



## ANNUAL FINANCIAL REPORT

### Henderson County, Tennessee

*For the Year Ended June 30, 2025*

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



**DIVISION OF  
LOCAL GOVERNMENT AUDIT**

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

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

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

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

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

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## HENDERSON COUNTY, TENNESSEE

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## Summary of Audit Findings

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

### *Scope*

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

### *Results*

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

Our audit resulted in no findings.



## INTRODUCTORY SECTION

# **HENDERSON COUNTY OFFICIALS**

June 30, 2025

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## **Officials**

Robbie McCready, County Mayor  
Steve Vineyard, Road Supervisor  
Danny Beecham, Director of Schools  
John Cavness, Trustee  
Gary Pope, Assessor of Property  
Tasha Carver, County Clerk  
Beverly Dunaway, Circuit, General Sessions, and Juvenile Courts Clerk  
Leigh Milam, Clerk and Master  
Doug Bartholomew, Register of Deeds  
Brain Duke, Sheriff  
Megan Vineyard, Finance Director

## **Board of County Commissioners**

Robbie McCready, County Mayor, Chairman	
Terry Allen	Mack Maness, Jr.
Andy Anderson	Tommy Page
Todd Beecham	Nick Peterson
William Carter	Joe Ross
Jeff James	Blake Stanfill
Jack Johnson	Tonya Stegall
Randal Keen	Aaron Wood

## **Board of Education**

John Walker, Chairman  
Jeff Camper  
Steve Crownover  
Tommy Gordon  
Bobby Harrington  
Michael Tate  
Tyler Wadley

## **Financial Management Committee**

Robbie McCready, County Mayor, Chairman  
Corey Bingham  
Beverly Dunaway  
Jeff James  
Mack Maness  
Steve Vineyard, Road Supervisor  
Danny Beecham, Director of Schools

## **Audit Committee**

Tommy Page, Chairman  
Aaron Wood  
John Walker

## FINANCIAL SECTION



JASON E. MUMPOWER  
*Comptroller*

### Independent Auditor's Report

Henderson County Mayor and  
Board of County Commissioners  
Henderson 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Henderson 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Henderson County, Tennessee, as of June 30, 2025, and the respective changes in financial position 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 Henderson County School Department (a discretely presented component unit), which represent 2.6 percent, three percent, and 5.5 percent, respectively, of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to amounts included for the Henderson 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 Henderson 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.

##### *Changes in Accounting Principle*

As described in Note V. B., Henderson 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.10. to the financial statements, which describes restatements to the beginning Governmental Activities net position totaling (\$35,347) for the primary government and (\$493,274) for the discretely presented Henderson 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 Henderson 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 Henderson 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 Henderson 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 schedules of changes in the county's net pension liability (asset) and related ratios, schedules of county and school contributions, schedules of school's proportionate share of the net pension liability (asset), and schedules of county and school changes in the total other postemployment benefits liability and related ratios, as listed under Required Supplementary Information in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Henderson County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Henderson County School Department (a discretely presented component unit), and miscellaneous schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of

nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Henderson 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 August 22, 2025, on our consideration of Henderson 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 Henderson 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 Henderson County's internal control over financial reporting and compliance.

Very truly yours,

  
Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

August 22, 2025

JEM/gc

## **BASIC FINANCIAL STATEMENTS SECTION**

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

	Primary Government	Governmental Activities	Component Unit
	Henderson County School Department		
<b>ASSETS</b>			
Cash	\$ 494	\$ 1,275,952	
Equity in Pooled Cash and Investments	9,936,243	12,880,550	
Inventories	0	2,378	
Accounts Receivable	8,945	28,143	
Due from Other Governments	1,754,986	2,155,850	
Due from Component Units	640,094	0	
Property Taxes Receivable	9,120,728	2,039,443	
Allowance for Uncollectible Property Taxes	(93,741)	(21,115)	
Net Pension Asset - Agent Plan	435,487	0	
Net Pension Asset - Teacher Retirement Plan	0	216,873	
Net Pension Asset - Teacher Legacy Pension Plan	0	7,153,526	
Restricted Assets - Amounts Accumulated for Pension Benefits	0	595,021	
Capital Assets:			
Assets Not Depreciated:			
Land	2,127,209	1,151,661	
Construction in Progress	3,165,533	229,000	
Assets Net of Accumulated Depreciation:			
Buildings and Improvements	8,602,655	19,011,264	
Infrastructure	5,305,328	34,449	
Other Capital Assets	3,060,738	2,068,043	
Total Assets	<u>\$ 44,064,699</u>	<u>\$ 48,821,038</u>	

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred Charge on Refunding	\$ 58,222	\$ 0
Pension Changes in Experience	989,635	2,645,823
Pension Changes in Assumptions	438,339	416,993
Pension Changes in Proportion	0	71,573
Pension Contributions after Measurement Date	670,449	1,476,091
OPEB Changes in Experience	19,003	812,946
OPEB Changes in Proportion	0	259,419
OPEB Changes in Assumptions	84,041	914,729
OPEB Contributions after Measurement Date	1,004	234,281
Total Deferred Outflows of Resources	<u>\$ 2,260,693</u>	<u>\$ 6,831,855</u>

(Continued)

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

	Primary Government Governmental Activities	Component Unit Henderson County School Department
<b>LIABILITIES</b>		
Accounts Payable	\$ 63,312	\$ 13,020
Payroll Deductions Payable	943	558,791
Accrued Interest Payable	46,081	0
Due to Primary Government	0	640,094
Noncurrent Liabilities:		
Due Within One Year - Debt	1,844,788	0
Due Within One Year - Other	374,584	617,940
Due in More Than One Year - Debt	6,913,436	0
Due in More Than One Year - Other	997,757	6,535,454
Total Liabilities	<u>\$ 10,240,901</u>	<u>\$ 8,365,299</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Current Property Taxes	\$ 8,735,022	\$ 1,956,792
Pension Changes in Experience	152,484	143,884
Pension Changes in Investment Earnings	218,717	1,560,517
Pension Changes in Assumptions	2,351	0
Pension Changes in Proportion	0	136,765
OPEB Changes in Experience	61,959	414,014
OPEB Changes in Proportion	0	183,451
OPEB Changes in Assumptions	84,239	394,718
Total Deferred Inflows of Resources	<u>\$ 9,254,772</u>	<u>\$ 4,790,141</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	\$ 16,528,152	\$ 22,494,417
Restricted for:		
General Government	826,832	0
Finance	104,995	0
Administration of Justice	296,058	0
Public Safety	991,876	0
Public Health and Welfare	567,810	0
Highway/Public Works	224,412	0
Capital Projects	306,405	
Debt Service	264,220	0
Education	0	1,475,729
Operation of Non-instructional Services	0	458,555
Pensions	435,487	7,370,399
Hybrid Retirement Stabilization Funds	0	595,021
Unrestricted	<u>6,283,472</u>	<u>10,103,332</u>
Total Net Position	<u>\$ 26,829,719</u>	<u>\$ 42,497,453</u>

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

**HENDERSON 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	Henderson County School Department				
Primary Government:								
Governmental Activities:								
General Government	\$ 1,315,679	\$ 314,422	\$ 50,876	\$ 1,051,398	\$ 101,017	\$ 0		
Finance	1,519,074	794,757	0	0	(724,317)	0		
Administration of Justice	1,662,721	1,346,329	500,868	0	184,476	0		
Public Safety	9,791,362	2,271,661	929,974	17,785	(6,571,942)	0		
Public Health and Welfare	3,605,691	79,251	1,947,798	0	(1,578,642)	0		
Social, Cultural, and Recreational Services	123,635	0	0	0	(123,635)	0		
Agriculture and Natural Resources	169,270	0	239,045	0	69,775	0		
Highways	4,198,376	7,817	2,719,462	434,483	(1,036,614)	0		
Education	0	0	459,958	0	459,958	0		
Interest on Long-term Debt	284,901	0	31,620	0	(253,281)	0		
Total Primary Government	\$ 22,670,709	\$ 4,814,237	\$ 6,879,601	\$ 1,503,666	\$ (9,473,205)	\$ 0		
Component Unit:								
Henderson County School Department	\$ 50,986,090	\$ 208,255	\$ 11,623,093	\$ 381	\$ 0	\$ (39,154,361)		
Total Component Unit	\$ 50,986,090	\$ 208,255	\$ 11,623,093	\$ 381	\$ 0	\$ (39,154,361)		

(Continued)

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Unit
					Total Governmental Activities	Henderson County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 7,997,449	\$ 1,875,872
Property Taxes Levied for Debt Service					615,321	0
Local Option Sales Taxes					434,400	5,672,309
Hotel/Motel Tax					337,529	0
Wheel Tax					1,043,702	0
Litigation Taxes					238,215	0
Business Tax					372,423	0
Fire Tax					516,809	0
Other Local Taxes					117,743	749
Grants and Contributions Not Restricted to Specific Programs					355,949	33,172,280
Unrestricted Investment Income					957,983	119,994
Miscellaneous					132,134	96,687
<b>Total General Revenues</b>					<b>\$ 13,119,657</b>	<b>\$ 40,937,891</b>
Change in Net Position					\$ 3,646,452	\$ 1,783,530
Net Position, July 1, 2024					23,218,614	41,207,197
Restatement - See Note I.D.10.					(35,347)	(493,274)
<b>Net Position, June 30, 2025</b>					<b>\$ 26,829,719</b>	<b>\$ 42,497,453</b>

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

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

	<b>Major Funds</b>			<b>Nonmajor Funds</b>		<b>Total Governmental Funds</b>
	<b>General</b>	<b>Highway / Public Works</b>	<b>General Debt Service</b>	<b>Other Govern- mental Funds</b>		
<b>ASSETS</b>						
Cash	\$ 0	\$ 0	\$ 0	\$ 494	\$ 494	
Equity in Pooled Cash and Investments	5,220,605	558,252	1,888,350	2,269,036	9,936,243	
Accounts Receivable	8,708	0	153	84	8,945	
Due from Other Governments	1,262,366	456,154	0	36,466	1,754,986	
Due from Other Funds	578	1,840	0	0	2,418	
Property Taxes Receivable	7,443,425	299,273	575,968	802,062	9,120,728	
Allowance for Uncollectible Property Taxes	(75,279)	(3,032)	(6,314)	(9,116)	(93,741)	
<b>Total Assets</b>	<b>\$ 13,860,403</b>	<b>\$ 1,312,487</b>	<b>\$ 2,458,157</b>	<b>\$ 3,099,026</b>	<b>\$ 20,730,073</b>	
<b>LIABILITIES</b>						
Accounts Payable	\$ 63,312	\$ 0	\$ 0	\$ 0	\$ 63,312	
Payroll Deductions Payable	943	0	0	0	943	
Due to Other Funds	1,840	0	0	578	2,418	
<b>Total Liabilities</b>	<b>\$ 66,095</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 578</b>	<b>\$ 66,673</b>	

(Continued)

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

**DEFERRED INFLOWS OF RESOURCES**

	<b>Major Funds</b>		<b>Nonmajor Funds</b>			
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Govern- mental Funds	
Deferred Current Property Taxes	\$ 7,133,566	\$ 287,620	\$ 550,107	\$ 763,729	\$ 8,735,022	
Deferred Delinquent Property Taxes	215,985	7,912	17,002	26,916	267,815	
Other Deferred/Unavailable Revenue	65,800	216,500	0	18,000	300,300	
Total Deferred Inflows of Resources	<u>\$ 7,415,351</u>	<u>\$ 512,032</u>	<u>\$ 567,109</u>	<u>\$ 808,645</u>	<u>\$ 9,303,137</u>	

**FUND BALANCES**

Restricted:

Restricted for General Government	\$ 168,099	\$ 0	\$ 0	\$ 0	\$ 168,099
Restricted for General Government - American Rescue Plan Act	0	0	0	658,733	658,733
Restricted for Finance	104,995	0	0	0	104,995
Restricted for Administration of Justice	296,058	0	0	0	296,058
Restricted for Public Safety	892,540	0	0	99,336	991,876
Restricted for Public Health and Welfare	535,716	0	0	0	535,716
Restricted for Debt Service	0	0	142,773	92,304	235,077
Restricted for Capital Projects	0	0	0	293,583	293,583

Committed:

Committed for General Government	334,456	0	0	141,512	475,968
Committed for Public Health and Welfare	0	0	0	369,679	369,679
Committed for Other Operations	385,346	0	0	0	385,346
Committed for Highways/Public Works	0	800,455	0	0	800,455

(Continued)

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

**FUND BALANCES (Cont.)**

Committed (Cont.):

	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Govern- mental Funds
Committed for Debt Service	\$ 0	\$ 0	\$ 1,748,275	\$ 622,412	\$ 2,370,687
Committed for Capital Projects	0	0	0	12,244	12,244
Unassigned	3,661,747	0	0	0	3,661,747
<b>Total Fund Balances</b>	<b>\$ 6,378,957</b>	<b>\$ 800,455</b>	<b>\$ 1,891,048</b>	<b>\$ 2,289,803</b>	<b>\$ 11,360,263</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 13,860,403</b>	<b>\$ 1,312,487</b>	<b>\$ 2,458,157</b>	<b>\$ 3,099,026</b>	<b>\$ 20,730,073</b>

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

**HENDERSON 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)	\$ 11,360,263
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	
Add: land	\$ 2,127,209
Add: construction in progress	3,165,533
Add: buildings and improvements net of accumulated depreciation	8,602,655
Add: infrastructure net of accumulated depreciation	5,305,328
Add: other capital assets net of accumulated depreciation	<u>3,060,738</u>
	22,261,463
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	
Less: other loan payable	\$ (640,094)
Add: debt to be contributed by the school department	640,094
Less: bonds payable	(7,635,000)
Add: deferred amount on refunding	58,222
Less: compensated absences payable	(365,667)
Less: landfill closure/postclosure care costs	(16,205)
Less: net pension liability - Henderson County Employees Agent Plan	(731,076)
Less: net OPEB liability	(259,393)
Less: accrued interest payable	(46,081)
Less: unamortized premium on debt	<u>(483,130)</u>
	(9,478,330)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.	
Add: deferred outflows of resources related to pensions	\$ 2,098,423
Less: deferred inflows of resources related to pensions	(373,552)
Add: deferred outflows of resources related to OPEB	104,048
Less: deferred inflows of resources related to OPEB	<u>(146,198)</u>
	1,682,721
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.	
Add: net pension asset - Henderson County Judges, Officials, and Executives Agent Plan	435,487
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.	<u>568,115</u>
Net position of governmental activities (Exhibit A)	<u>\$ 26,829,719</u>

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

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

	<b>Major Funds</b>			<b>Nonmajor Funds</b>		<b>Total Governmental Funds</b>
	<b>General</b>	<b>Highway / Public Works</b>	<b>General Debt Service</b>	<b>Other Govern- ment- al Funds</b>		
<b>Revenues</b>						
Local Taxes	\$ 8,618,655	\$ 275,186	\$ 1,683,300	\$ 1,124,723	\$ 11,701,864	
Licenses and Permits	1,235	0	0	0	1,235	
Fines, Forfeitures, and Penalties	633,169	0	0	24,182	657,351	
Charges for Current Services	141,985	0	0	53,561	195,546	
Other Local Revenues	1,037,095	80,582	196,045	147,933	1,461,655	
Fees Received From County Officials	1,621,377	0	0	0	1,621,377	
State of Tennessee	5,645,349	3,136,704	0	0	8,782,053	
Federal Government	276,660	14,829	0	0	291,489	
Other Governments and Citizens Groups	1,090,700	0	103,608	356,350	1,550,658	
<b>Total Revenues</b>	<b>\$ 19,066,225</b>	<b>\$ 3,507,301</b>	<b>\$ 1,982,953</b>	<b>\$ 1,706,749</b>	<b>\$ 26,263,228</b>	

**Expenditures**

## Current:

General Government	\$ 1,710,365	\$ 0	\$ 0	\$ 24,777	\$ 1,735,142
Finance	1,480,799	0	0	0	1,480,799
Administration of Justice	1,282,009	0	0	31,740	1,313,749
Public Safety	8,266,207	0	0	158,187	8,424,394
Public Health and Welfare	2,654,026	0	0	913,239	3,567,265
Social, Cultural, and Recreational Services	95,923	0	0	0	95,923
Agriculture and Natural Resources	159,396	0	0	0	159,396

(Continued)

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

	<b>Major Funds</b>			<b>Nonmajor Funds</b>		<b>Total Governmental Funds</b>
	<b>General</b>	<b>Highway / Public Works</b>	<b>General Debt Service</b>	<b>Other Govern- mental Funds</b>		
<b>Expenditures (Cont.)</b>						
Current (Cont.)						
Other Operations	\$ 3,237,989	\$ 0	\$ 0	\$ 460,841	\$ 3,698,830	
Highways	0	4,265,400	0	0	4,265,400	
Debt Service:						
Principal on Debt	0	0	1,518,480	305,000	1,823,480	
Interest on Debt	0	0	210,792	51,350	262,142	
Other Debt Service	0	0	28,281	2,192	30,473	
Total Expenditures	\$ 18,886,714	\$ 4,265,400	\$ 1,757,553	\$ 1,947,326	\$ 26,856,993	
Excess (Deficiency) of Revenues Over Expenditures	\$ 179,511	\$ (758,099)	\$ 225,400	\$ (240,577)	\$ (593,765)	
<b>Other Financing Sources (Uses)</b>						
Insurance Recovery	\$ 30,730	\$ 0	\$ 0	\$ 1,991	\$ 32,721	
Transfers In	0	0	95,000	76,028	171,028	
Transfers Out	(171,028)	0	0	0	(171,028)	
Total Other Financing Sources (Uses)	\$ (140,298)	\$ 0	\$ 95,000	\$ 78,019	\$ 32,721	
Net Change in Fund Balances	\$ 39,213	\$ (758,099)	\$ 320,400	\$ (162,558)	\$ (561,044)	
Fund Balance, July 1, 2024	6,339,744	1,558,554	1,570,648	2,452,361	11,921,307	
Fund Balance, June 30, 2025	\$ 6,378,957	\$ 800,455	\$ 1,891,048	\$ 2,289,803	\$ 11,360,263	

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

**HENDERSON 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)	\$ (561,044)
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:	
Add: capital assets purchased in the current period	\$ 4,109,347
Less: current-year depreciation expense	<u>(1,812,660)</u> 2,296,687
(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	(6,396)
(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	\$ 568,115
Less: deferred delinquent property taxes and other deferred June 30, 2024	<u>(545,802)</u> 22,313
(4) The issuance of long-term debt (e.g., bonds and other 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: change in premium on debt issuances	\$ 125,100
Less: change in deferred amount on refunding debt	(36,175)
Add: principal payments on bonds	1,730,000
Add: principal payments on other loan	93,480
Less: contributions from the school department for the other loan	<u>(93,480)</u> 1,818,925
(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	\$ 13,416
Change in landfill closure/postclosure care costs	7,533
Change in compensated absences payable	(34,911)
Change in net OPEB liability	(70,830)
Change in deferred outflows related to OPEB	19,471
Change in deferred inflows related to OPEB	36,352
Change in net pension liability - Henderson County Employees Agent Plan	(63,359)
Change in net pension asset - Henderson County Judges, Officials, and Executives Agent Plan	161,957
Change in deferred outflows related to pensions	100,046
Change in deferred inflows related to pensions	<u>(93,708)</u> 75,967
Change in net position of governmental activities (Exhibit B)	\$ 3,646,452

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

**HENDERSON COUNTY, TENNESSEE****Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget**

General Fund

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

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Local Taxes	\$ 8,618,655	\$ 7,893,829	\$ 8,013,784	\$ 604,871
Licenses and Permits	1,235	1,000	1,000	235
Fines, Forfeitures, and Penalties	633,169	504,600	514,600	118,569
Charges for Current Services	141,985	107,100	107,100	34,885
Other Local Revenues	1,037,095	732,050	732,650	304,445
Fees Received From County Officials	1,621,377	1,385,000	1,385,000	236,377
State of Tennessee	5,645,349	2,288,800	9,602,959	(3,957,610)
Federal Government	276,660	32,000	32,000	244,660
Other Governments and Citizens Groups	1,090,700	422,000	676,725	413,975
Total Revenues	\$ 19,066,225	\$ 13,366,379	\$ 21,065,818	\$ (1,999,593)
<b>Expenditures</b>				
General Government				
County Commission	\$ 123,411	\$ 126,750	\$ 126,750	\$ 3,339
Board of Equalization	2,320	2,500	4,650	2,330
County Mayor/Executive	192,826	211,345	211,345	18,519
County Attorney	6,405	16,895	16,895	10,490
Election Commission	255,620	231,089	267,839	12,219
Register of Deeds	216,990	225,676	235,676	18,686
County Buildings	912,793	891,500	968,500	55,707
Finance				
Accounting and Budgeting	387,714	438,355	438,955	51,241
Property Assessor's Office	315,583	320,226	336,226	20,643
County Trustee's Office	373,677	366,026	382,231	8,554
County Clerk's Office	403,825	411,874	411,874	8,049
Administration of Justice				
Circuit Court	562,999	579,852	613,793	50,794
General Sessions Court	300,516	311,061	311,061	10,545
Drug Court	5,329	10,000	10,000	4,671
Chancery Court	267,510	267,127	272,627	5,117
Juvenile Court	68,222	74,086	74,086	5,864
Victim Assistance Programs	77,433	0	81,500	4,067
Public Safety				
Sheriff's Department	3,621,447	3,548,807	3,809,857	188,410
Administration of the Sexual Offender Registry	5,692	5,700	5,700	8
Workhouse	2,784,552	2,710,457	2,839,057	54,505
Fire Prevention and Control	393,688	455,628	521,249	127,561
Civil Defense	139,381	170,497	170,497	31,116
Rescue Squad	20,000	20,000	20,000	0

(Continued)

**HENDERSON COUNTY, TENNESSEE****Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget**

General Fund (Cont.)

