



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.

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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

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	Jeff Kennamore
Cory Bufford	Chandra Lake
Russell DeBerry	Johnny Lanier
Michion Gatlin	Bethany Miller
Mark Gilliam	Jackie Sain
Brad Grantham	John Vickers
Bobby Hensley	Johnny Weems
Joseph Jenkins	Bobby Wright

Board of Highway Supervisors

Danny Davila, Chairman
Mark McCrory
John Mitchell

Board of Education

Bobby Henderson, Chairman	Anthony Ford
Kenny Adkins	Brad Polk
Jennifer Aylor	Gene Ross
Patricia Carter	Stacey Swift
Johnny Davis	

Audit Committee

Mark Gilliam, Chairman	Don Cherry
David Bell	Calvin Howell
Cory Bufford	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

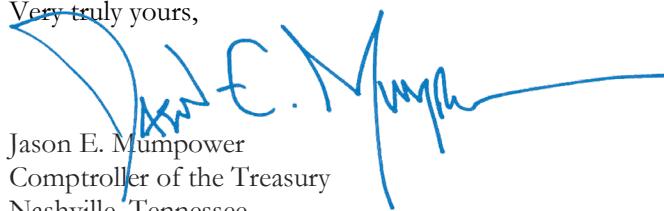
Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, 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

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Hardeman County School Department
ASSETS				
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	\$ 45,009,685	\$ 4,152,722	\$ 49,162,407	\$ 55,708,898

DEFERRED OUTFLOWS OF RESOURCES

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	\$ 2,505,267	\$ 105,379	\$ 2,610,646	\$ 5,844,096

(Continued)

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

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Hardeman County School Department
LIABILITIES				
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	\$ 20,760,046	\$ 2,262,410	\$ 23,022,456	\$ 5,099,187
DEFERRED INFLOWS OF RESOURCES				
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	\$ 6,422,461	\$ 22,698	\$ 6,445,159	\$ 8,244,113
NET POSITION				
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	11,116,743	288,380	11,405,123	17,474,216
Total Net Position	\$ 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
Statement of Activities
For the Year Ended June 30, 2025

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit Hardeman County School Department	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government				
					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					\$ (7,101,366)	\$ (169,203)	\$ (7,270,569)	\$ 1,168,651	
Net Position, July 1, 2024					27,636,323	2,147,094	29,783,417	47,170,585	
Restatement - See Note. I.D.9.					(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**

	Major Funds		Nonmajor Funds		Total Governmental Funds	
	General	Highway / Public Works	Other	Govern-mental Funds		
			Govern-mental Funds			
ASSETS						
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	\$ 15,536,212	\$ 5,205,524	\$ 2,242,554	\$ 22,984,290		
LIABILITIES						
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	\$ 4,888,796	\$ 60,335	\$ 1,588	\$ 4,950,719		

(Continued)

HARDEMAN COUNTY, TENNESSEE**Balance Sheet - Governmental Funds (Cont.)****DEFERRED INFLOWS OF RESOURCES**

	Major Funds	Nonmajor Funds		
	General	Highway / Public Works	Other Govern- mental Funds	Total Govern- mental Funds
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	\$ 7,244,618	\$ 260,000	\$ 340,571	\$ 7,845,189

FUND BALANCES

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.):

	General	Highway / Public Works	Other Govern- mental Funds	Total Govern- mental Funds
Assigned for Public Safety	\$ 58,069	\$ 0	\$ 0	\$ 58,069
Assigned for Public Health and Welfare	21,243	0	0	21,243
Unassigned	2,394,915	0	0	2,394,915
Total Fund Balances	\$ 3,402,798	\$ 4,885,189	\$ 1,900,395	\$ 10,188,382
 Total Liabilities, Deferred Inflows of Resources, and Fund Balances	 \$ 15,536,212	 \$ 5,205,524	 \$ 2,242,554	 \$ 22,984,290

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>\$ 20,332,445</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

	Major Funds		Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	Other Governmental Funds		
Revenues					
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	\$ 14,578,871	\$ 5,905,933	\$ 1,828,637	\$ 22,313,441	
Expenditures					
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.)**

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

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	<u>(52,086)</u>	
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>	<u>(93,915)</u>
Change in net position of governmental activities (Exhibit B)		\$ (7,101,366)

