,703	2,386,732
Pension Changes in Assumptions	407,399	21,262	428,661	377,047
Pension Changes in Proportion	0	0	0	510,952
Pension Contributions After Measurement Date	719,871	34,036	753,907	1,504,044
OPEB Changes in Experience	0	0	0	173,378
OPEB Changes in Proportion	0	0	0	55,200
OPEB Changes in Assumptions	0	0	0	658,910
OPEB Contributions After Measurement Date	0	0	0	177,833
Total Deferred Outflows of Resources	<u>\$ 2,505,267</u>	<u>\$ 105,379</u>	<u>\$ 2,610,646</u>	<u>\$ 5,844,096</u>

(Continued)



**HARDEMAN 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>Hardeman County School Department</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 123,868	\$ 41,274	\$ 165,142	\$ 98
Accrued Payroll	1,865	0	1,865	324,617
Payroll Deductions Payable	179,514	1,571	181,085	11,771
Claims and Judgments	4,592,317	0	4,592,317	0
Due to State of Tennessee	51,567	0	51,567	0
Accrued Interest Payable	41,381	0	41,381	0
Noncurrent Liabilities:				
Due Within One Year - Debt	680,000	88,246	768,246	0
Due Within One Year - Other	45,058	81,226	126,284	353,881
Due in More Than One Year - Debt	14,434,254	280,818	14,715,072	0
Due in More Than One Year - Other	610,222	1,769,275	2,379,497	4,408,820
Total Liabilities	<u>\$ 20,760,046</u>	<u>\$ 2,262,410</u>	<u>\$ 23,022,456</u>	<u>\$ 5,099,187</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Current Property Taxes	\$ 5,987,548	\$ 0	\$ 5,987,548	\$ 5,738,795
Pension Changes in Experience	141,692	7,395	149,087	160,291
Pension Changes in Investment Earnings	293,221	15,303	308,524	1,453,121
Pension Changes in Proportion	0	0	0	25,650
OPEB Changes in Experience	0	0	0	304,016
OPEB Changes in Proportion	0	0	0	239,137
OPEB Changes in Assumptions	0	0	0	323,103
Total Deferred Inflows of Resources	<u>\$ 6,422,461</u>	<u>\$ 22,698</u>	<u>\$ 6,445,159</u>	<u>\$ 8,244,113</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	\$ 7,526,507	\$ 1,684,613	\$ 9,211,120	\$ 20,469,744
Restricted for:				
General Government	27,619	0	27,619	0
Finance	56,413	0	56,413	0
Administration of Justice	255,077	0	255,077	0
Public Safety	462,834	0	462,834	0
Public Health and Welfare	291,434	0	291,434	0
Highways/Public Works	207,980	0	207,980	0
Debt Service	387,838	0	387,838	0
Education	0	0	0	1,234,406
Instruction	0	0	0	38,327
Operation of Non-instructional Services	0	0	0	2,109,219
Pensions	0	0	0	6,344,123
Hybrid Retirement Stabilization Funds	0	0	0	539,659
Unrestricted	<u>11,116,743</u>	<u>288,380</u>	<u>11,405,123</u>	<u>17,474,216</u>
Total Net Position	<u>\$ 20,332,445</u>	<u>\$ 1,972,993</u>	<u>\$ 22,305,438</u>	<u>\$ 48,209,694</u>

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

**HARDEMAN COUNTY, TENNESSEE**  
**Statement of Activities**  
**For the Year Ended June 30, 2025**

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit
			Operating	Capital	Primary Government		Hardeman	
		Charges	Grants	Grants	Total	Business-	County	
Functions/Programs	Expenses	for	and	and	Governmental	type	School	
		Services	Contributions	Contributions	Activities	Activities	Department	
Primary Government:								
Governmental Activities:								
General Government	\$ 7,584,072	\$ 519,794	\$ 231,549	\$ 49,380	\$ (6,783,349)	\$ 0	\$ (6,783,349)	\$ 0
Finance	1,149,313	805,315	0	0	(343,998)	0	(343,998)	0
Administration of Justice	1,491,606	674,918	61,459	0	(755,229)	0	(755,229)	0
Public Safety	8,974,407	516,299	427,181	0	(8,030,927)	0	(8,030,927)	0
Public Health and Welfare	3,254,459	2,976,077	261,261	0	(17,121)	0	(17,121)	0
Social, Cultural, and Recreational Services	118,547	0	0	0	(118,547)	0	(118,547)	0
Agriculture and Natural Resources	131,881	0	0	0	(131,881)	0	(131,881)	0
Highways/Public Works	6,683,357	0	2,936,752	2,077,690	(1,668,915)	0	(1,668,915)	0
Interest on Long-term Debt	462,614	0	17,079	0	(445,535)	0	(445,535)	0
Total Governmental Activities	\$ 29,850,256	\$ 5,492,403	\$ 3,935,281	\$ 2,127,070	\$ (18,295,502)	\$ 0	\$ (18,295,502)	\$ 0
Business-type Activities:								
Solid Waste Disposal	\$ 1,688,055	\$ 1,430,392	\$ 12,031	\$ 0	\$ 0	\$ (245,632)	\$ (245,632)	\$ 0
Total Primary Government	\$ 31,538,311	\$ 6,922,795	\$ 3,947,312	\$ 2,127,070	\$ (18,295,502)	\$ (245,632)	\$ (18,541,134)	\$ 0
Component Unit:								
Hardeman County School Department	\$ 47,287,240	\$ 160,191	\$ 8,550,023	\$ 0	\$ 0	\$ 0	\$ 0	\$ (38,577,026)
Total Component Unit	\$ 47,287,240	\$ 160,191	\$ 8,550,023	\$ 0	\$ 0	\$ 0	\$ 0	\$ (38,577,026)

(Continued)

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

		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		Hardeman County School Department	
Functions/Programs	Expenses				Total Governmental Activities	Business-type Activities	Total	
General Revenues:								
Taxes:								
Property Taxes Levied for General Purposes					\$ 5,285,369	\$ 0	\$ 5,285,369	\$ 5,601,195
Property Taxes Levied for Debt Service					307,849	0	307,849	0
Local Option Sales Taxes					518,626	0	518,626	4,052,323
Wheel Tax					1,670,959	0	1,670,959	0
Litigation Tax					172,066	0	172,066	0
Business Tax					302,561	0	302,561	0
Wholesale Beer Tax					55,221	0	55,221	0
Other Local Taxes					59,352	0	59,352	10,419
Grants and Contributions Not Restricted for Specific Programs					1,608,449	0	1,608,449	29,665,544
Unrestricted Investment Income					1,171,230	76,152	1,247,382	228,979
Miscellaneous					42,454	277	42,731	187,217
Total General Revenues					\$ 11,194,136	\$ 76,429	\$ 11,270,565	\$ 39,745,677
Change in Net Position								
Net Position, July 1, 2024					\$ (7,101,366)	\$ (169,203)	\$ (7,270,569)	\$ 1,168,651
Restatement - See Note. I.D.9.					27,636,323	2,147,094	29,783,417	47,170,585
					(202,512)	(4,898)	(207,410)	(129,542)
Net Position, June 30, 2025					\$ 20,332,445	\$ 1,972,993	\$ 22,305,438	\$ 48,209,694

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

**HARDEMAN COUNTY, TENNESSEE**  
**Balance Sheet - Governmental Funds**  
**June 30, 2025**

	<b>Major Funds</b>		<b>Nonmajor Funds</b>	
		Highway / Public Works	Other Govern- mental Funds	Total Governmental Funds
	General			
<b>ASSETS</b>				
Cash	\$ 0	\$ 0	\$ 85,695	\$ 85,695
Equity in Pooled Cash and Investments	7,989,196	4,674,365	1,814,922	14,478,483
Accounts Receivable	2,983,180	11,131	197	2,994,508
Allowance for Uncollectibles	(1,455,147)	0	0	(1,455,147)
Due from Other Governments	169,929	520,028	440	690,397
Due from Other Funds	1,588	0	0	1,588
Property Taxes Receivable	6,029,071	0	352,127	6,381,198
Allowance for Uncollectible Property Taxes	(181,605)	0	(10,827)	(192,432)
Total Assets	<u>\$ 15,536,212</u>	<u>\$ 5,205,524</u>	<u>\$ 2,242,554</u>	<u>\$ 22,984,290</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 67,145	\$ 56,723	\$ 0	\$ 123,868
Accrued Payroll	1,865	0	0	1,865
Payroll Deductions Payable	175,902	3,612	0	179,514
Claims and Judgments Payable	4,592,317	0	0	4,592,317
Due to Other Funds	0	0	1,588	1,588
Due to State of Tennessee	51,567	0	0	51,567
Total Liabilities	<u>\$ 4,888,796</u>	<u>\$ 60,335</u>	<u>\$ 1,588</u>	<u>\$ 4,950,719</u>

(Continued)

**HARDEMAN COUNTY, TENNESSEE**  
**Balance Sheet - Governmental Funds (Cont.)**

	<b>Major Funds</b>		<b>Nonmajor Funds</b>	
		Highway / Public Works	Other Govern- mental Funds	Total Governmental Funds
	General			
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Current Property Taxes	\$ 5,657,821	\$ 0	\$ 329,727	\$ 5,987,548
Deferred Delinquent Property Taxes	177,740	0	10,844	188,584
Other Deferred/Unavailable Revenue	1,409,057	260,000	0	1,669,057
Total Deferred Inflows of Resources	<u>\$ 7,244,618</u>	<u>\$ 260,000</u>	<u>\$ 340,571</u>	<u>\$ 7,845,189</u>
<b>FUND BALANCES</b>				
Restricted:				
Restricted for General Government	\$ 27,619	\$ 0	\$ 0	\$ 27,619
Restricted for Finance	56,413	0	0	56,413
Restricted for Administration of Justice	255,077	0	0	255,077
Restricted for Public Safety	257,244	0	205,590	462,834
Restricted for Public Health and Welfare	291,434	0	0	291,434
Committed:				
Committed for Finance	0	0	84,304	84,304
Committed for Public Health and Welfare	118	0	0	118
Committed for Highways/Public Works	0	4,885,189	0	4,885,189
Committed for Debt Service	0	0	1,610,501	1,610,501
Assigned:				
Assigned for General Government	26,521	0	0	26,521
Assigned for Finance	14,145	0	0	14,145

(Continued)

**HARDEMAN COUNTY, TENNESSEE****Balance Sheet - Governmental Funds (Cont.)****FUND BALANCES (Cont.)**

Assigned (Cont.):

Assigned for Public Safety

Assigned for Public Health and Welfare

Unassigned

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

<b>Major Funds</b>		<b>Nonmajor Funds</b>	
	Highway / Public Works	Other Govern- mental Funds	Total Governmental Funds
General			
\$ 58,069	\$ 0	\$ 0	\$ 58,069
21,243	0	0	21,243
2,394,915	0	0	2,394,915
<u>\$ 3,402,798</u>	<u>\$ 4,885,189</u>	<u>\$ 1,900,395</u>	<u>\$ 10,188,382</u>
<u>\$ 15,536,212</u>	<u>\$ 5,205,524</u>	<u>\$ 2,242,554</u>	<u>\$ 22,984,290</u>

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

**HARDEMAN COUNTY, TENNESSEE****Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position****June 30, 2025**

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)		\$ 10,188,382
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 1,757,650	
Add: buildings and improvements net of accumulated depreciation	8,622,882	
Add: infrastructure net of accumulated depreciation	6,710,860	
Add: other capital assets net of accumulated depreciation	<u>4,935,591</u>	22,026,983
(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	\$ (14,950,000)	
Add: deferred amount on refunding	418,375	
Less: unamortized premium on debt	(164,254)	
Less: net pension liability	(257,320)	
Less: compensated absences payable	(397,960)	
Less: accrued interest payable	<u>(41,381)</u>	(15,392,540)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 2,086,892	
Less: deferred inflows of resources related to pensions	<u>(434,913)</u>	1,651,979
(4) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>1,857,641</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 20,332,445</u></u>

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

**HARDEMAN COUNTY, TENNESSEE**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances - Governmental Funds**  
**For the Year Ended June 30, 2025**

	<b>Major Funds</b>		<b>Nonmajor Funds</b>	
	<b>General</b>	<b>Highway / Public Works</b>	<b>Other Govern- mental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues</b>				
Local Taxes	\$ 6,529,757	\$ 805,478	\$ 1,176,548	\$ 8,511,783
Licenses and Permits	41,758	10	0	41,768
Fines, Forfeitures, and Penalties	284,251	0	43,180	327,431
Charges for Current Services	2,562,088	0	406,584	2,968,672
Other Local Revenues	1,405,054	52,922	0	1,457,976
Fees Received From County Officials	888,947	0	0	888,947
State of Tennessee	2,257,001	5,047,523	0	7,304,524
Federal Government	273,997	0	0	273,997
Other Governments and Citizens Groups	336,018	0	202,325	538,343
Total Revenues	<u>\$ 14,578,871</u>	<u>\$ 5,905,933</u>	<u>\$ 1,828,637</u>	<u>\$ 22,313,441</u>
<b>Expenditures</b>				
Current:				
General Government	\$ 2,018,748	\$ 0	\$ 0	\$ 2,018,748
Finance	559,825	0	406,584	966,409
Administration of Justice	1,084,057	0	0	1,084,057
Public Safety	8,363,390	0	99,881	8,463,271
Public Health and Welfare	3,247,674	0	0	3,247,674
Social, Cultural, and Recreational Services	118,547	0	0	118,547
Agriculture and Natural Resources	130,873	0	0	130,873
Other Operations	5,839,490	0	0	5,839,490
Highways	0	5,841,999	0	5,841,999

(Continued)



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

	<b>Major Funds</b>		<b>Nonmajor Funds</b>	
		Highway / Public Works	Other Govern- mental Funds	Total Governmental Funds
	General			
<b>Expenditures (Cont.)</b>				
Debt Service:				
Principal on Debt	\$ 0	\$ 0	\$ 665,000	\$ 665,000
Interest on Debt	0	0	463,455	463,455
Other Debt Service	0	0	18,373	18,373
Total Expenditures	<u>\$ 21,362,604</u>	<u>\$ 5,841,999</u>	<u>\$ 1,653,293</u>	<u>\$ 28,857,896</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (6,783,733)</u>	<u>\$ 63,934</u>	<u>\$ 175,344</u>	<u>\$ (6,544,455)</u>
<b>Other Financing Sources (Uses)</b>				
Insurance Recovery	\$ 92,835	\$ 66,841	\$ 49,595	\$ 209,271
Total Other Financing Sources (Uses)	<u>\$ 92,835</u>	<u>\$ 66,841</u>	<u>\$ 49,595</u>	<u>\$ 209,271</u>
Net Change in Fund Balances	\$ (6,690,898)	\$ 130,775	\$ 224,939	\$ (6,335,184)
Fund Balance, July 1, 2024	<u>10,093,696</u>	<u>4,754,414</u>	<u>1,675,456</u>	<u>16,523,566</u>
Fund Balance, June 30, 2025	<u><u>\$ 3,402,798</u></u>	<u><u>\$ 4,885,189</u></u>	<u><u>\$ 1,900,395</u></u>	<u><u>\$ 10,188,382</u></u>

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

**HARDEMAN 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, 2025**

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)		\$	(6,335,184)
(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	\$	1,511,188	
Less: current-year depreciation expense		<u>(3,231,818)</u>	(1,720,630)
(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			(78,431)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Add: deferred delinquent property taxes and other deferred June 30, 2025	\$	1,857,641	
Less: deferred delinquent property taxes and other deferred June 30, 2024		<u>(1,360,840)</u>	496,801
(4) The issuance of long-term debt (e.g., bonds, notes, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.			
Add: principal payments on bonds	\$	665,000	
Less: change in deferred amount on refunding debt		(52,086)	
Add: change in premium on debt proceeds		<u>17,079</u>	629,993
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in accrued interest payable	\$	841	
Change in net pension liability		143,453	
Change in deferred outflows related to pensions		(82,599)	
Change in deferred inflows related to pensions		(157,557)	
Change in compensated absences payable		<u>1,947</u>	(93,915)
Change in net position of governmental activities (Exhibit B)			<u><u>\$ (7,101,366)</u></u>

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

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

General Fund

**For the Year Ended June 30, 2025**

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Revenues</b>							
Local Taxes	\$ 6,529,757	\$ 0	\$ 0	\$ 6,529,757	\$ 5,849,164	\$ 5,857,464	\$ 672,293
Licenses and Permits	41,758	0	0	41,758	42,500	42,500	(742)
Fines, Forfeitures, and Penalties	284,251	0	0	284,251	289,200	289,200	(4,949)
Charges for Current Services	2,562,088	0	0	2,562,088	2,217,800	2,217,800	344,288
Other Local Revenues	1,405,054	0	0	1,405,054	1,375,025	1,375,025	30,029
Fees Received From County Officials	888,947	0	0	888,947	1,185,960	842,192	46,755
State of Tennessee	2,257,001	0	0	2,257,001	3,711,738	3,544,983	(1,287,982)
Federal Government	273,997	0	0	273,997	30,000	197,255	76,742
Other Governments and Citizens Groups	336,018	0	0	336,018	20,000	56,672	279,346
Total Revenues	\$ 14,578,871	\$ 0	\$ 0	\$ 14,578,871	\$ 14,721,387	\$ 14,423,091	\$ 155,780
<b>Expenditures</b>							
General Government							
County Commission	\$ 43,824	\$ 0	\$ 0	\$ 43,824	\$ 45,295	\$ 45,295	\$ 1,471
Board of Equalization	1,000	0	0	1,000	1,250	1,250	250
Beer Board	1,096	0	0	1,096	1,077	1,127	31
Budget and Finance Committee	1,819	0	0	1,819	2,153	2,153	334
Other Boards and Committees	6,426	0	0	6,426	5,883	6,833	407
County Mayor/Executive	274,312	0	0	274,312	281,002	281,002	6,690
County Attorney	330,887	0	0	330,887	325,000	331,000	113

(Continued)

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

General Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Expenditures (Cont.)</b>							
General Government (Cont.)							
Election Commission	\$ 684,260	\$ 0	\$ 20,375	\$ 704,635	\$ 687,591	\$ 714,611	\$ 9,976
Register of Deeds	216,052	0	0	216,052	223,177	223,177	7,125
Development	107,259	0	0	107,259	124,567	124,567	17,308
County Buildings	256,738	(12,635)	6,146	250,249	301,521	382,330	132,081
Other Facilities	72,788	(1,201)	0	71,587	80,284	80,284	8,697
Other General Administration	17,911	0	0	17,911	7,500	25,259	7,348
Preservation of Records	4,376	0	0	4,376	307,500	307,500	303,124
Finance							
Accounting and Budgeting	21,884	0	0	21,884	21,885	21,885	1
Purchasing	4,301	0	0	4,301	4,304	4,304	3
Property Assessor's Office	158,127	0	0	158,127	167,493	167,493	9,366
Reappraisal Program	186,829	0	0	186,829	216,081	216,081	29,252
County Trustee's Office	65,354	0	0	65,354	262,536	107,065	41,711
County Clerk's Office	123,330	(1,981)	14,145	135,494	365,582	184,785	49,291
Administration of Justice							
Circuit Court	444,305	0	0	444,305	461,619	464,419	20,114
General Sessions Court	174,545	(363)	0	174,182	171,033	172,378	(1,804)
Chancery Court	285,282	0	0	285,282	304,023	305,223	19,941
Juvenile Court	98,710	0	0	98,710	76,272	100,807	2,097
Courtroom Security	80,267	0	0	80,267	97,411	97,411	17,144
Victim Assistance Programs	948	0	0	948	1,000	1,000	52

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Expenditures (Cont.)</b>							
Public Safety							
Sheriff's Department	\$ 2,752,867	\$ (9,682)	\$ 56,182	\$ 2,799,367	\$ 2,638,191	\$ 3,179,899	\$ 380,532
Special Patrols	297,085	0	0	297,085	375,004	444,172	147,087
Workhouse	2,041,120	(101,614)	1,887	1,941,393	2,192,438	2,209,372	267,979
Juvenile Services	58,117	0	0	58,117	61,025	61,025	2,908
Fire Prevention and Control	297,947	0	0	297,947	150,000	364,809	66,862
Civil Defense	34,349	0	0	34,349	21,301	47,937	13,588
Other Emergency Management	283,158	0	0	283,158	283,200	283,200	42
County Coroner/Medical Examiner	24,989	0	0	24,989	50,000	50,000	25,011
Other Public Safety	2,573,758	0	0	2,573,758	0	2,618,362	44,604
Public Health and Welfare							
Local Health Center	136,615	0	0	136,615	530,620	557,422	420,807
Rabies and Animal Control	48,410	0	0	48,410	79,856	79,856	31,446
Ambulance/Emergency Medical Services	2,984,158	(6,391)	21,243	2,999,010	2,776,995	3,462,065	463,055
Dental Health Program	40,163	0	0	40,163	112,200	112,200	72,037
Sanitation Education/Information	38,328	0	0	38,328	46,500	46,500	8,172
Social, Cultural, and Recreational Services							
Libraries	118,547	0	0	118,547	118,547	118,547	0
Agriculture and Natural Resources							
Agricultural Extension Service	84,988	0	0	84,988	102,565	102,715	17,727
Forest Service	2,000	0	0	2,000	2,000	2,000	0
Soil Conservation	43,885	0	0	43,885	57,779	57,779	13,894

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Expenditures (Cont.)</b>							
Other Operations							
Industrial Development	\$ 25,250	\$ 0	\$ 0	\$ 25,250	\$ 25,750	\$ 25,750	\$ 500
Other Economic and Community Development	14,000	0	0	14,000	10,000	14,000	0
Airport	381,959	0	0	381,959	295,408	436,508	54,549
Veterans' Services	10,770	0	0	10,770	14,630	14,630	3,860
Other Charges	4,592,317	0	0	4,592,317	0	0	(4,592,317)
Contributions to Other Agencies	22,901	0	0	22,901	23,050	23,050	149
Employee Benefits	153,137	0	0	153,137	129,000	153,140	3
Miscellaneous	639,156	0	0	639,156	616,600	662,100	22,944
Total Expenditures	\$ 21,362,604	\$ (133,867)	\$ 119,978	\$ 21,348,715	\$ 15,255,698	\$ 19,496,277	\$ (1,852,438)
Excess (Deficiency) of Revenues Over Expenditures	\$ (6,783,733)	\$ 133,867	\$ (119,978)	\$ (6,769,844)	\$ (534,311)	\$ (5,073,186)	\$ (1,696,658)
<b>Other Financing Sources (Uses)</b>							
Insurance Recovery	\$ 92,835	\$ 0	\$ 0	\$ 92,835	\$ 0	\$ 0	\$ 92,835
Transfers In	0	0	0	0	50,000	50,000	(50,000)
Total Other Financing Sources	\$ 92,835	\$ 0	\$ 0	\$ 92,835	\$ 50,000	\$ 50,000	\$ 42,835
Net Change in Fund Balance	\$ (6,690,898)	\$ 133,867	\$ (119,978)	\$ (6,677,009)	\$ (484,311)	\$ (5,023,186)	\$ (1,653,823)
Fund Balance, July 1, 2024	10,093,696	(133,867)	0	9,959,829	9,915,959	9,915,959	43,870
Fund Balance, June 30, 2025	\$ 3,402,798	\$ 0	\$ (119,978)	\$ 3,282,820	\$ 9,431,648	\$ 4,892,773	\$ (1,609,953)

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

**HARDEMAN COUNTY, TENNESSEE**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
Highway/Public Works Fund  
**For the Year Ended June 30, 2025**

		<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	\$ 805,478	\$ 814,553	\$ 814,553	\$ (9,075)
Licenses and Permits	10	0	0	10
Other Local Revenues	52,922	2,000	2,000	50,922
State of Tennessee	5,047,523	7,711,614	7,711,614	(2,664,091)
Total Revenues	<u>\$ 5,905,933</u>	<u>\$ 8,528,167</u>	<u>\$ 8,528,167</u>	<u>\$ (2,622,234)</u>
<b>Expenditures</b>				
Highways				
Administration	\$ 230,595	\$ 283,176	\$ 283,176	\$ 52,581
Highway and Bridge Maintenance	1,263,030	1,717,000	1,755,000	491,970
Operation and Maintenance of Equipment	444,502	564,200	564,200	119,698
Asphalt Plant Operations	2,476,569	4,695,272	4,547,029	2,070,460
Other Charges	137,553	140,500	160,500	22,947
Employee Benefits	398,349	571,000	551,000	152,651
Capital Outlay	891,401	1,056,076	1,654,319	762,918
Total Expenditures	<u>\$ 5,841,999</u>	<u>\$ 9,027,224</u>	<u>\$ 9,515,224</u>	<u>\$ 3,673,225</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 63,934</u>	<u>\$ (499,057)</u>	<u>\$ (987,057)</u>	<u>\$ 1,050,991</u>
<b>Other Financing Sources (Uses)</b>				
Insurance Recovery	\$ 66,841	\$ 0	\$ 0	\$ 66,841
Total Other Financing Sources	<u>\$ 66,841</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 66,841</u>
Net Change in Fund Balance	\$ 130,775	\$ (499,057)	\$ (987,057)	\$ 1,117,832
Fund Balance, July 1, 2024	<u>4,754,414</u>	<u>3,903,043</u>	<u>3,903,043</u>	<u>851,371</u>
Fund Balance, June 30, 2025	<u><u>\$ 4,885,189</u></u>	<u><u>\$ 3,403,986</u></u>	<u><u>\$ 2,915,986</u></u>	<u><u>\$ 1,969,203</u></u>

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

**HARDEMAN COUNTY, TENNESSEE**  
**Statement of Net Position - Proprietary Funds**  
**June 30, 2025**

		<b>Business-type Activities</b>
		<b>Major Enterprise Fund</b>
		Solid Waste Disposal Fund
<b>ASSETS</b>		
Current Assets:		
Cash	\$	340
Equity in Pooled Cash and Investments		2,086,484
Accounts Receivable		34,917
Allowance for Uncollectibles		(22,696)
Total Current Assets	\$	2,099,045
Noncurrent Assets:		
Capital Assets:		
Assets Not Depreciated:		
Land	\$	219,838
Assets Net of Accumulated Depreciation:		
Buildings and Improvements		728,653
Machinery and Equipment		1,105,186
Total Noncurrent Assets	\$	2,053,677
Total Assets	\$	4,152,722
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension Changes in Experience	\$	50,081
Pension Changes in Assumptions		21,262
Pension Contributions After Measurement Date		34,036
Total Deferred Outflows of Resources	\$	105,379