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Expenditures (Cont.)</b>				
Public Safety (Cont.)				
County Coroner/Medical Examiner	\$ 130,842	\$ 103,050	\$ 145,050	\$ 14,208
Public Safety Grants Program	242,061	0	262,200	20,139
Other Public Safety	928,544	691,666	951,761	23,217
Public Health and Welfare				
Local Health Center	2,372,881	58,250	4,603,150	2,230,269
Alcohol and Drug Programs	75,000	0	82,000	7,000
Other Local Health Services	151,126	8,000	205,500	54,374
Appropriation to State	738	11,420	11,420	10,682
Aid to Dependent Children	0	700	700	700
Waste Pickup	54,281	55,600	59,225	4,944
Social, Cultural, and Recreational Services				
Adult Activities	4,733	4,734	4,734	1
Senior Citizens Assistance	17,500	17,500	17,500	0
Libraries	56,500	56,500	56,500	0
Other Social, Cultural, and Recreational	17,190	20,200	20,200	3,010
Agriculture and Natural Resources				
Agricultural Extension Service	106,020	126,770	127,270	21,250
Soil Conservation	24,541	26,336	26,336	1,795
Flood Control	28,835	40,000	40,000	11,165
Other Operations				
Tourism	44,742	50,250	50,250	5,508
Industrial Development	51,810	60,318	60,318	8,508
Veterans' Services	84,238	85,007	87,322	3,084
Other Charges	623,248	612,000	623,248	0
Employee Benefits	0	2,000	2,000	2,000
Miscellaneous	2,433,951	328,638	2,843,285	409,334
Total Expenditures	\$ 18,886,714	\$ 13,754,390	\$ 22,410,337	\$ 3,523,623
Excess (Deficiency) of Revenues Over Expenditures	\$ 179,511	\$ (388,011)	\$ (1,344,519)	\$ 1,524,030
<b>Other Financing Sources (Uses)</b>				
Insurance Recovery	\$ 30,730	\$ 0	\$ 0	\$ 30,730
Transfers In	0	150,000	206,680	(206,680)
Transfers Out	(171,028)	0	(171,028)	0
Total Other Financing Sources	\$ (140,298)	\$ 150,000	\$ 35,652	\$ (175,950)
Net Change in Fund Balance Fund Balance, July 1, 2024	\$ 39,213	\$ (238,011)	\$ (1,308,867)	\$ 1,348,080
Fund Balance, June 30, 2025	\$ 6,339,744	\$ 4,350,000	\$ 4,350,000	\$ 1,989,744
	\$ 6,378,957	\$ 4,111,989	\$ 3,041,133	\$ 3,337,824

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

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

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Local Taxes	\$ 275,186	\$ 270,499	\$ 270,499	\$ 4,687
Other Local Revenues	80,582	42,500	42,500	38,082
State of Tennessee	3,136,704	2,941,000	2,941,000	195,704
Federal Government	14,829	0	0	14,829
<b>Total Revenues</b>	<b>\$ 3,507,301</b>	<b>\$ 3,253,999</b>	<b>\$ 3,253,999</b>	<b>\$ 253,302</b>
<b>Expenditures</b>				
Highways				
Administration	\$ 203,148	\$ 216,254	\$ 215,454	\$ 12,306
Highway and Bridge Maintenance	2,816,421	1,985,470	2,837,045	20,624
Operation and Maintenance of Equipment	503,942	553,600	553,600	49,658
Other Charges	158,367	175,025	175,025	16,658
Employee Benefits	3,714	11,000	11,000	7,286
Capital Outlay	579,808	821,000	718,400	138,592
<b>Total Expenditures</b>	<b>\$ 4,265,400</b>	<b>\$ 3,762,349</b>	<b>\$ 4,510,524</b>	<b>\$ 245,124</b>
Excess (Deficiency) of Revenues				
Over Expenditures	\$ (758,099)	\$ (508,350)	\$ (1,256,525)	\$ 498,426
Net Change in Fund Balance				
Fund Balance, July 1, 2024	\$ (758,099)	\$ (508,350)	\$ (1,256,525)	\$ 498,426
	1,558,554	1,300,000	1,300,000	258,554
Fund Balance, June 30, 2025	<b>\$ 800,455</b>	<b>\$ 791,650</b>	<b>\$ 43,475</b>	<b>\$ 756,980</b>

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

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

	<b>Custodial Funds</b>
<b>ASSETS</b>	
Cash	\$ 1,998,952
Equity in Pooled Cash and Investments	102,922
Accounts Receivable	37,652
Due from Other Governments	1,105,669
Taxes Receivable	91,656
Allowance for Uncollectible Taxes	<u>(974)</u>
Total Assets	<u>\$ 3,335,877</u>
<b>LIABILITIES</b>	
Due to Other Taxing Units	<u>\$ 1,211,529</u>
Total Liabilities	<u>\$ 1,211,529</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Current Property Taxes	<u>\$ 87,767</u>
Total Deferred Inflows of Resources	<u>\$ 87,767</u>
<b>NET POSITION</b>	
Restricted for Individuals, Organizations and Other Governments	<u>\$ 2,036,581</u>
Total Net Position	<u>\$ 2,036,581</u>

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

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

	<b>Custodial Funds</b>
<b>ADDITIONS</b>	
Sales Tax Collections for Other Governments	\$ 4,991,459
ADA - Educational Funds Collected for Cities	1,316,075
Fines/Fees and Other Collections	9,655,107
Total Additions	<u>\$ 15,962,641</u>
<b>DEDUCTIONS</b>	
Payment of Sales Tax Collections to Other Governments	\$ 4,991,459
Payments to City School Systems	1,316,075
Payments to State	3,706,187
Payments to Cities, Individuals, and Others	6,034,789
Total Deductions	<u>\$ 16,048,510</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ (85,869)
Net Position, July 1, 2024	<u>2,122,450</u>
Net Position, June 30, 2025	<u>\$ 2,036,581</u>

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

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# HENDERSON COUNTY, TENNESSEE

## INDEX OF NOTES TO THE FINANCIAL STATEMENTS

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

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Henderson 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 Henderson County:

**A. *Reporting Entity***

Henderson County is a public municipal corporation governed by an elected 14-member board. As required by GAAP, these financial statements present Henderson County (the primary government) and its component units. The financial statements of the Henderson County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of this omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

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

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

Administrative Office:

Henderson County Emergency  
Communications District  
170 Justice Center Drive, Suite D  
Lexington, TN 38351

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

Henderson County issues all debt for the discretely presented Henderson 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 and fiduciary funds. The fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as

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

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

Fiduciary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category includes custodial funds.

Henderson County reports the following major governmental funds:

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

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

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

Additionally, Henderson County reports the following fund types:

**Capital Projects Fund** – The General Capital Projects Fund is used to account for general capital expenditures of the county.

**Custodial Funds** – These funds account for amounts collected in a custodial capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Henderson County and the city school system's share of educational revenues.

The discretely presented Henderson County School Department reports the following major governmental funds:

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

**School Transportation Fund** – This special revenue fund is used to account for the transportation of students. Local taxes are the foundational revenues of this fund.

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The current year (FY 25) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior year balances (FY 24) 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.

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

**1. Deposits and Investments**

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Henderson 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. Henderson 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. 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. Henderson 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.

Property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 0.55 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.

## **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 Henderson 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 Henderson County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Henderson County School Department has not withdrawn any funds from the trust to pay pension costs. 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 column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of \$25,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

Property, plant, equipment, and infrastructure of the 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
Other Capital Assets	5 -15
Infrastructure:	
Roads	10 - 20
Bridges	15 - 30

#### 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 assumptions, pension and OPEB changes in proportionate share, 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 school department's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. However, the general policies of the county (not including the highway and sheriff's departments) and school department do not allow employees to accumulate vacation days beyond the calendar year end. The highway and sheriff's departments allow a limited amount of vacation days to be carried over beyond year end with the remaining amount converting to sick leave. All vacation pay is accrued when incurred in the government-wide financial statements for the county and its discretely presented component unit. 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 Henderson County and the discretely presented school department do not have policies 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 benefits 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, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Debt premiums and discounts are deferred and are amortized over the life of the new debt using the straight-line method. Debt issuance costs are expensed in the period incurred. In refunding transactions, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the refunded debt or the life of the new debt issued, whichever is shorter.

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

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

## 8. Net Position and Fund Balance

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

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

The government-wide Statement of Net Position reports \$4,018,095 of restricted net position, of which \$676,119 is restricted by enabling legislation.

As of June 30, 2025, Henderson County had \$2,856,844 in outstanding debt for capital purposes for the discretely presented Henderson County School Department. In accordance with state statutes, certain county school debt proceeds must be shared with other public school systems in the county (City of Lexington School System) based on an average daily attendance proration. This debt is a liability of Henderson County, but the capital assets acquired are reported in the financial statements of the school department and the City of Lexington School System. Therefore, Henderson 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 finance committee to make assignments for the general government. The Board of Education makes assignments for the school department.

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

## 9. **Minimum Fund Balance Policy**

To provide management with appropriate guidelines and direction to assist in making sound decisions related to managing the fund balance of certain governmental funds, the following minimum policy exists and consists of the sum of committed, assigned, and unassigned fund balance:

General and General Purpose School funds – ten percent of current year appropriations.

## 10. **Restatements**

With the implementation of GASB Statement 101, *Compensated Absences*, Henderson County must recognize a restatement to the beginning net position in the Government-wide financial statements for the Primary Government and the discretely presented Henderson County School Department to record compensated absences liabilities. A restatement of (\$35,347) has been presented to reflect the beginning balance of the Primary Government and (\$493,274) for the discretely presented Henderson County School Department. The following table reflects the restatement amounts necessary to implement this standard:

	Government Wide - Governmental Activities	
	Discretely Presented	
	Primary Government	Henderson County School Department
Net Position, as previously reported	\$ 23,218,614	\$ 41,207,197
Adjustments for GASB 101 Implementation:		
Compensated Absences Liability	(35,347)	(493,274)
Net Change in Beginning Net Position	\$ (35,347)	\$ (493,274)
Net Position, June 30, 2024 Restated	\$ 23,183,267	\$ 40,713,923

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

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teacher Retirement Plan and the Teacher Legacy Pension Plan in the Tennessee Consolidated Retirement System, and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the TCRS. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Teacher Retirement Plan and the Teacher Legacy Pension Plan. Investments are reported at fair value.

#### **F. Other Postemployment Benefit (OPEB) Plans**

##### **Primary Government**

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

##### **Discretely Presented Henderson 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 Henderson 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 Henderson 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 Henderson 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**

***Budgetary Information***

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

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

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

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

**IV. DETAILED NOTES ON ALL FUNDS**

***A. Deposits and Investments***

Henderson County and the Henderson 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.

The county had no pooled and nonpooled investments as of June 30, 2025.

### TCRS Stabilization Trust

**Legal Provisions.** The Henderson 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 Henderson 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 Henderson 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	Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 184,457
Developed Market International Equity	N/A	N/A	83,303
Emerging Market International Equity	N/A	N/A	23,801
U.S. Fixed Income	N/A	N/A	119,004
Real Estate	N/A	N/A	59,502
Short-term Securities	N/A	N/A	5,950
NAV - Private Equity and Strategic Lending	N/A	N/A	<u>119,004</u>
Total			<u>\$ 595,021</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, financial statements of the Tennessee Consolidated Retirement System may be obtained on 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	\$ 2,127,209	\$ 0	\$ 0	\$ 2,127,209
Construction in Progress	0	3,165,533	0	3,165,533
Total Capital Assets	<hr/>			
Not Depreciated	\$ 2,127,209	\$ 3,165,533	\$ 0	\$ 5,292,742
Capital Assets Depreciated:				
Buildings and				
Improvements	\$ 19,890,679	\$ 0	\$ 0	\$ 19,890,679
Infrastructure	8,360,214	443,818	0	8,804,032
Other Capital Assets	12,604,113	499,996	193,269	12,910,840
Total Capital Assets	<hr/>			
Depreciated	\$ 40,855,006	\$ 943,814	\$ 193,269	\$ 41,605,551
Less Accumulated				
Depreciation For:				
Buildings and				
Improvements	\$ 10,561,222	\$ 726,802	\$ 0	\$ 11,288,024
Infrastructure	3,177,024	321,680	0	3,498,704
Other Capital Assets	9,272,797	764,178	186,873	9,850,102
Total Accumulated	<hr/>			
Depreciation	\$ 23,011,043	\$ 1,812,660	\$ 186,873	\$ 24,636,830
Total Capital Assets				
Depreciated, Net	\$ 17,843,963	\$ (868,846)	\$ 6,396	\$ 16,968,721
Governmental Activities				
Capital Assets, Net	\$ 19,971,172	\$ 2,296,687	\$ 6,396	\$ 22,261,463

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

**Governmental Activities:**

General Government	\$ 172,406
Administration of Justice	142,737
Public Safety	798,204
Public Health and Welfare	60,650
Highway/Public Works	<u>638,663</u>
 Total Depreciation Expense - Governmental Activities	 <u>\$ 1,812,660</u>

**Net Investment in Capital Assets**

Capital Assets	\$ 22,261,463
Less:	
Outstanding principal of capital debt and other capital borrowings	(5,418,250)
Unamortized balance of original issue premiums on outstanding capital-related debt	<u>(315,061)</u>
 Net Investment in Capital Assets	 <u>\$ 16,528,152</u>

## Discretely Presented Henderson County School Department

### Governmental Activities:

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	\$ 1,151,661	\$ 0	\$ 0	\$ 1,151,661
Construction in Progress	5,395,311	229,000	5,395,311	229,000
Total Capital Assets Not Depreciated	<u>\$ 6,546,972</u>	<u>\$ 229,000</u>	<u>\$ 5,395,311</u>	<u>\$ 1,380,661</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 51,976,225	\$ 7,030,805	\$ 0	\$ 59,007,030
Infrastructure	99,606	0	0	99,606
Other Capital Assets	4,747,449	260,944	0	5,008,393
Total Capital Assets Depreciated	<u>\$ 56,823,280</u>	<u>\$ 7,291,749</u>	<u>\$ 0</u>	<u>\$ 64,115,029</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 38,593,420	\$ 1,402,346	\$ 0	\$ 39,995,766
Infrastructure	60,176	4,981	0	65,157
Other Capital Assets	2,529,465	410,885	0	2,940,350
Total Accumulated Depreciation	<u>\$ 41,183,061</u>	<u>\$ 1,818,212</u>	<u>\$ 0</u>	<u>\$ 43,001,273</u>
Total Capital Assets Depreciated, Net	<u>\$ 15,640,219</u>	<u>\$ 5,473,537</u>	<u>\$ 0</u>	<u>\$ 21,113,756</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 22,187,191</u></u>	<u><u>\$ 5,702,537</u></u>	<u><u>\$ 5,395,311</u></u>	<u><u>\$ 22,494,417</u></u>

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

### Governmental Activities:

Instruction	\$ 1,241,032
Support Services	356,194
Operation of Noninstructional Services	<u>220,986</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 1,818,212</u></u>

### C. *Construction Commitments*

On June 30, 2025, the discretely presented school department had uncompleted construction contracts of approximately \$65,853 for school construction and renovations. Funding has been received for these future expenditures.

**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
General	Nonmajor governmental	\$ 578
Highway/Public Works	General	1,840

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.

**Due to/from Primary Government and Component Unit:**

Receivable Fund	Payable Fund	Amount
Primary Government:	Component Unit:	
Governmental Activities	School Department:	
	Governmental Activities	\$ 640,094

The receivable from the school department is the balance of the other loan payable issued by the county for the school department. The school department has agreed to contribute the funds necessary to retire the debt.

**Interfund Transfers:**

Interfund transfers for the year ended June 30, 2025, consisted of the following amounts:

**Primary Government**

Transfers Out	Transfers In		
	General		Purpose
	Debt Fund	Nonmajor Service Fund	
General Fund	\$ 95,000	\$ 0	Debt retirement
"	0	76,028	Capital outlay
Total	\$ 95,000	\$ 76,028	

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.

**E. *Long-term Debt***

**Primary Government**

**General Obligation Bonds and Other Loan**

**General Obligation Bonds** - Henderson 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 15 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 and Rural Debt Service funds.

**Direct Borrowing and Direct Placements** - Henderson County issues other loans to provide funds for the acquisition and construction of major capital facilities and other capital outlay purchases, such as equipment, for the primary government and the discretely presented school department. Other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. The other loan outstanding was issued for original terms of 21 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. The other loan included in long-term debt as of June 30, 2025, will be retired from the General Debt Service Fund.

General obligation bonds and the other loan 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	2.5 to 3.05%	4-1-33	\$ 2,310,000	\$ 1,500,000
General Obligation Bonds - Refunding	1 to 5	5-1-29	15,860,000	6,135,000
Direct Borrowing and Direct Placement:				
Other Loan - Fixed Rate	1.38	12-31-31	1,800,582	640,094

In prior years, Henderson County entered into an agreement with the state of Tennessee to receive funding from the state revolving loan fund program. Under this agreement, the program loaned \$1,800,582 to the Henderson County School Department for wastewater facility improvements at four elementary schools. The loan is repayable at a 1.38 percent interest rate. In addition, the county pays an administrative fee in connection with this loan.

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2026	\$ 1,750,000	\$ 195,103	\$ 1,945,103
2027	1,750,000	135,752	1,885,752
2028	1,700,000	90,203	1,790,203
2029	1,645,000	57,553	1,702,553
2030	190,000	23,802	213,802
2031-2033	600,000	36,608	636,608
<b>Total</b>	<b>\$ 7,635,000</b>	<b>\$ 539,021</b>	<b>\$ 8,174,021</b>

Year Ending June 30	Other Loan - Direct Placement				Total
	Principal	Interest	Other Fees		
2026	\$ 94,788	\$ 8,232	\$ 516	\$ 103,536	
2027	96,096	6,924	432	103,452	
2028	97,440	5,580	360	103,380	
2029	98,784	4,236	276	103,296	
2030	100,164	2,856	204	103,224	
2031-2032	152,822	1,599	136	154,557	
<b>Total</b>	<b>\$ 640,094</b>	<b>\$ 29,427</b>	<b>\$ 1,924</b>	<b>\$ 671,445</b>	

There is \$2,605,764 available in the debt service funds to service long-term debt. Bonded debt per capita totaled \$274, based on the 2020 federal census. Total debt per capita, including bonds, other loans, and unamortized debt premiums totaled \$315, 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. The debt for the other loan is reflected in the government-wide financial statements as Due to the Primary Government in the financial statements of the school department and as Due from Component Units in the financial statements of the primary government.

#### **Discretely Presented Henderson County School Department**

Description of Debt	Outstanding 6-30-25
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#### **Other Loan - Direct Placement**

##### **Contributions from the General Purpose School Fund**

Clean Water State Revolving Fund	\$ 640,094
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#### **Bond**

##### **Contributions from the General Purpose School Fund**

Rural School Refunding Bonds, Series 2020	1,325,000
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#### **Changes in Long-term Debt**

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

Governmental Activities:	Other Loan - Direct Placement	
	Bonds	Placement
Balance, July 1, 2024	\$ 9,365,000	\$ 733,574
Reductions	(1,730,000)	(93,480)
<b>Balance, June 30, 2025</b>	<b>\$ 7,635,000</b>	<b>\$ 640,094</b>
<b>Balance Due Within One Year</b>	<b>\$ 1,750,000</b>	<b>\$ 94,788</b>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2025	\$ 8,275,094
Less: Balance Due Within One Year - Debt	(1,844,788)
Add: Unamortized Premium on Debt	<u>483,130</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u><u>\$ 6,913,436</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*	Landfill Closure/ Postclosure Care Costs
Balance, July 1, 2024	\$ 330,756	\$ 23,738
Additions	34,911	0
Reductions	0	(7,533)
Balance, June 30, 2025	<u><u>\$ 365,667</u></u>	<u><u>\$ 16,205</u></u>
Balance Due Within One Year	<u><u>\$ 365,667</u></u>	<u><u>\$ 7,913</u></u>

\*Restated beginning balance - see Note I.D.10. The change in compensated absences is presented as a net change.

	Net Pension Liability	Net OPEB Liability
Balance, July 1, 2024	\$ 667,717	\$ 188,563
Additions	2,416,794	71,619
Reductions	(2,353,435)	(789)
Balance, June 30, 2025	<u><u>\$ 731,076</u></u>	<u><u>\$ 259,393</u></u>
Balance Due Within One Year	<u><u>\$ 0</u></u>	<u><u>\$ 1,004</u></u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2025	\$ 1,372,341
Less: Balance Due Within One Year - Other	<u>(374,584)</u>

Other Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	\$ <u>997,757</u>
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Compensated absences, pension liabilities, and other postemployment benefits will be paid from the employing funds, primarily the General and Highway/Public Works funds. Landfill postclosure care costs will be paid from the Solid Waste/Sanitation Fund.