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	Add: Encumbrances	Actual Revenues/ Expenditures (Budgetary Basis)		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				7/1/2024	6/30/2025	Original	Final	
Revenues								
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	
Expenditures								
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	Add: Encumbrances	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)					
					Original	Final						
Expenditures (Cont.)												
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	
Expenditures (Cont.)							
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	
Expenditures (Cont.)							
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)
Other Financing Sources (Uses)							
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

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
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	\$ 5,905,933	\$ 8,528,167	\$ 8,528,167	\$ (2,622,234)
Expenditures				
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	\$ 5,841,999	\$ 9,027,224	\$ 9,515,224	\$ 3,673,225
Excess (Deficiency) of Revenues Over Expenditures	\$ 63,934	\$ (499,057)	\$ (987,057)	\$ 1,050,991
Other Financing Sources (Uses)				
Insurance Recovery	\$ 66,841	\$ 0	\$ 0	\$ 66,841
Total Other Financing Sources	\$ 66,841	\$ 0	\$ 0	\$ 66,841
Net Change in Fund Balance Fund Balance, July 1, 2024	\$ 130,775	\$ (499,057)	\$ (987,057)	\$ 1,117,832
Fund Balance, June 30, 2025	\$ 4,754,414	\$ 3,903,043	\$ 3,903,043	\$ 851,371
	\$ 4,885,189	\$ 3,403,986	\$ 2,915,986	\$ 1,969,203

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

	Business-type Activities
	Major Enterprise Fund
	Solid Waste Disposal Fund
	<hr/>
ASSETS	
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	<hr/> \$ 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	<hr/> 1,105,186
Total Noncurrent Assets	<hr/> \$ 2,053,677
Total Assets	<hr/> \$ 4,152,722
DEFERRED OUTFLOWS OF RESOURCES	
Pension Changes in Experience	\$ 50,081
Pension Changes in Assumptions	21,262
Pension Contributions After Measurement Date	34,036
Total Deferred Outflows of Resources	<hr/> \$ 105,379

(Continued)

HARDEMAN COUNTY, TENNESSEE
Statement of Net Position - Proprietary Funds (Cont.)

Business-type Activities	
Major Enterprise Fund	Enterprise Fund
Solid	
Waste	
Disposal	
Fund	

LIABILITIES

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	\$ 212,317

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	\$ 2,050,093
Total Liabilities	\$ 2,262,410

DEFERRED INFLOWS OF RESOURCES

Pension Changes in Experience	\$ 7,395
Pension Changes in Investment Earnings	15,303
Total Deferred Inflows of Resources	\$ 22,698

NET POSITION

Net Investment in Capital Assets	\$ 1,684,613
Unrestricted	288,380
Total Net Position	\$ 1,972,993

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

	Business-type Activities
	Major Enterprise Fund
Solid Waste Disposal Fund	_____
Operating Revenues	
Residential Waste Collection Charge	\$ 1,087,241
Solid Waste Disposal Fee	329,890
Service Charges	13,261
Total Operating Revenues	\$ 1,430,392
Operating Expenses	
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.)

	Business-type Activities
	Major Enterprise Fund
Solid Waste	Disposal Fund
Operating Expenses (Cont.)	
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>
Nonoperating Revenues (Expenses)	
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>\$ 1,972,993</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

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

(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	<u>(5,984)</u>
Net Cash Provided By (Used In) Operating Activities	<u><u>\$ (4,255)</u></u>
Reconciliation of Cash with Statement of Net Position	
Cash Per Net Position	\$ 340
Equity in Pooled Cash and Investments Per Net Position	<u><u>2,086,484</u></u>
Cash, June 30, 2025	<u><u>\$ 2,086,824</u></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

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

	Custodial Funds
ADDITIONS	
Sales Tax Collections for Other Governments	\$ 2,822,488
Fines/Fees and Other Collections	8,187,206
Total Additions	<u><u>\$ 11,009,694</u></u>
DEDUCTIONS	
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><u>\$ 11,308,636</u></u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ (298,942)
Net Position, July 1, 2024	<u><u>2,294,034</u></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.