(Continued)



**HARDEMAN COUNTY, TENNESSEE****Statement of Net Position - Proprietary Funds (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	\$	41,274
Payroll Deductions Payable		1,571
Accrued Leave - Current		3,089
Capital Outlay Notes Payable		88,246
Accrued Liability for Landfill Closure/Postclosure Care Costs - Current		78,137
Total Current Liabilities	\$	<u>212,317</u>
Noncurrent Liabilities:		
Accrued Liability for Landfill Closure/Postclosure Care Costs	\$	1,750,041
Capital Outlay Notes Payable - Long-term		280,818
Net Pension Liability		13,429
Accrued Leave - Long-term		5,805
Total Noncurrent Liabilities	\$	<u>2,050,093</u>
Total Liabilities	\$	<u>2,262,410</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension Changes in Experience	\$	7,395
Pension Changes in Investment Earnings		15,303
Total Deferred Inflows of Resources	\$	<u>22,698</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	\$	1,684,613
Unrestricted		<u>288,380</u>
Total Net Position	\$	<u>1,972,993</u>

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

**HARDEMAN COUNTY, TENNESSEE**  
**Statement of Revenues, Expenses, and Changes**  
**in Net Position - Proprietary Funds**  
**For the Year Ended June 30, 2025**

	<b>Business-type Activities</b> <hr/> <b>Major Enterprise Fund</b> <hr/> Solid Waste Disposal Fund <hr/>
<b>Operating Revenues</b>	
Residential Waste Collection Charge	\$ 1,087,241
Solid Waste Disposal Fee	329,890
Service Charges	13,261
Total Operating Revenues	<hr/> \$ 1,430,392 <hr/>
<b>Operating Expenses</b>	
County Official/Administrative Officer	\$ 56,549
Laborers	226,079
Clerical Personnel	84,203
Part-time Personnel	153,616
Educational Incentive	2,625
Overtime Pay	15
Social Security	32,123
Pension	39,530
Employee and Dependent Insurance	70,913
Disability Insurance	24,500
Unemployment Compensation	1,314
Employer Medicare	7,513
Accounting Services	10,941
Audit Services	1,203
Communication	7,129
Consultants	6,707
Contracts with Private Agencies	244,710
Data Processing Services	12,746
Legal Notices, Recording, and Court Costs	45
Maintenance and Repair Services - Buildings	226
Maintenance and Repair Services - Equipment	42,602
Maintenance and Repair Services - Vehicles	4,942
Postal Charges	321
Rentals	2,200

(Continued)

**HARDEMAN COUNTY, TENNESSEE**  
**Statement of Revenues, Expenses, and Changes**  
**in Net Position - Proprietary Funds (Cont.)**

	<b>Business-type</b> <b>Activities</b> <hr/> <b>Major</b> <b>Enterprise</b> <b>Fund</b> <hr/> Solid Waste Disposal Fund <hr/>
<b>Operating Expenses (Cont.)</b>	
Travel	\$ 1,573
Other Contracted Services	25,795
Custodial Supplies	301
Gasoline	72,900
Lubricants	3,200
Office Supplies	3,961
Uniforms	5,646
Utilities	102,185
Gravel and Chert	20,343
Other Supplies and Materials	2,967
Liability Insurance	21,100
Refunds	2,552
Depreciation	341,396
Other Charges	37,265
Office Equipment	522
Total Operating Expenses	<u>\$ 1,674,458</u>
Operating Income (Loss)	<u>\$ (244,066)</u>
<b>Nonoperating Revenues (Expenses)</b>	
Investment Income	\$ 76,152
Miscellaneous Refunds	277
Other State Revenues	12,031
Interest on Notes	(13,597)
Total Nonoperating Revenues (Expenses)	<u>\$ 74,863</u>
Change in Net Position	\$ (169,203)
Net Position, July 1, 2024	2,147,094
Restatement - See Note I.D.9.	<u>(4,898)</u>
Net Position, June 30, 2025	<u><u>\$ 1,972,993</u></u>

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

**HARDEMAN COUNTY, TENNESSEE**  
**Statement of Cash Flows - Proprietary Funds**  
**For the Year Ended June 30, 2025**

	<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	\$ 1,447,140
Payments for Waste Disposal and Maintenance	(1,451,395)
Net Cash Provided By (Used In) Operating Activities	<u>\$ (4,255)</u>
<b>Cash Flows from Noncapital Financing Activities</b>	
Other State Revenues	\$ 12,031
Miscellaneous Refunds	277
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>\$ 12,308</u>
<b>Cash Flows from Investing Activities</b>	
Investment Income	\$ 76,152
Net Cash Provided By (Used In) Investing Activities	<u>\$ 76,152</u>
<b>Cash Flows from Capital and Related Financing Activities</b>	
Acquisition of Capital Assets	\$ (200,364)
Interest Paid on Notes	(13,597)
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>\$ (213,961)</u>
Increase (Decrease) in Cash	\$ (129,756)
Cash, July 1, 2024	<u>2,216,580</u>
Cash, June 30, 2025	<u><u>\$ 2,086,824</u></u>

(Continued)

**HARDEMAN COUNTY, TENNESSEE****Statement of Cash Flows - Proprietary Funds (Cont.)****Business-type  
Activities****Major  
Enterprise  
Fund****Solid Waste  
Disposal  
Fund****Reconciliation of Net Operating Income (Loss) to Net Cash Provided By  
(Used In) Operating Activities**

Operating Income (Loss)	\$ (244,066)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Depreciation	341,396
Changes in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	(6,016)
Increase (Decrease) in Allowance for Uncollectibles	3,911
(Increase) Decrease in Deferred Outflows of Resources Related to Pensions	2,214
Increase (Decrease) in Accounts Payable	21,998
Increase (Decrease) in Payroll Deductions Payable	(4,812)
Increase (Decrease) in Long Term Debt	(85,684)
Increase (Decrease) in Compensated Absences	(1,186)
Increase (Decrease) in Deferred Inflows Related to Pensions	9,264
Increase (Decrease) in Accrued Liability for Landfill Closure/Postclosure Costs	(35,290)
Increase (Decrease) in Net Pension Liability	(5,984)
Net Cash Provided By (Used In) Operating Activities	<u>\$ (4,255)</u>

**Reconciliation of Cash with Statement of Net Position**

Cash Per Net Position	\$ 340
Equity in Pooled Cash and Investments Per Net Position	<u>2,086,484</u>
Cash, June 30, 2025	<u>\$ 2,086,824</u>

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

**HARDEMAN COUNTY, TENNESSEE**  
**Statement of Net Position - Fiduciary Funds**  
**June 30, 2025**

	<u>Custodial Funds</u>
<b>ASSETS</b>	
Cash	\$ 1,995,092
Due from Other Governments	<u>489,153</u>
Total Assets	<u>\$ 2,484,245</u>
<b>LIABILITIES</b>	
Due to Other Taxing Units	<u>\$ 489,153</u>
Total Liabilities	<u>\$ 489,153</u>
<b>NET POSITION</b>	
Restricted for Individuals, Organizations and Other Governments	<u>\$ 1,995,092</u>
Total Net Position	<u><u>\$ 1,995,092</u></u>

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

**HARDEMAN COUNTY, TENNESSEE**  
**Statement of Changes in Net Position - Fiduciary Funds**  
**For the Year Ended June 30, 2025**

	<b>Custodial Funds</b>
<b>ADDITIONS</b>	
Sales Tax Collections for Other Governments	\$ 2,822,488
Fines/Fees and Other Collections	8,187,206
Total Additions	<u>\$ 11,009,694</u>
<b>DEDUCTIONS</b>	
Payment of Sales Tax Collections to Other Governments	\$ 2,822,488
Payments to State	2,663,806
Payments to Cities, Individuals, and Others	5,822,342
Total Deductions	<u>\$ 11,308,636</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ (298,942)
Net Position, July 1, 2024	<u>2,294,034</u>
Net Position, June 30, 2025	<u><u>\$ 1,995,092</u></u>

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

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## HARDEMAN COUNTY, TENNESSEE

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**HARDEMAN COUNTY, TENNESSEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2025**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Hardeman 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 Hardeman County:

**A. *Reporting Entity***

Hardeman County is a public municipal corporation governed by an elected 16-member board. As required by GAAP, these financial statements present Hardeman County (the primary government) and its component units. The financial statements of the Hardeman County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of the omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

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

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

Administrative Office:

Hardeman County Emergency Communications District  
P.O. Box 355  
Bolivar, TN 38008

**Related Organizations** – The Hardeman County Industrial Development Board and the Hardeman County Correctional Facilities Corporation are related organizations of Hardeman County. The county mayor nominates, and the Hardeman County Commission confirms the board members, but the county's accountability for the organizations 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 Hardeman 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.

Hardeman County issues all debt for the discretely presented Hardeman County School Department. There were no debt issues contributed by the county to the school department during the year ended June 30, 2025.

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 Hardeman County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund balance/fund net position, revenues, and expenditures/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. Hardeman County only reports one proprietary fund, a major 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. Hardeman County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

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

Hardeman 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.

Hardeman County reports the following major proprietary fund:

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

Additionally, Hardeman County reports the following fund types:

**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.

**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 Hardeman County.

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

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

Additionally, Hardeman County School Department reports the following fund types:

**Special Revenue Funds** – These funds 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

**Capital Projects Fund** – The Education Capital Projects Fund is used to account for transactions involving building construction and renovations.

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 (FY25) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior-year balances (FY24) 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 on the [Tennessee Comptroller of the Treasury's website](#).

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, an enterprise fund, to account for the operations of the county's landfill. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations.

#### ***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 hand and 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 Hardeman 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. Hardeman 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. Hardeman 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.

All ambulance, property taxes, and solid waste receivables are shown with an allowance for uncollectibles. Ambulance and solid waste receivables allowances for uncollectibles are based on historical collection data. The allowance for uncollectible property taxes is equal to 1.62 percent of total taxes levied.

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

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current fiscal year. These property taxes receivable are

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

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

Most payables are disaggregated on the face of the financial statements. Claims and judgments payable totaling \$4,592,317 are discussed in Note V.C. Contingent Liabilities.

### **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 Hardeman 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 Hardeman County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Hardeman 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 \$5,000 or more and an estimated useful life of more than five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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



Assets	Years
Buildings and Improvements	25
Machinery and Equipment	5
Other Capital Assets	5 - 40
Infrastructure:	
Roads	10 - 20
Bridges	5 - 20

## 5. Deferred Outflows/Inflows of Resources

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

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

## 6. Compensated Absences

It is the county and discretely presented school department's policies to permit employees to accumulate earned but unused vacation and sick pay benefits. It is the county's policy to permit employees to accumulate earned but unused compensatory time. All vacation pay is accrued when incurred in the government-wide financial statements for the county and its discretely presented component units. All compensatory time is accrued when incurred in the government-wide financial statements for the county. Only a portion of the unpaid accumulated sick leave is accrued. The criteria for accrual includes a "more likely than not," to be used or paid. Since Hardeman County does not have a policy to pay any amounts when employees separate from service with the government, only the portion of sick leave "more likely than not" expected to be used is accrued in the government-wide financial statements. Sick leave expected to be credited to TCRS service is not accrued. A liability for vacation pay, compensatory time, or sick leave is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements and payable under the county's policies.

## **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, net pension liabilities, 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.

The government-wide Statement of Net Position reports \$1,689,195 in restricted net position, of which \$210,785 is restricted by enabling legislation.

As of June 30, 2025, Hardeman County had \$600,000 in outstanding debt for capital purposes for the discretely presented Hardeman County School Department. This debt is a liability of Hardeman County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Hardeman County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.



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

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

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

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

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

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

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

## **9. Restatements**

With the implementation of GASB Statement 101, *Compensated Absences*, Hardeman County must recognize restatements to the beginning net position in the Government-wide financial statements for the Primary Government, the Business-type Activities, and the discretely presented Hardeman County School Department to record compensated absences liabilities. Restatements of (\$202,512), (\$4,898), and (\$129,542) have been presented to reflect the beginning balances of the primary government, the business-type activities, and the discretely presented Hardeman County School Department, respectively. The following table reflects the restatement amounts necessary to implement this standard:

	Government Wide			
	Primary	Business-	Total	Discretely Presented
	Government	type Activities		Hardeman County School Department
Net Position, as previously reported	\$ 27,636,323	\$ 2,147,094	\$ 29,783,417	\$ 47,170,585
Adjustments for GASB 101 Implementation:				
Compensated Absences Liability	(202,512)	(4,898)	(207,410)	(129,542)
Net Change in Beginning Net Position	\$ (202,512)	\$ (4,898)	\$ (207,410)	\$ (129,542)
Net Position, June 30, 2024 Restated	\$ 27,433,811	\$ 2,142,196	\$ 29,576,007	\$ 47,041,043

## 10. Change to or within the Financial Reporting Entity

### Changes in Major Fund Classification (Column A)

Fund classifications are evaluated annually in accordance with the criteria established in GASB Statement No. 34. During fiscal year 2025, the following funds experienced changes in major fund status:

In the discretely presented Hardeman County School Department, the School Federal Projects Fund no longer met the quantitative thresholds and is presented as a nonmajor governmental fund. Prior-year amounts have been restated to reflect the fund within the Nonmajor Governmental Funds column.

These presentation changes are reported retrospectively in accordance with GASB Statement No. 100 and do not affect the previously reported total governmental fund balances or changes in fund balances.

	7-1-24 As Previously Reported	Change to or Within the Financial Reporting Entity (A)	7-1-24 As Restated
<b>Discretely Presented</b>			
<b>Hardeman County School Department</b>			
Major Funds:			
School Federal Projects	\$ 1,750,000	\$ (1,750,000)	\$ 0
Nonmajor Funds	5,328,279	1,750,000	7,078,279
Total Governmental Funds Discretely Presented Hardeman County School Department	\$ 7,078,279	\$ 0	\$ 7,078,279

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

#### **Discretely Presented Hardeman 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 Hardeman 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 Hardeman County School Department**

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

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

##### **Primary Government**

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

##### **Discretely Presented Hardeman County School Department**

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

### III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

#### A. *Budgetary Information*

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

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

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

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

On June 30, 2025, the Hardeman County and the Hardeman County School Department reported the following encumbrances:

Fund	Amount
Primary Government:	
Major Fund:	
General	\$ 119,978
Nonmajor Fund:	
Drug Control	9,621
School Department:	
Major Fund:	
General Purpose School	310,047
Nonmajor Fund:	
Central Cafeteria	5,941

#### B. *Expenditures Exceeded Appropriations*

Expenditures exceeded total appropriations in the General Fund by \$1,852,438. This is due to Claims and Judgments Payable totaling \$4,592,317. For more information see Note V.C. Contingent Liabilities.

Expenditures and exceeded appropriations approved by the county commission in the following major appropriations categories of the following funds:

Fund/Major Appropriation Category	Amount Overspent
General Fund:	
General Sessions Court	\$ 1,804
Other Charges	4,592,317
General Debt Service Fund:	
Other Debt Service - General Government	418
School Federal Projects Fund:	
Operation of Non-Instructional Services - Early	
Childhood Education	2,000
Capital Outlay - Regular Capital Outlay	527

Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by available fund balances.

#### IV. DETAILED NOTES ON ALL FUNDS

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

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

##### **Deposits**

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

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

In addition, counties may invest in FDIC insured certificates of deposit. The deposit is first made in a bank or savings and loan association, selected by the government entity, with a branch in the state of Tennessee that is authorized to accept county deposits (the depository bank). The depository bank then arranges for the transfer of the moneys into one or more federally insured banks or savings and loan associations, wherever located (secondary depositories), for the account of the county. In turn, the depository bank receives funds from customers of the secondary depositories equal to or greater

than the amount initially invested by the county. The balance of county funds with each secondary depository must not exceed FDIC insurance limits so that all funds are fully insured. Under this program, the trustee must provide the depository bank with a listing of all banks and savings and loan associations holding county funds under the same federal employer identification number (FEIN). To prevent deposits from exceeding FDIC coverage, the depository bank is prohibited from using any of those listed banks or savings and loan associations as secondary depositories. The use of this program must be approved by the county investment committee or finance committee as appropriate for the specific county. Further, the investment committee or finance committee must establish policies and procedures for the investments, including the establishment of controls to ensure that full FDIC insurance coverage is obtained. Service providers used by depositories must be approved by the state treasurer upon concurrence by the commissioner of financial institutions and finance and administration. There are currently only two eligible programs that have been approved by the state treasurer: the Certificate of Deposit Account Registry Service (CDARS) and the Insured Cash Sweep (ICS), which operate through IntraFi Network, LLC.

## Investments

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

**Investment Balances.** As of June 30, 2025, Hardeman County had the following investments carried at amortized cost using a Stable Net Asset Value. All investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Hardeman County and the discretely presented Hardeman County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity (days)	Maturities		Amortized Cost
State Treasurer's Investment Pool	1 to 45 days	N/A	\$	2,326,213

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

**Credit Risk.** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments as previously explained. Hardeman County has no investment policy that would further limit its investment choices. As of June 30, 2025, Hardeman County's investment in the State Treasurer's Investment Pool was unrated.

Further information concerning the legal provisions, investment policies, investment types, and credit risks for the State Treasurer's Investment Pool and the State Treasurer's Intermediate Term Investment Fund can be obtained by reviewing the [State of Tennessee Annual Comprehensive Financial Report](#).

### TCRS Stabilization Trust

**Legal Provisions.** The Hardeman 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 Hardeman 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, 2025, the Hardeman County School Department had the following investments held by the trust on its behalf. These funds are recognized as restricted assets in the General Purpose School Fund of the school department.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 167,294
Developed Market International Equity	N/A	N/A	75,552
Emerging Market International Equity	N/A	N/A	21,586
U.S. Fixed Income	N/A	N/A	107,932
Real Estate	N/A	N/A	53,966
Short-term Securities	N/A	N/A	5,397
NAV - Private Equity and Strategic Lending	N/A	N/A	107,932
Total			<u>\$ 539,659</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 the [Tennessee Department of Treasury website](#).



**B. Capital Assets**

Capital assets activity for the year ended June 30, 2025, was as follows:

**Primary Government**

**Governmental Activities:**

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	\$ 1,757,650	\$ 0	\$ 0	\$ 1,757,650
Total Capital Assets Not Depreciated	\$ 1,757,650	\$ 0	\$ 0	\$ 1,757,650
Capital Assets Depreciated:				
Buildings and Improvements	\$ 28,758,018	\$ 0	\$ 0	\$ 28,758,018
Infrastructure	29,591,112	0	0	29,591,112
Other Capital Assets	14,081,715	1,511,188	(766,765)	14,826,138
Total Capital Assets Depreciated	\$ 72,430,845	\$ 1,511,188	\$ (766,765)	\$ 73,175,268
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 19,167,805	\$ 967,331	\$ 0	\$ 20,135,136
Infrastructure	21,748,967	1,131,285	0	22,880,252
Other Capital Assets	9,445,679	1,133,202	(688,334)	9,890,547
Total Accumulated Depreciation	\$ 50,362,451	\$ 3,231,818	\$ (688,334)	\$ 52,905,935
Total Capital Assets Depreciated, Net	\$ 22,068,394	\$ (1,720,630)	\$ (78,431)	\$ 20,269,333
Governmental Activities Capital Assets, Net	\$ 23,826,044	\$ (1,720,630)	\$ (78,431)	\$ 22,026,983



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

**Governmental Activities:**

General Government	\$	303,779
Finance		5,633
Administration of Justice		180,000
Public Safety		810,116
Public Health and Welfare		266,923
Highways/Public Works		<u>1,665,367</u>
Total Depreciation Expense - Governmental Activities	\$	<u><u>3,231,818</u></u>

**Net Investment in Capital Assets**

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Capital Assets	\$	22,026,983
Less:		
Outstanding principal of capital debt and other capital borrowings		(14,350,000)
Unamortized balance of original issue premiums on outstanding capital-related debt		<u>(150,476)</u>
Net Investment in Capital Assets	\$	<u><u>7,526,507</u></u>

**Business-type Activities:**

	Balance 7-1-24	Increases	Balance 6-30-25
Capital Assets Not Depreciated:			
Land	\$ 219,838	\$ 0	\$ 219,838
Total Capital Assets Not Depreciated	\$ 219,838	\$ 0	\$ 219,838
Capital Assets Depreciated:			
Buildings and Improvements	\$ 2,507,367	\$ 0	\$ 2,507,367
Other Capital Assets	2,089,101	200,364	2,289,465
Total Capital Assets Depreciated	\$ 4,596,468	\$ 200,364	\$ 4,796,832
Less Accumulated Depreciation For:			
Buildings and Improvements	\$ 1,710,905	\$ 67,809	\$ 1,778,714
Other Capital Assets	910,692	273,587	1,184,279
Total Accumulated Depreciation	\$ 2,621,597	\$ 341,396	\$ 2,962,993
Total Capital Assets Depreciated, Net	\$ 1,974,871	\$ (141,032)	\$ 1,833,839
Business-type Activities Capital Assets, Net	\$ 2,194,709	\$ (141,032)	\$ 2,053,677

There were no decreases in capital assets to report during the year ended June 30, 2025.

Depreciation expense was charged to functions of the business-type activities as follows:

**Business-type Activities:**

Solid Waste Disposal	\$ 341,396
Total Depreciation Expense - Business-type Activities	\$ 341,396

**Net Investment in Capital Assets**

Capital Assets	\$ 2,053,677
Less:	
Outstanding principal of capital debt and other capital borrowings	(369,064)
Net Investment in Capital Assets	\$ 1,684,613

## Discretely Presented Hardeman County School Department

### Governmental Activities:

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	\$ 358,116	\$ 0	\$ 0	\$ 358,116
Construction in Progress	2,567,378	1,528,840	(2,567,378)	1,528,840
Total Capital Assets Not Depreciated	<u>\$ 2,925,494</u>	<u>\$ 1,528,840</u>	<u>\$ (2,567,378)</u>	<u>\$ 1,886,956</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 42,511,088	\$ 3,680,496	\$ 0	\$ 46,191,584
Other Capital Assets	10,309,811	1,227,895	(630,037)	10,907,669
Total Capital Assets Depreciated	<u>\$ 52,820,899</u>	<u>\$ 4,908,391</u>	<u>\$ (630,037)</u>	<u>\$ 57,099,253</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 28,680,904	\$ 1,212,219	\$ 0	\$ 29,893,123
Other Capital Assets	8,717,450	535,929	(630,037)	8,623,342
Total Accumulated Depreciation	<u>\$ 37,398,354</u>	<u>\$ 1,748,148</u>	<u>\$ (630,037)</u>	<u>\$ 38,516,465</u>
Total Capital Assets Depreciated, Net	<u>\$ 15,422,545</u>	<u>\$ 3,160,243</u>	<u>\$ 0</u>	<u>\$ 18,582,788</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 18,348,039</u></u>	<u><u>\$ 4,689,083</u></u>	<u><u>\$ (2,567,378)</u></u>	<u><u>\$ 20,469,744</u></u>

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

### Governmental Activities:

Instruction	\$ 596,065
Support Services	1,060,650
Operation of Non-instructional Services	<u>91,433</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 1,748,148</u></u>

### *C. Construction Commitments*

On June 30, 2025, the county had uncompleted construction contracts of approximately \$145,908 for the meter installations, and the discretely presented school department had uncompleted construction contracts of approximately \$137,287 for school renovations and construction. Funding for these future expenditures has been received.

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

The composition of interfund balances as of June 30, 2025, was as follows:

**Due to/from Other Funds:**

Receivable Fund	Payable Fund	Amount
Primary Government: General	Nonmajor governmental	\$ 1,588
Discretely Presented School Department: General Purpose School	Nonmajor governmental	66,742
Nonmajor governmental	General Purpose School	1,029

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, 2025, consisted of the following amounts:

**Discretely Presented Hardeman County School Department**

Transfers Out	Transfers In		Purpose
	General Purpose School Fund	Nonmajor governmental funds	
General Purpose School Fund	\$ 0	\$ 24,392	Community Oriented Policing Services funds
"		8,085	Cash flow funds
"	0	2,975,608	Capital outlay
Nonmajor governmental funds	67,742	0	Indirect costs
"	159,674	0	CIS Early Learning Services funds
Total	\$ 227,416	\$ 3,008,085	

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

**E. Long-term Debt**

**Primary Government**

**General Obligation Bonds** - Hardeman County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the

discretely presented school department. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 26 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, 2025, will be retired from the General Debt Service Fund.

General obligation bonds outstanding as of June 30, 2025, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-25
General Obligation Bonds	2 to 3 %	4-1-30	\$ 2,815,000	\$ 600,000
General Obligation Bonds - Refunding	2 to 5	6-1-43	17,860,000	14,350,000

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2025, including interest payments, are presented in the following table:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2026	\$ 680,000	\$ 453,380	\$ 1,133,380
2027	525,000	434,005	959,005
2028	925,000	423,130	1,348,130
2029	570,000	399,205	969,205
2030	640,000	386,030	1,026,030
2031-2035	3,380,000	1,687,350	5,067,350
2036-2040	4,775,000	1,101,682	5,876,682
2041-2043	3,455,000	244,365	3,699,365
Total	\$ 14,950,000	\$ 5,129,147	\$ 20,079,147

There is \$1,610,501 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$587, based on the 2020 federal census. Total debt per capita, including bonds and unamortized debt premiums, totaled \$608, 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.