### **Discretely Presented Henderson County School Department**

#### **Changes in Long-term Obligations**

Long-term obligations activity for the discretely presented Henderson 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	\$ 493,274	\$ 441,079	\$ 5,477,058
Additions	0	1,823,940	941,151
Reductions	(109,615)	(1,713,281)	(200,212)
Balance, June 30, 2025	<u>\$ 383,659</u>	<u>\$ 551,738</u>	<u>\$ 6,217,997</u>
Balance Due Within One Year	<u>\$ 383,659</u>	<u>\$ 0</u>	<u>\$ 234,281</u>

\*Restated beginning balance - see Note I.D.10. 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	\$ 7,153,394
Less: Balance Due Within One Year - Other	<u>(617,940)</u>

Other Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	\$ <u>6,535,454</u>
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Compensated absences, the pension liability, and other postemployment benefits will be paid from the employing funds: the General Purpose School, School Federal Projects, and Central Cafeteria funds.

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

### **Discretely Presented Henderson County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Henderson County School Department. These payments are made by the state to the Local Education

Group Insurance. 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 \$90,859. 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***

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

Henderson County and the discretely presented school department participate 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. Henderson County and the school department pay annual premiums to the TN-RMT for their general liability, property, casualty, and workers' compensation insurance coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

#### **Employee Health Insurance**

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

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

### **B. *Accounting 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 attorneys for the county and the school department advised that there were no pending lawsuits, unasserted claims, or assessments that would materially affect the county or school department's financial statements.

**D. *Landfill Closure/Postclosure Care Costs***

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

State and federal laws and regulations require the city and 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. Henderson County and the city of Lexington closed their sanitary landfill in 1997. The \$16,205 reported as postclosure care liability on June 30, 2025, represents the county's 50 percent share of the amounts based on what it would cost to perform all postclosure care in 2025. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

**E. *Joint Ventures***

The Beech River Regional Airport was established through a joint operations agreement between Decatur County, Henderson County, the city of Parsons, and the city of Lexington. The agreement created the Beech River Regional Airport Board to plan, develop, and maintain a regional airport that will economically benefit all residents of the two-county area. The board comprises nine members, two from each governmental unit and one appointed by the governmental entities on a one-year rotation basis. Each participant retains 25 percent ownership in the airport; however, participants do not retain an equity interest in the airport. Henderson County contributed \$137,138 to the airport for the year ended June 30, 2025.

The Everett Horn Public Library is a joint venture between Henderson County and the city of Lexington. It is operated by an appointed seven-member board. The library is jointly funded by the county and the city of Lexington with additional revenues received from private contributions. During the year ended June 30, 2025, the county contributed \$56,500 to the library.

The Henderson County Joint Economic Community Development Board is a joint venture between Henderson County and the cities of Lexington, Parkers Crossroads, Sardis, and Scotts Hill. The board comprises the mayors from each governmental unit, a member of the board of education, a member of the road commission, a member of Lexington Electric, and no more than 12 additional members consisting of representatives of county and city governments, private citizens, industry, and businesses. Funding for the board will be determined by the county, cities, and Lexington Electric. Henderson County contributed \$452,500 to the board for the year ended June 30, 2025.

Complete financial statements for the Beech River Regional Airport, the Everett Horn Public Library, and the Henderson County Joint Economic Community Development Board can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Beech River Regional Airport  
790 Hidden Hill Circle  
Lexington, TN 38351

Everett Horn Public Library  
702 West Church Street  
Lexington, TN 38351

Henderson County Joint Economic  
Community Development Board  
33 First Street  
Lexington, TN 38351

**F. Retirement Commitments**

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

**Primary Government**

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

*Plan Description.* Employees of Henderson County and non-certified employees of the discretely presented Henderson 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 56.99 percent and the non-certified employees of the discretely presented school department comprised 43.01 percent of the plan based on contribution data. In addition, certain other county employees are provided a defined benefit pension plan (Henderson County Judges, Officials, and Executives Plan) through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 100 percent of the Henderson County Judges, Officials, and Executives 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 of the plans 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:

**Henderson County Plan:**

Inactive Employees or Beneficiaries Currently Receiving Benefits	136
Inactive Employees Entitled to But Not Yet Receiving Benefits	421
Active Employees	345
 Total	 <hr/> <hr/> <u>902</u>

**Henderson County Judges, Officials, and Executives Plan:**

Inactive Employees or Beneficiaries Currently Receiving Benefits	9
Inactive Employees Entitled to But Not Yet Receiving Benefits	1
Active Employees	11
 Total	 <hr/> <hr/> <u>21</u>

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Henderson 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 the Henderson County Plan was \$993,941 based on a rate of 7.65 percent of covered payroll. For the year ended June 30, 2025, the employer contribution for the Henderson County Judges, Officials, and Executives Plan was \$102,648 based on a rate of 8.67 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Henderson County's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contributions (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Henderson 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 reflect more closely 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 Henderson 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)***

**Henderson County Plan:**

	Increase (Decrease)			Net
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Pension Liability (Asset) (a)-(b)	
Balance, July 1, 2023	\$ 26,653,114	\$ 25,544,318	\$ 1,108,796	
Changes for the Year:				
Service Cost	\$ 1,143,800	\$ 0	\$ 1,143,800	
Interest	1,849,527	0	1,849,527	
Differences Between Expected and Actual Experience	1,211,995	0	1,211,995	
Contributions-Employer	0	920,033	(920,033)	
Contributions-Employees	0	618,305	(618,305)	
Net Investment Income	0	2,528,378	(2,528,378)	
Benefit Payments, Including Refunds of Employee Contributions	(793,023)	(793,023)	0	
Administrative Expense	0	(35,412)	35,412	
Net Changes	\$ 3,412,299	\$ 3,238,281	\$ 174,018	
Balance, June 30, 2024	<u>\$ 30,065,413</u>	<u>\$ 28,782,599</u>	<u>\$ 1,282,814</u>	

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

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	56.99%	\$ 17,134,279	\$ 731,076
School Department	43.01%	<u>\$ 12,931,134</u>	<u>\$ 551,738</u>
Total		<u>\$ 30,065,413</u>	<u>\$ 1,282,814</u>

**Henderson Judges, Officials, and Executives County Plan:**

	Increase (Decrease)		Net
	Total Pension Liability	Plan Fiduciary Net Position	Pension Liability (Asset)
	(a)	(b)	(a)-(b)
Balance, July 1, 2023	\$ 3,815,768	\$ 4,089,298	\$ (273,530)
Changes for the Year:			
Service Cost	\$ 84,479	\$ 0	\$ 84,479
Interest	257,442	0	257,442
Differences Between Expected and Actual Experience	47,024	0	47,024
Contributions-Employer	0	97,752	(97,752)
Contributions-Employees	0	56,373	(56,373)
Net Investment Income	0	398,239	(398,239)
Benefit Payments, Including Refunds of Employee Contributions	(172,593)	(172,593)	0
Administrative Expense	0	(1,462)	1,462
Net Changes	\$ 216,352	\$ 378,309	\$ (161,957)
Balance, June 30, 2024	\$ 4,032,120	\$ 4,467,607	\$ (435,487)

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

Net Pension Liability (Asset)	1%	Current	1%
	Decrease 5.75%	Discount Rate 6.75%	Increase 7.75%
Henderson County Plan	\$ 6,028,165	\$ 1,282,814	\$ (2,538,090)
Henderson County Judges, Officials, and Executives Plan	7,555	(435,487)	(814,647)

**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, the Henderson County Plan recognized pension expense (negative pension expense) of \$1,002,097 and the Henderson County Judges, Officials, and Executives Plan recognized pension expense (negative pension expense) of (\$42,250).

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

**Henderson County Plan:**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,674,621	\$ 179,622
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	303,924
Changes in Assumptions	769,151	0
Contributions Subsequent to the Measurement Date of June 30, 2024 (1)	993,941	N/A
<b>Total</b>	<b>\$ 3,437,713</b>	<b>\$ 483,546</b>

(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	56.99%	\$ 1,960,507
School Department	43.01%	\$ 1,477,206
<b>Total</b>	<b>\$ 3,437,713</b>	<b>\$ 483,546</b>

## Henderson County Judges, Officials, and Executives Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 35,268	\$ 50,117
Net Difference Between Projected and Actual		
Earnings on Pension Plan Investments	0	45,511
Changes in Assumptions	0	2,351
Contributions Subsequent to the Measurement Date of June 30, 2024 (1)	102,648	N/A
<b>Total</b>	<b>\$ 137,916</b>	<b>\$ 97,979</b>

(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.

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

Year Ending June 30	Henderson County Plan	Henderson County Judges, Officials, and Executives Plan
2026	\$ 276,022	\$ (67,747)
2027	1,093,169	57,376
2028	231,722	(27,770)
2029	157,316	(24,577)
2030	201,999	0
Thereafter	0	0

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

### **Discretely Presented Henderson County School Department - Non-certified Employees**

#### *General Information About the Pension Plans*

**Plan Description.** As noted above under the primary government, employees of Henderson County and non-certified employees of the discretely presented Henderson County School Department are provided a defined benefit pension plan (Henderson County Plan) through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 56.99 percent and the non-certified employees of the discretely presented school department comprised 43.01 percent of the plan based on contribution data.

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

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

*Plan Description.* Teachers of the Henderson 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 \$236,837, which is three percent of covered payroll. In addition, employer contributions of \$77,047, 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 (\$216,873) 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 0.304337 percent. The proportion as of June 30, 2023, was 0.291517 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2025, the school department recognized pension expense (negative pension expense) of \$177,801.

*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	\$ 17,914	\$ 66,629
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	36,583
Changes in Assumptions	86,181	0
Changes in Proportion of Net Pension Liability (Asset)	5,161	37,085
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	<u>236,837</u>	N/A
 Total	 <u>\$ 346,093</u>	 <u>\$ 140,297</u>

The school department's employer contributions of \$236,837, 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	\$ (24,603)
2027	26,011
2028	(16,901)
2029	(16,701)
2030	1,008
Thereafter	145

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

*Actuarial Assumptions.* The total pension liability (asset) 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 reflect more closely 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return	Percentage Allocations	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		 <u>100</u>	 <u>%</u>

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	\$ 571,963	\$ (216,873)	\$ (803,932)

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

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

*Plan Description.* Teachers of the Henderson 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 Henderson County School Department for the year ended June 30, 2025, to the Teacher Legacy Pension Plan were \$813,114 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. Employer contributions to separately finance specific liabilities were \$13,811 for 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 contributions.

***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 (\$7,153,526) 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 0.415212 percent. The proportion measured on June 30, 2023, was 0.419770 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2025, the school department recognized pension expense (negative pension expense) of \$1,534,240.

*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	\$ 1,907,655	\$ 0
Changes in Assumptions	0	0
Net Difference Between Projected and Actual		
Earnings on Pension Plan Investments	0	1,393,216
Changes in Proportion of Net Pension		
Liability (Asset)	66,412	99,680
LEA's Contributions Subsequent to the		
Measurement Date of June 30, 2024	<u>813,114</u>	N/A
Total	<u>\$ 2,787,181</u>	<u>\$ 1,492,896</u>

The school department's employer contributions of \$813,114, 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	\$ (813,845)
2027	2,755,437
2028	(726,883)
2029	(733,538)
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 reflect more closely 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	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
<b>Total</b>	<b>100</b>	<b>%</b>

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%

Net Pension Liability (Asset)      \$ 9,087,456    \$ (7,153,526)    \$ (20,623,204)

*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 \$395,054 and teachers contributed \$175,867 to this deferred compensation pension plan.

## G. Other Postemployment Benefits (OPEB)

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

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

Retirees of Henderson County and the Henderson County Highway Department (Hwy) are provided healthcare under separate Local Government Plans (LGPs) until they reach Medicare eligibility. The primary government's LGPs are combined for presentation purposes. Likewise, the school department provides healthcare benefits to its employees under the Local Education Plan (LEP) until they reach Medicare eligibility. The certified retirees of the Henderson County School Department may then join the Tennessee Plan – Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare. However, the school department does not provide any subsidy (direct or indirect) to this plan and therefore does not recognize any OPEB liability associated with the TNM.

The county and school department's total OPEB liability for each 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 each plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	Salary increases used in the July 1, 2021, TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.93%
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, 2022, Pension Actuarial Valuation of the TCRS. These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-weighted employee mortality table for non-disabled pre-retirement mortality, with mortality improvement projected generationally with MP-2021 from 2010. Post-retirement rates are headcount-weighted below median healthy annuitant and adjusted with a 6 percent load for males and a 14 percent load for females, projected generationally with MP-2021 from 2010. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load, projected generationally from 2018 with MP-2021.

*Changes in Assumptions.* The discount rate changed from 3.65 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.

### **Local Government OPEB Plans (Primary Government)**

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

*Benefits provided.* Henderson County offers the LGPs to provide health insurance coverage to eligible pre-65 retirees and disabled participants of local governments. Except for a small group of grandfathered individuals, retirees are required to discontinue coverage under the LGPs upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with *TCA 8-27-701* establishes and amends the benefit terms of the LGPs. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members, of the LGPs, receive the same plan benefits as active employees, at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for the retiree premiums. Henderson County does not provide a direct subsidy and is only subject to the implicit subsidy.

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

	Henderson County	Hwy Dept	Total
Inactive Employees Currently Receiving Benefits	0	0	0
Inactive Employees Entitled To But Not Yet Receiving Benefits	0	0	0
Active Employees Eligible for Benefits	136	22	158
<b>Total</b>	<b>136</b>	<b>22</b>	<b>158</b>

An insurance committee, created in accordance with *TCA 8-27-701*, establishes the required payments to the LGPs by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2025, the county paid \$1,004 (Henderson County - \$930, Highway Dept - \$74) to the LGPs for OPEB benefits as they came due.

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

	Henderson County	Hwy Dept.	Total OPEB Liability
Balance July 1, 2023	\$ 136,302	\$ 52,261	\$ 188,563
Changes for the Year:			
Service Cost	\$ 19,840	\$ 4,760	\$ 24,600
Interest	5,685	2,081	7,766
Difference between Expected and Actuarial Experience	7,135	153	7,288
Changes in Assumption	22,708	9,257	31,965
Benefit Payments	(788)	(1)	(789)
Net Changes	\$ 54,580	\$ 16,250	\$ 70,830
Balance June 30, 2024	\$ 190,882	\$ 68,511	\$ 259,393

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2025, the county recognized OPEB expense of \$16,011 (Henderson County – \$12,015, Highway Dept - \$3,996). On June 30, 2025, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Actual and Expected Experience (DO - County \$12,033, Hwy \$6,970 and DI - County \$48,572, Hwy \$13,387)	\$ 19,003	\$ 61,959
Changes of Assumptions (DO - County \$59,579, Hwy \$24,462 and DI - County \$60,534, Hwy \$23,705)	84,041	84,239
Benefits paid after the measurement date of June 30, 2024 (DO - County \$930, Hwy \$74)	1,004	0
<b>Total</b>	<b>\$ 104,048</b>	<b>\$ 146,198</b>

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

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

Year Ending June 30	County	Hwy	Total Amount
2026	\$ (13,510)	\$ (2,845)	\$ (16,355)
2027	(12,654)	(2,845)	(15,499)
2028	(7,390)	(1,117)	(8,507)
2029	(8,005)	(1,475)	(9,480)
2030	(5,321)	(773)	(6,094)
Thereafter	9,386	3,395	12,781

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

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

Discount Rate	Current		
	1% Decrease 2.93%	Discount Rate 3.93%	1% Increase 4.93%
County	\$ 208,763	\$ 190,882	\$ 174,506
Hwy	74,480	68,511	62,920
<b>Total OPEB Liability</b>	<b>\$ 283,243</b>	<b>\$ 259,393</b>	<b>\$ 237,426</b>

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

Healthcare Cost Trend Rate	Current		
	1% Decrease	Trend Rate	1% Increase
	9.68 to 3.5%	10.68 to 4.5%	11.68 to 5.5%
County	\$ 167,129	\$ 190,882	\$ 219,239
Hwy	60,586	68,511	77,712
Total OPEB Liability	\$ 227,715	\$ 259,393	\$ 296,951

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

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

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

Inactive Employees Currently Receiving Benefits	24
Inactive Employees Entitled To But Not Yet Receiving Benefits	1
Active Employees Eligible for Benefits	299
Total	324

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 \$234,281 to the LEP for OPEB benefits as they came due.

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

	Share of Collective Liability		
	Henderson County School Department	State of TN	Total OPEB Liability
Balance July 1, 2023	\$ 5,477,058	\$ 2,770,379	\$ 8,247,437
Changes for the Year:			
Service Cost	\$ 228,215	\$ 117,266	\$ 345,481
Interest	204,087	104,868	308,955
Difference between Expected and Actuarial Experience	409,436	210,384	619,820
Changes in Proportion	(29,032)	29,032	0
Changes in Assumption	99,413	51,083	150,496
Benefit Payments	(171,181)	(87,959)	(259,140)
Net Changes	\$ 740,939	\$ 424,673	\$ 1,165,612
Balance June 30, 2024	\$ 6,217,997	\$ 3,195,052	\$ 9,413,049

The Henderson 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 Henderson County School Department's proportionate share of the collective total OPEB Liability was based on a projection of the employers' long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$285,383 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Henderson County School Department's proportionate share of the collective OPEB liability was 66.057% and the State of Tennessee's share was 33.943%.

*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 \$869,745, 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	\$ 812,946	\$ 414,014
Changes in Proportion	259,419	183,451
Changes of Assumptions	914,729	394,718
Benefits Paid After the Measurement Date of June 30, 2024	<u>234,281</u>	0
<b>Total</b>	<b>\$ 2,221,375</b>	<b>\$ 992,183</b>

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	\$ 152,060
2027	152,060
2028	152,060
2029	158,636
2030	151,880
Thereafter	228,215

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	Current		
	1% Decrease	Discount Rate	1% Increase
2.93%	3.93%	4.93%	

  

Proportionate Share of the Collective Total OPEB Liability	\$ 6,710,162	\$ 6,217,997	\$ 5,753,490
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*Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate.* The following presents the school department’s proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

**Healthcare Cost Trend Rate**

	1%	Current	1%
Decrease	Rate	Increase	
9.68 to 3.5%	10.68 to 4.5%	11.68 to 5.5%	

Proportionate Share of the Collective Total OPEB Liability	\$ 5,571,754	\$ 6,217,997	\$ 6,968,375
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***H. Office of Central Accounting, Budgeting, and Purchasing***

Henderson County operates under the provisions of the County Financial Management System of 1981. This act provides for a central system of accounting, budgeting, and purchasing for all county departments. This act also provides for the creation of a finance department operated under the direction of the finance director.

***I. Purchasing Law***

The County Financial Management System of 1981 provides for the finance director, or a deputy appointed by him, to serve as the county purchasing agent. The finance director serves as the purchasing agent for Henderson County. The Henderson County Financial Management Committee, with the assistance of the director of finance, established a purchasing system for the county that requires the issuance of purchase orders. The Financial Management Committee has also established that competitive bids are required to be solicited through newspaper advertisement on all purchases estimated to exceed \$25,000.

***J. Subsequent Event***

On July 1, 2025, the joint operations agreement for the Beech River Regional Airport between Decatur County, Henderson County, the city of Parsons, and the city of Lexington ended. As of that date, Henderson County retained 100 percent ownership of the airport, and the airport now meets the criteria for a discretely presented component unit of the county.