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 Government	Business-type Activities	Total	Discretely Presented 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	Change to or Within the Financial Reporting Entity (A)	7-1-24
	As Previously Reported	As Restated	
Discretely Presented Hardeman County School Department			
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
<hr/>	
Primary Government:	
Major Fund:	
General	\$ 119,978
Nonmajor Fund:	
Drug Control	9,621
<hr/>	
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	<u>107,932</u>
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>\$ 3,231,818</u>

Net Investment in Capital Assets

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	(150,476)
Net Investment in Capital Assets	<u>\$ 7,526,507</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	<u>\$ 219,838</u>	<u>\$ 0</u>	<u>\$ 219,838</u>
Capital Assets Depreciated:			
Buildings and Improvements	\$ 2,507,367	\$ 0	\$ 2,507,367
Other Capital Assets	<u>2,089,101</u>	<u>200,364</u>	<u>2,289,465</u>
Total Capital Assets Depreciated	<u>\$ 4,596,468</u>	<u>\$ 200,364</u>	<u>\$ 4,796,832</u>
Less Accumulated Depreciation For:			
Buildings and Improvements	\$ 1,710,905	\$ 67,809	\$ 1,778,714
Other Capital Assets	<u>910,692</u>	<u>273,587</u>	<u>1,184,279</u>
Total Accumulated Depreciation	<u>\$ 2,621,597</u>	<u>\$ 341,396</u>	<u>\$ 2,962,993</u>
Total Capital Assets Depreciated, Net	<u>\$ 1,974,871</u>	<u>\$ (141,032)</u>	<u>\$ 1,833,839</u>
Business-type Activities			
Capital Assets, Net	<u><u>\$ 2,194,709</u></u>	<u><u>\$ (141,032)</u></u>	<u><u>\$ 2,053,677</u></u>

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	<u><u>\$ 341,396</u></u>

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	<u><u>\$ 1,684,613</u></u>

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><u>\$ 15,422,545</u></u>	<u><u>\$ 3,160,243</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 18,582,788</u></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		
	General Purpose School Fund	Nonmajor governmental funds	Purpose
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	<u>\$ 227,416</u>	<u>\$ 3,008,085</u>	

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the General 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
Bonds Payable -	
Contributions from the General Purpose School Fund	
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
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	\$ 369,064	\$ 27,990	\$ 397,054

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><u>\$ 369,064</u></u>
Balance Due Within One Year	<u><u>\$ 88,246</u></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><u>\$ 280,818</u></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><u>\$ 397,960</u></u>	<u><u>\$ 257,320</u></u>
Balance Due Within One Year	<u><u>\$ 45,058</u></u>	<u><u>0</u></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	(78,138)	(1,186)	(164,367)
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	 \$ 373,845	 \$ 194,855	 \$ 4,194,001
 Balance Due Within One Year	 \$ 176,048	 \$ 0	 \$ 177,833

* 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>1,059</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	4.88	%
Developed Market		31
International Equity	5.37	%
Emerging Market		14
International Equity	6.09	%
Private Equity and		4
Strategic Lending	6.57	%
U.S. Fixed Income	1.20	%
Real Estate	4.38	%
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 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)		Net
	Total Pension Liability	Plan Fiduciary Net Position	Pension Liability (Asset)
	(a)	(b)	(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)

		Plan	Net
	Total Pension Liability	Fiduciary Net Position	Pension Liability (Asset)
Primary Government	58.15%	\$ 29,560,869	\$ 29,290,121
School Department	41.85%	21,274,676	21,079,820
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:

Hardeman County	1%	Current	1%
	Decrease	Discount Rate	Increase
	5.75%	6.75%	7.75%
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 School Department	\$ 2,192,271 1,601,833	\$ 457,611 329,339
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 <u>June 30</u>	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	<u>195,139</u>	N/A
Total	<u>\$ 318,805</u>	<u>\$ 107,740</u>

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	%
Developed Market		31
International Equity	5.37	14
Emerging Market		
International Equity	6.09	4
Private Equity and		
Strategic Lending	6.57	20
U.S. Fixed Income	1.20	20
Real Estate	4.38	10
Short-term Securities	0.00	1
 Total	 100	 %

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

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from 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	Current Discount Rate	1% Increase
	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$ 454,910	\$ (172,490)	\$ (639,406)

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	\$ 2,858,137	\$ 1,201,983

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	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	Current Discount Rate	1% Increase
Net Pension Liability (Asset)	5.75%	6.75%	7.75%