Description of Debt	Outstanding 6-30-25
<b>Bonds Payable -</b>	
<b>Contributions from the General Purpose School Fund</b>	
General Obligation School Bonds, Series 2013	\$ 600,000
Total	\$ 600,000

## Changes in Long-term Debt

Long-term debt activity for the year ended June 30, 2025, was as follows:

### Governmental Activities:

	Bonds
	<u>                    </u>
Balance, July 1, 2024	\$ 15,615,000
Reductions	<u>(665,000)</u>
Balance, June 30, 2025	<u><u>\$ 14,950,000</u></u>
Balance Due Within One Year	<u><u>\$ 680,000</u></u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2025	\$ 14,950,000
Less: Balance Due Within One Year - Debt	(680,000)
Add: Unamortized Premium on Debt	<u>164,254</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u><u>\$ 14,434,254</u></u>

## Hardeman County Solid Waste Disposal Fund (enterprise fund)

**Direct Borrowing and Direct Placements** - Capital outlay notes are direct obligations and pledge the full faith, credit, and taxing authority of the government. The capital outlay note was issued for original terms of seven years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. The note included in long-term debt as of June 30, 2025, will be retired from the Solid Waste Disposal Fund.

The capital outlay note outstanding as of June 30, 2025, for business-type activities is as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-25
Direct Borrowings and Direct Placements:				
Capital Outlay Note	2.99 %	5-20-29	\$ 618,725	\$ 369,064

The annual requirements to amortize the note outstanding as of June 30, 2025, including interest payments, are presented in the following table:

Year Ending June 30	Note - Direct Placement		
	Principal	Interest	Total
2026	\$ 88,246	\$ 11,035	\$ 99,281
2027	90,884	8,396	99,280
2028	93,601	5,679	99,280
2029	96,333	2,880	99,213
Total	<u><u>\$ 369,064</u></u>	<u><u>\$ 27,990</u></u>	<u><u>\$ 397,054</u></u>

## Changes in Long-term Debt

Long-term debt activity for the Solid Waste Disposal Fund (enterprise fund) for the year ended June 30, 2025, was as follows:

### Business-type Activities:

	Notes - Direct Placement
Balance, July 1, 2024	\$ 454,748
Reductions	<u>(85,684)</u>
Balance, June 30, 2025	<u>\$ 369,064</u>
Balance Due Within One Year	<u>\$ 88,246</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2025	\$ 369,064
Less: Balance Due Within One Year - Debt	<u>(88,246)</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 280,818</u>

## F. Long-term Obligations

### Primary Government

## Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2025, was as follows:

### Governmental Activities:

	Compensated Absences*	Net Pension Liability
Balance, July 1, 2024	\$ 399,907	\$ 400,773
Additions	0	3,039,528
Reductions	<u>(1,947)</u>	<u>(3,182,981)</u>
Balance, June 30, 2025	<u>\$ 397,960</u>	<u>\$ 257,320</u>
Balance Due Within One Year	<u>\$ 45,058</u>	<u>\$ 0</u>

\* Restated beginning balance - see Note I.D.9. The change in compensated absences is presented as a net change.

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2025	\$ 655,280
Less: Balance Due Within One Year - Other	<u>(45,058)</u>

Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 610,222</u>
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Compensated absences and pension liabilities will be paid from the employing funds, primarily the General and Highway/Public Works funds.

**Hardeman County 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, 2025, was as follows:

**Business-type Activities:**

	Landfill Closure/ Postclosure Care Costs	Compensated Absences*	Net Pension Liability
Balance, July 1, 2024	\$ 1,863,468	\$ 10,080	\$ 19,413
Additions	42,848	0	158,383
Reductions	<u>(78,138)</u>	<u>(1,186)</u>	<u>(164,367)</u>
Balance, June 30, 2025	<u>\$ 1,828,178</u>	<u>\$ 8,894</u>	<u>\$ 13,429</u>
Balance Due Within One Year	<u>\$ 78,137</u>	<u>\$ 3,089</u>	<u>\$ 0</u>

\* Restated beginning balance - see Note I.D.9. The change in compensated absences is presented as a net change.

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2025	\$ 1,850,501
Less: Balance Due Within One Year - Other	<u>(81,226)</u>

Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 1,769,275</u>
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**Discretely Presented Hardeman County School Department**

**Changes in Long-term Obligations**

Long-term obligations activity for the discretely presented Hardeman County School Department for the year ended June 30, 2025, was as follows:



**Governmental Activities:**

	Compensated Absences*	Net Pension Liability	Net OPEB Liability
Balance, July 1, 2024	\$ 320,739	\$ 320,752	\$ 4,140,049
Additions	53,106	2,301,506	416,774
Reductions	0	(2,427,403)	(362,822)
Balance, June 30, 2025	<u>\$ 373,845</u>	<u>\$ 194,855</u>	<u>\$ 4,194,001</u>
Balance Due Within One Year	<u>\$ 176,048</u>	<u>\$ 0</u>	<u>\$ 177,833</u>

\* Restated beginning balance - see Note I.D.9. The change in compensated absences is presented as a net change

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

Total Other Noncurrent Liabilities, June 30, 2025	\$ 4,762,701
Less: Balance Due Within One Year - Other	<u>(353,881)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 4,408,820</u>

Compensated absences, pension liabilities and the net OPEB liability will be paid from the employing funds, primarily the General Purpose School and School Federal Projects funds.

**G. On-Behalf Payments****Discretely Presented Hardeman County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Hardeman County School Department. These payments are made by the state to the Local Education Group Insurance Plan. This plan is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2025, were \$141,935. 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****Employee Health Insurance**

It is the policy of the county to carry commercial insurance for active employee's health and accident coverage. Retirees are not allowed to continue coverage. Settled claims have not exceeded this commercial insurance coverage in any of the past three fiscal years.

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

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

## **Discretely Presented Hardeman County School Department**

### **Employee Health Insurance**

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

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

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

## ***B. Accounting Changes***

GASB Statement No. 101, *Compensated Absences*, became effective for the fiscal year ending June 30, 2025. This statement updates the recognition and measurement guidance for compensated absences under a unified model and amends certain previously required disclosures.

GASB Statement No. 102, *Certain Risk Disclosures*, became effective for the fiscal year ending June 30, 2025. This statement provides users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

## ***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 has been involved in litigation with 80 plaintiffs regarding accrued and unpaid leave. During the year, the county settled the damages portion of the litigation totaling \$2,573,758. On September 30, 2025, a judge ordered the county to pay an additional \$4,592,317 in attorney's fees and costs. As a result, a liability has been recognized in the financial statements of the General Fund totaling \$4,592,317.

The county is involved in several other pending lawsuits. Management 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***

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

State and federal laws and regulations require the county to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. 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. The \$1,828,178 reported as landfill closure and postclosure care liability on June 30, 2025, represents the cumulative amount reported to date based on the use of 99 percent of the estimated capacity of the extension landfill site (\$1,508,127) and for the original landfill site closed in 1999 (\$320,051) and represents estimates of the cost to perform all closure and postclosure care in 2025. The county will recognize the remaining estimated costs of closure and postclosure care of \$35,347 on the operating landfill as the remaining estimated capacity is filled. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

#### ***E. Joint Venture***

The Bolivar/Hardeman County Library is jointly owned by Hardeman County and the city of Bolivar and is operated by an appointed board. The board comprises seven members, four of whom are appointed by the Hardeman County Mayor. The remaining three members are appointed by the Bolivar City Mayor. Hardeman County has control over budgeting and financing the joint venture only to the extent of representation by the four board members appointed. Hardeman County contributed \$118,547 to the operations of the library during the year ended June 30, 2025.

Hardeman County does not have an equity interest in the above noted joint venture. Complete financial statements for the Bolivar/Hardeman County Library can be obtained from its administrative office at the following address:

Administrative Office:

Bolivar/Hardeman County Library  
213 North Washington Street  
Bolivar, TN 38008

#### ***F. Retirement Commitments***

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

###### **Primary Government**

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

*Plan Description.* Employees of Hardeman County and non-certified employees of the discretely presented Hardeman County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 58.15 percent and the non-certified employees of the discretely presented school department comprised 41.85 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 on the [Tennessee Department of Treasury website](#).

*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, 2024, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	305
Inactive Employees Entitled to But Not Yet Receiving Benefits	439
Active Employees	315
Total	<u><u>1,059</u></u>

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees are noncontributory. Hardeman 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, 2025, the employer contribution for Hardeman County was \$1,320,564 based on a rate of 11.54 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Hardeman 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. Employer contributions to separately finance specific liabilities were 11.2 percent during the year ended June 30, 2025. The contributions to separately finance specific liabilities were related to employees who have returned to work under a TCRS Return to Work program which requires employer contribution.

***Net Pension Liability (Asset)***

Hardeman County's net pension liability (asset) was measured as of June 30, 2024, 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, 2024, 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, 2024, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity 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 Hardeman County will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

***Changes in the Net Pension Liability (Asset)***

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2023	\$ 47,356,981	\$ 46,616,043	\$ 740,938
Changes for the Year:			
Service Cost	\$ 890,899	\$ 0	\$ 890,899
Interest	3,190,066	0	3,190,066
Differences Between Expected and Actual Experience	1,372,884	0	1,372,884
Contributions-Employer	0	1,260,760	(1,260,760)
Contributions-Employees	0	256	(256)
Net Investment Income	0	4,513,735	(4,513,735)
Benefit Payments, Including Refunds of Employee Contributions	(1,975,285)	(1,975,285)	0
Administrative Expense	0	(45,568)	45,568
Net Changes	\$ 3,478,564	\$ 3,753,898	\$ (275,334)
Balance, June 30, 2024	\$ 50,835,545	\$ 50,369,941	\$ 465,604

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	58.15%	\$ 29,560,869	\$ 29,290,121	\$ 270,749
School Department	41.85%	21,274,676	21,079,820	194,855
Total		\$ 50,835,545	\$ 50,369,941	\$ 465,604

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

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Hardeman County			
Net Pension Liability (Asset)	\$ 7,284,973	\$ 465,604	\$ (5,142,067)

***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, 2025, Hardeman County recognized pension expense (negative pension expense) of \$1,555,766.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2025, Hardeman County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,736,376	\$ 256,384
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	530,566
Changes in Assumptions	737,164	0
Contributions Subsequent to the Measurement Date of June 30, 2024 (1)	1,320,564	N/A
Total	\$ 3,794,104	\$ 786,950

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2024,” will be recognized as a reduction (increase) to net pension liability (asset) in the subsequent fiscal period.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 2,192,271	\$ 457,611
School Department	1,601,833	329,339
Total	\$ 3,794,104	\$ 786,950

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
2026	\$ 346,437
2027	1,258,855
2028	85,282
2029	(3,982)
2030	0
Thereafter	0

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

### **Discretely Presented Hardeman County School Department – Non-certified Employees**

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

*Plan Description.* As noted above under the primary government, employees of Hardeman County and non-certified employees of the discretely presented Hardeman County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 58.15 percent and the non-certified employees of the discretely presented school department comprised 41.85 percent of the plan based on contribution data.

### **Discretely Presented Hardeman County School Department – Certified Employees – Teacher Retirement Plan**

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

*Plan Description.* Teachers of the Hardeman 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 on the [Tennessee Department of Treasury website](#).

*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, 2025, to the Teacher Retirement Plan were \$195,139, which is three percent of covered payroll. In addition, employer contributions of \$62,248, which is one percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

*Pension Liabilities (Assets).* On June 30, 2025, the school department reported a liability (asset) of (\$172,490) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2024, 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, 2024, the school department's proportion was 0.242054 percent. The proportion as of June 30, 2023, was 0.252716 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2025, the school department recognized pension expense (negative pension expense) of \$146,616.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2025, 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	\$ 14,248	\$ 52,994
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	29,096
Changes in Assumptions	68,544	0
Changes in Proportion of Net Pension Liability (Asset)	40,874	25,650
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	195,139	N/A
Total	\$ 318,805	\$ 107,740

The school department's employer contributions of \$195,139, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) of net pension liability (asset) in the year ending June 30, 2026. 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
2026	\$ (14,366)
2027	25,890
2028	(8,240)
2029	(8,080)
2030	5,858
Thereafter	14,864

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, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the June 30, 2024, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June

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

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

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
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Net Pension Liability (Asset)	\$ 454,910	\$ (172,490)	\$ (639,406)
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*Pension Plan Fiduciary Net Position.* Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

### **Discretely Presented Hardeman County School Department - Certified Employees - Teacher Legacy Pension Plan**

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

*Plan Description.* Teachers of the Hardeman 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 on the [Tennessee Department of Treasury website](#).

*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 Hardeman County School Department for the year ended June 30, 2025, to the Teacher Legacy Pension Plan were \$742,248, which is 6.36 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, 2025, the school department reported a liability (asset) of (\$6,171,633) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2024, 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, 2024, the school department's proportion was 0.358220 percent. The proportion measured on June 30, 2023, was 0.376085 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2025, the school department recognized pension expense (negative pension expense) of \$1,592,834.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2025, the school department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,645,811	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	1,201,983
Changes in Proportion of Net Pension Liability (Asset)	470,078	0
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	742,248	N/A
Total	<u>\$ 2,858,137</u>	<u>\$ 1,201,983</u>

The school department's employer contributions of \$742,248 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) in net pension liability (asset) in the year ending June 30, 2026. 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
2026	\$ (447,117)
2027	2,620,985
2028	(627,111)
2029	(632,851)
2030	0
Thereafter	0

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

*Actuarial Assumptions.* The total pension liability in the June 30, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the June 30, 2024, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	\$ 7,840,113	\$ (6,171,633)	\$ (17,792,464)

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

## 2. Deferred Compensation

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$320,517 and teachers contributed \$160,688 to this deferred compensation pension plan.

### G. Other Postemployment Benefits (OPEB)

The discretely presented Hardeman County School Department provides OPEB benefits to its retirees under the state administered public entity risk pool. For reporting purposes, the plan is considered a single employer defined benefit OPEB plan based on criteria in Statement No. 75 of the Governmental Accounting Standards Board (GASB). The plan is 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.

#### OPEB Provided Through State Administered Public Entity Risk Pools

The school department provides healthcare benefits to its retirees under the Local Education Plan (LEP) until they reach Medicare eligibility. The certified 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 school department's total OPEB liability for the plan was measured as of June 30, 2024, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and other inputs.* The total OPEB liability in the June 30, 2024, actuarial valuation of the plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	Salary increases used in the July 1, 2021, TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.93%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 10.68% for pre-65 retirees in the 2024 calendar year, and decreasing annually over a 13-year period to an ultimate trend rate of 4.5%
Retirees Share of Benefit Related Cost	Discussed under each plan

The discount rate was 3.93 percent, based on an average rating of AA/Aa as shown on the Bond Buyers 20-Year Municipal GO AA index closest to but not later than the measurement date.



Mortality rates were based on the results of a statewide experience study undertaken on behalf of the Tennessee Consolidated Retirement System (TCRS). These mortality rates were used in the July 1, 2024, actuarial valuation of the TCRS.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2024, valuations were the same as those employed in the July 1, 2020, Pension Actuarial Valuation of the TCRS. These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-weighted employee mortality table for non-disabled pre-retirement mortality, with mortality improvement projected generationally with MP-2021 from 2010. Post-retirement rates are headcount-weighted below median healthy annuitant and adjusted with a 19 percent load for males and an 18 percent load for females, projected generationally with MP-2021 from 2010. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load, projected generationally from 2018 with MP-2021.

*Changes in Assumptions.* The discount rate changed from 3.65 percent as of the beginning of the measurement period to 3.93 percent as of the measurement date of June 30, 2024. This change in assumption decreased 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 2024 plan year was revised from 10.31 percent to 10.68 percent.

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

*Plan description.* Employees of the Hardeman 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 Hardeman County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with *TCA* 8-27-301 establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. During the year, Hardeman County provided a direct subsidy for eligible retirees' premiums based on years of service. Retirees with 25 or more years of service receive 45 percent, between 30 years and 20 years of service receive 35 percent, and between 20 years and 15 years receive 25 percent toward the cost of the insurance plan selected by the retiree. Also, the state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of service. Retirees with 30 or more years of service receive 45 percent, between 30 years and 20 years of service receive 35 percent, and less than 20 years will receive 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

*Employees Covered by Benefit Terms.* At the measurement date of June 30, 2024, the following employees were covered by the benefit terms:

Inactive Employees Currently Receiving Benefits	28
Inactive Employees Entitled To But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	<u>255</u>
Total	<u>283</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 \$177,833 to the LEP for OPEB benefits as they came due.

***Changes in the Collective Total OPEB Liability***

	Share of Collective Liability		Total OPEB Liability
	Hardeman County School Department 60.166%	State of TN 39.834%	
Balance July 1, 2023	\$ 4,140,049	\$ 2,793,856	\$ 6,933,905
Changes for the Year:			
Service Cost	\$ 168,680	\$ 111,676	\$ 280,356
Interest	155,439	102,910	258,349
Difference between Expected and Actual Experience	(197,437)	(130,715)	(328,152)
Changes in Proportion	31,828	(31,828)	0
Changes in Assumption	60,828	40,271	101,099
Benefit Payments	(165,385)	(109,494)	(274,879)
Net Changes	\$ 53,952	\$ (17,179)	\$ 36,773
Balance June 30, 2024	\$ 4,194,001	\$ 2,776,677	\$ 6,970,678

The Hardeman 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 Hardeman 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 \$286,111 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Hardeman County School Department's proportionate share of the collective OPEB Liability was 60.166% and the State of Tennessee's share was 39.834%.

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2025, the school department recognized OPEB expense of \$613,810 including the state's share of the expense. On June 30, 2025, 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 Actual and Expected Experience	\$ 173,378	\$ 304,016
Changes in Proportion	55,200	239,137
Changes of Assumptions	658,910	323,103
Benefits Paid After the Measurement Date of June 30, 2024	177,833	0
Total	<u>\$ 1,065,321</u>	<u>\$ 866,256</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
2026	\$ 3,580
2027	6,357
2028	17,475
2029	8,989
2030	(3,237)
Thereafter	(11,932)

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.

Discount Rate	1% Decrease 2.93%	Current Discount Rate 3.93%	1% Increase 4.93%
Proportionate Share of the Collective Total OPEB Liability	\$ 4,489,279	\$ 4,194,001	\$ 3,914,980

*Sensitivity of proportionate share of the collective total OPEB liability to changes in the healthcare cost trend rate.* The following presents the school department’s proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

Healthcare Cost Trend Rate			
	1%	Current	1%
	Decrease	Trend	Increase
	9.68 to 3.5%	Rate	11.68 to 5.5%
<hr/>			
Proportionate Share of the Collective Total OPEB Liability	\$ 3,814,686	\$ 4,194,001	\$ 4,627,948

#### ***H. Purchasing Laws***

##### **Offices of County Mayor, Highway Superintendent, and Director of Schools**

Purchasing procedures for all departments, agencies, and offices of Hardeman County are established by Chapter 90, Private Acts of 1989, as amended. Purchasing procedures for the highway department are also governed by provisions of the Uniform Road Law, Section 54-7-113, *Tennessee Code Annotated (TCA)*. Purchasing procedures for the school department are also governed by provisions of purchasing laws applicable to schools as set forth in Section 49-2-203, *TCA*. Chapter 90, Private Acts of 1989, as amended, designates the county mayor as the county purchasing agent and authorizes the mayor to make purchases for all agencies, offices, and departments of the county, except for purchases that cost less than \$10,000, which may be made directly by the highway superintendent and director of schools. These statutes also require the issuance of purchase orders and the solicitation of bids through newspaper advertisements for all purchases exceeding \$25,000 for the Offices of County Mayor, Highway Superintendent, and Director of Schools.

#### ***I. Subsequent Event***

On September 30, 2025, a judge ordered the county to pay \$4,592,317 in attorney's fees and costs for litigation involving 80 plaintiffs regarding accrued and unpaid leave. As a result, a liability has been recognized in the financial statements of the General Fund totaling \$4,592,317.

## REQUIRED SUPPLEMENTARY INFORMATION SECTION

**HARDEMAN 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 Ending June 30**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Total Pension Liability</b>										
Service Cost	\$ 745,213	\$ 769,187	\$ 743,695	\$ 772,435	\$ 830,701	\$ 834,483	\$ 858,513	\$ 883,674	\$ 880,889	\$ 890,899
Interest	2,264,265	2,227,861	2,303,730	2,346,767	2,491,837	2,577,859	2,722,626	2,829,045	3,024,416	3,190,066
Differences Between Actual and Expected Experience	(2,342,360)	(700,148)	(863,492)	306,954	(537,246)	186,164	(1,281,912)	944,265	433,937	1,372,884
Changes in Assumptions	0	0	770,039	0	0	0	3,685,828	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(1,079,052)	(1,273,914)	(1,245,724)	(1,414,098)	(1,552,816)	(1,652,295)	(1,599,209)	(1,704,592)	(1,815,056)	(1,975,285)
Net Change in Total Pension Liability	\$ (411,934)	\$ 1,022,986	\$ 1,708,248	\$ 2,012,058	\$ 1,232,476	\$ 1,946,211	\$ 4,385,846	\$ 2,952,392	\$ 2,524,186	\$ 3,478,564
Total Pension Liability, Beginning	29,984,512	29,572,578	30,595,564	32,303,812	34,315,870	35,548,346	37,494,557	41,880,403	44,832,795	47,356,981
Total Pension Liability, Ending (a)	\$ 29,572,578	\$ 30,595,564	\$ 32,303,812	\$ 34,315,870	\$ 35,548,346	\$ 37,494,557	\$ 41,880,403	\$ 44,832,795	\$ 47,356,981	\$ 50,835,545
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer	\$ 772,148	\$ 767,538	\$ 766,716	\$ 844,019	\$ 973,460	\$ 1,004,279	\$ 983,311	\$ 988,349	\$ 1,103,952	\$ 1,260,760
Contributions - Employee	394	0	14,061	0	335	3,134	5,501	3,061	0	256
Net Investment Income	889,770	778,962	3,356,358	2,689,958	2,567,986	1,806,060	9,689,028	(1,781,061)	2,959,645	4,513,735
Benefit Payments, Including Refunds of Employee Contributions	(1,079,052)	(1,273,914)	(1,245,724)	(1,414,098)	(1,552,816)	(1,652,295)	(1,599,209)	(1,704,592)	(1,815,056)	(1,975,285)
Administrative Expense	(18,785)	(27,551)	(30,536)	(35,047)	(32,892)	(32,062)	(30,657)	(29,366)	(36,292)	(45,568)
Net Change in Plan Fiduciary Net Position	\$ 564,475	\$ 245,035	\$ 2,860,875	\$ 2,084,832	\$ 1,956,073	\$ 1,129,116	\$ 9,047,974	\$ (2,523,609)	\$ 2,212,249	\$ 3,753,898
Plan Fiduciary Net Position, Beginning	29,039,023	29,603,498	29,848,533	32,709,408	34,794,240	36,750,313	37,879,429	46,927,403	44,403,794	46,616,043
Plan Fiduciary Net Position, Ending (b)	\$ 29,603,498	\$ 29,848,533	\$ 32,709,408	\$ 34,794,240	\$ 36,750,313	\$ 37,879,429	\$ 46,927,403	\$ 44,403,794	\$ 46,616,043	\$ 50,369,941
Net Pension Liability (Asset), Ending (a - b)	\$ (30,920)	\$ 747,031	\$ (405,596)	\$ (478,370)	\$ (1,201,967)	\$ (384,872)	\$ (5,047,000)	\$ 429,001	\$ 740,938	\$ 465,604
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	100.10%	97.56%	101.26%	101.39%	103.38%	101.03%	112.05%	99.04%	98.44%	99.08%
Covered Payroll	\$ 8,666,079	\$ 8,619,206	\$ 8,607,854	\$ 9,184,089	\$ 9,580,266	\$ 9,769,259	\$ 9,565,286	\$ 9,614,285	\$ 9,856,702	\$ 10,798,240
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(0.36)%	8.67%	(4.71)%	(5.21)%	(12.55)%	(3.94)%	(52.76)%	4.46%	7.52%	4.31%

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.

**HARDEMAN 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**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially Determined Contribution	\$ 767,538	\$ 766,716	\$ 844,019	\$ 973,460	\$ 1,004,279	\$ 983,311	\$ 988,349	\$ 1,103,952	\$ 1,259,295	\$ 1,320,564
Less: Contributions in Relation to the Actuarially Determined Contribution	(767,538)	(766,716)	(844,019)	(973,460)	(1,004,279)	(983,311)	(988,349)	(1,103,952)	(1,259,295)	(1,320,564)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 8,619,206	\$ 8,607,854	\$ 9,184,089	\$ 9,580,266	\$ 9,769,259	\$ 9,565,286	\$ 9,614,285	\$ 9,856,702	\$ 10,798,240	\$ 11,440,022
Contributions as a Percentage of Covered Payroll	8.90%	8.91%	9.19%	10.16%	10.28%	10.28%	10.28%	11.20%	11.66%	11.54%

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.