## **REQUIRED SUPPLEMENTARY INFORMATION SECTION**

**HENDERSON 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 - Henderson County Employees

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Total Pension Liability</b>										
Service Cost	\$ 543,125	\$ 582,639	\$ 611,784	\$ 694,135	\$ 708,668	\$ 735,577	\$ 830,275	\$ 995,033	\$ 1,035,138	\$ 1,143,800
Interest	718,253	791,784	841,237	928,445	1,004,472	1,081,929	1,361,239	1,518,252	1,667,689	1,849,527
Change in Benefit Terms	0	0	0	0	0	3,080,364	0	0	0	0
Differences Between Actual and Expected Experience	67,018	(313,790)	69,974	(134,943)	(125,572)	(517,579)	(226,260)	438,439	668,109	1,211,995
Changes in Assumptions	0	0	413,068	0	0	0	2,307,451	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(375,581)	(399,405)	(461,426)	(396,095)	(510,956)	(581,257)	(663,602)	(777,517)	(778,374)	(793,023)
Net Change in Total Pension Liability	\$ 952,815	\$ 661,228	\$ 1,474,637	\$ 1,091,542	\$ 1,076,612	\$ 3,799,034	\$ 3,609,103	\$ 2,174,207	\$ 2,592,562	\$ 3,412,299
Total Pension Liability, Beginning	9,221,374	10,174,189	10,835,417	12,310,054	13,401,596	14,478,208	18,277,242	21,886,345	24,060,552	26,653,114
Total Pension Liability, Ending (a)	\$ 10,174,189	\$ 10,835,417	\$ 12,310,054	\$ 13,401,596	\$ 14,478,208	\$ 18,277,242	\$ 21,886,345	\$ 24,060,552	\$ 26,653,114	\$ 30,065,413
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer	\$ 641,398	\$ 670,607	\$ 369,609	\$ 279,615	\$ 288,080	\$ 280,431	\$ 448,688	\$ 395,361	\$ 781,799	\$ 920,033
Contributions - Employee	378,628	397,144	434,842	448,301	461,776	449,599	465,495	492,970	539,172	618,305
Net Investment Income	355,817	332,851	1,517,812	1,263,131	1,246,175	900,165	4,958,178	(930,723)	1,592,708	2,528,378
Benefit Payments, Including Refunds of Employee Contributions	(375,581)	(399,405)	(461,426)	(396,095)	(510,956)	(581,257)	(663,602)	(777,517)	(778,374)	(793,023)
Administrative Expense	(15,239)	(23,258)	(27,960)	(30,545)	(28,608)	(27,619)	(28,270)	(32,284)	(28,192)	(35,412)
Other	0	4,472	0	0	0	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 985,023	\$ 982,411	\$ 1,832,877	\$ 1,564,407	\$ 1,456,467	\$ 1,021,319	\$ 5,180,489	\$ (852,193)	\$ 2,107,113	\$ 3,238,281
Plan Fiduciary Net Position, Beginning	11,266,405	12,251,428	13,233,839	15,066,716	16,631,123	18,087,590	19,108,909	24,289,398	23,437,205	25,544,318
Plan Fiduciary Net Position, Ending (b)	\$ 12,251,428	\$ 13,233,839	\$ 15,066,716	\$ 16,631,123	\$ 18,087,590	\$ 19,108,909	\$ 24,289,398	\$ 23,437,205	\$ 25,544,318	\$ 28,782,599
Net Pension Liability (Asset), Ending (a - b)	\$ (2,077,239)	\$ (2,398,422)	\$ (2,756,662)	\$ (3,229,527)	\$ (3,609,382)	\$ (831,667)	\$ (2,403,053)	\$ 623,347	\$ 1,108,796	\$ 1,282,814
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	120.42%	122.14%	122.39%	124.10%	124.93%	104.55%	110.98%	97.41%	95.84%	95.73%
Covered Payroll	\$ 7,570,158	\$ 7,917,431	\$ 8,635,752	\$ 8,904,930	\$ 9,174,452	\$ 8,930,857	\$ 9,288,944	\$ 9,859,379	\$ 10,783,448	\$ 12,366,012
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(27.44)%	(30.29)%	(31.92)%	(36.27)%	(39.34)%	(9.31)%	(25.87)%	6.32%	10.28%	10.37%

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.

**HENDERSON 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 - Henderson County Judges, Officials, and Executives

**For the Fiscal Year Ended June 30**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Total Pension Liability</b>										
Service Cost	\$ 64,449	\$ 65,504	\$ 65,909	\$ 39,226	\$ 49,979	\$ 58,581	\$ 43,908	\$ 76,156	\$ 78,810	\$ 84,479
Interest	181,085	190,272	198,614	197,394	207,325	221,356	248,111	242,612	252,525	257,442
Differences Between Actual and Expected Experience	(48,277)	(68,421)	(166,167)	(19,861)	37,870	230,553	(9,774)	(10,674)	(75,828)	47,024
Changes in Assumptions	0	0	78,515	0	0	0	(11,755)	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(73,537)	(78,113)	(74,945)	(76,445)	(104,642)	(115,849)	(137,701)	(123,720)	(204,068)	(172,593)
Net Change in Total Pension Liability	\$ 123,720	\$ 109,242	\$ 101,926	\$ 140,314	\$ 190,532	\$ 394,641	\$ 132,789	\$ 184,374	\$ 51,439	\$ 216,352
Total Pension Liability, Beginning	<u>2,386,791</u>	<u>2,510,511</u>	<u>2,619,753</u>	<u>2,721,679</u>	<u>2,861,993</u>	<u>3,052,525</u>	<u>3,447,166</u>	<u>3,579,955</u>	<u>3,764,329</u>	<u>3,815,768</u>
Total Pension Liability, Ending (a)	<u>\$ 2,510,511</u>	<u>\$ 2,619,753</u>	<u>\$ 2,721,679</u>	<u>\$ 2,861,993</u>	<u>\$ 3,052,525</u>	<u>\$ 3,447,166</u>	<u>\$ 3,579,955</u>	<u>\$ 3,764,329</u>	<u>\$ 3,815,768</u>	<u>\$ 4,032,120</u>
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer	\$ 70,139	\$ 70,304	\$ 71,517	\$ 74,051	\$ 79,010	\$ 87,224	\$ 90,214	\$ 100,784	\$ 92,972	\$ 97,752
Contributions - Employee	41,899	41,998	42,722	44,236	47,199	50,889	52,087	58,122	53,617	56,373
Net Investment Income	63,559	57,365	255,646	211,773	208,023	149,930	821,659	(154,004)	259,414	398,239
Benefit Payments, Including Refunds of Employee Contributions	(73,537)	(78,113)	(74,945)	(76,445)	(104,642)	(115,849)	(137,701)	(123,720)	(204,068)	(172,593)
Administrative Expense	(558)	(823)	(934)	(1,045)	(979)	(975)	(984)	(1,172)	(1,224)	(1,462)
Net Change in Plan Fiduciary Net Position	\$ 101,502	\$ 90,731	\$ 294,006	\$ 252,570	\$ 228,611	\$ 171,219	\$ 825,275	\$ (119,990)	\$ 200,711	\$ 378,309
Plan Fiduciary Net Position, Beginning	<u>2,044,663</u>	<u>2,146,165</u>	<u>2,236,896</u>	<u>2,530,902</u>	<u>2,783,472</u>	<u>3,012,083</u>	<u>3,183,302</u>	<u>4,008,577</u>	<u>3,888,587</u>	<u>4,089,298</u>
Plan Fiduciary Net Position, Ending (b)	<u>\$ 2,146,165</u>	<u>\$ 2,236,896</u>	<u>\$ 2,530,902</u>	<u>\$ 2,783,472</u>	<u>\$ 3,012,083</u>	<u>\$ 3,183,302</u>	<u>\$ 4,008,577</u>	<u>\$ 3,888,587</u>	<u>\$ 4,089,298</u>	<u>\$ 4,467,607</u>
Net Pension Liability (Asset), Ending (a - b)	<u>\$ 364,346</u>	<u>\$ 382,857</u>	<u>\$ 190,777</u>	<u>\$ 78,521</u>	<u>\$ 40,442</u>	<u>\$ 263,864</u>	<u>\$ (428,622)</u>	<u>\$ (124,258)</u>	<u>\$ (273,530)</u>	<u>\$ (435,487)</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	85.49%	85.39%	92.99%	97.26%	98.68%	92.35%	111.97%	103.30%	107.17%	110.80%
Covered Payroll	\$ 837,985	\$ 839,951	\$ 854,441	\$ 884,719	\$ 943,974	\$ 1,017,779	\$ 1,041,731	\$ 1,162,450	\$ 1,072,348	\$ 1,127,468
Net Pension Liability (Asset) as a Percentage of Covered Payroll	43.48%	45.58%	22.33%	8.88%	4.28%	25.93%	(41.15)%	(10.69)%	(25.51)%	(38.63)%

**HENDERSON COUNTY, TENNESSEE****Schedule of Contributions Based on Participation in the Public****Employee Pension Plan of TCRS**

Primary Government - Henderson County Employees

**For the Fiscal Year Ended June 30**

	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Actuarially Determined Contribution	\$ 670,607	\$ 369,609	\$ 279,615	\$ 281,657	\$ 48,227	\$ 0	\$ 395,361	\$ 781,799	\$ 920,033	\$ 993,941
Less: Contributions in Relation to the Actuarially Determined Contribution	(670,607)	(369,609)	(279,615)	(288,080)	(280,431)	(448,688)	(395,361)	(781,799)	(920,033)	(993,941)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ (6,423)	\$ (232,204)	\$ (448,688)	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 7,917,431	\$ 8,635,752	\$ 8,904,930	\$ 9,174,452	\$ 8,930,857	\$ 9,288,944	\$ 9,859,379	\$ 10,783,448	\$ 12,366,012	\$ 12,992,685
Contributions as a Percentage of Covered Payroll	8.47%	4.28%	3.14%	3.14%	3.14%	4.83%	4.01%	7.25%	7.44%	7.65%

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.

**HENDERSON COUNTY, TENNESSEE**

**Schedule of Contributions Based on Participation in the Public  
Employee Pension Plan of TCRS**  
Primary Government - Henderson County Judges, Officials, and Executives  
**For the Fiscal Year Ended June 30**

	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Actuarially Determined Contribution	\$ 70,304	\$ 71,517	\$ 74,051	\$ 79,010	\$ 87,224	\$ 90,214	\$ 100,784	\$ 92,972	\$ 97,752	\$ 102,648
Less: Contributions in Relation to the Actuarially Determined Contribution	(70,304)	(71,517)	(74,051)	(79,010)	(87,224)	(90,214)	(100,784)	(92,972)	(97,752)	(102,648)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 839,951	\$ 854,441	\$ 884,719	\$ 943,974	\$ 1,017,779	\$ 1,041,731	\$ 1,162,450	\$ 1,072,348	\$ 1,127,468	\$ 1,183,941
Contributions as a Percentage of Covered Payroll	8.37%	8.37%	8.37%	8.37%	8.57%	8.66%	8.67%	8.67%	8.67%	8.67%

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

Discretely Presented Henderson County School Department

**For the Fiscal Year Ended June 30**

	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Contractually Required Contribution	\$ 26,981	\$ 67,022	\$ 33,680	\$ 47,364	\$ 58,057	\$ 70,882	\$ 91,248	\$ 166,414	\$ 210,905	\$ 236,837
Less: Contributions in Relation to the Contractually Required Contribution	(43,114)	(67,022)	(82,612)	(47,364)	(58,057)	(70,882)	(91,248)	(166,414)	(210,905)	(236,837)
Contribution Deficiency (Excess)	\$ (16,133)	\$ 0	\$ (48,932)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 1,077,863	\$ 1,675,531	\$ 2,065,291	\$ 2,441,438	\$ 2,859,950	\$ 3,508,995	\$ 4,547,934	\$ 5,802,005	\$ 7,149,300	\$ 7,894,570
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	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%

2021: Pension - 2.01%, SRT - 1.99%

2022: Pension - 2.87%, SRT - 1.13%

2023: Pension - 2.95%, SRT - 1.05%

2024: Pension - 3.00%, SRT - 1.00%

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

Discretely Presented Henderson County School Department

**For the Fiscal Year Ended June 30**

	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Contractually Required Contribution	\$ 1,298,956	\$ 1,318,789	\$ 1,301,957	\$ 1,471,707	\$ 1,456,839	\$ 1,386,201	\$ 1,389,262	\$ 1,183,728	\$ 932,503	\$ 813,114
Less: Contributions in Relation to the Contractually Required Contribution	<u>(1,298,956)</u>	<u>(1,318,789)</u>	<u>(1,301,957)</u>	<u>(1,471,707)</u>	<u>(1,456,839)</u>	<u>(1,386,201)</u>	<u>(1,389,262)</u>	<u>(1,183,728)</u>	<u>(932,503)</u>	<u>(813,114)</u>
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 14,368,981	\$ 14,588,357	\$ 14,338,716	\$ 14,069,853	\$ 13,704,985	\$ 13,497,566	\$ 13,487,987	\$ 13,621,709	\$ 13,693,159	\$ 12,781,944
Contributions as a Percentage of Covered Payroll	9.04%	9.04%	9.08%	10.46%	10.63%	10.27%	10.30%	8.69%	6.81%	6.36%

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

Discretely Presented Henderson 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)	0.280246%	0.244964%	0.255287%	0.236337%	0.230716%	0.226634%	0.243137%	0.265836%	0.291517%	0.304337%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (11,512)	\$ (25,502)	\$ (67,354)	\$ (107,185)	\$ (130,236)	\$ (128,874)	\$ (263,368)	\$ (80,528)	\$ (123,613)	\$ (216,873)
Covered Payroll	\$ 594,559	\$ 1,077,863	\$ 1,675,531	\$ 2,065,291	\$ 2,441,438	\$ 2,859,950	\$ 3,508,995	\$ 4,547,934	\$ 5,802,005	\$ 7,149,300
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.02)%	(5.19)%	(5.33)%	(4.51)%	(7.51)%	(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%

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

Discretely Presented Henderson 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)	0.375034%	0.398055%	0.412689%	0.409482%	0.419602%	0.411776%	0.411239%	0.409852%	0.419770%	0.415212%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ 153,627	\$ 2,487,623	\$ (135,025)	\$ (1,440,933)	\$ (4,314,264)	\$ (3,140,098)	\$ (17,737,743)	\$ (5,026,448)	\$ (4,948,974)	\$ (7,153,526)
Covered Payroll	\$ 14,039,408	\$ 14,368,981	\$ 14,588,357	\$ 14,338,716	\$ 14,069,853	\$ 13,704,985	\$ 13,497,566	\$ 13,487,987	\$ 13,621,709	\$ 13,693,159
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	1.09%	17.31%	(.93)%	(10.05)%	(30.66)%	(22.91)%	(131.41)%	(37.27)%	(36.33)%	(52.24)%
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%

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

Primary Government

For the Fiscal Year Ended June 30

**Henderson County Plan**

	2017	2018	2019	2020	2021	2022	2023	2024
<b>Total OPEB Liability</b>								
Service Cost	\$ 16,462	\$ 15,558	\$ 22,668	\$ 22,227	\$ 29,861	\$ 23,292	\$ 13,540	\$ 19,840
Interest	4,567	5,928	6,407	5,697	4,922	3,644	3,956	5,685
Differences Between Actual and Expected Experience	0	(23,662)	(47,280)	14,073	(25,649)	(14,338)	(10,231)	7,135
Changes in Assumptions or Other Inputs	(9,059)	7,629	7,671	18,562	(48,647)	(51,260)	36,754	22,708
Benefit Payments	0	(1,930)	(2,255)	(5,191)	(10,374)	(5,469)	(11,730)	(788)
Net Change in Total OPEB Liability	\$ 11,970	\$ 3,523	\$ (12,789)	\$ 55,368	\$ (49,887)	\$ (44,131)	\$ 32,289	\$ 54,580
Total OPEB Liability, Beginning	\$ 139,959	\$ 151,929	\$ 155,452	\$ 142,663	\$ 198,031	\$ 148,144	\$ 104,013	\$ 136,302
Total OPEB Liability, Ending	\$ 151,929	\$ 155,452	\$ 142,663	\$ 198,031	\$ 148,144	\$ 104,013	\$ 136,302	\$ 190,882
Covered Employee Payroll								
Net OPEB Liability as a Percentage of Covered Employee Payroll	\$ 4,238,439	\$ 4,649,729	\$ 4,581,378	\$ 4,716,742	\$ 4,749,916	\$ 5,712,538	\$ 7,377,804	\$ 7,557,791
	3.58%	3.34%	3.11%	4.20%	3.12%	1.82%	1.85%	2.53%
<b>Highway Department Plan</b>								
	2017	2018	2019	2020	2021	2022	2023	2024
<b>Total OPEB Liability</b>								
Service Cost	\$ 3,721	\$ 3,933	\$ 6,632	\$ 4,910	\$ 7,191	\$ 5,800	\$ 4,077	\$ 4,760
Interest	1,140	1,474	2,690	1,935	1,556	1,140	1,313	2,081
Differences Between Actual and Expected Experience	0	20,513	(28,300)	(737)	(6,344)	(671)	(1,515)	153
Changes in Assumptions or Other Inputs	(2,713)	4,387	1,768	7,006	(18,605)	(20,214)	15,384	9,257
Benefit Payments	0	0	(234)	(234)	(12)	(26)	(32)	(1)
Net Change in Total OPEB Liability	\$ 2,148	\$ 30,307	\$ (17,444)	\$ 12,880	\$ (16,214)	\$ (13,971)	\$ 19,227	\$ 16,250
Total OPEB Liability, Beginning	\$ 35,328	\$ 37,476	\$ 67,783	\$ 50,339	\$ 63,219	\$ 47,005	\$ 33,034	\$ 52,261
Total OPEB Liability, Ending	\$ 37,476	\$ 67,783	\$ 50,339	\$ 63,219	\$ 47,005	\$ 33,034	\$ 52,261	\$ 68,511
Covered Employee Payroll								
Net OPEB Liability as a Percentage of Covered Employee Payroll	\$ 872,611	\$ 754,693	\$ 769,011	\$ 789,345	\$ 1,021,920	\$ 955,379	\$ 957,617	\$ 1,048,379
	4.29%	8.98%	6.55%	8.01%	4.60%	3.46%	5.46%	6.53%

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.

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

Discretely Presented Henderson County School Department

For the Fiscal Year Ended June 30

	2017	2018	2019	2020	2021	2022	2023	2024
<b>Total OPEB Liability</b>								
Service Cost	\$ 246,796	\$ 227,679	\$ 196,929	\$ 198,580	\$ 258,283	\$ 338,831	\$ 262,920	\$ 345,481
Interest	124,270	150,806	120,198	144,675	105,458	132,178	212,054	308,955
Change in Benefit Terms	0	0	0	0	0	0	1,678,555	0
Differences Between Actual and Expected Experience	0	(1,172,972)	966,669	(123,067)	195,251	292,414	(158,807)	619,820
Changes in Assumptions or Other Inputs	(190,362)	97,011	(319,174)	511,111	859,748	(633,703)	625,638	150,496
Benefit Payments	(169,703)	(192,874)	(183,739)	(145,612)	(135,754)	(167,970)	(198,750)	(259,140)
Net Change in Total OPEB Liability	\$ 11,001	\$ (890,350)	\$ 780,883	\$ 585,687	\$ 1,282,986	\$ (38,250)	\$ 2,421,610	\$ 1,165,612
Total OPEB Liability, Beginning	4,093,870	4,104,871	3,214,521	3,995,404	4,581,091	5,864,077	5,864,077	5,825,827
Total OPEB Liability, Ending	\$ 4,104,871	\$ 3,214,521	\$ 3,995,404	\$ 4,581,091	\$ 5,864,077	\$ 5,825,827	\$ 8,247,437	\$ 9,413,049
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 1,485,114	\$ 1,123,356	\$ 1,461,387	\$ 1,584,110	\$ 2,139,679	\$ 2,262,407	\$ 2,770,379	\$ 3,195,052
Employer Proportionate Share of the Total OPEB Liability	2,619,757	2,091,165	2,534,017	2,996,981	3,724,398	3,563,420	5,477,058	6,217,997
Covered Employee Payroll	\$ 18,178,250	\$ 18,073,590	\$ 17,445,920	\$ 17,453,134	\$ 17,786,157	\$ 18,029,826	\$ 19,135,024	\$ 18,352,400
Net OPEB Liability as a Percentage of Covered Employee Payroll	14.41%	11.57%	14.52%	17.17%	20.94%	19.76%	28.62%	33.88%

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.

**HENDERSON 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 fiscal year 2025 were calculated based on the June 30, 2023, actuarial valuation.

Methods and assumptions used to determine contribution rates:

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

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

## **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

# NONMAJOR GOVERNMENTAL FUNDS

## SPECIAL REVENUE FUNDS

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

**Solid Waste/Sanitation Fund** – The Solid Waste/Sanitation Fund is used to account for Henderson County's garbage collection operations.

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

**Other General Government Fund** – The Other General Government Fund is used to account for proceeds received from the American Rescue Plan Act.

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

## 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.*

**Rural Debt Service Fund** – The Rural Debt Service Fund is used to account for the accumulation of resources for, and the payment of, rural school debt.

## CAPITAL PROJECTS FUND

---

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

**General Capital Projects Fund** – The General Capital Projects Fund is used to account for general capital expenditures of the county.