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	255
 Total	 283

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		
	Hardeman County School Department	State of TN	Total OPEB Liability
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	<u>177,833</u>	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	Current Discount Rate	1% Increase
	2.93%	3.93%	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%	Decrease	9.68 to 3.5%	Current Trend Rate	1%	Increase	11.68 to 5.5%
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Proportionate Share of the Collective Total OPEB Liability	\$ 3,814,686	\$ 4,194,001	\$ 4,627,948
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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
Total Pension Liability										
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
Plan Fiduciary Net Position										
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)	<u>\$ 0</u>	<u>\$ 0</u>								
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)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (65,342)</u>	<u>\$ 0</u>						
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
Total OPEB Liability								
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

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

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

	Special Revenue Funds			Debt Service Fund		Total Nonmajor Governmental Funds
	Drug Control	Constitu - tional Officers - Fees	Total	General Debt Service		
ASSETS						
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	
LIABILITIES						
Due to Other Funds	\$ 0	\$ 1,588	\$ 1,588	\$ 0	\$ 1,588	
Total Liabilities	\$ 0	\$ 1,588	\$ 1,588	\$ 0	\$ 1,588	
DEFERRED INFLOWS OF RESOURCES						
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.)**

	Special Revenue Funds			Debt Service Fund		Total Nonmajor Governmental Funds
	Constitu - tional Officers - Fees		Total	General Debt Service		
	Drug Control					
FUND BALANCES						
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	\$ 205,590	\$ 84,304	\$ 289,894	\$ 1,610,501	\$ 1,900,395	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 205,590	\$ 85,892	\$ 291,482	\$ 1,951,072	\$ 2,242,554	

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

	Special Revenue Funds			Debt Service Fund		Total Nonmajor Governmental Funds	
	Drug Control	Constitu - tional Officers - Fees		General Debt Service			
		Total	Total				
Revenues							
Local Taxes		\$ 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		\$ 43,253	\$ 406,584	\$ 449,837	\$ 1,378,800	\$ 1,828,637	
Expenditures							
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		\$ 99,881	\$ 406,584	\$ 506,465	\$ 1,146,828	\$ 1,653,293	

(Continued)

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

	Special Revenue Funds			Debt Service Fund		Total Nonmajor Governmental Funds	
	Drug Control	Constitu - tional Officers - Fees		General Debt Service			
		Total	Total				
Excess (Deficiency) of Revenues Over Expenditures		\$ (56,628)	\$ 0	\$ (56,628)	\$ 231,972	\$ 175,344	
Other Financing Sources (Uses)							
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	Original	Final	
Revenues								
Fines, Forfeitures, and Penalties	\$ 43,180	\$ 0	\$ 0	\$ 43,180	\$ 96,300	\$ 96,300	\$ 96,300	\$ (53,120)
Other Governments and Citizens Groups	73	0	0	73	0	0	0	73
Total Revenues	<u>\$ 43,253</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 43,253</u>	<u>\$ 96,300</u>	<u>\$ 96,300</u>	<u>\$ 96,300</u>	<u>\$ (53,047)</u>
Expenditures								
Public Safety								
Drug Enforcement	\$ 99,881	\$ (11,266)	\$ 9,621	\$ 98,236	\$ 95,900	\$ 145,495	\$ 47,259	
Total Expenditures	<u>\$ 99,881</u>	<u>\$ (11,266)</u>	<u>\$ 9,621</u>	<u>\$ 98,236</u>	<u>\$ 95,900</u>	<u>\$ 145,495</u>	<u>\$ 47,259</u>	
Excess (Deficiency) of Revenues Over Expenditures	\$ (56,628)	\$ 11,266	\$ (9,621)	\$ (54,983)	\$ 400	\$ (49,195)	\$ (5,788)	
Other Financing Sources (Uses)								
Insurance Recovery	\$ 49,595	\$ 0	\$ 0	\$ 49,595	\$ 0	\$ 49,595	\$ 0	
Total Other Financing Sources	<u>\$ 49,595</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 49,595</u>	<u>\$ 0</u>	<u>\$ 49,595</u>	<u>\$ 0</u>	
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	<u>\$ 205,590</u>	<u>\$ 0</u>	<u>\$ (9,621)</u>	<u>\$ 195,969</u>	<u>\$ 171,934</u>	<u>\$ 171,934</u>	<u>\$ 24,035</u>	