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

Discretely Presented Hardeman County School Department

**For the Fiscal Year Ended June 30**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 53,252	\$ 87,659	\$ 44,974	\$ 53,494	\$ 59,044	\$ 61,982	\$ 89,380	\$ 144,264	\$ 167,743	\$ 195,139
Less: Contributions in Relation to the Contractually Required Contribution	(53,252)	(87,659)	(110,316)	(53,494)	(59,044)	(61,982)	(89,380)	(144,264)	(167,743)	(195,139)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ (65,342)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 1,331,303	\$ 2,121,651	\$ 2,757,924	\$ 2,757,452	\$ 2,908,559	\$ 3,068,403	\$ 4,446,749	\$ 5,026,623	\$ 5,686,205	\$ 6,494,215
Contributions as a Percentage of Covered Payroll	4.00%	4.13%	4.00%	1.94%	2.03%	2.02%	2.01%	2.87%	2.95%	3.00%

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

2019: Pension - 1.94%, SRT - 2.02%

2020: Pension - 2.03%, SRT - 1.97%

2021: Pension - 2.02%, SRT - 1.98%

2022: Pension - 2.01%, SRT - 1.99%

2023: Pension - 2.87%, SRT - 1.13%

2024: Pension - 2.95%, SRT - 1.05%

2025: Pension - 3.00%, SRT - 1.00%



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

Discretely Presented Hardeman County School Department

**For the Fiscal Year Ended June 30**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 1,463,697	\$ 1,385,918	\$ 1,360,556	\$ 1,509,799	\$ 1,452,228	\$ 1,353,318	\$ 1,347,756	\$ 1,060,541	\$ 805,831	\$ 742,248
Less: Contributions in Relation to the Contractually Required Contribution	(1,463,697)	(1,385,918)	(1,360,556)	(1,509,799)	(1,452,228)	(1,353,318)	(1,347,756)	(1,060,541)	(805,831)	(742,248)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 16,191,323	\$ 15,400,814	\$ 14,984,072	\$ 14,431,776	\$ 13,662,423	\$ 13,183,485	\$ 13,084,987	\$ 12,204,167	\$ 11,915,310	\$ 11,670,598
Contributions as a Percentage of Covered Payroll	9.04%	9.00%	9.08%	10.46%	10.63%	10.27%	10.30%	8.69%	6.76%	6.36%

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

Discretely Presented Hardeman County School Department

**For the Fiscal Year Ended June 30**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School Department's Proportion of the Net Pension Liability (Asset)	0.393109%	0.302566%	0.333895%	0.315594%	0.260574%	0.230487%	0.212610%	0.260395%	0.252716%	0.242054%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (16,148)	\$ (31,498)	\$ (88,093)	\$ (143,131)	\$ (147,901)	\$ (131,065)	\$ (230,301)	\$ (78,880)	\$ (107,160)	\$ (172,490)
Covered Payroll	\$ 833,981	\$ 1,331,303	\$ 2,121,651	\$ 2,757,924	\$ 2,757,452	\$ 2,908,559	\$ 3,068,403	\$ 4,446,749	\$ 5,026,623	\$ 5,686,205
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.15)%	(5.19)%	(5.33)%	(4.51)%	(7.51)%	(1.77)%	(2.13)%	(3.03)%
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%	106.49%

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

Discretely Presented Hardeman County School Department

**For the Fiscal Year Ended June 30**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School Department's Proportion of the Net Pension Liability (Asset)	0.446147%	0.448539%	0.433697%	0.427912%	0.430463%	0.410473%	0.401484%	0.397607%	0.376085%	0.358220%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ 182,757	\$ 2,803,117	\$ (141,899)	\$ (1,505,787)	\$ (4,425,930)	\$ (3,130,159)	\$ (17,316,975)	\$ (4,876,277)	\$ (4,433,949)	\$ (6,171,633)
Covered Payroll	\$ 16,701,599	\$ 16,191,323	\$ 15,400,814	\$ 14,984,072	\$ 14,431,776	\$ 13,662,423	\$ 13,183,485	\$ 13,084,987	\$ 12,204,167	\$ 11,915,310
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	1.094250%	17.31%	(0.92)%	(10.05)%	(30.67)%	(22.91)%	(131.35)%	(37.27)%	(36.33)%	(51.80)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	99.81%	97.14%	100.14%	101.49%	104.28%	103.09%	116.13%	104.42%	104.11%	105.76%

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

Discretely Presented Hardeman County School Department

**For the Fiscal Year Ended June 30**

	2017	2018	2019	2020	2021	2022	2023	2024
<b>Total OPEB Liability</b>								
Service Cost	\$ 256,757	\$ 238,226	\$ 232,128	\$ 202,058	\$ 256,905	\$ 345,771	\$ 248,127	\$ 280,356
Interest	151,532	181,280	182,267	170,740	117,114	144,377	223,520	258,349
Differences Between Actual and Expected Experience	0	(361,660)	82,020	(277,213)	259,230	126,214	87,837	(328,152)
Changes in Assumptions or Other Inputs	(226,325)	160,451	(380,504)	522,925	897,979	(635,722)	444,439	101,099
Benefit Payments	(250,134)	(271,380)	(269,649)	(242,980)	(233,131)	(237,351)	(269,703)	(274,879)
Net Change in Total OPEB Liability	\$ (68,170)	\$ (53,083)	\$ (153,738)	\$ 375,530	\$ 1,298,097	\$ (256,711)	\$ 734,220	\$ 36,773
Total OPEB Liability, Beginning	5,057,760	4,989,590	4,936,507	4,782,769	5,158,299	6,456,396	6,199,685	6,933,905
Total OPEB Liability, Ending	\$ 4,989,590	\$ 4,936,507	\$ 4,782,769	\$ 5,158,299	\$ 6,456,396	\$ 6,199,685	\$ 6,933,905	\$ 6,970,678
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 1,783,763	\$ 1,778,046	\$ 1,745,424	\$ 1,760,032	\$ 2,299,910	\$ 2,351,924	\$ 2,793,856	\$ 2,776,677
Employer Proportionate Share of the Total OPEB Liability	3,205,827	3,158,461	3,037,345	3,398,267	4,156,486	3,847,761	4,140,049	4,194,001
Covered Employee Payroll	\$ 18,762,162	\$ 18,327,272	\$ 17,711,118	\$ 17,011,783	\$ 16,907,329	\$ 16,493,668	\$ 16,442,819	\$ 16,579,655
Net OPEB Liability as a Percentage of Covered Employee Payroll	17.09%	17.23%	17.15%	19.98%	24.58%	23.33%	25.18%	25.30%

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%
2024	3.93%

(b) The assumed initial trend rate applicable to plan years was revised as follows:

For the 2019 plan year - from 5.4% to 6.75%  
For the 2020 plan year - from 6.75% to 6.03%  
For the 2021 plan year - from 6.03% to 9.02%  
For the 2022 plan year - from 9.02% to 7.36%  
For the 2023 plan year - from 7.36% to 8.37%  
For the 2024 plan year - from 8.37% to 10.31%  
For the 2025 plan year - from 10.31% to 10.68%

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

**HARDEMAN COUNTY, TENNESSEE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2025**

**TENNESSEE CONSOLIDATED RETIREMENT SYSTEM**

*Valuation Date:* Actuarially determined contribution rates for 2025 were calculated based on June 30, 2023, 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 Fair Value
Inflation	2.25%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation; averaging 4%
Investment Rate of Return	6.75%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience Including an Adjustment for Some Anticipated Improvement
Cost of Living Adjustment	2.125%

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

# COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

# NONMAJOR GOVERNMENTAL FUNDS

## SPECIAL REVENUE FUNDS

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

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

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

## DEBT SERVICE FUND

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

**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.

**HARDEMAN COUNTY, TENNESSEE**  
**Combining Balance Sheet - Nonmajor Governmental Funds**  
**June 30, 2025**

	<b>Special Revenue Funds</b>			<b>Debt Service Fund</b>	
	Drug Control	Constitutional Officers - Fees	Total	General Debt Service	Total Nonmajor Governmental Funds
<b>ASSETS</b>					
Cash	\$ 0	\$ 85,695	\$ 85,695	\$ 0	\$ 85,695
Equity in Pooled Cash and Investments	205,590	0	205,590	1,609,332	1,814,922
Accounts Receivable	0	197	197	0	197
Due from Other Governments	0	0	0	440	440
Property Taxes Receivable	0	0	0	352,127	352,127
Allowance for Uncollectible Property Taxes	0	0	0	(10,827)	(10,827)
Total Assets	\$ 205,590	\$ 85,892	\$ 291,482	\$ 1,951,072	\$ 2,242,554
<b>LIABILITIES</b>					
Due to Other Funds	\$ 0	\$ 1,588	\$ 1,588	\$ 0	\$ 1,588
Total Liabilities	\$ 0	\$ 1,588	\$ 1,588	\$ 0	\$ 1,588
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 329,727	\$ 329,727
Deferred Delinquent Property Taxes	0	0	0	10,844	10,844
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 0	\$ 340,571	\$ 340,571

(Continued)



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

	<b>Special Revenue Funds</b>			<b>Debt Service Fund</b>	<b>Total Nonmajor Governmental Funds</b>
	<b>Drug Control</b>	<b>Constitu - tional Officers - Fees</b>	<b>Total</b>	<b>General Debt Service</b>	
<b>FUND BALANCES</b>					
Restricted:					
Restricted for Public Safety	\$ 205,590	\$ 0	\$ 205,590	\$ 0	\$ 205,590
Committed:					
Committed for Finance	0	84,304	84,304	0	84,304
Committed for Debt Service	0	0	0	1,610,501	1,610,501
Total Fund Balances	<u>\$ 205,590</u>	<u>\$ 84,304</u>	<u>\$ 289,894</u>	<u>\$ 1,610,501</u>	<u>\$ 1,900,395</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 205,590</u>	<u>\$ 85,892</u>	<u>\$ 291,482</u>	<u>\$ 1,951,072</u>	<u>\$ 2,242,554</u>

**HARDEMAN COUNTY, TENNESSEE****Combining Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Nonmajor Governmental Funds****For the Year Ended June 30, 2025**

	<b>Special Revenue Funds</b>			<b>Debt Service Fund</b>	<b>Total Nonmajor Governmental Funds</b>
	<b>Drug Control</b>	<b>Constitu - tional Officers - Fees</b>	<b>Total</b>	<b>General Debt Service</b>	
<b>Revenues</b>					
Local Taxes	\$ 0	\$ 0	\$ 0	\$ 1,176,548	\$ 1,176,548
Fines, Forfeitures, and Penalties	43,180	0	43,180	0	43,180
Charges for Current Services	0	406,584	406,584	0	406,584
Other Governments and Citizens Groups	73	0	73	202,252	202,325
Total Revenues	<u>\$ 43,253</u>	<u>\$ 406,584</u>	<u>\$ 449,837</u>	<u>\$ 1,378,800</u>	<u>\$ 1,828,637</u>
<b>Expenditures</b>					
Current:					
Finance	\$ 0	\$ 406,584	\$ 406,584	\$ 0	\$ 406,584
Public Safety	99,881	0	99,881	0	99,881
Debt Service:					
Principal on Debt	0	0	0	665,000	665,000
Interest on Debt	0	0	0	463,455	463,455
Other Debt Service	0	0	0	18,373	18,373
Total Expenditures	<u>\$ 99,881</u>	<u>\$ 406,584</u>	<u>\$ 506,465</u>	<u>\$ 1,146,828</u>	<u>\$ 1,653,293</u>

(Continued)

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

	<b>Special Revenue Funds</b>			<b>Debt Service Fund</b>	<b>Total Nonmajor Governmental Funds</b>
	<b>Drug Control</b>	<b>Constitu - tional Officers - Fees</b>	<b>Total</b>	<b>General Debt Service</b>	
Excess (Deficiency) of Revenues Over Expenditures	\$ (56,628)	\$ 0	\$ (56,628)	\$ 231,972	\$ 175,344
<b>Other Financing Sources (Uses)</b>					
Insurance Recovery	\$ 49,595	\$ 0	\$ 49,595	\$ 0	\$ 49,595
Total Other Financing Sources (Uses)	\$ 49,595	\$ 0	\$ 49,595	\$ 0	\$ 49,595
Net Change in Fund Balances	\$ (7,033)	\$ 0	\$ (7,033)	\$ 231,972	\$ 224,939
Fund Balance, July 1, 2024	212,623	84,304	296,927	1,378,529	1,675,456
Fund Balance, June 30, 2025	\$ 205,590	\$ 84,304	\$ 289,894	\$ 1,610,501	\$ 1,900,395

**HARDEMAN COUNTY, TENNESSEE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual (Budgetary Basis) and Budget**  
Drug Control Fund  
**For the Year Ended June 30, 2025**

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Revenues</b>							
Fines, Forfeitures, and Penalties	\$ 43,180	\$ 0	\$ 0	\$ 43,180	\$ 96,300	\$ 96,300	\$ (53,120)
Other Governments and Citizens Groups	73	0	0	73	0	0	73
Total Revenues	\$ 43,253	\$ 0	\$ 0	\$ 43,253	\$ 96,300	\$ 96,300	\$ (53,047)
<b>Expenditures</b>							
Public Safety							
Drug Enforcement	\$ 99,881	\$ (11,266)	\$ 9,621	\$ 98,236	\$ 95,900	\$ 145,495	\$ 47,259
Total Expenditures	\$ 99,881	\$ (11,266)	\$ 9,621	\$ 98,236	\$ 95,900	\$ 145,495	\$ 47,259
Excess (Deficiency) of Revenues Over Expenditures	\$ (56,628)	\$ 11,266	\$ (9,621)	\$ (54,983)	\$ 400	\$ (49,195)	\$ (5,788)
<b>Other Financing Sources (Uses)</b>							
Insurance Recovery	\$ 49,595	\$ 0	\$ 0	\$ 49,595	\$ 0	\$ 49,595	\$ 0
Total Other Financing Sources	\$ 49,595	\$ 0	\$ 0	\$ 49,595	\$ 0	\$ 49,595	\$ 0
Net Change in Fund Balance	\$ (7,033)	\$ 11,266	\$ (9,621)	\$ (5,388)	\$ 400	\$ 400	\$ (5,788)
Fund Balance, July 1, 2024	212,623	(11,266)	0	201,357	171,534	171,534	29,823
Fund Balance, June 30, 2025	\$ 205,590	\$ 0	\$ (9,621)	\$ 195,969	\$ 171,934	\$ 171,934	\$ 24,035

**HARDEMAN COUNTY, TENNESSEE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
General Debt Service Fund  
**For the Year Ended June 30, 2025**

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Revenues</b>				
Local Taxes	\$ 1,176,548	\$ 1,166,326	\$ 1,166,326	\$ 10,222
Other Governments and Citizens Groups	202,252	0	202,378	(126)
Total Revenues	<u>\$ 1,378,800</u>	<u>\$ 1,166,326</u>	<u>\$ 1,368,704</u>	<u>\$ 10,096</u>
<b>Expenditures</b>				
Principal on Debt				
General Government	\$ 485,000	\$ 458,000	\$ 485,295	\$ 295
Education	180,000	0	180,000	0
Interest on Debt				
General Government	441,855	294,918	441,918	63
Education	21,600	21,600	21,600	0
Other Debt Service				
General Government	17,623	14,500	17,205	(418)
Education	750	1,500	1,500	750
Total Expenditures	<u>\$ 1,146,828</u>	<u>\$ 790,518</u>	<u>\$ 1,147,518</u>	<u>\$ 690</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 231,972</u>	<u>\$ 375,808</u>	<u>\$ 221,186</u>	<u>\$ 10,786</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	\$ 0	\$ 202,378	\$ 0	\$ 0
Total Other Financing Sources	<u>\$ 0</u>	<u>\$ 202,378</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 231,972	\$ 578,186	\$ 221,186	\$ 10,786
Fund Balance, July 1, 2024	<u>1,378,529</u>	<u>1,845,778</u>	<u>1,845,778</u>	<u>(467,249)</u>
Fund Balance, June 30, 2025	<u><u>\$ 1,610,501</u></u>	<u><u>\$ 2,423,964</u></u>	<u><u>\$ 2,066,964</u></u>	<u><u>\$ (456,463)</u></u>

## CUSTODIAL FUNDS

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

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

**HARDEMAN COUNTY, TENNESSEE**  
**Combining Statement of Net Position - Fiduciary Funds**  
**June 30, 2025**

<b>Custodial Funds</b>			
Cities -	Constitu -		
Sales	tional		
Tax	Officers -		
	Custodial	Total	

**ASSETS**

Cash	\$	0	\$	1,995,092	\$	1,995,092
Due from Other Governments		489,153		0		489,153
Total Assets	\$	489,153	\$	1,995,092	\$	2,484,245

**LIABILITIES**

Due to Other Taxing Units	\$	489,153	\$	0	\$	489,153
Total Liabilities	\$	489,153	\$	0	\$	489,153

**NET POSITION**

Restricted for Individuals, Organizations, and Other Governments	\$	0	\$	1,995,092	\$	1,995,092
Total Net Position	\$	0	\$	1,995,092	\$	1,995,092

**HARDEMAN COUNTY, TENNESSEE**  
**Combining Statement of Net Position - Fiduciary Funds**  
**For the Year Ended June 30, 2025**

	<b>Custodial Funds</b>		
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Total
<b>Additions</b>			
Sales Tax Collections for Other Governments	\$ 2,822,488	\$ 0	\$ 2,822,488
Fines/Fees and Other Collections	0	8,187,206	8,187,206
Total Additions	\$ 2,822,488	\$ 8,187,206	\$ 11,009,694
<b>Deductions</b>			
Payment of Sales Tax Collections for Other Governments	\$ 2,822,488	\$ 0	\$ 2,822,488
Payments to State	0	2,663,806	2,663,806
Payments to Cities, Individuals, and Others	0	5,822,342	5,822,342
Total Deductions	\$ 2,822,488	\$ 8,486,148	\$ 11,308,636
Change in Net Position	\$ 0	\$ (298,942)	\$ (298,942)
Net Position July 1, 2024	0	2,294,034	2,294,034
Net Position June 30, 2025	\$ 0	\$ 1,995,092	\$ 1,995,092



# HARDEMAN COUNTY SCHOOL DEPARTMENT

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

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

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

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

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

**Education Capital Projects Fund** – The Education Capital Projects Fund is used to account for building construction and renovations at the school department.

**HARDEMAN COUNTY, TENNESSEE****Statement of Activities**

Discretely Presented Hardeman County School Department

**For the Year Ended June 30, 2025**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Total Governmental Activities
Governmental Activities:				
Instruction	\$ 24,748,085	\$ 0	\$ 4,349,628	\$ (20,398,457)
Support Services	17,298,005	36,696	165,804	(17,095,505)
Operation of Non-instructional Services	5,241,150	123,495	4,034,591	(1,083,064)
Total Governmental Activities	<u>\$ 47,287,240</u>	<u>\$ 160,191</u>	<u>\$ 8,550,023</u>	<u>\$ (38,577,026)</u>
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				\$ 5,601,195
Local Option Sales Taxes				4,052,323
Other Local Taxes				10,419
Grants and Contributions Not Restricted for Specific Programs				29,665,544
Unrestricted Investment Income				228,979
Miscellaneous				187,217
Total General Revenues				<u>\$ 39,745,677</u>
Change in Net Position				\$ 1,168,651
Net Position, July 1, 2024				47,170,585
Restatement - See Note. I.D.9.				<u>(129,542)</u>
Net Position, June 30, 2025				<u><u>\$ 48,209,694</u></u>

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

Discretely Presented Hardeman County School Department

**June 30, 2025**

	<b>Major Fund</b>	<b>Nonmajor Funds</b>	
	<b>General Purpose School</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>			
Cash	\$ 0	\$ 1,195,586	\$ 1,195,586
Equity in Pooled Cash and Investments	13,224,907	5,045,019	18,269,926
Accounts Receivable	11,437	893	12,330
Due from Other Governments	1,951,627	976,796	2,928,423
Due from Other Funds	66,742	1,029	67,771
Property Taxes Receivable	6,141,710	0	6,141,710
Allowance for Uncollectible Property Taxes	(192,603)	0	(192,603)
Restricted Assets	539,659	0	539,659
Total Assets	<u>\$ 21,743,479</u>	<u>\$ 7,219,323</u>	<u>\$ 28,962,802</u>
<b>LIABILITIES</b>			
Accounts Payable	\$ 98	\$ 0	\$ 98
Accrued Payroll	285,229	39,388	324,617
Payroll Deductions Payable	11,442	329	11,771
Due to Other Funds	1,029	66,742	67,771
Total Liabilities	<u>\$ 297,798</u>	<u>\$ 106,459</u>	<u>\$ 404,257</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Current Property Taxes	\$ 5,738,795	\$ 0	\$ 5,738,795
Deferred Delinquent Property Taxes	197,110	0	197,110
Other Deferred/Unavailable Revenue	354,547	0	354,547
Total Deferred Inflows of Resources	<u>\$ 6,290,452</u>	<u>\$ 0</u>	<u>\$ 6,290,452</u>

(Continued)

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

Discretely Presented Hardeman County School Department (Cont.)

	<b>Major Fund</b>	<b>Nonmajor Funds</b>	
	<b>General</b>	<b>Other</b>	<b>Total</b>
	<b>Purpose</b>	<b>Govern-</b>	<b>Governmental</b>
	<b>School</b>	<b>mental</b>	<b>Funds</b>
		<b>Funds</b>	
<b>FUND BALANCES</b>			
Restricted:			
Restricted for Education	\$ 37,296	\$ 1,197,110	\$ 1,234,406
Restricted for Instruction	38,327	0	38,327
Restricted for Operation of Non-instructional Services	0	2,109,219	2,109,219
Restricted for Hybrid Retirement Stabilization Funds	539,659	0	539,659
Committed:			
Committed for Education	1,095,529	0	1,095,529
Committed for Instruction	2,000,000	0	2,000,000
Committed for Support Services	3,000,000	0	3,000,000
Committed for Capital Projects	0	2,056,535	2,056,535
Assigned:			
Assigned for Education	310,047	1,750,000	2,060,047
Unassigned	8,134,371	0	8,134,371
Total Fund Balances	<u>\$ 15,155,229</u>	<u>\$ 7,112,864</u>	<u>\$ 22,268,093</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 21,743,479</u>	<u>\$ 7,219,323</u>	<u>\$ 28,962,802</u>

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

Discretely Presented Hardeman County School Department

**June 30, 2025**

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

Total fund balances - balance sheet - governmental funds (Exhibit I-2)		\$ 22,268,093
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 358,116	
Add: construction in progress	1,528,840	
Add: buildings and improvements net of accumulated depreciation	16,298,461	
Add: other capital assets net of accumulated depreciation	<u>2,284,327</u>	20,469,744
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: net OPEB liability	\$ (4,194,001)	
Less: net pension liability - agent plan	(194,855)	
Less: compensated absences payable	<u>(373,845)</u>	(4,762,701)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 4,778,775	
Less: deferred inflows of resources related to pensions	(1,639,062)	
Add: deferred outflows of resources related to OPEB	1,065,321	
Less: deferred inflows of resources related to OPEB	<u>(866,256)</u>	3,338,778
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - teacher retirement plan	\$ 172,490	
Add: net pension asset - teacher legacy pension plan	<u>6,171,633</u>	6,344,123
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>551,657</u>
Net position of governmental activities (Exhibit A)		<u>\$ 48,209,694</u>

**HARDEMAN COUNTY, TENNESSEE**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances - Governmental Funds**  
Discretely Presented Hardeman County School Department  
**For the Year Ended June 30, 2025**

	<b>Major Funds</b>		<b>Nonmajor Funds</b>	
		<i>Formerly</i>	<i>Other</i>	
	General Purpose School	School Federal Projects	Govern-mental Funds	Total Governmental Funds
<b>Revenues</b>				
Local Taxes	\$ 9,718,349	\$ 0	\$ 0	\$ 9,718,349
Licenses and Permits	1,672	0	0	1,672
Charges for Current Services	4,339	0	123,495	127,834
Other Local Revenues	291,261	0	1,448,756	1,740,017
State of Tennessee	29,294,261	0	18,753	29,313,014
Federal Government	59,764	0	6,649,949	6,709,713
Other Governments and Citizens Groups	755,528	0	0	755,528
Total Revenues	<u>\$ 40,125,174</u>	<u>\$ 0</u>	<u>\$ 8,240,953</u>	<u>\$ 48,366,127</u>
<b>Expenditures</b>				
Current:				
Instruction	\$ 20,380,709	\$ 0	\$ 2,032,044	\$ 22,412,753
Support Services	15,478,407	0	1,567,644	17,046,051
Operation of Non-Instructional Services	1,010,192	0	4,121,292	5,131,484
Capital Outlay	165,705	0	47,613	213,318
Debt Service:				
Other Debt Service	202,252	0	0	202,252
Capital Projects	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,218,444</u>	<u>\$ 3,218,444</u>
Total Expenditures	<u>\$ 37,237,265</u>	<u>\$ 0</u>	<u>\$ 10,987,037</u>	<u>\$ 48,224,302</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 2,887,909</u>	<u>\$ 0</u>	<u>\$ (2,746,084)</u>	<u>\$ 141,825</u>
<b>Other Financing Sources (Uses)</b>				
Insurance Recovery	\$ 54,840	\$ 0	\$ 0	\$ 54,840
Transfers In	227,416	0	3,008,085	3,235,501
Transfers Out	(3,008,085)	0	(227,416)	(3,235,501)
Total Other Financing Sources (Uses)	<u>\$ (2,725,829)</u>	<u>\$ 0</u>	<u>\$ 2,780,669</u>	<u>\$ 54,840</u>
Net Change in Fund Balances	\$ 162,080	\$ 0	\$ 34,585	\$ 196,665
Change to or Within the Reporting Entity	0	(1,750,000)	1,750,000	0
Fund Balance, July 1, 2024	<u>14,993,149</u>	<u>1,750,000</u>	<u>5,328,279</u>	<u>22,071,428</u>
Fund Balance, June 30, 2025	<u>\$ 15,155,229</u>	<u>\$ 0</u>	<u>\$ 7,112,864</u>	<u>\$ 22,268,093</u>

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

Discretely Presented Hardeman County School Department

**For the Year Ended June 30, 2025**

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

Net change in fund balances - total governmental funds (Exhibit I-4)		\$	196,665
(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	\$	3,869,853	
Less: current-year depreciation expense		<u>(1,748,148)</u>	2,121,705
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Add: deferred delinquent property taxes and other deferred June 30, 2025	\$	551,657	
Less: deferred delinquent property taxes and other deferred June 30, 2024		<u>(606,069)</u>	(54,412)
(3) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in net OPEB liability	\$	(53,952)	
Change in deferred outflows related to OPEB		(114,528)	
Change in deferred inflows related to OPEB		18,614	
Change in net pension liability - agent plan		125,897	
Change in net pension asset - teacher retirement plan		65,330	
Change in net pension asset - teacher legacy pension plan		1,737,684	
Change in deferred outflows related to pensions		(1,701,061)	
Change in deferred inflows related to pensions		(1,120,185)	
Change in compensated absences payable		<u>(53,106)</u>	(1,095,307)
Change in net position of governmental activities (Exhibit B)			<u><u>\$ 1,168,651</u></u>