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

	Special Revenue Funds					Debt Service Fund
	Solid Waste / Sanitation	Drug Control	Other General Government	Constitu - tional Officers - Fees	Total	Rural Debt Service
<b>ASSETS</b>						
Cash	\$ 0	\$ 0	\$ 0	\$ 494	\$ 494	\$ 0
Equity in Pooled Cash and Investments	\$ 349,912	\$ 99,336	\$ 800,245	\$ 0	\$ 1,249,493	\$ 714,716
Accounts Receivable	\$ 0	\$ 0	\$ 0	\$ 84	\$ 84	\$ 0
Due from Other Governments	\$ 36,466	\$ 0	\$ 0	\$ 0	\$ 36,466	\$ 0
Property Taxes Receivable	\$ 466,529	\$ 0	\$ 0	\$ 0	\$ 466,529	\$ 0
Allowance for Uncollectible Property Taxes	\$ (5,044)	\$ 0	\$ 0	\$ 0	\$ (5,044)	\$ 0
<b>Total Assets</b>	<b>\$ 847,863</b>	<b>\$ 99,336</b>	<b>\$ 800,245</b>	<b>\$ 578</b>	<b>\$ 1,748,022</b>	<b>\$ 714,716</b>
<b>LIABILITIES</b>						
Due to Other Funds	\$ 0	\$ 0	\$ 0	\$ 578	\$ 578	\$ 0
<b>Total Liabilities</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 578</b>	<b>\$ 578</b>	<b>\$ 0</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred Current Property Taxes	\$ 446,090	\$ 0	\$ 0	\$ 0	\$ 446,090	\$ 0
Deferred Delinquent Property Taxes	\$ 14,094	\$ 0	\$ 0	\$ 0	\$ 14,094	\$ 0
Other Deferred/Unavailable Revenue	\$ 18,000	\$ 0	\$ 0	\$ 0	\$ 18,000	\$ 0
<b>Total Deferred Inflows of Resources</b>	<b>\$ 478,184</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 478,184</b>	<b>\$ 0</b>

(Continued)

## HENDERSON COUNTY, TENNESSEE

### Combining Balance Sheet - Nonmajor Governmental Funds (Cont.)

## FUND BALANCES

Restricted:

Restricted for General Government - American Rescue Plan Act  
Restricted for Public Safety  
Restricted for Debt Service  
Restricted for Capital Projects

Committed:

Committed for General Government  
Committed for Public Health and Welfare  
Committed for Debt Service  
Committed for Capital Projects

### Total Fund Balances

### Total Liabilities, Deferred Inflows of Resources, and Fund Balances

Special Revenue Funds						Debt Service Fund
Solid Waste / Sanitation	Drug Control	Other General Government	Constitu - tional Officers - Fees	Total	Rural Debt Service	
\$ 0	\$ 0	\$ 658,733	\$ 0	\$ 658,733	\$ 0	
0	99,336	0	0	99,336	0	
0	0	0	0	0	92,304	
0	0	0	0	0	0	
0	0	141,512	0	141,512	0	
369,679	0	0	0	369,679	0	
0	0	0	0	0	622,412	
0	0	0	0	0	0	
\$ 369,679	\$ 99,336	\$ 800,245	\$ 0	\$ 1,269,260	\$ 714,716	
\$ 847,863	\$ 99,336	\$ 800,245	\$ 578	\$ 1,748,022	\$ 714,716	

(Continued)

**HENDERSON COUNTY, TENNESSEE**

## Combining Balance Sheet - Nonmajor Governmental Funds (Cont.)

	Capital Projects Fund	Total General Capital Projects	Nonmajor Governmental Funds
<b>ASSETS</b>			
Cash	\$ 0	\$ 494	
Equity in Pooled Cash and Investments	304,827	2,269,036	
Accounts Receivable	0	84	
Due from Other Governments	0	36,466	
Property Taxes Receivable	335,533	802,062	
Allowance for Uncollectible Property Taxes	(4,072)	(9,116)	
<b>Total Assets</b>	<b>\$ 636,288</b>	<b>\$ 3,099,026</b>	
<b>LIABILITIES</b>			
Due to Other Funds	\$ 0	\$ 578	
<b>Total Liabilities</b>	<b>\$ 0</b>	<b>\$ 578</b>	
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Current Property Taxes	\$ 317,639	\$ 763,729	
Deferred Delinquent Property Taxes	12,822	26,916	
Other Deferred/Unavailable Revenue	0	18,000	
<b>Total Deferred Inflows of Resources</b>	<b>\$ 330,461</b>	<b>\$ 808,645</b>	

(Continued)

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

	<b>Capital Projects Fund</b>	<b>Total General Capital Projects</b>	<b>Nonmajor Governmental Funds</b>
<b>FUND BALANCES</b>			
Restricted:			
Restricted for General Government - American Rescue Plan Act	\$ 0	\$ 658,733	
Restricted for Public Safety	0	99,336	
Restricted for Debt Service	0	92,304	
Restricted for Capital Projects	293,583	293,583	
Committed:			
Committed for General Government	0	141,512	
Committed for Public Health and Welfare	0	369,679	
Committed for Debt Service	0	622,412	
Committed for Capital Projects	12,244	12,244	
Total Fund Balances	\$ 305,827	\$ 2,289,803	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 636,288	\$ 3,099,026	

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

	<b>Special Revenue Funds</b>					<b>Debt Service Fund</b>
	Solid Waste / Sanitation	Drug Control	Other General Government	Constitu - tional Officers - Fees	Total	Rural Debt Service
<b>Revenues</b>						
Local Taxes	\$ 701,635	\$ 0	\$ 0	\$ 0	\$ 701,635	\$ 0
Fines, Forfeitures, and Penalties	0	24,182	0	0	24,182	0
Charges for Current Services	21,821	0	0	31,740	53,561	0
Other Local Revenues	57,430	0	46,345	0	103,775	44,158
Other Governments and Citizens Groups	0	0	0	0	0	356,350
Total Revenues	<b>\$ 780,886</b>	<b>\$ 24,182</b>	<b>\$ 46,345</b>	<b>\$ 31,740</b>	<b>\$ 883,153</b>	<b>\$ 400,508</b>
<b>Expenditures</b>						
Current:						
General Government	\$ 0	\$ 0	\$ 24,777	\$ 0	\$ 24,777	\$ 0
Administration of Justice	0	0	0	31,740	31,740	0
Public Safety	0	27,558	21,709	0	49,267	0
Public Health and Welfare	913,239	0	0	0	913,239	0
Other Operations	0	0	452,500	0	452,500	0
Debt Service:						
Principal on Debt	0	0	0	0	0	305,000
Interest on Debt	0	0	0	0	0	51,350
Other Debt Service	0	0	0	0	0	2,192
Total Expenditures	<b>\$ 913,239</b>	<b>\$ 27,558</b>	<b>\$ 498,986</b>	<b>\$ 31,740</b>	<b>\$ 1,471,523</b>	<b>\$ 358,542</b>

(Continued)

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

	<b>Special Revenue Funds</b>					<b>Debt Service Fund</b>
	Solid Waste / Sanitation	Drug Control	Other General Government	Constitu - tional Officers - Fees	Total	Rural Debt Service
Excess (Deficiency) of Revenues Over Expenditures	\$ (132,353)	\$ (3,376)	\$ (452,641)	0	\$ (588,370)	41,966
<b>Other Financing Sources (Uses)</b>						
Insurance Recovery	\$ 1,991	\$ 0	\$ 0	\$ 0	\$ 1,991	0
Transfers In	76,028	0	0	0	76,028	0
Total Other Financing Sources (Uses)	\$ 78,019	\$ 0	\$ 0	\$ 0	\$ 78,019	0
Net Change in Fund Balances	\$ (54,334)	\$ (3,376)	\$ (452,641)	0	\$ (510,351)	41,966
Fund Balance, July 1, 2024	424,013	102,712	1,252,886	0	1,779,611	672,750
Fund Balance, June 30, 2025	\$ 369,679	\$ 99,336	\$ 800,245	0	\$ 1,269,260	714,716

(Continued)

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

	<b>Capital Projects Fund</b>	<b>Total Nonmajor Governmental Funds</b>	
	<b>General Capital Projects</b>	<b>General Capital Projects</b>	<b>General Capital Projects</b>
<b>Revenues</b>			
Local Taxes	\$ 423,088	\$ 1,124,723	
Fines, Forfeitures, and Penalties	0	24,182	
Charges for Current Services	0	53,561	
Other Local Revenues	0	147,933	
Other Governments and Citizens Groups	0	356,350	
Total Revenues	<u>\$ 423,088</u>	<u>\$ 1,706,749</u>	
<b>Expenditures</b>			
Current:			
General Government	\$ 0	\$ 24,777	
Administration of Justice	0	31,740	
Public Safety	108,920	158,187	
Public Health and Welfare	0	913,239	
Other Operations	8,341	460,841	
Debt Service:			
Principal on Debt	0	305,000	
Interest on Debt	0	51,350	
Other Debt Service	0	2,192	
Total Expenditures	<u>\$ 117,261</u>	<u>\$ 1,947,326</u>	

(Continued)

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

	<b>Capital Projects Fund</b>	<b>Total General Capital Projects</b>	<b>Nonmajor Governmental Funds</b>
Excess (Deficiency) of Revenues Over Expenditures		\$ 305,827	\$ (240,577)
<b>Other Financing Sources (Uses)</b>			
Insurance Recovery	\$ 0	\$ 1,991	
Transfers In	0	76,028	
Total Other Financing Sources (Uses)	\$ 0	\$ 78,019	
Net Change in Fund Balances	\$ 305,827	\$ (162,558)	
Fund Balance, July 1, 2024	0	2,452,361	
Fund Balance, June 30, 2025	\$ 305,827	\$ 2,289,803	

**HENDERSON COUNTY, TENNESSEE**

**Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget**  
Solid Waste/Sanitation Fund  
**For the Year Ended June 30, 2025**

	<b>Actual</b>	<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
		<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Local Taxes	\$ 701,635	\$ 616,570	\$ 616,570	\$ 85,065
Charges for Current Services	21,821	25,000	25,000	(3,179)
Other Local Revenues	57,430	80,000	80,000	(22,570)
State of Tennessee	0	0	129,107	(129,107)
<b>Total Revenues</b>	<b>\$ 780,886</b>	<b>\$ 721,570</b>	<b>\$ 850,677</b>	<b>\$ (69,791)</b>
<b>Expenditures</b>				
Public Health and Welfare				
Sanitation Education/Information	\$ 913,239	\$ 776,925	\$ 983,460	\$ 70,221
Total Expenditures	<b>\$ 913,239</b>	<b>\$ 776,925</b>	<b>\$ 983,460</b>	<b>\$ 70,221</b>
Excess (Deficiency) of Revenues Over Expenditures	<b>\$ (132,353)</b>	<b>\$ (55,355)</b>	<b>\$ (132,783)</b>	<b>\$ 430</b>
<b>Other Financing Sources (Uses)</b>				
Insurance Recovery	\$ 1,991	\$ 0	\$ 0	\$ 1,991
Transfers In	76,028	0	76,028	0
Total Other Financing Sources	<b>\$ 78,019</b>	<b>\$ 0</b>	<b>\$ 76,028</b>	<b>\$ 1,991</b>
Net Change in Fund Balance	<b>\$ (54,334)</b>	<b>\$ (55,355)</b>	<b>\$ (56,755)</b>	<b>\$ 2,421</b>
Fund Balance, July 1, 2024	424,013	430,000	430,000	(5,987)
Fund Balance, June 30, 2025	<b>\$ 369,679</b>	<b>\$ 374,645</b>	<b>\$ 373,245</b>	<b>\$ (3,566)</b>

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

Drug Control Fund

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

	<b>Actual</b>	<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
		<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Fines, Forfeitures, and Penalties	\$ 24,182	\$ 22,000	\$ 22,000	\$ 2,182
Total Revenues	\$ 24,182	\$ 22,000	\$ 22,000	\$ 2,182
<b>Expenditures</b>				
Public Safety				
Drug Enforcement	\$ 27,558	\$ 26,360	\$ 48,743	\$ 21,185
Total Expenditures	\$ 27,558	\$ 26,360	\$ 48,743	\$ 21,185
Excess (Deficiency) of Revenues Over Expenditures	\$ (3,376)	\$ (4,360)	\$ (26,743)	\$ 23,367
Net Change in Fund Balance Fund Balance, July 1, 2024	\$ (3,376)	\$ (4,360)	\$ (26,743)	\$ 23,367
	102,712	95,000	95,000	7,712
Fund Balance, June 30, 2025	\$ 99,336	\$ 90,640	\$ 68,257	\$ 31,079

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

Other General Government Fund

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

	<b>Actual</b>	<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
		<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Other Local Revenues	\$ 46,345	\$ 0	\$ 0	\$ 46,345
Total Revenues	<u>\$ 46,345</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 46,345</u>
<b>Expenditures</b>				
General Government				
County Buildings	\$ 24,777	\$ 0	\$ 24,800	\$ 23
Public Safety				
Sheriff's Department	348	0	348	0
Workhouse	21,361	0	21,361	0
Other Operations				
Contributions to Other Agencies	452,500	0	452,500	0
Total Expenditures	<u>\$ 498,986</u>	<u>\$ 0</u>	<u>\$ 499,009</u>	<u>\$ 23</u>
Excess (Deficiency) of Revenues				
Over Expenditures	<u>\$ (452,641)</u>	<u>\$ 0</u>	<u>\$ (499,009)</u>	<u>\$ 46,368</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	\$ 0	\$ 0	\$ (362,474)	\$ 362,474
Total Other Financing Sources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (362,474)</u>	<u>\$ 362,474</u>
Net Change in Fund Balance				
Fund Balance, July 1, 2024	\$ 1,252,886	\$ 0	\$ (861,483)	\$ 408,842
Fund Balance, June 30, 2025	<u>\$ 800,245</u>	<u>\$ 0</u>	<u>\$ 861,483</u>	<u>\$ 391,403</u>

**HENDERSON COUNTY, TENNESSEE**

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

	<b>Actual</b>	<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
		<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Other Local Revenues	\$ 44,158	\$ 15,000	\$ 15,000	\$ 29,158
Other Governments and Citizens Groups	356,350	0	356,350	0
<b>Total Revenues</b>	<b>\$ 400,508</b>	<b>\$ 15,000</b>	<b>\$ 371,350</b>	<b>\$ 29,158</b>
<b>Expenditures</b>				
Principal on Debt				
Education	\$ 305,000	\$ 315,000	\$ 314,558	\$ 9,558
Interest on Debt				
Education	51,350	53,850	52,100	750
Other Debt Service				
Education	2,192	0	2,192	0
<b>Total Expenditures</b>	<b>\$ 358,542</b>	<b>\$ 368,850</b>	<b>\$ 368,850</b>	<b>\$ 10,308</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 41,966	\$ (353,850)	\$ 2,500	\$ 39,466
<b>Other Financing Sources (Uses)</b>				
Transfers In	\$ 0	\$ 356,350	\$ 0	\$ 0
<b>Total Other Financing Sources</b>	<b>\$ 0</b>	<b>\$ 356,350</b>	<b>\$ 0</b>	<b>\$ 0</b>
Net Change in Fund Balance	\$ 41,966	\$ 2,500	\$ 2,500	\$ 39,466
Fund Balance, July 1, 2024	672,750	640,000	640,000	32,750
<b>Fund Balance, June 30, 2025</b>	<b>\$ 714,716</b>	<b>\$ 642,500</b>	<b>\$ 642,500</b>	<b>\$ 72,216</b>

**HENDERSON COUNTY, TENNESSEE**

**Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget**  
General Capital Projects Fund  
**For the Year Ended June 30, 2025**

	<b>Actual</b>	<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Local Taxes	\$ 423,088	\$ 0	\$ 123,920	\$ 299,168
Total Revenues	<u>\$ 423,088</u>	<u>\$ 0</u>	<u>\$ 123,920</u>	<u>\$ 299,168</u>
<b>Expenditures</b>				
Public Safety				
Sheriff's Department	\$ 108,920	\$ 0	\$ 108,920	\$ 0
Other Operations				
Miscellaneous	8,341	0	15,000	6,659
Total Expenditures	<u>\$ 117,261</u>	<u>\$ 0</u>	<u>\$ 123,920</u>	<u>\$ 6,659</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 305,827</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 305,827</u>
Net Change in Fund Balance	<u>\$ 305,827</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 305,827</u>
Fund Balance, July 1, 2024	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30, 2025	<u>\$ 305,827</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 305,827</u>

## MAJOR GOVERNMENTAL FUND

### GENERAL DEBT SERVICE FUND

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*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.*

**HENDERSON 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**

		<b>Budgeted Amounts</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>					
Local Taxes	\$ 1,683,300	\$ 1,581,344	\$ 1,581,344	\$ 101,956	
Other Local Revenues	196,045	40,000	40,000	156,045	
Other Governments and Citizens Groups	103,608	0	104,108	(500)	
<b>Total Revenues</b>	<b>\$ 1,982,953</b>	<b>\$ 1,621,344</b>	<b>\$ 1,725,452</b>	<b>\$ 257,501</b>	
<b>Expenditures</b>					
Principal on Debt					
General Government	\$ 1,185,750	\$ 1,470,000	\$ 1,205,807	\$ 20,057	
Education	332,730	80,000	412,480	79,750	
Interest on Debt					
General Government	182,330	203,753	182,331	1	
Education	28,462	0	29,050	588	
Other Debt Service					
General Government	27,548	0	27,548	0	
Education	733	0	733	0	
<b>Total Expenditures</b>	<b>\$ 1,757,553</b>	<b>\$ 1,753,753</b>	<b>\$ 1,857,949</b>	<b>\$ 100,396</b>	
Excess (Deficiency) of Revenues Over Expenditures	\$ 225,400	\$ (132,409)	\$ (132,497)	\$ 357,897	
<b>Other Financing Sources (Uses)</b>					
Transfers In	\$ 95,000	\$ 100,000	\$ 100,000	\$ (5,000)	
<b>Total Other Financing Sources</b>	<b>\$ 95,000</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ (5,000)</b>	
Net Change in Fund Balance	\$ 320,400	\$ (32,409)	\$ (32,497)	\$ 352,897	
Fund Balance, July 1, 2024	1,570,648	1,350,000	1,350,000	220,648	
<b>Fund Balance, June 30, 2025</b>	<b>\$ 1,891,048</b>	<b>\$ 1,317,591</b>	<b>\$ 1,317,503</b>	<b>\$ 573,545</b>	

## CUSTODIAL FUNDS

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

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

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

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

**HENDERSON COUNTY, TENNESSEE**  
**Combining Statement of Net Position - Custodial Funds**  
**June 30, 2025**

	<b>Custodial Funds</b>					<b>Total</b>
	<b>Cities -</b>	<b>City</b>	<b>Constitu -</b>	<b>Sales</b>	<b>School</b>	
	<b>Tax</b>	<b>ADA -</b>	<b>Officers -</b>	<b>Lexington</b>	<b>Custodial</b>	
<b>ASSETS</b>						
Cash	\$ 0	\$ 0	\$ 1,998,952	\$ 1,998,952	\$ 1,998,952	
Equity in Pooled Cash and Investments		\$ 102,922			\$ 102,922	
Accounts Receivable		\$ 23		\$ 37,629		\$ 37,652
Due from Other Governments	\$ 890,506		\$ 215,163		\$ 0	\$ 1,105,669
Property Taxes Receivable		\$ 91,656			\$ 0	\$ 91,656
Allowance for Uncollectible Property Taxes		\$ (974)			\$ 0	\$ (974)
Total Assets	\$ 890,506	\$ 408,790	\$ 2,036,581	\$ 3,335,877		
<b>LIABILITIES</b>						
Due to Other Taxing Units	\$ 890,506	\$ 321,023	\$ 0	\$ 0	\$ 1,211,529	
Total Liabilities	\$ 890,506	\$ 321,023	\$ 0	\$ 0	\$ 1,211,529	
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred Current Property Taxes	\$ 0	\$ 87,767	\$ 0	\$ 0	\$ 87,767	
Total Deferred Inflows of Resources	\$ 0	\$ 87,767	\$ 0	\$ 0	\$ 87,767	
<b>NET POSITION</b>						
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 0	\$ 2,036,581	\$ 2,036,581	\$ 2,036,581	
Total Net Position	\$ 0	\$ 0	\$ 2,036,581	\$ 2,036,581	\$ 2,036,581	

**HENDERSON COUNTY, TENNESSEE****Combining Statement of Changes in Net Position - Custodial Funds**  
**For the Year Ended June 30, 2025**

	<b>Custodial Funds</b>					
	<b>Cities -</b>	<b>Sales</b>	<b>ADA -</b>	<b>City School</b>	<b>Constitu -</b>	
				<b>Lexington</b>	<b>tional</b>	
	<b>Tax</b>				<b>Officers -</b>	
					<b>Custodial</b>	
						<b>Total</b>
<b>Additions</b>						
Sales Tax Collections for Other Governments	\$ 4,991,459		\$ 0	\$ 0	\$ 0	\$ 4,991,459
ADA - Educational Funds Collected for Cities	0		1,316,075		0	1,316,075
Fines/Fees and Other Collections	0		0	9,655,107		9,655,107
<b>Total Additions</b>	<b>\$ 4,991,459</b>	<b>\$ 1,316,075</b>	<b>\$ 9,655,107</b>	<b>\$ 15,962,641</b>		
<b>Deductions</b>						
Payment of Sales Tax Collections for Other Governments	\$ 4,991,459		\$ 0	\$ 0	\$ 0	\$ 4,991,459
Payments to City School Systems	0		1,316,075		0	1,316,075
Payments to State	0		0	3,706,187		3,706,187
Payments to Cities, Individuals, and Others	0		0	6,034,789		6,034,789
<b>Total Deductions</b>	<b>\$ 4,991,459</b>	<b>\$ 1,316,075</b>	<b>\$ 9,740,976</b>	<b>\$ 16,048,510</b>		
Change in Net Position	\$ 0		\$ 0	\$ (85,869)	\$ (85,869)	
Net Position July 1, 2024	0		0	2,122,450		2,122,450
<b>Net Position June 30, 2025</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 2,036,581</b>	<b>\$ 2,036,581</b>		

# HENDERSON COUNTY SCHOOL DEPARTMENT

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

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

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

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

**School Transportation Fund** – The School Transportation Fund is used to account for transportation of students.

**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.

**HENDERSON COUNTY, TENNESSEE****Statement of Activities**

Discretely Presented Henderson County School Department  
**For the Year Ended June 30, 2025**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>			<b>Net (Expense) Revenue and Changes in Net Position</b>	
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Total</b>	<b>Governmental Activities</b>
Business-type Activities:						
Governmental Activities:						
Instruction	\$ 27,244,941	\$ 6,742	\$ 7,437,095	\$ 0	\$ (19,801,104)	
Support Services	16,352,291	210	593,354	381	(15,758,346)	
Operation of Non-instructional Services	7,388,858	201,303	3,592,644	0	(3,594,911)	
Total Governmental Activities	\$ 50,986,090	\$ 208,255	\$ 11,623,093	\$ 381	\$ (39,154,361)	
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 1,875,872	
Local Option Sales Taxes					5,672,309	
Other Local Taxes					749	
Grants and Contributions Not Restricted to Specific Programs					33,172,280	
Unrestricted Investment Earnings					119,994	
Miscellaneous					96,687	
Total General Revenues					\$ 40,937,891	
Change in Net Position					\$ 1,783,530	
Net Position, July 1, 2024					41,207,197	
Restatement - See Note I.D.10.					(493,274)	
Net Position, June 30, 2025					\$ 42,497,453	