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

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
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	\$ 1,378,800	\$ 1,166,326	\$ 1,368,704	\$ 10,096
Expenditures				
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	\$ 1,146,828	\$ 790,518	\$ 1,147,518	\$ 690
Excess (Deficiency) of Revenues Over Expenditures	\$ 231,972	\$ 375,808	\$ 221,186	\$ 10,786
Other Financing Sources (Uses)				
Transfers In	\$ 0	\$ 202,378	\$ 0	\$ 0
Total Other Financing Sources	\$ 0	\$ 202,378	\$ 0	\$ 0
Net Change in Fund Balance	\$ 231,972	\$ 578,186	\$ 221,186	\$ 10,786
Fund Balance, July 1, 2024	1,378,529	1,845,778	1,845,778	(467,249)
Fund Balance, June 30, 2025	\$ 1,610,501	\$ 2,423,964	\$ 2,066,964	\$ (456,463)

CUSTODIAL FUNDS

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

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

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

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

	Custodial Funds				
	Constitu -				
	Cities -	tional	Officers -	Custodial	Total
	Sales				
	Tax				
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

	Custodial Funds			
	Cities - Sales Tax	Constitu - tional Officers - Custodial		Total
Additions				
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	
Deductions				
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

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	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
	Expenses	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	\$ 47,287,240	\$ 160,191	\$ 8,550,023	\$ (38,577,026)	
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				\$ 39,745,677	
Change in Net Position					
Net Position, July 1, 2024				\$ 1,168,651	
Restatement - See Note. I.D.9.				47,170,585	
				(129,542)	
Net Position, June 30, 2025				\$ 48,209,694	

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

Discretely Presented Hardeman County School Department

June 30, 2025

	Major Fund	Nonmajor Funds		Total Governmental Funds		
		General Purpose	Other Governmental Funds			
ASSETS						
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	\$ 21,743,479	\$ 7,219,323	\$ 28,962,802			
LIABILITIES						
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	\$ 297,798	\$ 106,459	\$ 404,257			
DEFERRED INFLOWS OF RESOURCES						
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	\$ 6,290,452	\$ 0	\$ 6,290,452			

(Continued)

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

Discretely Presented Hardeman County School Department (Cont.)

Major Fund	Nonmajor Funds		
	General	Other Governmental Funds	Total Governmental Funds
Purpose School			
FUND BALANCES			
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	\$ 15,155,229	\$ 7,112,864	\$ 22,268,093
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 21,743,479	\$ 7,219,323	\$ 28,962,802

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

	Major Funds		Nonmajor Funds		Total Governmental Funds	
	<i>Formerly Major</i>		<i>Other Govern- mental Funds</i>			
	General Purpose School	School Federal Projects	Gov- ern- mental Funds			
Revenues						
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	\$ 40,125,174	\$ 0	\$ 8,240,953	\$ 48,366,127		
Expenditures						
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	\$ 0	\$ 0	\$ 3,218,444	\$ 3,218,444		
Total Expenditures	\$ 37,237,265	\$ 0	\$ 10,987,037	\$ 48,224,302		
Excess (Deficiency) of Revenues						
Over Expenditures	\$ 2,887,909	\$ 0	\$ (2,746,084)	\$ 141,825		
Other Financing Sources (Uses)						
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)	\$ (2,725,829)	\$ 0	\$ 2,780,669	\$ 54,840		
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	14,993,149	1,750,000	5,328,279	22,071,428		
Fund Balance, June 30, 2025	\$ 15,155,229	\$ 0	\$ 7,112,864	\$ 22,268,093		

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>\$ 1,168,651</u>

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

Discretely Presented Hardeman County School Department

June 30, 2025

	Special Revenue Funds				Capital Projects Fund	Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Internal School	Total	Education Capital Projects	
ASSETS						
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	\$ 1,849,008	\$ 2,128,007	\$ 1,185,773	\$ 5,162,788	\$ 2,056,535	\$ 7,219,323
LIABILITIES						
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	\$ 87,671	\$ 18,788	\$ 0	\$ 106,459	\$ 0	\$ 106,459
FUND BALANCES						
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	\$ 1,761,337	\$ 2,109,219	\$ 1,185,773	\$ 5,056,329	\$ 2,056,535	\$ 7,112,864
Total Liabilities and Fund Balances	\$ 1,849,008	\$ 2,128,007	\$ 1,185,773	\$ 5,162,788	\$ 2,056,535	\$ 7,219,323