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

Discretely Presented Hardeman County School Department

**June 30, 2025**

	<b>Special Revenue Funds</b>				<b>Capital Projects Fund</b>	<b>Total Nonmajor Governmental Funds</b>
	<b>School Federal Projects</b>	<b>Central Cafeteria</b>	<b>Internal School</b>	<b>Total</b>	<b>Education Capital Projects</b>	
<b>ASSETS</b>						
Cash	\$ 0	\$ 9,813	\$ 1,185,773	\$ 1,195,586	\$ 0	\$ 1,195,586
Equity in Pooled Cash and Investments	1,071,789	1,916,695	0	2,988,484	2,056,535	5,045,019
Accounts Receivable	0	893	0	893	0	893
Due from Other Governments	776,242	200,554	0	976,796	0	976,796
Due from Other Funds	977	52	0	1,029	0	1,029
Total Assets	<u>\$ 1,849,008</u>	<u>\$ 2,128,007</u>	<u>\$ 1,185,773</u>	<u>\$ 5,162,788</u>	<u>\$ 2,056,535</u>	<u>\$ 7,219,323</u>
<b>LIABILITIES</b>						
Accrued Payroll	\$ 20,790	\$ 18,598	\$ 0	\$ 39,388	\$ 0	\$ 39,388
Payroll Deductions Payable	139	190	0	329	0	329
Due to Other Funds	66,742	0	0	66,742	0	66,742
Total Liabilities	<u>\$ 87,671</u>	<u>\$ 18,788</u>	<u>\$ 0</u>	<u>\$ 106,459</u>	<u>\$ 0</u>	<u>\$ 106,459</u>
<b>FUND BALANCES</b>						
Restricted:						
Restricted for Education	\$ 11,337	\$ 0	\$ 1,185,773	\$ 1,197,110	\$ 0	\$ 1,197,110
Restricted for Operation of Non-instructional Services	0	2,109,219	0	2,109,219	0	2,109,219
Committed:						
Committed for Capital Projects	0	0	0	0	2,056,535	2,056,535
Assigned:						
Assigned for Education	1,750,000	0	0	1,750,000	0	1,750,000
Total Fund Balances	<u>\$ 1,761,337</u>	<u>\$ 2,109,219</u>	<u>\$ 1,185,773</u>	<u>\$ 5,056,329</u>	<u>\$ 2,056,535</u>	<u>\$ 7,112,864</u>
Total Liabilities and Fund Balances	<u>\$ 1,849,008</u>	<u>\$ 2,128,007</u>	<u>\$ 1,185,773</u>	<u>\$ 5,162,788</u>	<u>\$ 2,056,535</u>	<u>\$ 7,219,323</u>



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

Discretely Presented Hardeman County School Department

**For the Year Ended June 30, 2025**

	<b>Special Revenue Funds</b>				<b>Capital Projects Fund</b>	
	<i>Formerly Major School Federal Projects</i>	<i>Central Cafeteria</i>	<i>Internal School</i>	<i>Total</i>	<i>Education Capital Projects</i>	<i>Total Nonmajor Governmental Funds</i>
<b>Revenues</b>						
Charges for Current Services	\$ 0	\$ 123,495	\$ 0	\$ 123,495	\$ 0	\$ 123,495
Other Local Revenues	0	205,917	1,242,839	1,448,756	0	1,448,756
State of Tennessee	0	18,753	0	18,753	0	18,753
Federal Government	3,951,299	2,698,650	0	6,649,949	0	6,649,949
Total Revenues	<u>\$ 3,951,299</u>	<u>\$ 3,046,815</u>	<u>\$ 1,242,839</u>	<u>\$ 8,240,953</u>	<u>\$ 0</u>	<u>\$ 8,240,953</u>
<b>Expenditures</b>						
Current:						
Instruction	\$ 2,032,044	\$ 0	\$ 0	\$ 2,032,044	\$ 0	\$ 2,032,044
Support Services	1,567,644	0	0	1,567,644	0	1,567,644
Operation of Non-Instructional Services	97,722	2,813,766	1,209,804	4,121,292	0	4,121,292
Capital Outlay	47,613	0	0	47,613	0	47,613
Capital Projects	0	0	0	0	3,218,444	3,218,444
Total Expenditures	<u>\$ 3,745,023</u>	<u>\$ 2,813,766</u>	<u>\$ 1,209,804</u>	<u>\$ 7,768,593</u>	<u>\$ 3,218,444</u>	<u>\$ 10,987,037</u>

(Continued)

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

Discretely Presented Hardeman County School Department (Cont.)

	<b>Special Revenue Funds</b>				<b>Capital Projects Fund</b>	
	<i>Formerly Major School Federal Projects</i>	<i>Central Cafeteria</i>	<i>Internal School</i>	<i>Total</i>	<i>Education Capital Projects</i>	<i>Total Nonmajor Governmental Funds</i>
Excess (Deficiency) of Revenues Over Expenditures	\$ 206,276	\$ 233,049	\$ 33,035	\$ 472,360	\$ (3,218,444)	\$ (2,746,084)
<b>Other Financing Sources (Uses)</b>						
Transfers In	\$ 32,477	\$ 0	\$ 0	\$ 32,477	\$ 2,975,608	\$ 3,008,085
Transfers Out	(227,416)	0	0	(227,416)	0	(227,416)
Total Other Financing Sources (Uses)	\$ (194,939)	\$ 0	\$ 0	\$ (194,939)	\$ 2,975,608	\$ 2,780,669
Net Change in Fund Balances	\$ 11,337	\$ 233,049	\$ 33,035	\$ 277,421	\$ (242,836)	\$ 34,585
Change to or Within the Reporting Entity	1,750,000	0	0	1,750,000	0	1,750,000
Fund Balance, July 1, 2024	0	1,876,170	1,152,738	3,028,908	2,299,371	5,328,279
Fund Balance, June 30, 2025	\$ 1,761,337	\$ 2,109,219	\$ 1,185,773	\$ 5,056,329	\$ 2,056,535	\$ 7,112,864

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

Discretely Presented Hardeman County School Department

General Purpose School Fund

**For the Year Ended June 30, 2025**

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Revenues</b>							
Local Taxes	\$ 9,718,349	\$ 0	\$ 0	\$ 9,718,349	\$ 8,783,654	\$ 8,783,654	\$ 934,695
Licenses and Permits	1,672	0	0	1,672	2,500	2,500	(828)
Charges for Current Services	4,339	0	0	4,339	14,000	14,000	(9,661)
Other Local Revenues	291,261	0	0	291,261	87,500	106,600	184,661
State of Tennessee	29,294,261	0	0	29,294,261	29,614,918	30,012,163	(717,902)
Federal Government	59,764	0	0	59,764	99,125	101,125	(41,361)
Other Governments and Citizens Groups	755,528	0	0	755,528	0	736,685	18,843
Total Revenues	\$ 40,125,174	\$ 0	\$ 0	\$ 40,125,174	\$ 38,601,697	\$ 39,756,727	\$ 368,447
<b>Expenditures</b>							
Instruction							
Regular Instruction Program	\$ 15,555,461	\$ 0	\$ 40,236	\$ 15,595,697	\$ 16,113,674	\$ 16,314,805	\$ 719,108
Alternative Instruction Program	239,127	0	0	239,127	259,517	259,517	20,390
Special Education Program	2,656,592	0	24,902	2,681,494	2,718,569	2,835,804	154,310
Career and Technical Education Program	1,929,529	(614)	991	1,929,906	2,653,162	2,667,162	737,256
Support Services							
Attendance	259,370	0	0	259,370	277,550	277,550	18,180
Health Services	526,502	0	135	526,637	540,802	540,802	14,165
Other Student Support	2,107,349	(2,505)	0	2,104,844	1,683,661	2,441,710	336,866

(Continued)

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

Discretely Presented Hardeman County School Department

General Purpose School Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Expenditures (Cont.)</b>							
Support Services (Cont.)							
Regular Instruction Program	\$ 1,650,050	\$ (351)	\$ 0	\$ 1,649,699	\$ 1,809,751	\$ 1,887,850	\$ 238,151
Special Education Program	552,034	0	995	553,029	537,487	587,612	34,583
Career and Technical Education Program	191,779	0	0	191,779	274,084	304,084	112,305
Technology	563,316	(830)	193	562,679	733,553	713,553	150,874
Other Programs	141,935	0	0	141,935	0	141,935	0
Board of Education	540,626	(4,408)	0	536,218	547,140	547,140	10,922
Director of Schools	474,364	(75,431)	3,325	402,258	487,470	500,610	98,352
Office of the Principal	2,158,870	0	0	2,158,870	2,342,752	2,342,752	183,882
Fiscal Services	503,299	0	3,425	506,724	518,114	518,114	11,390
Human Services/Personnel	97,698	0	0	97,698	110,282	110,282	12,584
Operation of Plant	1,939,499	0	228,604	2,168,103	2,102,287	2,181,367	13,264
Maintenance of Plant	1,224,551	(48,279)	1,768	1,178,040	1,029,832	1,194,832	16,792
Transportation	2,547,165	(1,642)	5,473	2,550,996	2,496,081	2,791,081	240,085
Operation of Non-Instructional Services							
Early Childhood Education	1,010,192	0	0	1,010,192	1,019,943	1,013,470	3,278
Capital Outlay							
Regular Capital Outlay	165,705	0	0	165,705	10,000	167,000	1,295

(Continued)

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

Discretely Presented Hardeman County School Department

General Purpose School Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Expenditures (Cont.)</b>							
Principal on Debt							
Education	\$ 0	\$ 0	\$ 0	\$ 0	\$ 180,000	\$ 0	\$ 0
Interest on Debt							
Education	0	0	0	0	21,600	0	0
Other Debt Service							
Education	202,252	0	0	202,252	1,000	202,600	348
Total Expenditures	\$ 37,237,265	\$ (134,060)	\$ 310,047	\$ 37,413,252	\$ 38,468,311	\$ 40,541,632	\$ 3,128,380
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,887,909	\$ 134,060	\$ (310,047)	\$ 2,711,922	\$ 133,386	\$ (784,905)	\$ 3,496,827
<b>Other Financing Sources (Uses)</b>							
Insurance Recovery	\$ 54,840	\$ 0	\$ 0	\$ 54,840	\$ 0	\$ 12,000	\$ 42,840
Transfers In	227,416	0	0	227,416	75,000	235,089	(7,673)
Transfers Out	(3,008,085)	0	0	(3,008,085)	(1,000,000)	(3,008,500)	415
Total Other Financing Sources	\$ (2,725,829)	\$ 0	\$ 0	\$ (2,725,829)	\$ (925,000)	\$ (2,761,411)	\$ 35,582
Net Change in Fund Balance	\$ 162,080	\$ 134,060	\$ (310,047)	\$ (13,907)	\$ (791,614)	\$ (3,546,316)	\$ 3,532,409
Fund Balance, July 1, 2024	14,993,149	(134,060)	0	14,859,089	12,154,690	12,154,690	2,704,399
Fund Balance, June 30, 2025	\$ 15,155,229	\$ 0	\$ (310,047)	\$ 14,845,182	\$ 11,363,076	\$ 8,608,374	\$ 6,236,808

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

Discretely Presented Hardeman County School Department

School Federal Projects Fund

**For the Year Ended June 30, 2025**

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<b>Revenues</b>						
Federal Government	\$ 3,951,299	\$ 0	\$ 3,951,299	\$ 4,613,064	\$ 4,622,564	\$ (671,265)
Total Revenues	\$ 3,951,299	\$ 0	\$ 3,951,299	\$ 4,613,064	\$ 4,622,564	\$ (671,265)
<b>Expenditures</b>						
Instruction						
Regular Instruction Program	\$ 1,088,500	\$ 0	\$ 1,088,500	\$ 1,310,199	\$ 1,302,293	\$ 213,793
Special Education Program	880,351	0	880,351	1,182,196	1,176,956	296,605
Career and Technical Education Program	63,193	0	63,193	60,652	63,193	0
Support Services						
Health Services	104,760	0	104,760	120,826	131,283	26,523
Other Student Support	72,252	0	72,252	73,874	82,289	10,037
Regular Instruction Program	997,515	0	997,515	1,093,334	1,091,144	93,629
Special Education Program	84,518	0	84,518	143,502	125,489	40,971
Career and Technical Education Program	5,000	0	5,000	5,000	5,000	0
Transportation	303,599	0	303,599	295,313	316,213	12,614
Operation of Non-Instructional Services						
Community Services	95,722	0	95,722	95,686	95,742	20
Early Childhood Education	2,000	0	2,000	0	0	(2,000)

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<b>Expenditures (Cont.)</b>						
Capital Outlay						
Regular Capital Outlay	\$ 47,613	\$ (47,086)	\$ 527	\$ 0	\$ 0	\$ (527)
Total Expenditures	\$ 3,745,023	\$ (47,086)	\$ 3,697,937	\$ 4,380,582	\$ 4,389,602	\$ 691,665
Excess (Deficiency) of Revenues Over Expenditures	\$ 206,276	\$ 47,086	\$ 253,362	\$ 232,482	\$ 232,962	\$ 20,400
<b>Other Financing Sources (Uses)</b>						
Transfers In	\$ 32,477	\$ 0	\$ 32,477	\$ 0	\$ 0	\$ 32,477
Transfers Out	(227,416)	0	(227,416)	(232,479)	(232,959)	5,543
Total Other Financing Sources	\$ (194,939)	\$ 0	\$ (194,939)	\$ (232,479)	\$ (232,959)	\$ 38,020
Net Change in Fund Balance	\$ 11,337	\$ 47,086	\$ 58,423	\$ 3	\$ 3	\$ 58,420
Changes to or Within the Financial Reporting Entity	1,750,000	0	1,750,000	0	0	1,750,000
Fund Balance, July 1, 2024	0	(47,086)	(47,086)	1,750,000	1,750,000	(1,797,086)
Fund Balance, June 30, 2025	\$ 1,761,337	\$ 0	\$ 1,761,337	\$ 1,750,003	\$ 1,750,003	\$ 11,334

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

Discretely Presented Hardeman County School Department

Central Cafeteria Fund

**For the Year Ended June 30, 2025**

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Revenues</b>							
Charges for Current Services	\$ 123,495	\$ 0	\$ 0	\$ 123,495	\$ 118,500	\$ 118,500	\$ 4,995
Other Local Revenues	205,917	0	0	205,917	50,000	50,000	155,917
State of Tennessee	18,753	0	0	18,753	22,000	22,000	(3,247)
Federal Government	2,698,650	0	0	2,698,650	2,160,870	2,203,970	494,680
Total Revenues	<u>\$ 3,046,815</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,046,815</u>	<u>\$ 2,351,370</u>	<u>\$ 2,394,470</u>	<u>\$ 652,345</u>
<b>Expenditures</b>							
Operation of Non-Instructional Services							
Food Service	\$ 2,813,766	\$ (2,569)	\$ 5,941	\$ 2,817,138	\$ 2,880,755	\$ 2,946,355	\$ 129,217
Total Expenditures	<u>\$ 2,813,766</u>	<u>\$ (2,569)</u>	<u>\$ 5,941</u>	<u>\$ 2,817,138</u>	<u>\$ 2,880,755</u>	<u>\$ 2,946,355</u>	<u>\$ 129,217</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 233,049</u>	<u>\$ 2,569</u>	<u>\$ (5,941)</u>	<u>\$ 229,677</u>	<u>\$ (529,385)</u>	<u>\$ (551,885)</u>	<u>\$ 781,562</u>
Net Change in Fund Balance	\$ 233,049	\$ 2,569	\$ (5,941)	\$ 229,677	\$ (529,385)	\$ (551,885)	\$ 781,562
Fund Balance, July 1, 2024	<u>1,876,170</u>	<u>(2,569)</u>	<u>0</u>	<u>1,873,601</u>	<u>1,599,595</u>	<u>1,599,595</u>	<u>274,006</u>
Fund Balance, June 30, 2025	<u><u>\$ 2,109,219</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (5,941)</u></u>	<u><u>\$ 2,103,278</u></u>	<u><u>\$ 1,070,210</u></u>	<u><u>\$ 1,047,710</u></u>	<u><u>\$ 1,055,568</u></u>



## MISCELLANEOUS SCHEDULES

**HARDEMAN COUNTY, TENNESSEE**  
**Schedule of Changes in Long-term Bonds and Note**  
**For the Year Ended June 30, 2025**

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-24	Paid and/or Matured During Period	Outstanding 6-30-25
<b>GOVERNMENTAL ACTIVITIES</b>							
<b>BONDS PAYABLE</b>							
Payable through General Debt Service Fund							
General Obligation School Bonds, Series 2013	\$ 2,815,000	2 to 3 %	6-12-13	4-1-30	\$ 780,000	\$ 180,000	\$ 600,000
General Obligation Refunding Bonds, Series 2016	8,820,000	2 to 2.75	8-22-16	6-1-35	6,225,000	455,000	5,770,000
General Obligation Refunding Bonds, Series 2017	9,040,000	3.25 to 5	6-9-17	6-1-43	8,610,000	30,000	8,580,000
Total Bonds Payable					<u>\$ 15,615,000</u>	<u>\$ 665,000</u>	<u>\$ 14,950,000</u>
<b>BUSINESS-TYPE ACTIVITIES</b>							
<b>NOTE PAYABLE</b>							
Payable through Solid Waste Disposal Fund							
2021 Caterpillar Model 816-11	618,725	2.99	5-20-22	5-20-29	\$ 454,748	\$ 85,684	\$ 369,064
Total Note Payable					<u>\$ 454,748</u>	<u>\$ 85,684</u>	<u>\$ 369,064</u>

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2026	\$ 680,000	\$ 453,380	\$ 1,133,380
2027	525,000	434,005	959,005
2028	925,000	423,130	1,348,130
2029	570,000	399,205	969,205
2030	640,000	386,030	1,026,030
2031	620,000	370,242	990,242
2032	635,000	354,480	989,480
2033	675,000	338,343	1,013,343
2034	710,000	321,167	1,031,167
2035	740,000	303,118	1,043,118
2036	865,000	282,567	1,147,567
2037	910,000	252,292	1,162,292
2038	945,000	221,808	1,166,808
2039	1,010,000	189,678	1,199,678
2040	1,045,000	155,337	1,200,337
2041	1,100,000	119,808	1,219,808
2042	1,135,000	81,857	1,216,857
2043	1,220,000	42,700	1,262,700
Total	\$ 14,950,000	\$ 5,129,147	\$ 20,079,147

**BUSINESS-TYPE ACTIVITIES**

Year Ending June 30	Note		
	Principal	Interest	Total
2026	\$ 88,246	\$ 11,035	\$ 99,281
2027	90,884	8,396	99,280
2028	93,601	5,679	99,280
2029	96,333	2,880	99,213
Total	\$ 369,064	\$ 27,990	\$ 397,054

**HARDEMAN COUNTY, TENNESSEE****Schedule of Transfers**

Discretely Presented Hardeman County School Department

**For the Year Ended June 30, 2025**

<b>From Fund</b>	<b>To Fund</b>	<b>Purpose</b>	<b>Amount</b>
<b>DISCRETELY PRESENTED HARDEMAN COUNTY SCHOOL DEPARTMENT</b>			
General Purpose School	School Federal Projects	Community Oriented Policing Services funds	\$ 24,392
"	"	Cash flow funds	8,085
"	Education Capital Projects	Capital outlay	2,975,608
School Federal Projects	General Purpose School	Indirect costs	67,742
"	"	CIS Early Learning Services funds	<u>159,674</u>
Total Transfers Discretely Presented Hardeman County School Department			<u><u>\$ 3,235,501</u></u>

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

Primary Government and Discretely Presented Hardeman County School Department

**For the Year Ended June 30, 2025**

<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>	(1)	Tennessee Risk Management Trust
Base salary	\$ 110,015			
Purchasing agent supplement	3,600			
Total compensation	<u>\$ 113,615</u>			
<b>Highway Superintendent</b>		Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 104,776</u>			
<b>Director of Schools</b>		State Board of Education and County Board of Education	(1)	Tennessee Risk Management Trust
Base salary	\$ 139,750			
Career ladder	1,000			
Total compensation	<u>\$ 140,750</u>			
<b>Trustee</b>		Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 95,251</u>			
<b>Assessor of Property</b>		Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 95,251</u>			
<b>County Clerk</b>		Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 95,251</u>			
<b>Circuit and General Sessions Courts Clerk</b>		Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 95,251</u>			
<b>Clerk and Master</b>		Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 95,251</u>			
<b>Register of Deeds</b>		Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 95,251</u>			
<b>Sheriff</b>		Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
Base salary	\$ 104,776			
Law enforcement training supplement	1,600			
Total compensation	<u>\$ 106,376</u>			
<b>Administrator of Elections</b>		Section 2-12-208, <i>TCA</i>	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 85,726</u>			
Employee Blanket Bonds:				
Employee Fidelity - County Departments			\$ 400,000	Tennessee Risk Management Trust
Employee Fidelity - School Department			400,000	"

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

**HARDEMAN COUNTY, TENNESSEE****Schedule of Detailed Revenues -****All Governmental Fund Types****For the Year Ended June 30, 2025**

	<b>Special Revenue Funds</b>				<b>Debt Service Fund</b>	
			Constitu -	Highway /	General	
	General	Drug Control	tional Officers - Fees	Public Works	Debt Service	Total
<b>Local Taxes</b>						
County Property Taxes						
Current Property Tax	\$ 4,712,720	\$ 0	\$ 0	\$ 0	\$ 288,684	\$ 5,001,404
Trustee's Collections - Prior Year	127,157	0	0	0	9,838	136,995
Trustee's Collections - Bankruptcy	975	0	0	0	68	1,043
Circuit Clerk/Clerk and Master Collections - Prior Years	78,501	0	0	0	5,405	83,906
Interest and Penalty	24,370	0	0	0	1,820	26,190
Payments in-Lieu-of Taxes - Other	341,301	0	0	0	5,252	346,553
County Local Option Taxes						
Local Option Sales Tax	520,570	0	0	0	0	520,570
Hotel/Motel Tax	56,852	0	0	0	0	56,852
Wheel Tax	0	0	0	805,478	865,481	1,670,959
Litigation Tax - General	97,333	0	0	0	0	97,333
Litigation Tax - Jail, Workhouse, or Courthouse	74,733	0	0	0	0	74,733
Business Tax	302,561	0	0	0	0	302,561
Statutory Local Taxes						
Bank Excise Tax	137,463	0	0	0	0	137,463
Wholesale Beer Tax	55,221	0	0	0	0	55,221
Total Local Taxes	\$ 6,529,757	\$ 0	\$ 0	\$ 805,478	\$ 1,176,548	\$ 8,511,783

(Continued)

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

	Special Revenue Funds				Debt Service Fund	
	General	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Total
<b>Licenses and Permits</b>						
Licenses						
Cable TV Franchise	\$ 5,070	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,070
Permits						
Beer Permits	665	0	0	0	0	665
Building Permits	31,863	0	0	0	0	31,863
Other Permits	4,160	0	0	10	0	4,170
Total Licenses and Permits	\$ 41,758	\$ 0	\$ 0	\$ 10	\$ 0	\$ 41,768
<b>Fines, Forfeitures, and Penalties</b>						
Circuit Court						
Fines	\$ 8,185	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,185
Officers Costs	9,647	0	0	0	0	9,647
Drug Control Fines	30,177	28,385	0	0	0	58,562
Jail Fees	1,433	0	0	0	0	1,433
DUI Treatment Fines	2,607	0	0	0	0	2,607
Data Entry Fee - Circuit Court	844	0	0	0	0	844
Courtroom Security Fee	2,730	0	0	0	0	2,730
Victims Assistance Assessments	378	0	0	0	0	378

(Continued)

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

	<b>Special Revenue Funds</b>				<b>Debt Service Fund</b>	
			Constitu -	Highway /	General	
	General	Drug Control	tional Officers - Fees	Public Works	Debt Service	Total
<b>Fines, Forfeitures, and Penalties (Cont.)</b>						
Criminal Court						
DUI Treatment Fines	\$ 523	\$ 0	\$ 0	\$ 0	\$ 0	523
General Sessions Court						
Fines	25,094	0	0	0	0	25,094
Fines for Littering	95	0	0	0	0	95
Officers Costs	43,955	0	0	0	0	43,955
Game and Fish Fines	22	0	0	0	0	22
Drug Control Fines	13,156	11,247	0	0	0	24,403
Drug Court Fees	4,828	0	0	0	0	4,828
Jail Fees	1,584	0	0	0	0	1,584
DUI Treatment Fines	277	2,974	0	0	0	3,251
Data Entry Fee - General Sessions Court	11,459	0	0	0	0	11,459
Courtroom Security Fee	68,864	0	0	0	0	68,864
Victims Assistance Assessments	696	0	0	0	0	696
Juvenile Court						
Fines	7,373	0	0	0	0	7,373
Officers Costs	2,000	0	0	0	0	2,000
Drug Control Fines	0	125	0	0	0	125
Jail Fees	182	0	0	0	0	182
Data Entry Fee - Juvenile Court	1,542	0	0	0	0	1,542

(Continued)



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

	<b>Special Revenue Funds</b>				<b>Debt Service Fund</b>	
	General	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Total
<b>Fines, Forfeitures, and Penalties (Cont.)</b>						
Chancery Court						
Officers Costs	\$ 1,730	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,730
Data Entry Fee - Chancery Court	4,026	0	0	0	0	4,026
Courtroom Security Fee	4,173	0	0	0	0	4,173
Other Fines, Forfeitures, and Penalties						
Proceeds from Confiscated Property	36,671	449	0	0	0	37,120
<b>Total Fines, Forfeitures, and Penalties</b>	<b>\$ 284,251</b>	<b>\$ 43,180</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 327,431</b>
<b>Charges for Current Services</b>						
General Service Charges						
Patient Charges	\$ 2,449,730	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,449,730
Work Release Charges for Board	3,674	0	0	0	0	3,674
Fees						
Airport Fees	13,750	0	0	0	0	13,750
Copy Fees	1,415	0	0	0	0	1,415
Greenbelt Late Application Fee	100	0	0	0	0	100
Telephone Commissions	43,659	0	0	0	0	43,659
Additional Fees - Titling and Registration	20,220	0	0	0	0	20,220
Fingerprint Fees	50	0	0	0	0	50

(Continued)