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

Discretely Presented Henderson County School Department

**June 30, 2025**

	<b>Major Funds</b>			<b>Nonmajor Funds</b>		<b>Total Governmental Funds</b>
	<b>General Purpose School</b>	<b>School Transpor - tation</b>	<b>Other Govern- mental Funds</b>			
<b>ASSETS</b>						
Cash	\$ 0	\$ 0	\$ 1,275,952	\$ 1,275,952		
Equity in Pooled Cash and Investments	11,259,352	356,601	1,264,597		12,880,550	
Inventories	0	0	2,378		2,378	
Accounts Receivable	20,543	100	7,500		28,143	
Due from Other Governments	1,959,106	0	196,744		2,155,850	
Property Taxes Receivable	523,448	1,515,995	0		2,039,443	
Allowance for Uncollectible Property Taxes	(5,558)	(15,557)	0		(21,115)	
Restricted Assets	595,021	0	0		595,021	
<b>Total Assets</b>	<b>\$ 14,351,912</b>	<b>\$ 1,857,139</b>	<b>\$ 2,747,171</b>	<b>\$ 18,956,222</b>		
<b>LIABILITIES</b>						
Accounts Payable	\$ 0	\$ 0	\$ 13,020	\$ 13,020		
Payroll Deductions Payable	554,500	0	4,291		558,791	
<b>Total Liabilities</b>	<b>\$ 554,500</b>	<b>\$ 0</b>	<b>\$ 17,311</b>	<b>\$ 571,811</b>		

(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

**DEFERRED INFLOWS OF RESOURCES**

	<b>Major Funds</b>	<b>Nonmajor Funds</b>			
	General Purpose School	School Transportation	Other Governmental Funds	Total Governmental Funds	
Deferred Current Property Taxes	\$ 501,240	\$ 1,455,552	\$ 0	\$ 1,956,792	
Deferred Delinquent Property Taxes	14,282	41,059	0	55,341	
Other Deferred/Unavailable Revenue	495,050	0	0	495,050	
<b>Total Deferred Inflows of Resources</b>	<b>\$ 1,010,572</b>	<b>\$ 1,496,611</b>	<b>\$ 0</b>	<b>\$ 2,507,183</b>	

**FUND BALANCES**

## Restricted:

Restricted for Education	\$ 105,371	\$ 57,994	\$ 1,271,305	\$ 1,434,670
Restricted for Operation of Non-instructional Services	0	0	458,555	458,555
Restricted for Hybrid Retirement Stabilization Funds	595,021	0	0	595,021

## Committed:

Committed for Education	3,169,186	302,534	0	3,471,720
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## Assigned:

Assigned for Education	0	0	1,000,000	1,000,000
Unassigned	8,917,262	0	0	8,917,262
<b>Total Fund Balances</b>	<b>\$ 12,786,840</b>	<b>\$ 360,528</b>	<b>\$ 2,729,860</b>	<b>\$ 15,877,228</b>

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

\$ 14,351,912	\$ 1,857,139	\$ 2,747,171	\$ 18,956,222
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**HENDERSON COUNTY, TENNESSEE****Reconciliation of the Balance Sheet of Governmental Funds****to the Statement of Net Position**

Discretely Presented Henderson 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)		\$ 15,877,228
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 1,151,661	
Add: construction in progress	229,000	
Add: buildings and improvements net of accumulated depreciation	19,011,264	
Add: infrastructure net of accumulated depreciation	34,449	
Add: other capital assets net of accumulated depreciation	<u>2,068,043</u>	22,494,417
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: contributions due on primary government debt for the other loan	\$ (640,094)	
Less: compensated absences payable	(383,659)	
Less: net pension liability - agent plan	(551,738)	
Less: net OPEB liability	<u>(6,217,997)</u>	(7,793,488)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as a component of pension and OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 4,610,480	
Less: deferred inflows of resources related to pensions	(1,841,166)	
Add: deferred outflows of resources related to OPEB	2,221,375	
Less: deferred inflows of resources related to OPEB	<u>(992,183)</u>	3,998,506
(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	\$ 216,873	
Add: net pension asset - teacher legacy pension plan	<u>7,153,526</u>	7,370,399
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		
		<u>550,391</u>
Net position of governmental activities (Exhibit A)		<u>\$ 42,497,453</u>

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

Discretely Presented Henderson County School Department

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

	<b>Major Funds</b>			<b>Nonmajor Funds</b>	
	General Purpose School	School Transpor - tation	Other Govern- mental Funds	Total Governmen- tal Funds	
<b>Revenues</b>					
Local Taxes	\$ 6,124,945	\$ 1,434,663	\$ 0	\$ 7,559,608	
Licenses and Permits	1,784	0	0	0	1,784
Charges for Current Services	0	0	201,303	0	201,303
Other Local Revenues	246,709	100	2,999,287	0	3,246,096
State of Tennessee	35,039,532	0	0	0	35,039,532
Federal Government	703,129	0	5,484,964	0	6,188,093
Other Governments and Citizens Groups	333,323	0	0	0	333,323
<b>Total Revenues</b>	<b>\$ 42,449,422</b>	<b>\$ 1,434,763</b>	<b>\$ 8,685,554</b>	<b>\$ 52,569,739</b>	
<b>Expenditures</b>					
Current:					
Instruction	\$ 24,470,561	\$ 0	\$ 1,795,717	\$ 26,266,278	
Support Services	12,183,915	1,336,908	980,009	0	14,500,832
Operation of Non-Instructional Services	861,607	0	6,342,309	0	7,203,916
Capital Outlay	1,968,786	0	0	0	1,968,786
Debt Service:					
Other Debt Service	459,958	0	0	0	459,958
<b>Total Expenditures</b>	<b>\$ 39,944,827</b>	<b>\$ 1,336,908</b>	<b>\$ 9,118,035</b>	<b>\$ 50,399,770</b>	

(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

	<b>Major Funds</b>			<b>Nonmajor Funds</b>	
	General Purpose School	School Transpor - tation	Other Govern- mental Funds	Total Governmental Funds	
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,504,595	\$ 97,855	\$ (432,481)	\$ 2,169,969	
<b>Other Financing Sources (Uses)</b>					
Insurance Recovery	\$ 95,738	\$ 0	\$ 0	\$ 95,738	
Total Other Financing Sources (Uses)	\$ 95,738	\$ 0	\$ 0	\$ 95,738	
Net Change in Fund Balances	\$ 2,600,333	\$ 97,855	\$ (432,481)	\$ 2,265,707	
Fund Balance, July 1, 2024	10,186,507	262,673	3,162,341	13,611,521	
Fund Balance, June 30, 2025	\$ 12,786,840	\$ 360,528	\$ 2,729,860	\$ 15,877,228	

**HENDERSON COUNTY, TENNESSEE**

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
of Governmental Funds to the Statement of Activities**  
Discretely Presented Henderson 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)		\$ 2,265,707
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 2,125,438	
Less: current-year depreciation expense	<u>(1,818,212)</u>	307,226
(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	\$ 550,391	
Less: deferred delinquent property taxes and other deferred June 30, 2024	<u>(545,034)</u>	5,357
(3) The contributions of long-term debt (e.g., other loans) by the primary government provide current financial resources to governmental funds, while the contributions by the school department of the principal of long-term debt consume the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Add: principal contributions on other loan to primary government		93,480
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in compensated absences payable	\$ 109,615	
Change in net OPEB liability	(740,939)	
Change in deferred outflows related to OPEB	211,675	
Change in deferred inflows related to OPEB	179,183	
Change in net pension liability - agent plan	(110,659)	
Change in net pension asset - teacher retirement plan	93,260	
Change in net pension asset - teacher legacy pension plan	2,204,552	
Change in deferred outflows related to pensions	(1,613,984)	
Change in deferred inflows related to pensions	<u>(1,220,943)</u>	<u>(888,240)</u>
Change in net position of governmental activities (Exhibit B)		\$ 1,783,530

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

Discretely Presented Henderson County School Department

**June 30, 2025**

	<b>Special Revenue Funds</b>			<b>Total</b>
	<b>School</b>	<b>Federal</b>	<b>Central</b>	<b>Nonmajor</b>
	<b>Projects</b>	<b>Projects</b>	<b>Cafeteria</b>	<b>Internal</b>
<b>ASSETS</b>				
Cash	\$ 0	\$ 0	\$ 1,275,952	\$ 1,275,952
Equity in Pooled Cash and Investments	\$ 1,004,155	\$ 260,442	\$ 0	\$ 1,264,597
Inventories	\$ 0	\$ 0	\$ 2,378	\$ 2,378
Accounts Receivable	\$ 0	\$ 7,500	\$ 0	\$ 7,500
Due from Other Governments	\$ 4,184	\$ 192,560	\$ 0	\$ 196,744
<b>Total Assets</b>	<b>\$ 1,008,339</b>	<b>\$ 460,502</b>	<b>\$ 1,278,330</b>	<b>\$ 2,747,171</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 0	\$ 0	\$ 13,020	\$ 13,020
Payroll Deductions Payable	\$ 2,344	\$ 1,947	\$ 0	\$ 4,291
<b>Total Liabilities</b>	<b>\$ 2,344</b>	<b>\$ 1,947</b>	<b>\$ 13,020</b>	<b>\$ 17,311</b>
<b>FUND BALANCES</b>				
Restricted:				
Restricted for Education	\$ 5,995	\$ 0	\$ 1,265,310	\$ 1,271,305
Restricted for Operation of Non-instructional Services	\$ 0	\$ 458,555	\$ 0	\$ 458,555
Assigned:				
Assigned for Education	\$ 1,000,000	\$ 0	\$ 0	\$ 1,000,000
<b>Total Fund Balances</b>	<b>\$ 1,005,995</b>	<b>\$ 458,555</b>	<b>\$ 1,265,310</b>	<b>\$ 2,729,860</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,008,339</b>	<b>\$ 460,502</b>	<b>\$ 1,278,330</b>	<b>\$ 2,747,171</b>

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

Discretely Presented Henderson County School Department

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

	<b>Special Revenue Funds</b>			<b>Total Nonmajor Governmental Funds</b>
	<b>School Federal Projects</b>	<b>Central Cafeteria</b>	<b>Internal School</b>	
<b>Revenues</b>				
Charges for Current Services	\$ 0	\$ 201,303	\$ 0	\$ 201,303
Other Local Revenues	0	81,383	2,917,904	2,999,287
Federal Government	2,776,219	2,708,745	0	5,484,964
<b>Total Revenues</b>	<b>\$ 2,776,219</b>	<b>\$ 2,991,431</b>	<b>\$ 2,917,904</b>	<b>\$ 8,685,554</b>
<b>Expenditures</b>				
Current:				
Instruction	\$ 1,795,717	\$ 0	\$ 0	\$ 1,795,717
Support Services	980,009	0	0	980,009
Operation of Non-Instructional Services	0	3,553,855	2,788,454	6,342,309
<b>Total Expenditures</b>	<b>\$ 2,775,726</b>	<b>\$ 3,553,855</b>	<b>\$ 2,788,454</b>	<b>\$ 9,118,035</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 493	\$ (562,424)	\$ 129,450	\$ (432,481)
Net Change in Fund Balances	\$ 493	\$ (562,424)	\$ 129,450	\$ (432,481)
Fund Balance, July 1, 2024	1,005,502	1,020,979	1,135,860	3,162,341
Fund Balance, June 30, 2025	<b>\$ 1,005,995</b>	<b>\$ 458,555</b>	<b>\$ 1,265,310</b>	<b>\$ 2,729,860</b>

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

Discretely Presented Henderson County School Department  
General Purpose School Fund  
**For the Year Ended June 30, 2025**

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Revenues</b>				
Local Taxes	\$ 6,124,945	\$ 5,971,600	\$ 5,971,600	\$ 153,345
Licenses and Permits	1,784	2,000	2,000	(216)
Other Local Revenues	246,709	92,500	92,500	154,209
State of Tennessee	35,039,532	33,434,553	37,462,608	(2,423,076)
Federal Government	703,129	658,000	921,549	(218,420)
Other Governments and Citizens Groups	333,323	0	325,442	7,881
Total Revenues	<b>\$ 42,449,422</b>	<b>\$ 40,158,653</b>	<b>\$ 44,775,699</b>	<b>\$ (2,326,277)</b>
<b>Expenditures</b>				
Instruction				
Regular Instruction Program	\$ 19,093,141	\$ 20,480,825	\$ 20,591,846	\$ 1,498,705
Alternative Instruction Program	31,372	70,510	70,510	39,138
Special Education Program	3,470,299	3,471,965	3,637,753	167,454
Career and Technical Education Program	1,435,776	1,427,650	2,223,261	787,485
Adult Education Program	439,973	425,600	491,100	51,127
Support Services				
Attendance	223,710	228,965	233,565	9,855
Health Services	596,942	594,030	609,730	12,788
Other Student Support	2,667,274	2,179,470	2,784,488	117,214
Regular Instruction Program	965,958	1,188,600	1,175,175	209,217
Alternative Instruction Program	86,026	94,559	94,559	8,533
Special Education Program	267,114	327,465	327,465	60,351
Career and Technical Education Program	147,056	116,816	196,854	49,798
Technology	505,364	471,375	551,375	46,011
Adult Programs	160,512	162,350	218,150	57,638
Other Programs	90,859	0	90,859	0
Board of Education	519,159	637,350	637,350	118,191
Director of Schools	227,040	270,795	271,295	44,255
Office of the Principal	1,765,514	1,564,000	1,814,225	48,711
Fiscal Services	121,388	175,750	149,750	28,362
Operation of Plant	2,837,493	2,990,120	2,995,615	158,122
Maintenance of Plant	861,935	843,975	947,025	85,090
Transportation	140,571	205,250	292,538	151,967

(Continued)

**HENDERSON COUNTY, TENNESSEE****Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget**Discretely Presented Henderson County School Department  
General Purpose School Fund (Cont.)

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Expenditures (Cont.)</b>				
Operation of Non-Instructional Services				
Food Service	\$ 115,620	\$ 150,330	\$ 159,555	\$ 43,935
Early Childhood Education	745,987	818,043	813,043	67,056
Capital Outlay				
Regular Capital Outlay	1,968,786	2,750,000	4,962,954	2,994,168
Principal on Debt				
Education	0	94,000	0	0
Interest on Debt				
Education	0	70,000	0	0
Other Debt Service				
Education	459,958	305,000	469,000	9,042
Total Expenditures	\$ 39,944,827	\$ 42,114,793	\$ 46,809,040	\$ 6,864,213
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,504,595	\$ (1,956,140)	\$ (2,033,341)	\$ 4,537,936
<b>Other Financing Sources (Uses)</b>				
Insurance Recovery	\$ 95,738	\$ 0	\$ 0	\$ 95,738
Total Other Financing Sources	\$ 95,738	\$ 0	\$ 0	\$ 95,738
Net Change in Fund Balance	\$ 2,600,333	\$ (1,956,140)	\$ (2,033,341)	\$ 4,633,674
Fund Balance, July 1, 2024	10,186,507	6,478,500	6,478,500	3,708,007
Fund Balance, June 30, 2025	\$ 12,786,840	\$ 4,522,360	\$ 4,445,159	\$ 8,341,681

**HENDERSON COUNTY, TENNESSEE****Schedule of Revenues, Expenditures, and Changes****in Fund Balance - Actual and Budget**Discretely Presented Henderson County School Department  
School Federal Projects Fund**For the Year Ended June 30, 2025**

					Variance with Final Budget - Positive (Negative)
			Budgeted Amounts		
			Actual	Original	Final
<b>Revenues</b>					
Federal Government		\$ 2,776,219	\$ 3,257,149	\$ 3,273,490	\$ (497,271)
Total Revenues		<b>\$ 2,776,219</b>	<b>\$ 3,257,149</b>	<b>\$ 3,273,490</b>	<b>\$ (497,271)</b>
<b>Expenditures</b>					
Instruction					
Regular Instruction Program		\$ 893,358	\$ 971,951	\$ 970,427	\$ 77,069
Special Education Program		828,830	1,148,036	1,069,541	240,711
Career and Technical Education Program		73,529	75,529	73,529	0
Support Services					
Health Services		7,201	7,201	7,201	0
Other Student Support		207,517	209,665	215,301	7,784
Regular Instruction Program		445,681	470,174	471,897	26,216
Special Education Program		123,309	208,892	224,892	101,583
Transportation		196,301	165,700	240,700	44,399
Total Expenditures		<b>\$ 2,775,726</b>	<b>\$ 3,257,148</b>	<b>\$ 3,273,488</b>	<b>\$ 497,762</b>
Excess (Deficiency) of Revenues Over Expenditures		\$ 493	\$ 1	\$ 2	\$ 491
Net Change in Fund Balance		\$ 493	\$ 1	\$ 2	\$ 491
Fund Balance, July 1, 2024		1,005,502	1,000,000	1,000,000	5,502
Fund Balance, June 30, 2025		<b>\$ 1,005,995</b>	<b>\$ 1,000,001</b>	<b>\$ 1,000,002</b>	<b>\$ 5,993</b>

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

Discretely Presented Henderson County School Department

Central Cafeteria Fund

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for Current Services	\$ 201,303	\$ 300,000	\$ 300,000	\$ (98,697)
Other Local Revenues	81,383	0	0	81,383
Federal Government	2,708,745	2,225,000	2,415,000	293,745
<b>Total Revenues</b>	<b>\$ 2,991,431</b>	<b>\$ 2,525,000</b>	<b>\$ 2,715,000</b>	<b>\$ 276,431</b>
<b>Expenditures</b>				
Operation of Non-Instructional Services	\$ 3,553,855	\$ 2,988,550	\$ 3,613,550	\$ 59,695
Food Service	\$ 3,553,855	\$ 2,988,550	\$ 3,613,550	\$ 59,695
<b>Total Expenditures</b>	<b>\$ 3,553,855</b>	<b>\$ 2,988,550</b>	<b>\$ 3,613,550</b>	<b>\$ 59,695</b>
Excess (Deficiency) of Revenues				
Over Expenditures	\$ (562,424)	\$ (463,550)	\$ (898,550)	\$ 336,126
Net Change in Fund Balance	\$ (562,424)	\$ (463,550)	\$ (898,550)	\$ 336,126
Fund Balance, July 1, 2024	1,020,979	1,390,000	1,390,000	(369,021)
<b>Fund Balance, June 30, 2025</b>	<b>\$ 458,555</b>	<b>\$ 926,450</b>	<b>\$ 491,450</b>	<b>\$ (32,895)</b>

**HENDERSON COUNTY, TENNESSEE****Schedule of Revenues, Expenditures, and Changes****in Fund Balance - Actual and Budget**Discretely Presented Henderson County School Department  
School Transportation Fund**For the Year Ended June 30, 2025**

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Local Taxes	\$ 1,434,663	\$ 1,372,000	\$ 1,372,000	\$ 62,663
Other Local Revenues	100	0	0	100
<b>Total Revenues</b>	<b>\$ 1,434,763</b>	<b>\$ 1,372,000</b>	<b>\$ 1,372,000</b>	<b>\$ 62,763</b>
<b>Expenditures</b>				
Support Services				
Board of Education	\$ 28,218	\$ 28,250	\$ 43,250	\$ 15,032
Transportation	1,308,690	1,311,425	1,311,425	2,735
<b>Total Expenditures</b>	<b>\$ 1,336,908</b>	<b>\$ 1,339,675</b>	<b>\$ 1,354,675</b>	<b>\$ 17,767</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 97,855	\$ 32,325	\$ 17,325	\$ 80,530
Net Change in Fund Balance	\$ 97,855	\$ 32,325	\$ 17,325	\$ 80,530
Fund Balance, July 1, 2024	262,673	250,000	250,000	12,673
<b>Fund Balance, June 30, 2025</b>	<b>\$ 360,528</b>	<b>\$ 282,325</b>	<b>\$ 267,325</b>	<b>\$ 93,203</b>

## **MISCELLANEOUS SCHEDULES**

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Paid and/or Matured During Period		Outstanding 6-30-25					
					Outstanding 7-1-24	Outstanding 6-30-25						
<b>OTHER LOAN PAYABLE</b>												
Contributions Due by the School Department from the General Purpose School Fund to the General Debt Service Fund												
Clean Water State Revolving Fund	\$ 1,800,582	1.38 %	7-31-10	12-31-31	\$ 733,574	\$ 93,480	\$ 640,094					
Total Other Loan Payable					\$ 733,574	\$ 93,480	\$ 640,094					
<b>BONDS PAYABLE</b>												
Payable through General Debt Service Fund												
G.O. Bonds, Series 2018	2,310,000	2.5 to 3.05	8-15-18	4-1-33	\$ 1,670,000	\$ 170,000	\$ 1,500,000					
G.O. Refunding Bonds, Series 2019	5,500,000	3 to 5	5-31-19	3-1-29	2,165,000	430,000	1,735,000					
G.O. Refunding Bonds, Series 2021	7,575,000	1 to 2	4-30-21	5-1-29	3,900,000	825,000	3,075,000					
Total Payable through General Debt Service Fund					\$ 7,735,000	\$ 1,425,000	\$ 6,310,000					
Payable through Rural Debt Service Fund												
Rural School Refunding Bonds, Series 2020	2,785,000	2 to 5	6-30-20	3-1-29	\$ 1,630,000	\$ 305,000	\$ 1,325,000					
Total Payable through Rural Debt Service Fund					\$ 1,630,000	\$ 305,000	\$ 1,325,000					
Total Bonds Payable					\$ 9,365,000	\$ 1,730,000	\$ 7,635,000					