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

	Special Revenue Funds				Capital Projects Fund		Total Nonmajor Governmental Funds	
	Formerly Major School		Education Capital Projects	Total				
	Federal Projects	Central Cafeteria		Internal School	Total			
Revenues								
Charges for Current Services	\$ 0	\$ 123,495	\$ 0	\$ 123,495	\$ 0	\$ 123,495	\$ 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	\$ 3,951,299	\$ 3,046,815	\$ 1,242,839	\$ 8,240,953	\$ 0	\$ 8,240,953		
Expenditures								
Current:								
Instruction	\$ 2,032,044	\$ 0	\$ 0	\$ 2,032,044	\$ 0	\$ 2,032,044	\$ 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	\$ 3,745,023	\$ 2,813,766	\$ 1,209,804	\$ 7,768,593	\$ 3,218,444	\$ 10,987,037		

(Continued)

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

Discretely Presented Hardeman County School Department (Cont.)

	Special Revenue Funds				Capital Projects Fund		Total Nonmajor Governmental Funds
	Formerly Major School Federal Projects	Central Cafeteria	Internal School	Total	Education Capital Projects		
Excess (Deficiency) of Revenues Over Expenditures	\$ 206,276	\$ 233,049	\$ 33,035	\$ 472,360	\$ (3,218,444)	\$ (2,746,084)	
Other Financing Sources (Uses)							
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	
Revenues							
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
Expenditures							
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	
Expenditures (Cont.)							
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	
Expenditures (Cont.)							
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
Other Financing Sources (Uses)							
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	
Revenues						
Federal Government	\$ 3,951,299	\$ 0	\$ 3,951,299	\$ 4,613,064	\$ 4,622,564	\$ (671,265)
Total Revenues	<u>\$ 3,951,299</u>	<u>\$ 0</u>	<u>\$ 3,951,299</u>	<u>\$ 4,613,064</u>	<u>\$ 4,622,564</u>	<u>\$ (671,265)</u>
Expenditures						
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	
Expenditures (Cont.)						
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
Other Financing Sources (Uses)						
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	
Revenues							
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	\$ 3,046,815	\$ 0	\$ 0	\$ 3,046,815	\$ 2,351,370	\$ 2,394,470	\$ 652,345
Expenditures							
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	\$ 2,813,766	\$ (2,569)	\$ 5,941	\$ 2,817,138	\$ 2,880,755	\$ 2,946,355	\$ 129,217
Excess (Deficiency) of Revenues Over Expenditures	\$ 233,049	\$ 2,569	\$ (5,941)	\$ 229,677	\$ (529,385)	\$ (551,885)	\$ 781,562
Net Change in Fund Balance Fund Balance, July 1, 2024	\$ 233,049	\$ 2,569	\$ (5,941)	\$ 229,677	\$ (529,385)	\$ (551,885)	\$ 781,562
Fund Balance, June 30, 2025	\$ 1,876,170	\$ (2,569)	0	\$ 1,873,601	\$ 1,599,595	\$ 1,599,595	\$ 274,006
	\$ 2,109,219	\$ 0	\$ (5,941)	\$ 2,103,278	\$ 1,070,210	\$ 1,047,710	\$ 1,055,568

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
GOVERNMENTAL ACTIVITIES							
BONDS PAYABLE							
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					\$ 15,615,000	\$ 665,000	\$ 14,950,000
BUSINESS-TYPE ACTIVITIES							
NOTE PAYABLE							
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					\$ 454,748	\$ 85,684	\$ 369,064

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

From Fund	To Fund	Purpose	Amount
DISCRETELY PRESENTED HARDEMAN COUNTY SCHOOL DEPARTMENT			
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

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

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

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

	Special Revenue Funds				Debt Service Fund	
	General	Drug Control	Constitu -	Highway / Public Works	General Debt Service	Total
			tional Officers - Fees			
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 4,712,720	\$ 0	\$ 0	\$ 288,684	\$ 5,001,404	
Trustee's Collections - Prior Year	127,157	0	0	9,838	136,995	
Trustee's Collections - Bankruptcy	975	0	0	68	1,043	
Circuit Clerk/Clerk and Master Collections - Prior Years	78,501	0	0	5,405	83,906	
Interest and Penalty	24,370	0	0	1,820	26,190	
Payments in-Lieu-of Taxes - Other	341,301	0	0	5,252	346,553	
County Local Option Taxes						
Local Option Sales Tax	520,570	0	0	0	520,570	
Hotel/Motel Tax	56,852	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
Licenses and Permits						
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
Fines, Forfeitures, and Penalties						
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.)**