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

	<b>Special Revenue Funds</b>				<b>Debt Service Fund</b>	<b>Total</b>
	<b>General</b>	<b>Drug Control</b>	<b>Constitutional Officers - Fees</b>	<b>Highway / Public Works</b>	<b>General Debt Service</b>	
<b>Charges for Current Services (Cont.)</b>						
Fees (Cont.)						
Constitutional Officers' Fees and Commissions	\$ 0	\$ 0	\$ 406,584	\$ 0	\$ 0	\$ 406,584
Data Processing Fee - Register	10,381	0	0	0	0	10,381
Data Processing Fee - Sheriff	3,210	0	0	0	0	3,210
Sexual Offender Registration Fee - Sheriff	5,250	0	0	0	0	5,250
Data Processing Fee - County Clerk	4,524	0	0	0	0	4,524
Vehicle Insurance Coverage and Reinstatement Fees	6,125	0	0	0	0	6,125
Total Charges for Current Services	\$ 2,562,088	\$ 0	\$ 406,584	\$ 0	\$ 0	\$ 2,968,672
<b>Other Local Revenues</b>						
Recurring Items						
Investment Income	\$ 1,171,230	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,171,230
Lease/Rentals/PPP	5,700	0	0	0	0	5,700
Commissary Sales	77,637	0	0	0	0	77,637
Sale of Gasoline	46,759	0	0	0	0	46,759
Sale of Maps	65	0	0	0	0	65
Miscellaneous Refunds	29,882	0	0	12,572	0	42,454
Nonrecurring Items						
Sale of Equipment	0	0	0	40,350	0	40,350
Sale of Property	49,380	0	0	0	0	49,380

(Continued)

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

	<b>Special Revenue Funds</b>				<b>Debt Service Fund</b>	
			Constitu -	Highway /	General	
	General	Drug Control	tional Officers - Fees	Public Works	Debt Service	Total
<b>Other Local Revenues (Cont.)</b>						
Other Local Revenues						
Other Local Revenues	\$ 24,401	\$ 0	\$ 0	\$ 0	\$ 0	\$ 24,401
Total Other Local Revenues	\$ 1,405,054	\$ 0	\$ 0	\$ 52,922	\$ 0	\$ 1,457,976
<b>Fees Received From County Officials</b>						
Excess Fees						
County Clerk	\$ 91,506	\$ 0	\$ 0	\$ 0	\$ 0	\$ 91,506
Trustee	290,346	0	0	0	0	290,346
<b>Fees In-Lieu-of Salary</b>						
Circuit Court Clerk	51,395	0	0	0	0	51,395
General Sessions Court Clerk	224,596	0	0	0	0	224,596
Clerk and Master	99,528	0	0	0	0	99,528
Juvenile Court Clerk	9,113	0	0	0	0	9,113
Register	107,312	0	0	0	0	107,312
Sheriff	15,151	0	0	0	0	15,151
Total Fees Received From County Officials	\$ 888,947	\$ 0	\$ 0	\$ 0	\$ 0	\$ 888,947

(Continued)

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

	<b>Special Revenue Funds</b>				<b>Debt Service Fund</b>	
	General	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	Total
<b>State of Tennessee</b>						
General Government Grants						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,000
Public Safety Grants						
School Resource Officer Grants	256,665	0	0	0	0	256,665
Health and Welfare Grants						
Health Department Programs	44,760	0	0	0	0	44,760
Other Health and Welfare Grants	25,611	0	0	0	0	25,611
Public Works Grants						
State Aid Program	0	0	0	2,115,771	0	2,115,771
Litter Program	23,635	0	0	0	0	23,635
Other State Revenues						
Beer Tax	17,752	0	0	0	0	17,752
Vehicle Certificate of Title Fees	4,650	0	0	0	0	4,650
Alcoholic Beverage Tax	98,166	0	0	0	0	98,166
Opioid Settlement Funds - TN Abatement Council	82,287	0	0	0	0	82,287
State Revenue Sharing - T.V.A.	964,852	0	0	0	0	964,852
State Revenue Sharing - Telecommunications	33,355	0	0	0	0	33,355
State Shared Sports Gaming Privilege Tax	30,346	0	0	0	0	30,346
Contracted Prisoner Boarding	370,599	0	0	0	0	370,599
Gasoline and Motor Fuel Tax	0	0	0	2,880,165	0	2,880,165
Hybrid/Electric Vehicle Registration Fee	0	0	0	34,716	0	34,716

(Continued)

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

	<b>Special Revenue Funds</b>				<b>Debt Service Fund</b>	
			Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Total
	General	Drug Control				
<b>State of Tennessee (Cont.)</b>						
Other State Revenues (Cont.)						
Petroleum Special Tax	\$ 0	\$ 0	\$ 0	\$ 16,871	\$ 0	\$ 16,871
Registrar's Salary Supplement	15,164	0	0	0	0	15,164
Other State Grants	216,385	0	0	0	0	216,385
Other State Revenues	63,774	0	0	0	0	63,774
Total State of Tennessee	\$ 2,257,001	\$ 0	\$ 0	\$ 5,047,523	\$ 0	\$ 7,304,524
<b>Federal Government</b>						
Federal Through State						
Homeland Security Grants	\$ 6,742	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,742
American Rescue Plan Act Grant #1	167,255	0	0	0	0	167,255
Direct Federal Revenue						
American Rescue Plan Act Grant #6	100,000	0	0	0	0	100,000
Total Federal Government	\$ 273,997	\$ 0	\$ 0	\$ 0	\$ 0	\$ 273,997
<b>Other Governments and Citizens Groups</b>						
Other Governments						
Contributions	\$ 2,500	\$ 0	\$ 0	\$ 0	\$ 202,252	\$ 204,752
Other						
Other	\$ 301,798	\$ 73	\$ 0	\$ 0	\$ 0	\$ 301,871
Opioid Settlement Funds - Past Remediation	31,720	0	0	0	0	31,720
Total Other Governments and Citizens Groups	\$ 336,018	\$ 73	\$ 0	\$ 0	\$ 202,252	\$ 538,343
Total	\$ 14,578,871	\$ 43,253	\$ 406,584	\$ 5,905,933	\$ 1,378,800	\$ 22,313,441

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

Discretely Presented Hardeman County School Department

**For the Year Ended June 30, 2025**

	<b>Special Revenue Funds</b>				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
<b>Local Taxes</b>					
County Property Taxes					
Current Property Tax	\$ 5,226,168	\$ 0	\$ 0	\$ 0	\$ 5,226,168
Trustee's Collections - Prior Year	196,278	0	0	0	196,278
Trustee's Collections - Bankruptcy	1,352	0	0	0	1,352
Circuit Clerk/Clerk and Master Collections - Prior Years	108,781	0	0	0	108,781
Interest and Penalty	32,672	0	0	0	32,672
Payments in-Lieu-of Taxes - Other	95,190	0	0	0	95,190
County Local Option Taxes					
Local Option Sales Tax	4,047,489	0	0	0	4,047,489
Mixed Drink Tax	10,244	0	0	0	10,244
Other County Local Option Taxes	175	0	0	0	175
Total Local Taxes	<u>\$ 9,718,349</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 9,718,349</u>
<b>Licenses and Permits</b>					
Licenses					
Marriage Licenses	\$ 1,672	\$ 0	\$ 0	\$ 0	\$ 1,672
Total Licenses and Permits	<u>\$ 1,672</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,672</u>

(Continued)

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

Discretely Presented Hardeman County School Department (Cont.)

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
Charges for Current Services					
General Service Charges					
Other Employee Benefit Charges/Contributions	\$ 489	\$ 0	\$ 0	\$ 0	\$ 489
Fees					
Vending Machine Collections	3,439	0	0	0	3,439
Education Charges					
Lunch Payments - Adults	0	0	19,275	0	19,275
Income from Breakfast	0	0	5,757	0	5,757
A la Carte Sales	0	0	98,463	0	98,463
Receipts from Individual Schools	411	0	0	0	411
Total Charges for Current Services	\$ 4,339	\$ 0	\$ 123,495	\$ 0	\$ 127,834
Other Local Revenues					
Recurring Items					
Investment Income	\$ 46,946	\$ 0	\$ 182,033	\$ 0	\$ 228,979
Lease/Rentals/PPP	32,357	0	0	0	32,357
Retirees' Insurance Payments	48,471	0	0	0	48,471
Cobra Insurance Payments	705	0	0	0	705
Rebates	0	0	16,090	0	16,090

(Continued)

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

Discretely Presented Hardeman County School Department (Cont.)

	Special Revenue Funds					
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
Other Local Revenues (Cont.)						
Recurring Items (Cont.)						
Miscellaneous Refunds	\$ 80,474	\$ 0	\$ 7,794	\$ 0	\$ 88,268	
Expenditure Credits	7,905	0	0	0	7,905	
Nonrecurring Items						
Sale of Equipment	25,778	0	0	0	25,778	
Other Local Revenues						
Other Local Revenues	48,625	0	0	1,242,839	1,291,464	
Total Other Local Revenues	\$ 291,261	\$ 0	\$ 205,917	\$ 1,242,839	\$ 1,740,017	
State of Tennessee						
General Government Grants						
On-behalf Contributions for OPEB	\$ 141,935	\$ 0	\$ 0	\$ 0	\$ 141,935	
State Education Funds						
Tennessee Investment in Student Achievement	26,152,108	0	0	0	26,152,108	
TISA - On-behalf Payments	73,332	0	0	0	73,332	
Early Childhood Education	1,049,869	0	0	0	1,049,869	
School Food Service	0	0	18,753	0	18,753	
Driver Education	13,135	0	0	0	13,135	

(Continued)



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

Discretely Presented Hardeman County School Department (Cont.)

	<b>Special Revenue Funds</b>				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
<b>State of Tennessee (Cont.)</b>					
State Education Funds (Cont.)					
Other State Education Funds	\$ 364,776	\$ 0	\$ 0	\$ 0	\$ 375,588
Paid Parental Leave	68,713	0	0	0	68,713
Career Ladder Program	31,092	0	0	0	31,092
Other Vocational	1,375,432	0	0	0	1,375,432
Other State Revenues					
Other State Grants	23,869	0	0	0	23,869
Total State of Tennessee	<u>\$ 29,294,261</u>	<u>\$ 0</u>	<u>\$ 18,753</u>	<u>\$ 0</u>	<u>\$ 29,323,826</u>
<b>Federal Government</b>					
Federal Through State					
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,732,505	\$ 0	\$ 1,732,505
USDA - Commodities	0	0	192,551	0	192,551
Breakfast	0	0	686,833	0	686,833
USDA - Other	0	0	86,761	0	86,761
Vocational Education - Basic Grants to States	0	89,204	0	0	89,204
Title I Grants to Local Education Agencies	0	1,633,035	0	0	1,633,035
Special Education - Grants to States	0	1,094,271	0	0	1,094,271

(Continued)

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

Discretely Presented Hardeman 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.)					
Special Education Preschool Grants	\$ 0	\$ 53,747	\$ 0	\$ 0	\$ 53,747
Rural Education	0	69,211	0	0	69,211
21st Century Community Learning Centers	0	98,730	0	0	98,730
Eisenhower Professional Development State Grants	0	285,069	0	0	285,069
American Rescue Plan Act Grant #1	0	127,454	0	0	127,454
Other Federal through State	59,764	474,854	0	0	523,806
Direct Federal Revenue					
Other Direct Federal Revenue	0	25,724	0	0	25,724
Total Federal Government	\$ 59,764	\$ 3,951,299	\$ 2,698,650	\$ 0	\$ 6,698,901
<b>Other Governments and Citizens Groups</b>					
Other Governments					
Contributions	\$ 736,685	\$ 0	\$ 0	\$ 0	\$ 736,685
Other					
Other	18,843	0	0	0	18,843
Total Other Governments and Citizens Groups	\$ 755,528	\$ 0	\$ 0	\$ 0	\$ 755,528
Total	\$ 40,125,174	\$ 3,951,299	\$ 3,046,815	\$ 1,242,839	\$ 48,366,127

**HARDEMAN COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types**  
**For the Year Ended June 30, 2025**

**General Fund**

General Government

**County Commission**

Board and Committee Members Fees	\$	33,450	
Social Security		2,074	
Employer Medicare		485	
Other Charges		7,815	
Total County Commission			\$ 43,824

**Board of Equalization**

Board and Committee Members Fees	\$	1,000	
Total Board of Equalization			1,000

**Beer Board**

Board and Committee Members Fees	\$	1,050	
Social Security		37	
Employer Medicare		9	
Total Beer Board			1,096

**Budget and Finance Committee**

Board and Committee Members Fees	\$	1,750	
Social Security		56	
Employer Medicare		13	
Total Budget and Finance Committee			1,819

**Other Boards and Committees**

Board and Committee Members Fees	\$	6,300	
Social Security		102	
Employer Medicare		24	
Total Other Boards and Committees			6,426

**County Mayor/Executive**

County Official/Administrative Officer	\$	110,015	
Secretary(ies)		74,855	
Part-time Personnel		2,228	
Social Security		11,361	
Pensions		21,333	
Employee and Dependent Insurance		33,369	
Unemployment Compensation		70	

(Continued)

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

**General Fund (Cont.)**

General Government (Cont.)

**County Mayor/Executive (Cont.)**

Employer Medicare	\$	2,689	
Communication		5,000	
Maintenance and Repair Services - Office Equipment		1,908	
Postal Charges		2,159	
Travel		2,252	
Office Supplies		3,617	
Other Supplies and Materials		955	
Other Charges		855	
Office Equipment		1,646	
Total County Mayor/Executive			\$ 274,312

**County Attorney**

Legal Services	\$	330,887	
Total County Attorney			330,887

**Election Commission**

County Official/Administrative Officer	\$	85,726	
Clerical Personnel		29,714	
Overtime Pay		788	
Other Salaries and Wages		895	
Board and Committee Members Fees		4,400	
Election Workers		37,510	
Social Security		7,175	
Pensions		13,413	
Employee and Dependent Insurance		8,382	
Unemployment Compensation		42	
Employer Medicare		1,678	
Communication		1,860	
Dues and Memberships		140	
Legal Notices, Recording, and Court Costs		7,998	
Postal Charges		2,324	
Printing, Stationery, and Forms		4,381	
Rentals		12,000	
Travel		2,236	
Other Contracted Services		28,774	
Custodial Supplies		240	

(Continued)

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

**General Fund (Cont.)**

General Government (Cont.)

**Election Commission (Cont.)**

Office Supplies	\$	5,748	
Utilities		6,124	
Building Improvements		406,665	
Office Equipment		16,047	
Total Election Commission			\$ 684,260

**Register of Deeds**

County Official/Administrative Officer	\$	95,251	
Deputy(ies)		44,044	
Part-time Personnel		14,102	
Educational Incentive - Other County Employees		1,700	
Social Security		9,552	
Pensions		16,069	
Employee and Dependent Insurance		16,420	
Unemployment Compensation		53	
Employer Medicare		2,234	
Communication		2,675	
Data Processing Services		8,562	
Dues and Memberships		135	
Maintenance Agreements		869	
Postal Charges		64	
Travel		2,862	
Office Supplies		1,460	
Total Register of Deeds			216,052

**Development**

County Official/Administrative Officer	\$	40,536	
Other Salaries and Wages		26,145	
Social Security		4,131	
Pensions		5,431	
Employee and Dependent Insurance		8,055	
Unemployment Compensation		64	
Employer Medicare		986	
Communication		2,679	
Contracts with Government Agencies		14,307	
Postal Charges		39	

(Continued)

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

**General Fund (Cont.)**

General Government (Cont.)

**Development (Cont.)**

Rentals	\$	1,226	
Travel		164	
Gasoline		463	
Office Supplies		615	
Other Charges		1,462	
Office Equipment		956	
Total Development			\$ 107,259

**County Buildings**

Supervisor/Director	\$	48,230	
Custodial Personnel		51,938	
Social Security		6,138	
Pensions		5,193	
Employee and Dependent Insurance		8,327	
Unemployment Compensation		90	
Employer Medicare		1,436	
Communication		1,935	
Maintenance and Repair Services - Buildings		30,260	
Maintenance and Repair Services - Equipment		15,736	
Maintenance and Repair Services - Vehicles		1,902	
Other Contracted Services		6,885	
Custodial Supplies		2,218	
Gasoline		5,447	
Office Supplies		94	
Uniforms		2,186	
Utilities		47,987	
Other Supplies and Materials		971	
Other Charges		13,988	
Furniture and Fixtures		480	
Maintenance Equipment		5,297	
Total County Buildings			256,738

**Other Facilities**

Supervisor/Director	\$	48,402	
Social Security		3,001	
Pensions		5,586	

(Continued)

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

**General Fund (Cont.)**

General Government (Cont.)

**Other Facilities (Cont.)**

Employee and Dependent Insurance	\$	8,342	
Unemployment Compensation		21	
Employer Medicare		702	
Communication		485	
Maintenance and Repair Services - Equipment		1,201	
Maintenance and Repair Services - Vehicles		375	
Garage Supplies		1,467	
Gasoline		2,116	
Uniforms		114	
Other Supplies and Materials		976	
Total Other Facilities			\$ 72,788

**Other General Administration**

Land	\$	17,911	
Total Other General Administration			17,911

**Preservation of Records**

Communication	\$	1,457	
Utilities		2,919	
Total Preservation of Records			4,376

Finance

**Accounting and Budgeting**

Accounting Services	\$	21,884	
Total Accounting and Budgeting			21,884

**Purchasing**

County Official/Administrative Officer	\$	3,600	
Social Security		223	
Pensions		415	
Unemployment Compensation		11	
Employer Medicare		52	
Total Purchasing			4,301

**Property Assessor's Office**

County Official/Administrative Officer	\$	95,251	
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(Continued)

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

**General Fund (Cont.)**

Finance (Cont.)

**Property Assessor's Office (Cont.)**

Educational Incentive - Other County Employees	\$	3,300	
Social Security		5,638	
Pensions		10,991	
Employee and Dependent Insurance		8,342	
Employer Medicare		1,319	
Communication		2,321	
Data Processing Services		15,005	
Dues and Memberships		1,700	
Maintenance and Repair Services - Office Equipment		68	
Postal Charges		760	
Travel		1,782	
Other Contracted Services		9,605	
Office Supplies		1,011	
Other Supplies and Materials		853	
Office Equipment		181	
Total Property Assessor's Office			\$ 158,127

**Reappraisal Program**

Deputy(ies)	\$	110,195	
Part-time Personnel		21,091	
Social Security		8,052	
Pensions		10,838	
Employee and Dependent Insurance		24,330	
Unemployment Compensation		143	
Employer Medicare		1,834	
Advertising		120	
Data Processing Services		3,955	
Legal Services		2,000	
Maintenance and Repair Services - Vehicles		195	
Postal Charges		1,766	
Gasoline		2,236	
Other Supplies and Materials		74	
Total Reappraisal Program			186,829

**County Trustee's Office**

Social Security	\$	9,650	
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(Continued)



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

**General Fund (Cont.)**

Finance (Cont.)

**County Trustee's Office (Cont.)**

Pensions	\$	16,185	
Employee and Dependent Insurance		16,685	
Unemployment Compensation		42	
Employer Medicare		2,257	
Communication		2,224	
Postal Charges		9,376	
Travel		562	
Other Contracted Services		5,041	
Office Supplies		3,332	
Total County Trustee's Office			\$ 65,354

**County Clerk's Office**

Educational Incentive - Other County Employees	\$	300	
Social Security		13,993	
Pensions		24,345	
Employee and Dependent Insurance		47,287	
Unemployment Compensation		134	
Employer Medicare		3,273	
Communication		6,318	
Maintenance and Repair Services - Office Equipment		12,354	
Postal Charges		4,990	
Office Supplies		4,600	
Other Supplies and Materials		246	
Office Equipment		5,490	
Total County Clerk's Office			123,330

Administration of Justice

**Circuit Court**

County Official/Administrative Officer	\$	95,251	
Deputy(ies)		86,838	
Clerical Personnel		106,148	
Part-time Personnel		13,782	
Jury and Witness Expense		9,912	
Social Security		18,615	
Pensions		31,404	
Employee and Dependent Insurance		56,616	

(Continued)

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

**General Fund (Cont.)**

Administration of Justice (Cont.)

**Circuit Court (Cont.)**

Unemployment Compensation	\$	208	
Employer Medicare		4,354	
Communication		854	
Dues and Memberships		710	
Maintenance and Repair Services - Office Equipment		460	
Postal Charges		4,854	
Travel		1,453	
Office Supplies		6,460	
Other Charges		468	
Office Equipment		5,918	
Total Circuit Court			\$ 444,305

**General Sessions Court**

Judge(s)	\$	136,154	
Social Security		8,429	
Pensions		15,694	
Employee and Dependent Insurance		8,342	
Employer Medicare		1,971	
Dues and Memberships		950	
Travel		2,880	
Office Supplies		125	
Total General Sessions Court			174,545

**Chancery Court**

County Official/Administrative Officer	\$	95,251	
Deputy(ies)		94,094	
Educational Incentive - Other County Employees		4,850	
Social Security		11,990	
Pensions		21,850	
Employee and Dependent Insurance		33,240	
Unemployment Compensation		63	
Employer Medicare		2,804	
Communication		2,213	
Dues and Memberships		185	
Legal Notices, Recording, and Court Costs		4,005	
Postal Charges		6,543	

(Continued)

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

**General Fund (Cont.)**

Administration of Justice (Cont.)

**Chancery Court (Cont.)**

Travel	\$	1,505	
Office Supplies		4,186	
Data Processing Equipment		1,189	
Office Equipment		1,314	
Total Chancery Court			\$ 285,282

**Juvenile Court**

Other Salaries and Wages	\$	59,516	
Social Security		3,689	
Pensions		6,868	
Employee and Dependent Insurance		8,342	
Unemployment Compensation		21	
Employer Medicare		863	
Communication		993	
Contracts with Government Agencies		840	
Travel		2,155	
Drug Treatment		362	
Other Contracted Services		10,954	
Gasoline		3,943	
Office Supplies		164	
Total Juvenile Court			98,710

**Courtroom Security**

Deputy(ies)	\$	46,168	
Part-time Personnel		15,581	
Social Security		3,825	
Pensions		5,328	
Employee and Dependent Insurance		8,342	
Unemployment Compensation		42	
Employer Medicare		895	
Office Supplies		86	
Total Courtroom Security			80,267

**Victim Assistance Programs**

Other Per Diem and Fees	\$	948	
Total Victim Assistance Programs			948

(Continued)

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

**General Fund (Cont.)**

Public Safety

**Sheriff's Department**

County Official/Administrative Officer	\$	104,776	
Assistant(s)		68,179	
Deputy(ies)		822,608	
Investigator(s)		211,783	
Salary Supplements		35,600	
Secretary(ies)		142,622	
Part-time Personnel		3,695	
Overtime Pay		127,227	
In-service Training		12,121	
Social Security		93,124	
Pensions		133,487	
Employee and Dependent Insurance		208,185	
Unemployment Compensation		596	
Employer Medicare		21,779	
Communication		49,296	
Dues and Memberships		2,150	
Legal Services		1,706	
Maintenance and Repair Services - Vehicles		95,808	
Postal Charges		2,724	
Towing Services		12,475	
Travel		9,560	
Other Contracted Services		9,853	
Gasoline		165,685	
Office Supplies		4,607	
Uniforms		18,520	
Other Charges		9,792	
Communication Equipment		141,873	
Data Processing Equipment		759	
Law Enforcement Equipment		23,901	
Motor Vehicles		210,824	
Office Equipment		5,595	
Other Equipment		1,957	
Total Sheriff's Department			\$ 2,752,867
<b>Special Patrols</b>			
Deputy(ies)	\$	218,397	

(Continued)

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

**General Fund (Cont.)**

Public Safety (Cont.)

**Special Patrols (Cont.)**

Social Security	\$	13,422	
Pensions		21,336	
Employee and Dependent Insurance		32,572	
Unemployment Compensation		146	
Employer Medicare		3,139	
Law Enforcement Equipment		8,073	
Total Special Patrols			\$ 297,085

**Workhouse**

Medical Personnel	\$	75,105	
Guards		787,321	
Maintenance Personnel		45,472	
Part-time Personnel		343	
Overtime Pay		25,996	
Social Security		57,273	
Pensions		73,045	
Employee and Dependent Insurance		165,912	
Unemployment Compensation		902	
Employer Medicare		13,394	
Communication		5,165	
Maintenance and Repair Services - Buildings		34,919	
Maintenance and Repair Services - Equipment		17,821	
Medical and Dental Services		75,897	
Travel		2,748	
Other Contracted Services		25,153	
Custodial Supplies		23,960	
Drugs and Medical Supplies		20,473	
Electricity		211,507	
Food Preparation Supplies		2,064	
Food Supplies		196,326	
Uniforms		4,742	
Other Supplies and Materials		6,316	
In Service/Staff Development		322	
Other Charges		8,989	
Building Improvements		155,777	
Communication Equipment		1,863	
Office Equipment		2,315	
Total Workhouse			2,041,120

(Continued)

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

**General Fund (Cont.)**

Public Safety (Cont.)

**Juvenile Services**

Supervisor/Director	\$	40,989	
Social Security		2,541	
Pensions		4,730	
Employee and Dependent Insurance		8,342	
Unemployment Compensation		21	
Employer Medicare		594	
Maintenance and Repair Services - Office Equipment		760	
Office Supplies		140	
Total Juvenile Services			\$ 58,117

**Fire Prevention and Control**

Contracts with Government Agencies	\$	123,601	
Building Improvements		174,346	
Total Fire Prevention and Control			297,947

**Civil Defense**

Supervisor/Director	\$	6,028	
Part-time Personnel		1,640	
Social Security		475	
Unemployment Compensation		23	
Employer Medicare		111	
Communication		2,424	
Maintenance and Repair Services - Vehicles		107	
Rentals		2,800	
Gasoline		339	
Other Charges		1,700	
Building Improvements		18,702	
Total Civil Defense			34,349

**Other Emergency Management**

Contracts with Government Agencies	\$	283,158	
Total Other Emergency Management			283,158

**County Coroner/Medical Examiner**

Other Contracted Services	\$	24,989	
Total County Coroner/Medical Examiner			24,989

(Continued)

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

**General Fund (Cont.)**

Public Safety (Cont.)