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

<b>Year Ending June 30</b>	<b>Other Loan</b>				<b>Total</b>
	<b>Principal</b>	<b>Interest</b>	<b>Other Fees</b>		
2026	\$ 94,788	\$ 8,232	\$ 516	\$ 103,536	
2027	96,096	6,924	432	103,452	
2028	97,440	5,580	360	103,380	
2029	98,784	4,236	276	103,296	
2030	100,164	2,856	204	103,224	
2031	101,556	1,464	120	103,140	
2032	51,266	135	16	51,417	
<b>Total</b>	<b>\$ 640,094</b>	<b>\$ 29,427</b>	<b>\$ 1,924</b>	<b>\$ 671,445</b>	

<b>Year Ending June 30</b>	<b>Bonds</b>			<b>Total</b>
	<b>Principal</b>	<b>Interest</b>		
2026	\$ 1,750,000	\$ 195,103	\$ 1,945,103	
2027	1,750,000	135,752	1,885,752	
2028	1,700,000	90,203	1,790,203	
2029	1,645,000	57,553	1,702,553	
2030	190,000	23,802	213,802	
2031	195,000	18,103	213,103	
2032	200,000	12,252	212,252	
2033	205,000	6,253	211,253	
<b>Total</b>	<b>\$ 7,635,000</b>	<b>\$ 539,021</b>	<b>\$ 8,174,021</b>	

**HENDERSON COUNTY, TENNESSEE**  
**Schedule of Transfers**  
**For the Year Ended June 30, 2025**

<b>From Fund</b>	<b>To Fund</b>	<b>Purpose</b>	<b>Amount</b>
General	General Debt Service	Debt retirement	\$ 95,000
"	Solid Waste/Sanitation	Capital outlay	<u>76,028</u>
Total Transfers			<u>\$ 171,028</u>

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

Primary Government and Discretely Presented Henderson County School Department  
For the Year Ended June 30, 2025

<b>Official</b>	<b>Salary</b>	<b>Authorization</b>	<b>Bond</b>	<b>Surety</b>
<b>County Mayor</b> Base salary/Total compensation	<u><u>\$ 121,016</u></u>	Section 8-24-102, <i>TCA</i>	\$ (1)	Tennessee Risk Management Trust
<b>Road Supervisor</b> Base salary/Total compensation	<u><u>\$ 115,254</u></u>	Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
<b>Director of Schools</b> Base salary Chief executive officer supplement Career ladder program additional pay Total compensation	\$ 125,670 1,000 500 <u><u>\$ 127,170</u></u>	State Board of Education and County Board of Education	(1)	Tennessee Risk Management Trust
<b>Trustee</b> Base salary/Total compensation	<u><u>\$ 95,251</u></u>	Section 8-24-102, <i>TCA</i>	1,505,515 (1)	Auto-Owners Mutual Insurance Company
<b>Assessor of Property</b> Base salary/Total compensation	<u><u>\$ 95,251</u></u>	Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
<b>County Clerk</b> Base salary/Total compensation	<u><u>\$ 95,251</u></u>	Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
<b>Circuit/General Sessions/Juvenile Courts Clerk</b> Base salary Additional 10% for overseeing more than one court Certified public administrator supplement Total compensation	\$ 95,251 9,525 1,500 <u><u>\$ 106,276</u></u>	Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
<b>Clerk and Master</b> Base salary Additional 10% for overseeing more than one court Special commissioner fees Total compensation	\$ 95,251 9,525 31,740 <u><u>\$ 136,516</u></u>	Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	(1)	Tennessee Risk Management Trust
<b>Register of Deeds</b> Base salary Certified public administrator supplement Total compensation	\$ 95,251 1,500 <u><u>\$ 96,751</u></u>	Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
<b>Sheriff</b> Base salary Law enforcement training supplement Total compensation	\$ 115,254 1,600 <u><u>\$ 116,854</u></u>	Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
<b>Administrator of Elections</b> Base salary/Total compensation	<u><u>\$ 85,726</u></u>	Section 2-12-208, <i>TCA</i>	(1)	Tennessee Risk Management Trust
<b>Finance Director</b> Base salary/Total compensation	<u><u>\$ 95,250</u></u>	County Commission	(1)	Tennessee Risk Management Trust
Employee Blanket Bonds: Employee Fidelity - County Departments Employee Fidelity - School Department			400,000 400,000	Tennessee Risk Management Trust "

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

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

	<b>Special Revenue Funds</b>						<b>Highway / Public Works</b>
	<b>Constitu -</b>	<b>Solid Waste / Sanitation</b>	<b>Drug Control</b>	<b>Other General Government</b>	<b>tional Officers - Fees</b>		
	<b>General</b>						
<b>Local Taxes</b>							
County Property Taxes							
Current Property Tax	\$ 6,323,502	\$ 455,830	\$ 0	\$ 0	\$ 0	\$ 0	255,256
Trustee's Collections - Prior Year	205,451	15,768	0	0	0	0	8,591
Circuit Clerk/Clerk and Master Collections - Prior Years	48,532	3,695	0	0	0	0	2,013
Interest and Penalty	40,686	3,081	0	0	0	0	1,690
Payments in-Lieu-of Taxes - Local Utilities	120,604	8,694	0	0	0	0	4,868
Payments in-Lieu-of Taxes - Other	13,917	744	0	0	0	0	416
County Local Option Taxes							
Local Option Sales Tax	217,277	209,623	0	0	0	0	0
Hotel/Motel Tax	342,729	0	0	0	0	0	0
Wheel Tax	0	0	0	0	0	0	0
Litigation Tax - General	171,961	0	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	66,254	0	0	0	0	0	0
Business Tax	372,423	0	0	0	0	0	0
Mixed Drink Tax	1,000	0	0	0	0	0	0
Other County Local Option Taxes	516,809	0	0	0	0	0	0
Statutory Local Taxes							
Bank Excise Tax	58,267	4,200	0	0	0	0	2,352
Wholesale Beer Tax	119,243	0	0	0	0	0	0
Total Local Taxes	\$ 8,618,655	\$ 701,635	\$ 0	\$ 0	\$ 0	\$ 0	275,186

(Continued)

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

	<b>Special Revenue Funds</b>					
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Officers - Fees	Constitu - tional Fees
<b>Licenses and Permits</b>						
Permits						
Beer Permits	\$ 1,235	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Licenses and Permits	\$ 1,235	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Fines, Forfeitures, and Penalties</b>						
Circuit Court						
Fines	\$ 33,474	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	3,537	0	0	0	0	0
Drug Control Fines	14,906	0	13,168	0	0	0
DUI Treatment Fines	1,862	0	0	0	0	0
Data Entry Fee - Circuit Court	627	0	0	0	0	0
General Sessions Court						
Fines	108,124	0	0	0	0	0
Officers Costs	20,185	0	0	0	0	0
Game and Fish Fines	407	0	0	0	0	0
Drug Control Fines	238	0	0	0	0	0
Drug Court Fees	6,242	0	0	0	0	0
Jail Fees	65,692	0	0	0	0	0
DUI Treatment Fines	17,985	0	0	0	0	0
Data Entry Fee - General Sessions Court	26,556	0	0	0	0	0

(Continued)

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

	<b>Special Revenue Funds</b>					
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Constitu - tional Officers - Fees	Highway / Public Works
<b>Fines, Forfeitures, and Penalties (Cont.)</b>						
Juvenile Court						
Fines	\$ 504	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Data Entry Fee - Juvenile Court		1,228	0	0	0	0
Chancery Court						
Officers Costs		1,037	0	0	0	0
Data Entry Fee - Chancery Court		2,242	0	0	0	0
Judicial District Drug Program						
Drug Task Force Forfeitures and Seizures		0	0	11,014	0	0
Courtroom Security Fee		328,323	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 633,169	\$ 0	\$ 24,182	\$ 0	\$ 0	\$ 0
<b>Charges for Current Services</b>						
General Service Charges						
Surcharge - Waste Tire Disposal	\$ 0	\$ 21,821	\$ 0	\$ 0	\$ 0	\$ 0
Fees						
Copy Fees		68	0	0	0	0
Telephone Commissions		84,000	0	0	0	0
Additional Fees - Titling and Registration		25,488	0	0	0	0
Constitutional Officers' Fees and Commissions		0	0	0	31,740	0

(Continued)

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

	<b>Special Revenue Funds</b>					
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Officers - Fees	Constitu - tional Fees
<b>Charges for Current Services (Cont.)</b>						
Fees (Cont.)						
Data Processing Fee - Register	\$ 8,296	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Data Processing Fee - Sheriff	10,811	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	3,800	0	0	0	0	0
Data Processing Fee - County Clerk	2,847	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	6,675	0	0	0	0	0
Total Charges for Current Services	\$ 141,985	\$ 21,821	\$ 0	\$ 0	\$ 31,740	\$ 0
<b>Other Local Revenues</b>						
Recurring Items						
Investment Income	\$ 671,435	\$ 0	\$ 0	\$ 46,345	\$ 0	\$ 0
Lease/Rentals/PPP	16,800	0	0	0	0	0
Sale of Materials and Supplies	173,894	0	0	0	0	7,817
Commissary Sales	113,022	0	0	0	0	0
Sale of Recycled Materials	0	57,430	0	0	0	0
Miscellaneous Refunds	55,594	0	0	0	0	8,588
Nonrecurring Items						
Sale of Equipment	3,775	0	0	0	0	64,177
Damages Recovered from Individuals	1,215	0	0	0	0	0

(Continued)

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

	<b>Special Revenue Funds</b>					
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Officers - Fees	Constitu - tional Highway / Public Works
<b>Other Local Revenues (Cont.)</b>						
Other Local Revenues						
Other Local Revenues	\$ 1,360	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Local Revenues	\$ 1,037,095	\$ 57,430	\$ 0	\$ 46,345	\$ 0	\$ 80,582
<b>Fees Received From County Officials</b>						
Fees In-Lieu-of Salary						
County Clerk	\$ 338,018	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	95,491	0	0	0	0	0
General Sessions Court Clerk	464,736	0	0	0	0	0
Clerk and Master	72,899	0	0	0	0	0
Juvenile Court Clerk	24,472	0	0	0	0	0
Register	111,856	0	0	0	0	0
Sheriff	46,763	0	0	0	0	0
Trustee	467,142	0	0	0	0	0
Total Fees Received From County Officials	\$ 1,621,377	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>State of Tennessee</b>						
General Government Grants						
Juvenile Services Program	\$ 13,500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

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

	<b>Special Revenue Funds</b>						<b>Highway / Public Works</b>
	<b>General</b>	<b>Solid Waste / Sanitation</b>	<b>Drug Control</b>	<b>Other General Government</b>	<b>Consti - tutional Officers - Fees</b>		
<b>State of Tennessee (Cont.)</b>							
Public Safety Grants							
School Resource Officer Grants	\$ 675,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Health and Welfare Grants							
Other Health and Welfare Grants	1,927,789	0	0	0	0	0	0
Public Works Grants							
State Aid Program	0	0	0	0	0	0	434,483
Litter Program	19,146	0	0	0	0	0	0
Other State Revenues							
Beer Tax	17,752	0	0	0	0	0	0
Vehicle Certificate of Title Fees	7,763	0	0	0	0	0	0
Alcoholic Beverage Tax	88,956	0	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	96,238	0	0	0	0	0	0
State Revenue Sharing - Telecommunications	30,880	0	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	40,687	0	0	0	0	0	0
Prisoner Transportation	34,166	0	0	0	0	0	0
Contracted Prisoner Boarding	974,816	0	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0	2,651,810
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	0	0	31,963
Petroleum Special Tax	0	0	0	0	0	0	18,448

(Continued)

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

	<b>Special Revenue Funds</b>					
	General	Solid Waste / Sanitation	Drug Control	Other General Government	Officers - Fees	Constitu - tional Highway / Public Works
<b>State of Tennessee (Cont.)</b>						
Other State Revenues (Cont.)						
Registrar's Salary Supplement	\$ 15,164	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other State Grants	1,641,674	0	0	0	0	0
Other State Revenues	61,818	0	0	0	0	0
Total State of Tennessee	<u>\$ 5,645,349</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,136,704</u>
<b>Federal Government</b>						
Federal Through State						
Other Federal through State	\$ 270,907	\$ 0	\$ 0	\$ 0	\$ 0	\$ 14,829
Direct Federal Revenue						
Other Direct Federal Revenue	5,753	0	0	0	0	0
Total Federal Government	<u>\$ 276,660</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 14,829</u>
<b>Other Governments and Citizens Groups</b>						
Other Governments						
Contributions	\$ 59,954	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other						
Other	1,012,961	0	0	0	0	0
Opioid Settlement Funds - Past Remediation	17,785	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 1,090,700</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total	<u>\$ 19,066,225</u>	<u>\$ 780,886</u>	<u>\$ 24,182</u>	<u>\$ 46,345</u>	<u>\$ 31,740</u>	<u>\$ 3,507,301</u>

(Continued)

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

	<u>Debt Service Funds</u>		<u>Capital Projects Fund</u>		<u>Total</u>
	General Debt Service	Rural Debt Service	General Capital Projects		
<b>Local Taxes</b>					
County Property Taxes					
Current Property Tax	\$ 578,726	\$ 0	\$ 410,224	\$ 8,023,538	
Trustee's Collections - Prior Year	30,853	0	0	260,663	
Circuit Clerk/Clerk and Master Collections - Prior Years	7,231	0	0	61,471	
Interest and Penalty	5,473	0	620	51,550	
Payments in-Lieu-of Taxes - Local Utilities	11,038	0	7,805	153,009	
Payments in-Lieu-of Taxes - Other	944	0	668	16,689	
County Local Option Taxes					
Local Option Sales Tax	0	0	0	426,900	
Hotel/Motel Tax	0	0	0	342,729	
Wheel Tax	1,043,702	0	0	1,043,702	
Litigation Tax - General	0	0	0	171,961	
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	66,254	
Business Tax	0	0	0	372,423	
Mixed Drink Tax	0	0	0	1,000	
Other County Local Option Taxes	0	0	0	516,809	
Statutory Local Taxes					
Bank Excise Tax	5,333	0	3,771	73,923	
Wholesale Beer Tax	0	0	0	119,243	
Total Local Taxes	\$ 1,683,300	\$ 0	\$ 423,088	\$ 11,701,864	

(Continued)

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

	<u>Debt Service Funds</u>			<u>Capital Projects Fund</u>
	General Debt Service	Rural Debt Service	General Capital Projects	Total
	\$	\$	\$	
<b>Licenses and Permits</b>				
Permits				
Beer Permits	\$ 0	\$ 0	\$ 0	\$ 1,235
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 1,235
<b>Fines, Forfeitures, and Penalties</b>				
Circuit Court				
Fines	\$ 0	\$ 0	\$ 0	\$ 33,474
Officers Costs	0	0	0	3,537
Drug Control Fines	0	0	0	28,074
DUI Treatment Fines	0	0	0	1,862
Data Entry Fee - Circuit Court	0	0	0	627
General Sessions Court				
Fines	0	0	0	108,124
Officers Costs	0	0	0	20,185
Game and Fish Fines	0	0	0	407
Drug Control Fines	0	0	0	238
Drug Court Fees	0	0	0	6,242
Jail Fees	0	0	0	65,692
DUI Treatment Fines	0	0	0	17,985
Data Entry Fee - General Sessions Court	0	0	0	26,556

(Continued)

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

	<u>Debt Service Funds</u>			<u>Capital Projects Fund</u>	
	General Debt Service	Rural Debt Service	General Capital Projects	Total	
	\$	\$	\$	\$	
<b>Fines, Forfeitures, and Penalties (Cont.)</b>					
Juvenile Court					
Fines	\$ 0	\$ 0	\$ 0	\$ 0	504
Data Entry Fee - Juvenile Court					
	0	0	0	0	1,228
Chancery Court					
Officers Costs					
	0	0	0	0	1,037
Data Entry Fee - Chancery Court					
	0	0	0	0	2,242
Judicial District Drug Program					
Drug Task Force Forfeitures and Seizures					
	0	0	0	0	11,014
Courtroom Security Fee					
	0	0	0	0	328,323
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	657,351
<b>Charges for Current Services</b>					
General Service Charges					
Surcharge - Waste Tire Disposal					
	\$ 0	\$ 0	\$ 0	\$ 0	21,821
Fees					
Copy Fees					
	0	0	0	0	68
Telephone Commissions					
	0	0	0	0	84,000
Additional Fees - Titling and Registration					
	0	0	0	0	25,488
Constitutional Officers' Fees and Commissions					
	0	0	0	0	31,740

(Continued)

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

	<u>Debt Service Funds</u>			<u>Capital Projects Fund</u>	
	General Debt Service	Rural Debt Service	General Capital Projects	Total	
	\$	\$	\$	\$	\$
<b>Charges for Current Services (Cont.)</b>					
Fees (Cont.)					
Data Processing Fee - Register	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,296
Data Processing Fee - Sheriff	0	0	0	0	10,811
Sexual Offender Registration Fee - Sheriff	0	0	0	0	3,800
Data Processing Fee - County Clerk	0	0	0	0	2,847
Vehicle Insurance Coverage and Reinstatement Fees	0	0	0	0	6,675
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 195,546
<b>Other Local Revenues</b>					
Recurring Items					
Investment Income	\$ 196,045	\$ 44,158	\$ 0	\$ 0	\$ 957,983
Lease/Rentals/PPP	0	0	0	0	16,800
Sale of Materials and Supplies	0	0	0	0	181,711
Commissary Sales	0	0	0	0	113,022
Sale of Recycled Materials	0	0	0	0	57,430
Miscellaneous Refunds	0	0	0	0	64,182
Nonrecurring Items					
Sale of Equipment	0	0	0	0	67,952
Damages Recovered from Individuals	0	0	0	0	1,215

(Continued)

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

	<u>Debt Service Funds</u>			<u>Capital Projects Fund</u>	
	General Debt Service	Rural Debt Service	General Capital Projects		
				Total	
<b>Other Local Revenues (Cont.)</b>					
Other Local Revenues					
Other Local Revenues	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,360
Total Other Local Revenues	\$ 196,045	\$ 44,158	\$ 0	\$ 0	\$ 1,461,655
<b>Fees Received From County Officials</b>					
Fees In-Lieu-of Salary					
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 338,018
Circuit Court Clerk	0	0	0	0	95,491
General Sessions Court Clerk	0	0	0	0	464,736
Clerk and Master	0	0	0	0	72,899
Juvenile Court Clerk	0	0	0	0	24,472
Register	0	0	0	0	111,856
Sheriff	0	0	0	0	46,763
Trustee	0	0	0	0	467,142
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,621,377
<b>State of Tennessee</b>					
General Government Grants					
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 13,500

(Continued)

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

	<u>Debt Service Funds</u>		<u>Capital Projects Fund</u>		<u>Total</u>
	General Debt Service	Rural Debt Service	General Capital Projects		
<b>State of Tennessee (Cont.)</b>					
Public Safety Grants					
School Resource Officer Grants	\$ 0	\$ 0	\$ 0	\$ 0	675,000
Health and Welfare Grants					
Other Health and Welfare Grants	0	0	0	0	1,927,789
Public Works Grants					
State Aid Program	0	0	0	0	434,483
Litter Program	0	0	0	0	19,146
Other State Revenues					
Beer Tax	0	0	0	0	17,752
Vehicle Certificate of Title Fees	0	0	0	0	7,763
Alcoholic Beverage Tax	0	0	0	0	88,956
Opioid Settlement Funds - TN Abatement Council	0	0	0	0	96,238
State Revenue Sharing - Telecommunications	0	0	0	0	30,880
State Shared Sports Gaming Privilege Tax	0	0	0	0	40,687
Prisoner Transportation	0	0	0	0	34,166
Contracted Prisoner Boarding	0	0	0	0	974,816
Gasoline and Motor Fuel Tax	0	0	0	0	2,651,810
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	31,963
Petroleum Special Tax	0	0	0	0	18,448

(Continued)

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

	<b>Debt Service Funds</b>		<b>Capital Projects Fund</b>		<b>Total</b>
	<b>General Debt Service</b>	<b>Rural Debt Service</b>	<b>General Capital Projects</b>		
<b>State of Tennessee (Cont.)</b>					
Other State Revenues (Cont.)					
Registrar's Salary Supplement	\$ 0	\$ 0	\$ 0	\$ 15,164	
Other State Grants	0	0	0	1,641,674	
Other State Revenues	0	0	0	61,818	
Total State of Tennessee	\$ 0	\$ 0	\$ 0	\$ 8,782,053	
<b>Federal Government</b>					
Federal Through State					
Other Federal through State	\$ 0	\$ 0	\$ 0	\$ 285,736	
Direct Federal Revenue					
Other Direct Federal Revenue	0	0	0	5,753	
Total Federal Government	\$ 0	\$ 0	\$ 0	\$ 291,489	
<b>Other Governments and Citizens Groups</b>					
Other Governments					
Contributions	\$ 103,608	\$ 356,350	\$ 0	\$ 519,912	
Other					
Other	0	0	0	1,012,961	
Opioid Settlement Funds - Past Remediation	0	0	0	17,785	
Total Other Governments and Citizens Groups	\$ 103,608	\$ 356,350	\$ 0	\$ 1,550,658	
Total	\$ 1,982,953	\$ 400,508	\$ 423,088	\$ 26,263,228	