	Special Revenue Funds				Debt Service Fund	
	General	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Total
Fines, Forfeitures, and Penalties (Cont.)						
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.)**

	Special Revenue Funds				Debt Service Fund	
			Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	
	General	Drug Control				Total
Fines, Forfeitures, and Penalties (Cont.)						
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
Total Fines, Forfeitures, and Penalties	\$ 284,251	\$ 43,180	\$ 0	\$ 0	\$ 0	\$ 327,431

Charges for Current Services

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.)**

	Special Revenue Funds				Debt Service Fund	
	General	Drug Control	Constitu -	Highway / Public Works	General Debt Service	Total
			tional Officers - Fees			
Charges for Current Services (Cont.)						
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

Other Local Revenues**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.)**

	Special Revenue Funds				Debt Service Fund	
			Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	
	General	Drug Control				Total
Other Local Revenues (Cont.)						
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
Fees Received From County Officials						
Excess Fees						
County Clerk	\$ 91,506	\$ 0	\$ 0	\$ 0	\$ 0	\$ 91,506
Trustee	290,346	0	0	0	0	290,346
Fees In-Lieu-of Salary						
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.)**

	Special Revenue Funds				Debt Service Fund	
	General	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Total
State of Tennessee						
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.)**

	Special Revenue Funds				Debt Service Fund	
	General	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Total
State of Tennessee (Cont.)						
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
Federal Government						
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
Other Governments and Citizens Groups						
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

Special Revenue Funds						
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
Local Taxes						
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>	
Licenses and Permits						
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	\$ 0	\$ 489
Fees						
Vending Machine Collections		\$ 3,439		\$ 0	\$ 0	\$ 3,439
Education Charges						
Lunch Payments - Adults		\$ 0		\$ 19,275		\$ 19,275
Income from Breakfast		\$ 0		\$ 5,757		\$ 5,757
A la Carte Sales		\$ 0		\$ 98,463		\$ 98,463
Receipts from Individual Schools		\$ 411		\$ 0		\$ 411
Total Charges for Current Services	\$ 4,339	\$ 0	\$ 123,495	\$ 0	\$ 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					Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School		
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.)

Special Revenue Funds						
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
State of Tennessee (Cont.)						
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>	
Federal Government						
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.)

Special Revenue Funds						
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
Federal Government (Cont.)						
Federal Through State (Cont.)						
Special Education Preschool Grants	\$ 0	\$ 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	
Other Governments and Citizens Groups						
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	<u>1,646</u>
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	<u>3,332</u>
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	<u>5,490</u>
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

Special Patrols

Deputy(ies)	\$ 218,397
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(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	<u>8,073</u>
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	<u>2,315</u>
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	<u>1,500</u>
Total Airport	\$ 381,959

Veterans' Services

Secretary(ies)	\$ 8,584
Social Security	532
Unemployment Compensation	16
Employer Medicare	124
Communication	1,457
Office Supplies	<u>57</u>
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	<u>117,987</u>
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	<u>9,637</u>
Total Miscellaneous	<u>639,156</u>

Total General Fund	\$ 21,362,604
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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	<u>2,617</u>
Total Drug Enforcement	<u>\$ 99,881</u>

Total Drug Control Fund	\$ 99,881
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(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

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	<u>137,200</u>

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	<u>527</u>

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	<u>2,161,287</u>

Total Asphalt Plant Operations 2,476,569

Other Charges

Liability Insurance	\$ 99,110
Trustee's Commission	38,041
Vehicle and Equipment Insurance	<u>402</u>
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	<u>14,898</u>

Total Employee Benefits

\$ 398,349

Capital Outlay

Bridge Construction	\$ 19,683
Building Improvements	90,055
Communication Equipment	798
Highway Equipment	<u>780,865</u>

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

2,705

Total General Government

\$ 17,623

Education

Other Charges

\$ 750

Total Education

750

Total General Debt Service Fund

\$ 1,146,828

Total Governmental Funds - Primary Government

\$ 28,857,896

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	<u>2,340</u>
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	<u>3,370</u>
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	<hr/> \$ 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	<hr/> 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	<u>1,500</u>
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	<u>39,144</u>
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	<u>\$ 202,252</u>
Total Education	<u>\$ 202,252</u>
Total General Purpose School Fund	<u>\$ 37,237,265</u>

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	<u>90,142</u>
Total Regular Instruction Program	<u>\$ 1,088,500</u>