**Other Public Safety**

Deputy(ies)	\$	1,318,274	
Social Security		82,502	
Pensions		66,896	
Employer Medicare		19,295	
Other Charges		1,086,791	
Total Other Public Safety			\$ 2,573,758

Public Health and Welfare

**Local Health Center**

Supervisor/Director	\$	19,562	
Social Security		1,144	
Employee and Dependent Insurance		1,045	
Unemployment Compensation		21	
Employer Medicare		268	
Communication		2,660	
Contracts with Government Agencies		24,470	
Janitorial Services		19,200	
Maintenance and Repair Services - Buildings		5,635	
Postal Charges		246	
Custodial Supplies		606	
Drugs and Medical Supplies		1,929	
Office Supplies		133	
Utilities		13,224	
Other Supplies and Materials		2,210	
Building Improvements		44,262	
Total Local Health Center			136,615

**Rabies and Animal Control**

County Official/Administrative Officer	\$	30,821	
Social Security		1,868	
Pensions		1,138	
Employee and Dependent Insurance		5,159	
Unemployment Compensation		41	
Employer Medicare		437	
Communication		1,008	
Maintenance and Repair Services - Buildings		593	

(Continued)

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

**General Fund (Cont.)**

Public Health and Welfare (Cont.)

**Rabies and Animal Control (Cont.)**

Maintenance and Repair Services - Vehicles	\$	432	
Animal Food and Supplies		597	
Drugs and Medical Supplies		160	
Food Supplies		18	
Uniforms		78	
Utilities		3,982	
Other Supplies and Materials		2,019	
Other Charges		59	
Total Rabies and Animal Control			\$ 48,410

**Ambulance/Emergency Medical Services**

Assistant(s)	\$	4,800
Supervisor/Director		77,708
Clerical Personnel		69,030
Attendants		900,507
Part-time Personnel		162,587
Overtime Pay		464,551
In-service Training		685
Social Security		102,555
Pensions		157,162
Employee and Dependent Insurance		181,019
Unemployment Compensation		722
Employer Medicare		47,385
Communication		6,365
Contracts with Private Agencies		221,523
Maintenance and Repair Services - Buildings		1,732
Maintenance and Repair Services - Equipment		6,044
Maintenance and Repair Services - Vehicles		128,427
Postal Charges		276
Custodial Supplies		3,152
Drugs and Medical Supplies		116,195
Gasoline		89,928
Office Supplies		2,422
Tires and Tubes		9,899
Uniforms		346
Utilities		15,388

(Continued)



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

**General Fund (Cont.)**

Public Health and Welfare (Cont.)

**Ambulance/Emergency Medical Services (Cont.)**

Refunds	\$	888	
Other Charges		1,863	
Motor Vehicles		117,294	
Other Equipment		86,212	
Other Capital Outlay		7,493	
Total Ambulance/Emergency Medical Services			\$ 2,984,158

**Dental Health Program**

Medical Personnel	\$	35,469	
Social Security		2,199	
Unemployment Compensation		21	
Employer Medicare		514	
Travel		1,201	
Liability Insurance		759	
Total Dental Health Program			40,163

**Sanitation Education/Information**

Foremen	\$	19,575	
Social Security		1,214	
Unemployment Compensation		21	
Employer Medicare		284	
Maintenance and Repair Services - Vehicles		1,678	
Gasoline		2,538	
Instructional Supplies and Materials		12,071	
Other Supplies and Materials		947	
Total Sanitation Education/Information			38,328

Social, Cultural, and Recreational Services

**Libraries**

Contributions	\$	13,800	
Other Contracted Services		104,747	
Total Libraries			118,547

Agriculture and Natural Resources

**Agricultural Extension Service**

Salary Supplements	\$	52,008	
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(Continued)

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

**General Fund (Cont.)**

Agriculture and Natural Resources (Cont.)

**Agricultural Extension Service (Cont.)**

Social Security	\$	3,320	
Pensions		6,605	
Employee and Dependent Insurance		7,015	
Employer Medicare		582	
Communication		4,778	
Dues and Memberships		515	
Travel		1,531	
Utilities		7,649	
Other Supplies and Materials		985	
Total Agricultural Extension Service			\$ 84,988

**Forest Service**

Other Contracted Services	\$	2,000	
Total Forest Service			2,000

**Soil Conservation**

Secretary(ies)	\$	25,020	
Social Security		1,549	
Pensions		1,279	
Employee and Dependent Insurance		6,272	
Unemployment Compensation		32	
Employer Medicare		372	
Travel		1,305	
Other Contracted Services		7,994	
Other Supplies and Materials		62	
Total Soil Conservation			43,885

Other Operations

**Industrial Development**

Advertising	\$	250	
Contracts with Other Public Agencies		5,000	
Contributions		20,000	
Total Industrial Development			25,250

**Other Economic and Community Development**

Other Contracted Services	\$	14,000	
Total Other Economic and Community Development			14,000

(Continued)

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

**General Fund (Cont.)**

Other Operations (Cont.)

**Airport**

Supervisor/Director	\$	42,077	
Part-time Personnel		19,734	
Social Security		3,829	
Pensions		4,856	
Employee and Dependent Insurance		8,342	
Unemployment Compensation		42	
Employer Medicare		895	
Communication		2,126	
Maintenance and Repair Services - Buildings		4,561	
Maintenance and Repair Services - Equipment		1,239	
Maintenance and Repair Services - Vehicles		645	
Custodial Supplies		188	
Gasoline		36,146	
Utilities		13,424	
Other Charges		68	
Airport Improvement		242,287	
Other Capital Outlay		1,500	
Total Airport			\$ 381,959

**Veterans' Services**

Secretary(ies)	\$	8,584	
Social Security		532	
Unemployment Compensation		16	
Employer Medicare		124	
Communication		1,457	
Office Supplies		57	
Total Veterans' Services			10,770

**Other Charges**

Judgments	\$	4,592,317	
Total Other Charges			4,592,317

**Contributions to Other Agencies**

Dues and Memberships	\$	22,901	
Total Contributions to Other Agencies			22,901

(Continued)

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

**General Fund (Cont.)**

Other Operations (Cont.)

**Employee Benefits**

Employee and Dependent Insurance	\$ 35,150	
Disability Insurance	117,987	
Total Employee Benefits		\$ 153,137

**Miscellaneous**

Audit Services	\$ 10,000	
Contributions	35,000	
Data Processing Services	69,580	
Dues and Memberships	8,382	
Legal Notices, Recording, and Court Costs	1,992	
Liability Insurance	336,429	
Trustee's Commission	168,136	
Other Charges	9,637	
Total Miscellaneous		639,156

Total General Fund \$ 21,362,604

**Drug Control Fund**

Public Safety

**Drug Enforcement**

In-service Training	\$ 1,000	
Communication	1,000	
Confidential Drug Enforcement Payments	7,500	
Maintenance and Repair Services - Vehicles	1,696	
Travel	1,151	
Instructional Supplies and Materials	5,038	
Trustee's Commission	802	
Other Charges	4,388	
Motor Vehicles	74,689	
Other Equipment	2,617	
Total Drug Enforcement		\$ 99,881

Total Drug Control Fund 99,881

(Continued)

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

**Constitutional Officers - Fees Fund**

Finance

**County Trustee's Office**

Constitutional Officers' Operating Expenses	\$ 170,545	
Total County Trustee's Office		\$ 170,545

**County Clerk's Office**

Constitutional Officers' Operating Expenses	\$ 236,039	
Total County Clerk's Office		236,039

Total Constitutional Officers - Fees Fund		\$ 406,584
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**Highway/Public Works Fund**

Highways

**Administration**

County Official/Administrative Officer	\$ 104,776	
Secretary(ies)	42,869	
Board and Committee Members Fees	4,950	
Communication	10,234	
Data Processing Services	17,978	
Dues and Memberships	5,678	
Lease/SBITA Payments	2,181	
Legal Services	3,427	
Legal Notices, Recording, and Court Costs	944	
Maintenance and Repair Services - Office Equipment	500	
Postal Charges	102	
Travel	2,674	
Other Contracted Services	2,475	
Electricity	22,025	
Office Supplies	5,019	
Other Supplies and Materials	938	
Data Processing Equipment	3,825	
Total Administration		\$ 230,595

**Highway and Bridge Maintenance**

Foremen	\$ 265,911
Laborers	594,602
Overtime Pay	13,924
Other Contracted Services	1,744

(Continued)

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

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

Highways (Cont.)

**Highway and Bridge Maintenance (Cont.)**

Asphalt - Liquid	\$	69,242	
Crushed Stone		61,547	
Pipe		62,661	
Road Signs		10,462	
Wood Products		45,737	
Chemicals		137,200	
Total Highway and Bridge Maintenance			\$ 1,263,030

**Operation and Maintenance of Equipment**

Equipment and Machinery Parts	\$	303,414	
Garage Supplies		845	
Gasoline		100,739	
Lubricants		2,476	
Tires and Tubes		23,321	
Uniforms		13,180	
Other Supplies and Materials		527	
Total Operation and Maintenance of Equipment			444,502

**Asphalt Plant Operations**

Foremen	\$	20,010	
Other Contracted Services		420	
Asphalt - Hot Mix		183,596	
Crushed Stone		37,447	
Equipment and Machinery Parts		19,010	
Utilities		54,593	
Other Supplies and Materials		206	
State Aid Projects		2,161,287	
Total Asphalt Plant Operations			2,476,569

**Other Charges**

Liability Insurance	\$	99,110	
Trustee's Commission		38,041	
Vehicle and Equipment Insurance		402	
Total Other Charges			137,553

(Continued)

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

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

Highways (Cont.)

**Employee Benefits**

Social Security	\$	63,760	
Pensions		118,256	
Employee and Dependent Insurance		173,895	
Disability Insurance		23,063	
Unemployment Compensation		4,477	
Employer Medicare		14,898	
Total Employee Benefits			\$ 398,349

**Capital Outlay**

Bridge Construction	\$	19,683	
Building Improvements		90,055	
Communication Equipment		798	
Highway Equipment		780,865	
Total Capital Outlay			891,401

Total Highway/Public Works Fund \$ 5,841,999

**General Debt Service Fund**

Principal on Debt

**General Government**

Principal on Bonds	\$	485,000	
Total General Government			\$ 485,000

**Education**

Principal on Bonds	\$	180,000	
Total Education			180,000

Interest on Debt

**General Government**

Interest on Bonds	\$	441,855	
Total General Government			441,855

**Education**

Interest on Bonds	\$	21,600	
Total Education			21,600

(Continued)

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

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

Other Debt Service

**General Government**

Trustee's Commission	\$	14,918	
Other Charges		<u>2,705</u>	
Total General Government			\$ 17,623

**Education**

Other Charges	\$	<u>750</u>	
Total Education			<u>750</u>

Total General Debt Service Fund			<u>\$ 1,146,828</u>
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Total Governmental Funds - Primary Government			<u><u>\$ 28,857,896</u></u>
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**HARDEMAN COUNTY, TENNESSEE****Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Hardeman County School Department

**For the Year Ended June 30, 2025****General Purpose School Fund**

## Instruction

**Regular Instruction Program**

Teachers	\$ 10,307,333	
Career Ladder Program	34,850	
Homebound Teachers	1,540	
Educational Assistants	402,720	
Other Salaries and Wages	113,474	
Certified Substitute Teachers	171,932	
Non-certified Substitute Teachers	62,020	
Social Security	617,924	
Pensions	745,353	
Medical Insurance	1,223,799	
Dental Insurance	44,963	
Employer Medicare	150,408	
Other Fringe Benefits	16,232	
Other Contracted Services	55,271	
Instructional Supplies and Materials	170,193	
Textbooks - Bound	639,276	
Software	197,713	
Other Supplies and Materials	56,048	
In Service/Staff Development	10,008	
TISA - On-behalf Payments	40,345	
Other Charges	9,740	
Regular Instruction Equipment	484,319	
Total Regular Instruction Program		\$ 15,555,461

**Alternative Instruction Program**

Teachers	\$ 177,310	
Educational Assistants	10,281	
Social Security	10,581	
Pensions	13,496	
Medical Insurance	23,955	
Employer Medicare	2,475	
Instructional Supplies and Materials	1,029	
Total Alternative Instruction Program		239,127

(Continued)

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

Discretely Presented Hardeman County School Department (Cont.)

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

## Instruction (Cont.)

**Special Education Program**

Teachers	\$ 1,524,195	
Homebound Teachers	8,819	
Educational Assistants	203,079	
Speech Pathologist	239,740	
Other Salaries and Wages	25,200	
Certified Substitute Teachers	10,995	
Non-certified Substitute Teachers	4,548	
Social Security	112,796	
Pensions	147,651	
Medical Insurance	203,188	
Employer Medicare	27,473	
Contracts with Private Agencies	86,785	
Evaluation and Testing	1,271	
Instructional Supplies and Materials	4,002	
Other Supplies and Materials	15,955	
TISA - On-behalf Payments	32,987	
Other Charges	4,908	
Special Education Equipment	3,000	
Total Special Education Program		\$ 2,656,592

**Career and Technical Education Program**

Teachers	\$ 1,067,547	
Certified Substitute Teachers	4,495	
Non-certified Substitute Teachers	7,368	
Social Security	62,017	
Pensions	77,021	
Medical Insurance	127,764	
Employer Medicare	14,557	
Contracts with Government Agencies	243,425	
Other Contracted Services	35,542	
Instructional Supplies and Materials	29,545	
Textbooks - Bound	6,298	
Software	28,655	
Other Supplies and Materials	21,344	
Vocational Instruction Equipment	203,951	
Total Career and Technical Education Program		1,929,529

(Continued)

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

Discretely Presented Hardeman County School Department (Cont.)

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

## Support Services

**Attendance**

Supervisor/Director	\$	85,200	
Clerical Personnel		15,078	
Other Salaries and Wages		90,760	
Social Security		10,294	
Pensions		11,191	
Medical Insurance		19,893	
Employer Medicare		2,626	
Contracts with Private Agencies		14,307	
Travel		5,650	
Office Supplies		2,031	
In Service/Staff Development		2,340	
Total Attendance			\$ 259,370

**Health Services**

Supervisor/Director	\$	125,459	
Medical Personnel		204,309	
Other Salaries and Wages		25,055	
Social Security		18,997	
Pensions		35,466	
Medical Insurance		86,143	
Employer Medicare		4,443	
Travel		5,880	
Other Contracted Services		656	
Drugs and Medical Supplies		6,495	
Other Supplies and Materials		5,415	
In Service/Staff Development		2,102	
Health Equipment		2,712	
Other Equipment		3,370	
Total Health Services			526,502

**Other Student Support**

Guidance Personnel	\$	798,459	
Psychological Personnel		71,929	
Social Workers		184,268	
Social Security		59,610	

(Continued)

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

Discretely Presented Hardeman County School Department (Cont.)

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

## Support Services (Cont.)

**Other Student Support (Cont.)**

Pensions	\$	70,143	
Medical Insurance		101,258	
Employer Medicare		14,514	
Contracts with Private Agencies		42,345	
Internet Connectivity		736,685	
In Service/Staff Development		488	
Other Charges		665	
Other Equipment		26,985	
Total Other Student Support			\$ 2,107,349

**Regular Instruction Program**

Supervisor/Director	\$	275,081	
Librarians		463,123	
Educational Assistants		44,869	
Other Salaries and Wages		259,455	
Social Security		52,403	
Pensions		65,419	
Medical Insurance		114,927	
Employer Medicare		14,139	
Contracts with Government Agencies		140,000	
Travel		4,267	
Other Contracted Services		79,956	
Library Books/Media		26,631	
Other Supplies and Materials		858	
In Service/Staff Development		86,796	
Other Charges		22,126	
Total Regular Instruction Program			1,650,050

**Special Education Program**

Supervisor/Director	\$	78,437	
Psychological Personnel		52,808	
Assessment Personnel		33,739	
Clerical Personnel		32,164	
Other Salaries and Wages		136,005	
Social Security		13,139	

(Continued)

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

Discretely Presented Hardeman County School Department (Cont.)

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

## Support Services (Cont.)

**Special Education Program (Cont.)**

Pensions	\$	16,344	
Medical Insurance		24,128	
Employer Medicare		4,669	
Contracts with Private Agencies		102,902	
Evaluation and Testing		169	
Travel		5,761	
Other Contracted Services		47,575	
Other Supplies and Materials		1,461	
In Service/Staff Development		361	
Other Charges		872	
Other Equipment		1,500	
Total Special Education Program			\$ 552,034

**Career and Technical Education Program**

Supervisor/Director	\$	42,099	
Other Salaries and Wages		69,825	
Social Security		6,344	
Pensions		4,923	
Medical Insurance		16,731	
Employer Medicare		1,484	
Travel		7,549	
Other Contracted Services		3,680	
In Service/Staff Development		39,144	
Total Career and Technical Education Program			191,779

**Technology**

Supervisor/Director	\$	75,423	
Computer Programmer(s)		138,085	
Social Security		11,897	
Pensions		21,332	
Medical Insurance		34,380	
Employer Medicare		2,782	
Communication		8,613	
Laundry Service		2,178	
Maintenance and Repair Services - Equipment		10,242	

(Continued)

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

Discretely Presented Hardeman County School Department (Cont.)

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

## Support Services (Cont.)

**Technology (Cont.)**

Internet Connectivity	\$	44,580	
Travel		3,315	
Other Contracted Services		106,778	
Software		85,842	
Other Supplies and Materials		5,133	
In Service/Staff Development		6,336	
Other Equipment		6,400	
Total Technology			\$ 563,316

**Other Programs**

On-behalf Payments to OPEB	\$	141,935	
Total Other Programs			141,935

**Board of Education**

Board and Committee Members Fees	\$	24,500	
Social Security		1,352	
Medical Insurance		22,777	
Unemployment Compensation		8,349	
Employer Medicare		355	
Audit Services		31,160	
Dues and Memberships		9,674	
Legal Services		10,917	
Travel		17,500	
Other Contracted Services		3,500	
Liability Insurance		56,672	
Premiums on Corporate Surety Bonds		3,504	
Trustee's Commission		211,539	
Workers' Compensation Insurance		127,206	
In Service/Staff Development		9,530	
Other Charges		2,091	
Total Board of Education			540,626

**Director of Schools**

County Official/Administrative Officer	\$	139,750	
Clerical Personnel		27,804	

(Continued)

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

Discretely Presented Hardeman County School Department (Cont.)

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

## Support Services (Cont.)

**Director of Schools (Cont.)**

Other Salaries and Wages	\$	1,000	
Social Security		9,794	
Pensions		10,720	
Life Insurance		19,164	
Medical Insurance		16,374	
Employer Medicare		2,291	
Communication		63,139	
Dues and Memberships		5,643	
Postal Charges		2,406	
Travel		8,205	
Other Contracted Services		45,782	
Office Supplies		540	
In Service/Staff Development		2,614	
Other Charges		119,138	
Total Director of Schools			\$ 474,364

**Office of the Principal**

Principals	\$	818,652	
Assistant Principals		476,311	
Secretary(ies)		417,689	
Clerical Personnel		14,049	
Social Security		96,429	
Pensions		127,503	
Medical Insurance		177,608	
Employer Medicare		23,489	
Other Charges		7,140	
Total Office of the Principal			2,158,870

**Fiscal Services**

Supervisor/Director	\$	103,738	
Accountants/Bookkeepers		101,157	
Clerical Personnel		155,104	
Social Security		18,696	
Pensions		37,394	
Medical Insurance		41,814	

(Continued)

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

Discretely Presented Hardeman County School Department (Cont.)

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

## Support Services (Cont.)

**Fiscal Services (Cont.)**

Employer Medicare	\$	4,894	
Data Processing Services		26,131	
Dues and Memberships		660	
Travel		5,660	
Data Processing Supplies		2,062	
Office Supplies		3,389	
In Service/Staff Development		2,600	
Total Fiscal Services			\$ 503,299

**Human Services/Personnel**

Supervisor/Director	\$	55,616	
Social Security		3,186	
Pensions		3,537	
Medical Insurance		5,714	
Employer Medicare		745	
Licenses		23,959	
Travel		621	
Other Contracted Services		1,507	
Office Supplies		2,438	
In Service/Staff Development		375	
Total Human Services/Personnel			97,698

**Operation of Plant**

Janitorial Services	\$	678,769	
Disposal Fees		37,425	
Electricity		786,057	
Natural Gas		133,787	
Water and Sewer		74,768	
Boiler Insurance		7,926	
Building and Contents Insurance		220,767	
Total Operation of Plant			1,939,499

**Maintenance of Plant**

Supervisor/Director	\$	108,496	
Maintenance Personnel		295,957	

(Continued)



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

Discretely Presented Hardeman County School Department (Cont.)

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

## Support Services (Cont.)

**Maintenance of Plant (Cont.)**

Social Security	\$	23,982	
Pensions		41,985	
Medical Insurance		49,549	
Employer Medicare		5,609	
Laundry Service		8,794	
Maintenance and Repair Services - Buildings		502,232	
Maintenance and Repair Services - Equipment		65,624	
Travel		1,379	
Other Contracted Services		39,638	
General Construction Materials		38,869	
Tires and Tubes		655	
Other Supplies and Materials		1,168	
Other Charges		1,166	
Maintenance Equipment		39,448	
Total Maintenance of Plant			\$ 1,224,551

**Transportation**

Supervisor/Director	\$	76,099
Mechanic(s)		177,016
Bus Drivers		677,125
Clerical Personnel		36,845
Other Salaries and Wages		17,606
In-service Training		11,805
Social Security		45,941
Pensions		80,047
Medical Insurance		37,555
Employer Medicare		14,162
Laundry Service		4,198
Maintenance and Repair Services - Vehicles		14,086
Medical and Dental Services		5,925
Travel		1,042
Other Contracted Services		29,526
Diesel Fuel		170,076
Garage Supplies		10,000
Gasoline		41,248

(Continued)

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

Discretely Presented Hardeman County School Department (Cont.)

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

## Support Services (Cont.)

**Transportation (Cont.)**

Lubricants	\$	4,299	
Tires and Tubes		30,679	
Vehicle Parts		91,585	
Other Supplies and Materials		1,466	
Vehicle and Equipment Insurance		50,812	
In Service/Staff Development		2,289	
Other Charges		37,027	
Motor Vehicles		43,776	
Transportation Equipment		834,930	
Total Transportation			\$ 2,547,165

## Operation of Non-Instructional Services

**Early Childhood Education**

Supervisor/Director	\$	48,725	
Teachers		526,755	
Educational Assistants		184,703	
Certified Substitute Teachers		3,042	
Non-certified Substitute Teachers		4,680	
Social Security		45,210	
Pensions		60,540	
Medical Insurance		68,692	
Employer Medicare		10,586	
Instructional Supplies and Materials		16,887	
Other Supplies and Materials		17,106	
Other Charges		10,000	
Other Equipment		13,266	
Total Early Childhood Education			1,010,192

## Capital Outlay

**Regular Capital Outlay**

Building Improvements	\$	165,705	
Total Regular Capital Outlay			165,705

(Continued)

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

Discretely Presented Hardeman County School Department (Cont.)

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

## Other Debt Service

**Education**

Debt Service Contribution to Primary Government

\$ 202,252

Total Education

\$ 202,252

Total General Purpose School Fund

\$ 37,237,265

**School Federal Projects Fund**

## Instruction

**Regular Instruction Program**

Educational Assistants

\$ 144,241

Other Salaries and Wages

354,352

Non-certified Substitute Teachers

325

Social Security

24,698

Pensions

33,960

Medical Insurance

37,596

Employer Medicare

6,943

Other Contracted Services

17,906

Instructional Supplies and Materials

308,132

Other Supplies and Materials

70,205

Regular Instruction Equipment

90,142

Total Regular Instruction Program

\$ 1,088,500

**Special Education Program**

Supervisor/Director

\$ 58,563

Teachers

37,800

Educational Assistants

498,218

Other Salaries and Wages

47,450

Social Security

36,643

Pensions

69,320

Medical Insurance

105,005

Employer Medicare

8,570

Instructional Supplies and Materials

9,262

Other Supplies and Materials

7,478

Other Charges

2,042

Total Special Education Program

880,351

(Continued)

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

Discretely Presented Hardeman County School Department (Cont.)

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

## Instruction (Cont.)

**Career and Technical Education Program**

Instructional Supplies and Materials	\$	12,210	
Software		9,000	
Other Supplies and Materials		5,000	
Vocational Instruction Equipment		36,983	
Total Career and Technical Education Program			\$ 63,193

## Support Services

**Health Services**

Other Salaries and Wages	\$	73,868	
Social Security		3,773	
Pensions		5,711	
Medical Insurance		20,526	
Employer Medicare		882	
Total Health Services			104,760

**Other Student Support**

Other Salaries and Wages	\$	15,000	
Social Security		930	
Pensions		954	
Employer Medicare		218	
Other Supplies and Materials		14,762	
In Service/Staff Development		4,333	
Other Charges		15,677	
Other Equipment		20,378	
Total Other Student Support			72,252

**Regular Instruction Program**

Supervisor/Director	\$	127,801	
Clerical Personnel		29,541	
Instructional Coaches		473,604	
Social Security		27,800	
Pensions		27,175	
Medical Insurance		54,166	
Employer Medicare		8,721	
Consultants		100,965	

(Continued)

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

Discretely Presented Hardeman County School Department (Cont.)

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

## Support Services (Cont.)

**Regular Instruction Program (Cont.)**

Travel	\$	23,611	
Other Contracted Services		2,326	
Other Supplies and Materials		56,426	
In Service/Staff Development		47,672	
Other Charges		5,500	
Other Equipment		12,207	
Total Regular Instruction Program			\$ 997,515

**Special Education Program**

Other Salaries and Wages	\$	39,706	
Social Security		92	
Pensions		180	
Medical Insurance		255	
Employer Medicare		574	
Contracts with Private Agencies		6,912	
Evaluation and Testing		2,978	
Travel		19,398	
Other Supplies and Materials		5,136	
In Service/Staff Development		5,681	
Other Charges		1,535	
Other Equipment		2,071	
Total Special Education Program			84,518

**Career and Technical Education Program**

In Service/Staff Development	\$	5,000	
Total Career and Technical Education Program			5,000

**Transportation**

Bus Drivers	\$	118,468	
Other Salaries and Wages		52,638	
Social Security		9,168	
Pensions		15,045	
Employer Medicare		2,481	
Diesel Fuel		2,995	
Transportation Equipment		102,804	
Total Transportation			303,599

(Continued)

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

Discretely Presented Hardeman County School Department (Cont.)