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	<u>2,042</u>
Total Special Education Program	<u>\$ 880,351</u>

(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	<u>36,983</u>
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	<u>882</u>
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	<u>20,378</u>
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	<u>12,207</u>
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	<u>2,071</u>
Total Special Education Program	84,518

Career and Technical Education Program

In Service/Staff Development	\$ <u>5,000</u>
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	<u>102,804</u>
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

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	<u>129,799</u>
Total Food Service	<u>\$ 2,813,766</u>
Total Central Cafeteria Fund	\$ 2,813,766

Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$ 1,209,804
Total Community Services	<u>\$ 1,209,804</u>
Total Internal School Fund	1,209,804

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Building Improvements	\$ 3,218,444
Total Education Capital Projects	<u>\$ 3,218,444</u>
Total Education Capital Projects Fund	<u>3,218,444</u>

Total Governmental Funds - Hardeman County School Department

\$ 48,224,302

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

Federal/Pass-through Agency/State Grantor Program Title	Assistance Listing Number	Passed-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of 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.)

Federal/Pass-through Agency/State Grantor Program Title	Assistance Listing Number	Passed-through Entity Identifying Number	Expenditures
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>
State Grants		Contract Number	
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)	<u>14,947</u>
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:

Program Title	ALN	Amount Provided to Consolidated Administration
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	<u>1,807</u>
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
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OFFICE OF COUNTY MAYOR

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

OFFICE OF HIGHWAY SUPERINTENDENT

2024	179	2024-003	The Highway/Public Works Fund required material audit adjustments for proper financial statement presentation.	N/A	Corrected
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OFFICE OF DIRECTOR OF SCHOOLS

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
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OFFICE OF TRUSTEE

2024	180	2024-005	The office had accounting deficiencies.	N/A	Corrected
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Prior-year Federal Awards Findings

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

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

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 and 84.173 Special Education Cluster (IDEA): Special 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.

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.

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 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.

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.

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.

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.

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

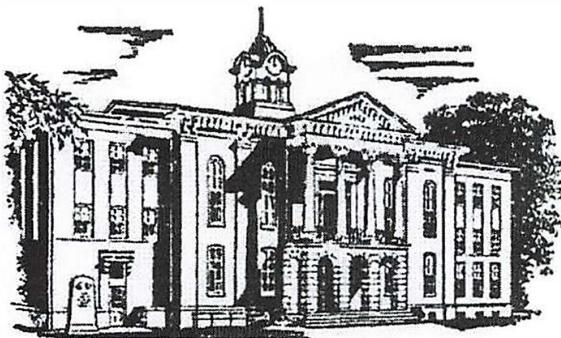
2025-004	The office did not review its software audit logs.	195
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OFFICE OF JUVENILE COURT CLERK

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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Kosciusko 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

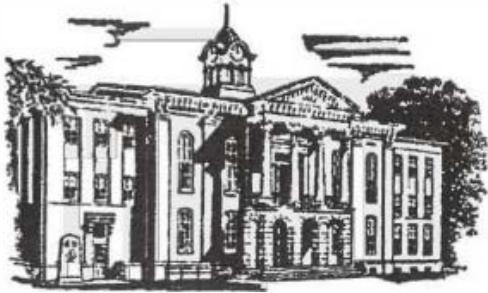
Repeat Finding:
No

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



*Office of:
Todd Pulse, Mayor*

Hardeman County

Courthouse

100 N. Main Street

PO Box 250

Bolivar, Tennessee 38008

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

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

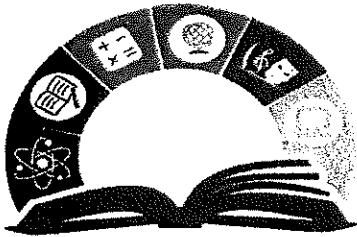
REPEAT FINDING:

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:

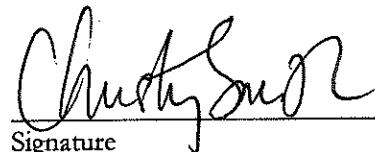
Yes

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:

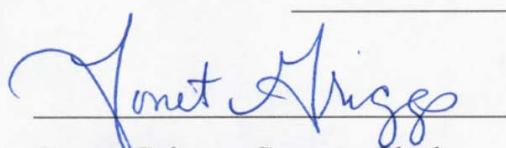
February 2025

Repeat Finding:

No

Planned Corrective Action:

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



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.