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

## Operation of Non-Instructional Services

**Community Services**

Teachers	\$	81,195	
Social Security		5,034	
Pensions		5,152	
Employer Medicare		1,177	
Instructional Supplies and Materials		3,164	
Total Community Services			\$ 95,722

**Early Childhood Education**

Educational Assistants	\$	835	
Other Salaries and Wages		857	
Social Security		105	
Pensions		169	
Employer Medicare		25	
Retirement - Hybrid Stabilization		9	
Total Early Childhood Education			2,000

## Capital Outlay

**Regular Capital Outlay**

Building Improvements	\$	47,613	
Total Regular Capital Outlay			47,613

Total School Federal Projects Fund			\$ 3,745,023
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**Central Cafeteria Fund**

## Operation of Non-Instructional Services

**Food Service**

Supervisor/Director	\$	75,772	
Cafeteria Personnel		903,572	
Social Security		57,248	
Pensions		92,916	
Life Insurance		1,562	
Medical Insurance		108,716	
Employer Medicare		13,622	
Communication		3,177	
Dues and Memberships		296	

(Continued)

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

Discretely Presented Hardeman County School Department (Cont.)

**Central Cafeteria Fund (Cont.)**

Operation of Non-Instructional Services (Cont.)

**Food Service (Cont.)**

Janitorial Services	\$	18,750	
Maintenance and Repair Services - Equipment		38,679	
Travel		3,551	
Permits		800	
Other Contracted Services		20,190	
Electricity		39,845	
Food Supplies		997,784	
Natural Gas		3,850	
Office Supplies		2,364	
Uniforms		5,717	
USDA - Commodities		192,551	
Other Supplies and Materials		94,594	
In Service/Staff Development		2,065	
Other Charges		6,346	
Food Service Equipment		129,799	
Total Food Service			\$ 2,813,766

Total Central Cafeteria Fund		\$ 2,813,766
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**Internal School Fund**

Operation of Non-Instructional Services

**Community Services**

Other Charges	\$	1,209,804	
Total Community Services			\$ 1,209,804

Total Internal School Fund		1,209,804
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**Education Capital Projects Fund**

Capital Projects

**Education Capital Projects**

Building Improvements	\$	3,218,444	
Total Education Capital Projects			\$ 3,218,444

Total Education Capital Projects Fund		3,218,444
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Total Governmental Funds - Hardeman County School Department		\$ 48,224,302
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## SINGLE AUDIT SECTION





JASON E. MUMPOWER  
*Comptroller*

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

Hardeman County Mayor and  
Board of County Commissioners  
Hardeman 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 Hardeman County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Hardeman County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated October 6, 2025. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the Hardeman County School Department (a discretely presented component unit), as described in our report on Hardeman County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Hardeman 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 Hardeman County's internal control. Accordingly, we do not express an opinion on the effectiveness of Hardeman 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 certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be significant deficiencies: 2025-002, 2025-004, and 2025-006.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Hardeman County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2025-001, 2025-003, 2025-005, and 2025-007.


## Hardeman County's Responses to Findings

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

October 6, 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**

Hardeman County Mayor and  
Board of County Commissioners  
Hardeman 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 Hardeman 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 Hardeman County's major federal programs for the year ended June 30, 2025. Hardeman 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, Hardeman 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, 2025.

***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 Hardeman 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 Hardeman 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 Hardeman 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 Hardeman 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 Hardeman 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 Hardeman 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 Hardeman 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 Hardeman 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 Hardeman County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Hardeman County's basic financial statements. We issued our report thereon dated October 6, 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

October 6, 2025

JEM/gc

**HARDEMAN COUNTY, TENNESSEE, AND THE HARDEMAN COUNTY SCHOOL DEPARTMENT**  
**Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (8)**  
**For the Year-Ended June 30, 2025**

<b>Federal/Pass-through Agency/State Grantor Program Title</b>	<b>Assistance Listing Number</b>	<b>Passed-through Entity Identifying Number</b>	<b>Expenditures</b>
U.S. Department of Agriculture:			
Passed-through State Department of Agriculture:			
Local Food for Schools Cooperative Agreement Program	10.185	N/A	\$ 30,426
Child Nutrition Cluster: (4)			
National School Lunch Program(Commodities - Noncash Assistance)	10.555	N/A	192,551 (6)
Fresh Fruit and Vegetable Program	10.582	N/A	41,168
Passed-through State Department of Education:			
Child Nutrition Cluster: (4)			
School Breakfast Program	10.553	N/A	686,833
National School Lunch Program	10.555	N/A	1,747,672 (6)
Passed-through State Department of Health:			
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-25-83571-02	3,272
Total U.S. Department of Agriculture			<u>\$ 2,701,922</u>
U.S. Department of Justice:			
Passed-through State Department of Education:			
Public Safety Partnership and Community Policing Grants	16.710	N/A	\$ 50,116
Total U.S. Department of Justice			<u>\$ 50,116</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Airport Improvement Program, Infrastructure Investment and Jobs Act			
Programs, and COVID-19 Airports Programs	20.106	(5)	\$ 115,938
Total U.S. Department of Transportation			<u>\$ 115,938</u>
U.S. Department of the Treasury:			
Passed-through State Department of Environment and Conservation:			
COVID 19 - Coronavirus State And Local Fiscal Recovery Funds (ARP)	21.027	32701-05015	\$ 167,255 (6)
Passed-through State Department of Education:			
COVID 19 - Coronavirus State And Local Fiscal Recovery Funds (ARP)	21.027	N/A	59,764 (6)
Direct Program:			
COVID 19 - Local Assistance and Tribal Consistency Fund	21.032	N/A	100,000
Total U.S. Department of the Treasury			<u>\$ 327,019</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 1,885,000
Special Education Cluster (IDEA): (4)			
Special Education Grants to States	84.027	N/A	1,094,271
Special Education Preschool Grants	84.173	N/A	48,649
Career and Technical Education -- Basic Grants to States	84.048	N/A	89,204
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	N/A	176,559
Twenty-First Century Community Learning Centers	84.287	N/A	98,730
COVID 19 - Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	N/A	200,646
Rural Education	84.358	N/A	69,439
Student Support and Academic Enrichment Program	84.424	N/A	122,571
COVID 19 - Education Stabilization Fund Program -- Elementary and Secondary			
School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	129,454
Total U.S. Department of Education			<u>\$ 3,914,523</u>

(Continued)

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

<b>Federal/Pass-through Agency/State Grantor Program Title</b>	<b>Assistance Listing Number</b>	<b>Passed-through Entity Identifying Number</b>	<b>Expenditures</b>
U.S. Department of Health and Human Services:			
Passed-through State Department of Health:			
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967	GG-25-83571-02	\$ 1,540 (7)
Maternal and Child Health Services Block Grant to the States	93.994	GG-25-83571-02	14,435 (7)
Passed-through State Department of Education:			
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	(5)	7,800
Total U.S. Department of Health and Human Services			<u>\$ 23,775</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Homeland Security Grant Program	97.067	34101-29825	\$ 6,742
Total U.S. Department of Homeland Security			<u>\$ 6,742</u>
Total Expenditures of Federal Grants			<u>\$ 7,140,035</u>
<b>State Grants</b>		<b>Contract Number</b>	
Juvenile Justice and Delinquency Prevention - State Commission on Children and Youth	N/A	(5)	\$ 9,000
Tennessee Law Enforcement Training Academy - State Department of Commerce and Insurance	N/A	(5)	2,000
Three-Star Grant Program - State Department of Economic and Community Development	N/A	(5)	8,500
Early Childhood Education - State Department of Education	N/A	N/A	1,049,869
Innovative School Models - State Department of Education	N/A	N/A	1,375,432
Public School Security Grant - State Department of Education	N/A	N/A	23,869
COVID 19 - Summer Learning Camps - State Department of Education	N/A	N/A	205,974
COVID 19 - Summer Learning Transportation - State Department of Education	N/A	N/A	48,953
Violent Crime Intervention Fund, Formula Based Grant - State Department of Finance and Administration	N/A	(5)	3,950
Local Health Services - State Department of Health	N/A	(5)	27,765
Governor's Highway Safety Program - State Department of Safety and Homeland Security	N/A	(5)	2,803
Statewide School Resource Officer Program Grant - State Department of Safety and Homeland Security	N/A	(5)	256,665
Airport Apron Expansion Bidding - State Department of Transportation	N/A	(5)	500
Airport Expansion and Sitework - State Department of Transportation	N/A	(5)	5,941
Litter Program - State Department of Transportation	N/A	(5)	23,635
Court Security Grant - State Administrative Office of the Courts	N/A	(5)	65,933
Training Equipment Grant - Tennessee Corrections Institute	N/A	(5)	14,947
Total State Grants			<u>\$ 3,125,736</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) Hardeman County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.

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

(4) Child Nutrition Cluster total \$2,668,224; Special Education Cluster (IDEA) total \$1,142,920.

(5) Information not available.

(6) Total for ALN 10.555 is \$1,940,223; Total for ALN 21.027 is \$227,019.

(7) Total for GG-25-83571-02 is \$15,975.

(8) CONSOLIDATED ADMINISTRATION

The following amounts were consolidated for administration purposes:

<b>Program Title</b>	<b>ALN</b>	<b>Amount Provided to Consolidated Administration</b>
Title I Grants to Local Educational Agencies	84.010	\$ 95,600
Rural Education	84.358	2,558
Student Support and Academic Enrichment Program	84.424	1,807
Total amounts consolidated for School-wide Program		<u>\$ 99,965</u>



**HARDEMAN COUNTY, TENNESSEE**  
**Summary Schedule of Prior-year Findings**  
**For the Year Ended June 30, 2025**

*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 Hardeman County, Tennessee, for the year ended June 30, 2025.

**Prior-year Financial Statement Findings**

Fiscal Year	Page Number	Finding Number	Title of Finding	ALN	Current Status
<b>OFFICE OF COUNTY MAYOR</b>					
2024	178	2024-001	Expenditures exceeded appropriations in the General Fund.	N/A	Corrected
2024	179	2024-002	The accrued leave policy for Hardeman County Emergency Medical Service had not been properly approved.	N/A	Corrected
<b>OFFICE OF HIGHWAY SUPERINTENDENT</b>					
2024	179	2024-003	The Highway/Public Works Fund required material audit adjustments for proper financial statement presentation.	N/A	Corrected
<b>OFFICE OF DIRECTOR OF SCHOOLS</b>					
2024	180	2024-004	Several budget amendments posted in the General Purpose School Fund were not approved by the county commission.	N/A	Not Corrected - See Explanation on Corrective Action Plan
<b>OFFICE OF TRUSTEE</b>					
2024	180	2024-005	The office had accounting deficiencies.	N/A	Corrected

**Prior-year Federal Awards Findings**

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



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**HARDEMAN COUNTY, TENNESSEE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2025**

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

**Financial Statements:**

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

**Federal Awards:**

4. Internal Control Over Major Federal Programs:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
  - \* Assistance Listing Number: 84.010      Title I Grants to Local Educational Agencies
  - \* Assistance Listing Numbers: 84.027      Special Education Cluster (IDEA): Special  
and 84.173      Education Grants to States and Special Education  
Preschool Grants
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 COUNTY MAYOR

FINDING 2025-001

#### THE OFFICE HAD DEFICIENCIES IN BUDGET OPERATIONS

(Noncompliance Under *Government Auditing Standards*)

Our examination revealed the following deficiencies in budget operations of the office. These deficiencies exist because management failed to hold spending to the limits authorized by the county commission, which resulted in unauthorized expenditures and because management failed to provide sufficient oversight.

- A. Several budget amendments were posted in the General Fund that were not approved by the county commission. Accurate budgetary statements are necessary to provide county officials and departments with available spending limits. We have recognized only those budget amendments approved by the county commission in the financial statements of this report.
- B. Salaries exceeded appropriations in four of 92 salary line-items in the General Fund by amounts ranging from \$288 to \$7,227. The budget resolution approved by the county commission states that the salary, wages, or remuneration of each official, employee, or agent of the county shall not exceed appropriations that accompany the resolution. Therefore, the salaries that exceeded line-item appropriations were expenditures not approved by the county commission.

Section 5-9-401, *Tennessee Code Annotated*, states that "All funds from whatever source derived, including, but not limited to, taxes, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs for the various departments, commissions, institutions, boards, offices, and agencies of county governments shall be appropriated to such use by the county legislative bodies.

### RECOMMENDATION

Budget amendments should be posted to the accounting records only after approval by the county commission. Expenditures should be held within appropriations approved by the county commission.

### MANAGEMENT'S RESPONSE – COUNTY MAYOR

We concur with this finding. We will ensure budget amendments are approved before posting them and will monitor the budget more closely.

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FINDING 2025-002

#### THE OFFICE DID NOT REVIEW ITS SOFTWARE AUDIT LOGS

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

The software application used by the office generated a report that displayed adjustments made to payroll disbursements after issuance. To ensure that these adjustments were necessary, this report should be reviewed for inappropriate activity.

Although the official was aware of the importance of this report, it was not routinely reviewed. This deficiency was the result of a lack of management oversight.

## RECOMMENDATION

Management should review this report on a routine basis, and documentation proving the review should be maintained. Any unusual activity should be investigated.

## MANAGEMENT'S RESPONSE – COUNTY MAYOR

We concur with the finding. The office plans to begin a routine, monthly review process of the software audit logs.

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## OFFICE OF DIRECTOR OF SCHOOLS

FINDING 2025-003

### SEVERAL BUDGET AMENDMENTS POSTED IN THE GENERAL PURPOSE SCHOOL FUND WERE NOT APPROVED BY THE COUNTY COMMISSION

(Noncompliance Under *Government Auditing Standards*)

Several budget amendments posted in the General Purpose School Fund were not approved by the county commission. Accurate budgetary statements are necessary to provide county officials and departments with available spending limits. Since the budget amendments did not receive approval of the board of education, auditors did not reverse amounts that were not approved by the county commission. Section 5-9-401, *Tennessee Code Annotated*, states that “All funds from whatever source derived, including, but not limited to, taxes, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs for the various departments, commissions, institutions, boards, offices, and agencies of county governments shall be appropriated to such use by the county legislative bodies.” This deficiency exists because of management’s failure to provide sufficient oversight and management’s failure to correct the finding noted in the prior year audit report.

## RECOMMENDATION

Budget amendments should be posted to the accounting records only after approval by the county commission.

## MANAGEMENT RESPONSE – DIRECTOR OF SCHOOLS

The Hardeman County Board of Education will work to ensure that budget amendments are properly approved by the county commission.

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## OFFICE OF COUNTY CLERK

FINDING 2025-004

### THE OFFICE DID NOT REVIEW ITS SOFTWARE AUDIT LOGS

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

The software application used by the office generated four audit logs that displayed changes made by the users. Because these logs provided the only audit trail of these changes, they should be routinely reviewed for inappropriate activity. Although the official was aware of the importance of these logs, three of the logs were not reviewed. This deficiency was the result of a lack of management oversight. When the importance of the reports were brought to management’s attention in February 2025, the review process was resumed. Procedures for reviewing the reports are currently in place.

## RECOMMENDATION

Management should continue to review the audit logs on a routine basis, and documentation proving the review should be maintained. Any unusual activity should be investigated.

## MANAGEMENT'S RESPONSE – COUNTY CLERK

We concur with the finding. We began reviewing the software audit logs on a monthly basis in February 2025 to correct this finding.

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FINDING 2025-005

### **AN INVESTIGATION DISCLOSED THE COUNTY CLERK CHARGED UNLAWFUL FEES TO OFFICIATE MARRIAGE CEREMONIES** (Noncompliance Under *Government Auditing Standards*)

An investigation by the Comptroller's Division of Investigations disclosed the county clerk charged and collected approximately \$13,140 in unlawful fees to officiate at least 219 marriage ceremonies between September 9, 2022, and July 24, 2024. The investigation also reported deficiencies related to the county clerk's failure to properly receipt and remit fees to the county trustee. Details of the findings and recommendations related to the investigation can be found in a report dated September 18, 2025, at [www.comptroller.tn.gov/ia](http://www.comptroller.tn.gov/ia).

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## OFFICE OF JUVENILE COURT CLERK

FINDING 2025-006

### **THE OFFICE HAD ACCOUNTING DEFICIENCIES** (Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The following deficiencies were noted during our examination of the office's accounting records. These deficiencies can be attributed to a lack of understanding of internal controls, generally accepted accounting principles, and sound business practices.

- A. The office did not accurately reconcile its bank account. On June 30, 2025, the bank account did not reconcile with the general ledger by \$2,641 since all errors had not been corrected or identified. The monthly reconciliation of bank statements is a necessary procedure to ensure all transactions are recorded properly in the accounting records.
- B. On June 30, 2025, the bank reconciliation reflected a deposit in transit totaling \$309 that had been outstanding since April 30, 2025, and remains outstanding as of the date of this report. This amount is in addition to the unidentified amount noted in Part A. of this finding. Auditors were not provided with documentation to support the deposit in transit and were unable to determine the validity of this amount.

## RECOMMENDATION

Bank statements should be reconciled accurately with the general ledger monthly, and any errors should be corrected promptly. The official should investigate the propriety of the deposit in transit.

## MANAGEMENT’S RESPONSE – JUVENILE COURT CLERK

I concur with the finding. We will work to identify and correct the errors noted with the bank reconciliation. I will work with the bookkeeper and software vendor to determine the validity of the deposit in transit.

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## OFFICE OF SHERIFF

*FINDING 2025-007*

### **PROFITS EARNED FROM COMMISSARY OPERATIONS WERE NOT REMITTED TO THE COUNTY TRUSTEE MONTHLY**

(Noncompliance Under Government Auditing Standards)

During the year, profits earned from commissary operations were not remitted to the county trustee in compliance with state statute. Section 8-24-103, *Tennessee Code Annotated*, provides that all funds collected by the sheriff’s department should be reported to the county trustee monthly. During the year, commissary profits were remitted to the county trustee during the months of September 2024, December 2024, and February 2025. This deficiency is the result of a lack of management oversight and the failure to follow state statute.

## RECOMMENDATION

Profits earned from commissary operations should be remitted to the county trustee monthly in compliance with state statute.

## MANAGEMENT’S RESPONSE – SHERIFF

I concur with the finding and will make every effort to ensure that profits are remitted monthly to the county trustee in the future.

### **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, 2025.

**HARDEMAN COUNTY, TENNESSEE**  
**MANAGEMENT'S CORRECTIVE ACTION PLAN**  
**For the Year Ended June 30, 2025**

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

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

2025-001	The office had deficiencies in budget operations.	192
2025-002	The office did not review its software audit logs.	193

**OFFICE OF DIRECTOR OF SCHOOLS**

2025-003	Several budget amendments posted in the General Purpose School Fund were not approved by the county commission.	194
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**OFFICE OF COUNTY CLERK**

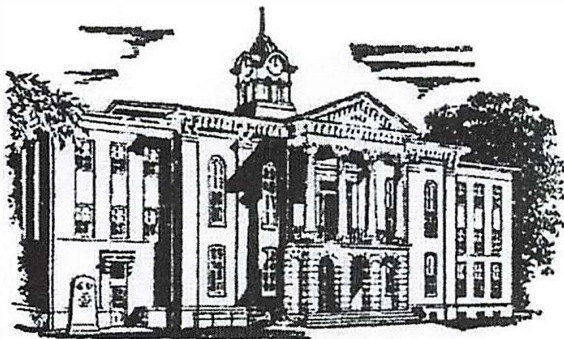
2025-004	The office did not review its software audit logs.	195
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**OFFICE OF JUVENILE COURT CLERK**

2025-006	The office had accounting deficiencies.	196
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**OFFICE OF SHERIFF**

2025-007	Profits earned from commissary operations were not remitted to the county trustee monthly.	197
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*Hardeman County*  
**Courthouse**

*100 N. Main Street*

*PO Box 250*

*Bolivar, Tennessee 38008*

Phone: (731) 658-3266 Fax: (731) 658-5721

*Office of:*  
**Todd Pulse, Mayor**

***Corrective Action Plan***

***FINDING***

**THE OFFICE HAD DEFICIENCIES IN BUDGET  
OPERATIONS**

**Response and Corrective Action Plan Prepared by:**

Todd Pulse, County Mayor

**Person Responsible for Implementing the Corrective Action:**

Todd Pulse, County Mayor

**Anticipated Completion Date of Corrective Action:**

June 30, 2026

**Repeat Finding:**

No

**Reason Corrective Action was not Take in the Prior Year:**

N/A

**Planned Corrective Action:**

We will monitor the budget closely to prevent expenditures from exceeding appropriations.

We will ensure budget amendments are approved before posting them.

Signature





***Hardeman County  
Courthouse***

***100 N. Main Street***

***PO Box 250***

***Bolivar, Tennessee 38008***

**Phone: (731) 658-3266 Fax: (731) 658-5721**

***Office of:  
Todd Pulse, Mayor***

August 6, 2025

**CORRECTIVE ACTION PLAN**

**FINDING 2025-002**

**THE OFFICE DID NOT REVIEW ITS SOFTWARE  
AUDIT LOGS**

**RESPONSE AND CORRECTIVE ACTION PLAN PREPARED BY:**

Todd Pulse, County Mayor

**PERSON RESPONSIBLE FOR IMPLEMENTING THE CORRECTIVE ACTION:**

Todd Pulse, County Mayor

**ANTICIPATED COMPLETION DATE OF CORRECTIVE ACTION:**

August 2025

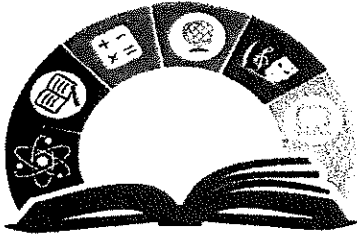
**REPEAT FINDING:**

No

**PLANNED CORRECTIVE ACTION:**

The office plans to print, review, and sign the software audit log monthly.

**Todd Pulse,  
Hardeman County Mayor**



# **HARDEMAN COUNTY SCHOOLS**

***"Preparing for the Future, One Child at a Time"***

**Christy D. Smith, Ed.D. ~ Director of Schools**

## ***Corrective Action Plan***

### ***FINDING***

**SEVERAL BUDGET AMENDMENTS POSTED IN THE  
GENERAL PURPOSE SCHOOL FUND WERE NOT APPROVED  
BY THE COUNTY COMMISSION**

### **Response and Corrective Action Plan Prepared by:**

**Christy D. Smith, Ed.D. Director of Schools and Lisa Higgs, Assistant Director of Finance and  
Administration**

### **Person Responsible for Implementing the Corrective Action:**

**Christy D. Smith, Ed.D. Director of Schools and Lisa Higgs, Assistant Director of Finance and  
Administration**

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

**June 30, 2026**

### **Repeat Finding:**

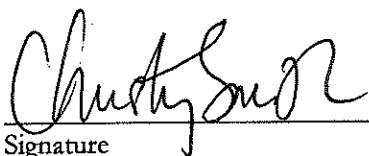
**Yes**

### **Reason Corrective Action was not Take in the Prior Year:**

**We failed to present all budget amendments to the commission for approval.**

### **Planned Corrective Action:**

**The Hardeman County Board of Education will work with the county commission to ensure that budget  
amendments are properly approved.**



**Signature**

HARDEMAN COUNTY CLERK

TONET GRIGGS, CLERK

100 N. MAIN ST

BOLIVAR, TN. 38008

731-658-3541 (TELEPHONE)

731-658-3482 (FAX)

August 12, 2025

Corrective Action Plan

**Finding 2025-004: THE OFFICE DID NOT REVIEW ITS SOFTWARE AUDIT LOGS.**

**Response and Corrective Action Plan Prepared by:**

Tonet Griggs, County Clerk

**Person Responsible for Implementing the Corrective Action:**

Tonet Griggs, County Clerk

**Anticipated Completion Date of Corrective Action:**

February 2025

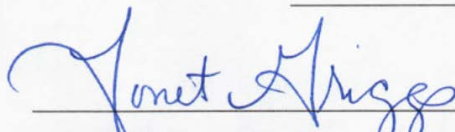
**Repeat Finding:**

No

**Planned Corrective Action:**

This office plans to continue reviewing the software audit logs on a monthly basis.

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Tonet Griggs, County Clerk

# EUNICE GUDGER

Circuit & General Sessions Clerk

505 South Main St., Suite A  
Bolivar, TN 38008

Phone 731-658-6524

Fax 731-685-4584

## *Corrective Action Plan*

**FINDING:** THE OFFICE HAD ACCOUNTING DEFICIENCIES

**Response and Corrective Action Plan Prepared by:**

Eunice Gudger, Circuit, General Sessions, and Juvenile Courts Clerk

**Person Responsible for Implementing the Corrective Action:**

Eunice Gudger, Circuit, General Sessions, and Juvenile Courts Clerk

**Anticipated Completion Date of Corrective Action:**

December 31, 2025

**Repeat Finding:**

No

**Reason Corrective Action was not Take in the Prior Year:**

N/A

**Planned Corrective Action:**

We will work to identify and correct the errors noted with the bank reconciliation. I will work with the bookkeeper and software vendor to determine the validity of the deposit in transit.



Signature



## *Hardeman County Sheriff's Office*

505 S. Main St., Bolivar, TN 38008

Phone: 731-658-3971

Fax: 731-658-3803

*John Doolen*  
Sheriff

*Billy Davis*  
Chief Deputy

### *Corrective Action Plan*

#### FINDING

PROFITS EARNED FROM COMMISSARY OPERATIONS WERE  
NOT REMITTED TO THE COUNTY TRUSTEE MONTHLY

**Response and Corrective Action Plan Prepared by:**  
John Doolen, Sheriff

**Person Responsible for Implementing the Corrective Action:**  
John Doolen, Sheriff

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

**Repeat Finding:**  
No

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

**Planned Corrective Action:**  
We will begin remitting commissary profits to the county trustee on a monthly basis.

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

## **BEST PRACTICE**

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

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

### **HARDEMAN COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING**

Hardeman County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the county commission resulting in decentralization and some duplication of effort. We recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.