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

Discretely Presented Henderson County School Department

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

<b>Special Revenue Funds</b>						
	General Purpose School	School Federal Projects	Central Cafeteria	School Transpor - tation	Internal School	Total
<b>Local Taxes</b>						
County Property Taxes						
Current Property Tax	\$ 406,641	\$ 0	\$ 0	\$ 1,328,953	\$ 0	\$ 1,735,594
Trustee's Collections - Prior Year	29,002	0	0	46,268	0	75,270
Circuit Clerk/Clerk and Master Collections - Prior Years	6,681	0	0	10,871	0	17,552
Interest and Penalty	5,334	0	0	8,810	0	14,144
Payments in-Lieu-of Taxes - Local Utilities	7,800	0	0	25,347	0	33,147
Payments in-Lieu-of Taxes - Other	665	0	0	2,168	0	2,833
County Local Option Taxes						
Local Option Sales Tax	5,664,209	0	0	0	0	5,664,209
Mixed Drink Tax	824	0	0	0	0	824
Statutory Local Taxes						
Bank Excise Tax	3,789	0	0	12,246	0	16,035
<b>Total Local Taxes</b>	<b>\$ 6,124,945</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,434,663</b>	<b>\$ 0</b>	<b>\$ 7,559,608</b>

**Licenses and Permits****Licenses**

Marriage Licenses	\$ 1,574	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,574
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(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

<b>Special Revenue Funds</b>						
	General Purpose School	School Federal Projects	Central Cafeteria	School Transpor - tation	Internal School	Total
<b>Licenses and Permits (Cont.)</b>						
Permits						
Other Permits	\$ 210	\$ 0	\$ 0	\$ 0	\$ 0	\$ 210
Total Licenses and Permits	\$ 1,784	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,784
<b>Charges for Current Services</b>						
Education Charges						
Receipts from Individual Schools	\$ 0	\$ 0	\$ 201,303	\$ 0	\$ 0	\$ 201,303
Total Charges for Current Services	\$ 0	\$ 0	\$ 201,303	\$ 0	\$ 0	\$ 201,303
<b>Other Local Revenues</b>						
Recurring Items						
Investment Income	\$ 39,843	\$ 0	\$ 80,151	\$ 0	\$ 0	\$ 119,994
Lease/Rentals/PPP	6,742	0	0	0	0	6,742
Sale of Materials and Supplies	130	0	0	0	0	130
Miscellaneous Refunds	95,225	0	1,232	100	0	96,557
Nonrecurring Items						
Contributions and Gifts	103,344	0	0	0	0	103,344

(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

<b>Special Revenue Funds</b>						
	General Purpose School	School Federal Projects	Central Cafeteria	School Transpor - tation	Internal School	Total
<b>Other Local Revenues (Cont.)</b>						
Other Local Revenues						
Other Local Revenues	\$ 1,425	\$ 0	\$ 0	\$ 0	\$ 2,917,904	\$ 2,919,329
Total Other Local Revenues	\$ 246,709	\$ 0	\$ 81,383	\$ 100	\$ 2,917,904	\$ 3,246,096
<b>State of Tennessee</b>						
General Government Grants						
On-behalf Contributions for OPEB	\$ 90,859	\$ 0	\$ 0	\$ 0	\$ 0	\$ 90,859
State Education Funds						
Tennessee Investment in Student Achievement	32,085,770	0	0	0	0	32,085,770
TISA - On-behalf Payments	92,623	0	0	0	0	92,623
Early Childhood Education	863,739	0	0	0	0	863,739
School Food Service	20,160	0	0	0	0	20,160
Driver Education	3,526	0	0	0	0	3,526
Other State Education Funds	226,100	0	0	0	0	226,100
Paid Parental Leave	168,542	0	0	0	0	168,542
Career Ladder Program	37,325	0	0	0	0	37,325
Other Vocational	474,610	0	0	0	0	474,610

(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

<b>Special Revenue Funds</b>						
	General Purpose School	School Federal Projects	Central Cafeteria	School Transpor - tation	Internal School	Total
<b>State of Tennessee (Cont.)</b>						
Other State Revenues						
State Revenue Sharing - T.V.A.	\$ 976,278	\$ 0	\$ 0	\$ 0	\$ 0	\$ 976,278
Total State of Tennessee	\$ 35,039,532	\$ 0	\$ 0	\$ 0	\$ 0	\$ 35,039,532
<b>Federal Government</b>						
Federal Through State						
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,767,329	\$ 0	\$ 0	\$ 1,767,329
USDA - Commodities	0	0	160,467	0	0	160,467
Breakfast	0	0	741,489	0	0	741,489
USDA - Other	0	0	39,460	0	0	39,460
Adult Education State Grant Program	573,587	0	0	0	0	573,587
Vocational Education - Basic Grants to States	0	92,528	0	0	0	92,528
Title I Grants to Local Education Agencies	0	827,272	0	0	0	827,272
Special Education - Grants to States	0	1,113,923	0	0	0	1,113,923
Special Education Preschool Grants	0	35,011	0	0	0	35,011
Eisenhower Professional Development State Grants	0	169,553	0	0	0	169,553
American Rescue Plan Act Grant #1	0	467,377	0	0	0	467,377
Other Federal through State	54,888	70,555	0	0	0	125,443

(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

<b>Special Revenue Funds</b>						
	General Purpose School	School Federal Projects	Central Cafeteria	School Transpor - tation	Internal School	Total
<b>Federal Government (Cont.)</b>						
Direct Federal Revenue						
ROTC Reimbursement	\$ 74,654	\$ 0	\$ 0	\$ 0	\$ 0	\$ 74,654
Total Federal Government	\$ 703,129	\$ 2,776,219	\$ 2,708,745	\$ 0	\$ 0	\$ 6,188,093
<b>Other Governments and Citizens Groups</b>						
Other Governments						
Contributions	\$ 332,942	\$ 0	\$ 0	\$ 0	\$ 0	\$ 332,942
Other						
Other	381	0	0	0	0	381
Total Other Governments and Citizens Groups	\$ 333,323	\$ 0	\$ 0	\$ 0	\$ 0	\$ 333,323
Total	\$ 42,449,422	\$ 2,776,219	\$ 2,991,431	\$ 1,434,763	\$ 2,917,904	\$ 52,569,739

**HENDERSON 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	\$ 84,000
Social Security	4,709
Medical Insurance	21,351
Employer Medicare	1,101
Audit Services	<u>12,250</u>
Total County Commission	\$ 123,411

**Board of Equalization**

Board and Committee Members Fees	\$ 2,150
Social Security	133
Unemployment Compensation	6
Employer Medicare	<u>31</u>
Total Board of Equalization	2,320

**County Mayor/Executive**

County Official/Administrative Officer	\$ 121,016
Secretary(ies)	37,012
Social Security	9,266
Pensions	13,276
Medical Insurance	4,850
Unemployment Compensation	28
Employer Medicare	2,167
Communication	525
Dues and Memberships	2,057
Legal Notices, Recording, and Court Costs	452
Postal Charges	295
Travel	739
Office Supplies	508
Other Charges	<u>635</u>
Total County Mayor/Executive	192,826

**County Attorney**

Social Security	\$ 312
Unemployment Compensation	20
Employer Medicare	73
Legal Services	<u>6,000</u>
Total County Attorney	6,405

(Continued)

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

## General Government (Cont.)

**Election Commission**

County Official/Administrative Officer	\$	85,726
Clerical Personnel		43,165
Part-time Personnel		342
Election Commission		4,695
Election Workers		34,288
Social Security		9,277
Pensions		10,735
Medical Insurance		11,945
Unemployment Compensation		192
Employer Medicare		2,170
Communication		6,917
Data Processing Services		3,677
Legal Notices, Recording, and Court Costs		2,070
Maintenance Agreements		8,193
Postal Charges		3,844
Printing, Stationery, and Forms		210
Travel		39
Other Contracted Services		24,124
Office Supplies		3,444
Other Supplies and Materials		567
Total Election Commission	\$	255,620

**Register of Deeds**

County Official/Administrative Officer	\$	96,751
Secretary(ies)		68,894
Social Security		10,153
Pensions		13,655
Medical Insurance		5,972
Unemployment Compensation		56
Employer Medicare		2,375
Dues and Memberships		872
Maintenance Agreements		2,386
Postal Charges		35
Office Supplies		3,629
Other Charges		379
Office Equipment		11,833
Total Register of Deeds		216,990

(Continued)

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

## General Government (Cont.)

**County Buildings**

Supervisor/Director	\$ 35,709
Custodial Personnel	73,921
Social Security	6,479
Pensions	8,239
Medical Insurance	38,607
Unemployment Compensation	84
Employer Medicare	1,515
Communication	103,469
Contributions	7,500
Licenses	438
Maintenance Agreements	29,329
Maintenance and Repair Services - Buildings	94,355
Maintenance and Repair Services - Equipment	2,451
Maintenance and Repair Services - Vehicles	6,812
Pest Control	3,420
Postal Charges	6,445
Rentals	34,200
Travel	2
Custodial Supplies	6,405
Gasoline	5,701
Utilities	440,728
Other Charges	6,984
<b>Total County Buildings</b>	<b>\$ 912,793</b>

## Finance

**Accounting and Budgeting**

County Official/Administrative Officer	\$ 95,250
Accountants/Bookkeepers	161,575
Social Security	16,612
Pensions	22,017
Medical Insurance	40,085
Unemployment Compensation	160
Employer Medicare	3,885
Communication	1,220
Data Processing Services	21,387
Dues and Memberships	110

(Continued)

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

## Finance (Cont.)

**Accounting and Budgeting (Cont.)**

Postal Charges	\$ 6,574
Printing, Stationery, and Forms	2,372
Travel	2,968
Office Supplies	3,942
Other Supplies and Materials	226
Other Charges	<u>9,331</u>
Total Accounting and Budgeting	\$ 387,714

**Property Assessor's Office**

County Official/Administrative Officer	\$ 95,251
Clerical Personnel	87,518
Part-time Personnel	2,700
Social Security	11,324
Pensions	15,153
Medical Insurance	305
Unemployment Compensation	57
Employer Medicare	2,648
Contracts with Private Agencies	20,274
Dues and Memberships	1,700
Legal Notices, Recording, and Court Costs	162
Maintenance Agreements	2,960
Maintenance and Repair Services - Vehicles	1,176
Travel	3,923
Other Contracted Services	65,598
Gasoline	280
Office Supplies	2,941
Other Charges	484
Office Equipment	<u>1,129</u>
Total Property Assessor's Office	315,583

**County Trustee's Office**

County Official/Administrative Officer	\$ 95,251
Clerical Personnel	169,616
Social Security	15,726
Pensions	18,852
Medical Insurance	17,917

(Continued)

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

## Finance (Cont.)

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

Unemployment Compensation	\$ 140
Employer Medicare	3,678
Data Processing Services	16,630
Dues and Memberships	997
Legal Notices, Recording, and Court Costs	132
Maintenance Agreements	8,588
Postal Charges	5,746
Travel	72
Other Contracted Services	4,490
Office Supplies	3,307
Furniture and Fixtures	208
Office Equipment	12,327
Total County Trustee's Office	\$ 373,677

**County Clerk's Office**

County Official/Administrative Officer	\$ 95,251
Clerical Personnel	190,278
Social Security	16,857
Pensions	21,719
Medical Insurance	23,889
Unemployment Compensation	141
Employer Medicare	4,021
Data Processing Services	26,563
Dues and Memberships	772
Maintenance Agreements	1,160
Postal Charges	13,232
Travel	2,754
Office Supplies	5,863
Other Charges	1,325
Total County Clerk's Office	403,825

## Administration of Justice

**Circuit Court**

County Official/Administrative Officer	\$ 106,276
Clerical Personnel	280,191
Part-time Personnel	14,231

(Continued)

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

## Administration of Justice (Cont.)

**Circuit Court (Cont.)**

Overtime Pay	\$ 11,883
Jury and Witness Expense	15,166
Social Security	24,003
Pensions	28,010
Medical Insurance	41,071
Unemployment Compensation	268
Employer Medicare	5,614
Communication	1,177
Dues and Memberships	1,057
Legal Notices, Recording, and Court Costs	355
Office Supplies	8,246
Other Charges	3,160
Other Equipment	<u>22,291</u>
Total Circuit Court	\$ 562,999

**General Sessions Court**

Judge(s)	\$ 153,135
Secretary(ies)	51,195
Social Security	11,788
Pensions	17,193
Medical Insurance	5,972
Unemployment Compensation	28
Employer Medicare	2,757
Contracts with Private Agencies	53,880
Dues and Memberships	450
Other Contracted Services	3,825
Office Supplies	<u>293</u>
Total General Sessions Court	300,516

**Drug Court**

Drugs and Medical Supplies	\$ <u>5,329</u>
Total Drug Court	5,329

**Chancery Court**

County Official/Administrative Officer	\$ 104,776
Clerical Personnel	88,426

(Continued)

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

## Administration of Justice (Cont.)

**Chancery Court (Cont.)**

Social Security	\$ 11,319
Pensions	15,849
Medical Insurance	17,670
Unemployment Compensation	84
Employer Medicare	2,647
Data Processing Services	12,376
Dues and Memberships	957
Legal Notices, Recording, and Court Costs	10,061
Office Supplies	<u>3,345</u>
Total Chancery Court	\$ 267,510

**Juvenile Court**

Guidance Personnel	\$ 51,332
In-service Training	600
Social Security	3,074
Pensions	3,927
Medical Insurance	5,972
Unemployment Compensation	28
Employer Medicare	719
Communication	775
Travel	900
Office Supplies	<u>895</u>
Total Juvenile Court	68,222

**Victim Assistance Programs**

Supervisor/Director	\$ 46,989
Social Security	2,640
Pensions	3,595
Medical Insurance	5,972
Unemployment Compensation	28
Employer Medicare	617
Communication	560
Data Processing Services	4,000
Travel	6,618
Office Supplies	<u>6,414</u>
Total Victim Assistance Programs	77,433

(Continued)

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

## Public Safety

**Sheriff's Department**

County Official/Administrative Officer	\$ 115,254
Supervisor/Director	80,000
Deputy(ies)	794,355
Investigator(s)	274,780
Captain(s)	122,530
Lieutenant(s)	42,571
Sergeant(s)	286,783
Salary Supplements	59,400
Clerical Personnel	130,809
School Resource Officer	430,972
Longevity Pay	37,100
Overtime Pay	82,321
Other Salaries and Wages	47,500
In-service Training	1,599
Social Security	148,803
Pensions	186,645
Medical Insurance	185,102
Unemployment Compensation	1,395
Employer Medicare	34,801
Communication	44,028
Dues and Memberships	2,900
Evaluation and Testing	5,040
Legal Notices, Recording, and Court Costs	38
Maintenance Agreements	4,890
Maintenance and Repair Services - Equipment	6,912
Maintenance and Repair Services - Vehicles	82,433
Postal Charges	5,756
Travel	19,095
Other Contracted Services	157,561
Gasoline	98,385
Office Supplies	14,636
Tires and Tubes	9,966
Uniforms	18,278
In Service/Staff Development	2,475
Other Charges	64,619
Office Equipment	396
Other Equipment	21,319
Total Sheriff's Department	\$ 3,621,447

(Continued)

**HENDERSON COUNTY, TENNESSEE****Schedule of Detailed Expenditures -****All Governmental Fund Types (Cont.)****General Fund (Cont.)****Public Safety (Cont.)****Administration of the Sexual Offender Registry**

In-service Training	\$ 1,288
Office Supplies	746
Other Charges	3,570
Office Equipment	88
Total Administration of the Sexual Offender Registry	\$ 5,692

**Workhouse**

Supervisor/Director	\$ 60,056
Lieutenant(s)	47,737
Guards	1,143,515
Clerical Personnel	45,126
Custodial Personnel	60,262
Longevity Pay	19,500
Overtime Pay	117,932
Other Salaries and Wages	43,425
Social Security	91,242
Pensions	117,409
Medical Insurance	141,630
Unemployment Compensation	1,254
Employer Medicare	21,339
Evaluation and Testing	3,210
Maintenance Agreements	380
Maintenance and Repair Services - Buildings	12,244
Maintenance and Repair Services - Equipment	10,956
Medical and Dental Services	435,381
Custodial Supplies	34,289
Drugs and Medical Supplies	348
Food Supplies	364,266
Office Supplies	2,222
Uniforms	3,775
Other Charges	7,054
Total Workhouse	2,784,552

**Fire Prevention and Control**

County Official/Administrative Officer	\$ 54,929
Assistant(s)	44,680

(Continued)

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

## Public Safety (Cont.)

**Fire Prevention and Control (Cont.)**

Part-time Personnel	\$ 52,681
In-service Training	8,150
Social Security	9,123
Pensions	7,620
Medical Insurance	10,691
Unemployment Compensation	186
Employer Medicare	2,134
Communication	2,364
Dues and Memberships	120
Legal Notices, Recording, and Court Costs	172
Maintenance and Repair Services - Buildings	355
Maintenance and Repair Services - Equipment	18,666
Maintenance and Repair Services - Vehicles	28,016
Drugs and Medical Supplies	340
Gasoline	19,074
Office Supplies	489
Uniforms	871
Other Supplies and Materials	400
Trustee's Commission	1,221
Other Charges	30,898
Motor Vehicles	89,658
Other Equipment	10,850
<b>Total Fire Prevention and Control</b>	<b>\$ 393,688</b>

**Civil Defense**

Other Salaries and Wages	\$ 81,880
Social Security	4,869
Pensions	6,264
Medical Insurance	11,640
Unemployment Compensation	51
Employer Medicare	1,139
Communication	9,821
Contracts with Private Agencies	13,100
Maintenance Agreements	1,536
Maintenance and Repair Services - Vehicles	391
Other Contracted Services	180

(Continued)

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

## Public Safety (Cont.)

**Civil Defense (Cont.)**

Gasoline	\$ 3,168
Office Supplies	456
Other Charges	416
Other Equipment	4,470
Total Civil Defense	\$ 139,381

**Rescue Squad**

Contributions	\$ 20,000
Total Rescue Squad	20,000

**County Coroner/Medical Examiner**

Other Per Diem and Fees	\$ 118,842
Other Contracted Services	12,000
Total County Coroner/Medical Examiner	130,842

**Public Safety Grants Program**

Accountants/Bookkeepers	\$ 23,006
Other Salaries and Wages	93,402
Social Security	6,832
Pensions	8,807
Medical Insurance	6,006
Unemployment Compensation	54
Employer Medicare	1,598
Travel	997
Other Contracted Services	77,713
Office Supplies	23,646
Total Public Safety Grants Program	242,061

**Other Public Safety**

County Official/Administrative Officer	\$ 73,750
Assistant(s)	61,383
Supervisor/Director	47,608
Dispatchers/Radio Operators	374,599
Clerical Personnel	26,133
Part-time Personnel	45,634
Longevity Pay	15,350

(Continued)

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

## Public Safety (Cont.)

**Other Public Safety (Cont.)**

Overtime Pay	\$ 9,326
Other Salaries and Wages	48,028
In-service Training	40
Social Security	42,087
Pensions	53,609
Medical Insurance	115,288
Unemployment Compensation	496
Employer Medicare	9,843
Maintenance and Repair Services - Equipment	5,370
Total Other Public Safety	\$ 928,544

## Public Health and Welfare

**Local Health Center**

Custodial Personnel	\$ 5,400
Architects	37,836
Communication	16,321
Dues and Memberships	375
Maintenance and Repair Services - Buildings	3,720
Postal Charges	246
Custodial Supplies	569
Office Supplies	861
Other Charges	4,861
Site Development	2,302,692
Total Local Health Center	2,372,881

**Alcohol and Drug Programs**

Other Contracted Services	\$ 75,000
Total Alcohol and Drug Programs	75,000

**Other Local Health Services**

Contributions	\$ 8,000
Other Contracted Services	143,126
Total Other Local Health Services	151,126

**Appropriation to State**

Contracts with Government Agencies	\$ 738
Total Appropriation to State	738

(Continued)

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

## Public Health and Welfare (Cont.)

**Waste Pickup**

Supervisor/Director	\$ 28,937
Part-time Personnel	5,000
Social Security	2,050
Pensions	2,596
Medical Insurance	1,756
Unemployment Compensation	52
Employer Medicare	479
Maintenance and Repair Services - Vehicles	2,299
Gasoline	4,554
Other Supplies and Materials	1,558
Other Charges	5,000
<b>Total Waste Pickup</b>	<b>\$ 54,281</b>

## Social, Cultural, and Recreational Services

**Adult Activities**

Contributions	\$ 4,733
<b>Total Adult Activities</b>	<b>4,733</b>

**Senior Citizens Assistance**

Contributions	\$ 17,500
<b>Total Senior Citizens Assistance</b>	<b>17,500</b>

**Libraries**

Contributions	\$ 56,500
<b>Total Libraries</b>	<b>56,500</b>

**Other Social, Cultural, and Recreational**

Contributions	\$ 17,190
<b>Total Other Social, Cultural, and Recreational</b>	<b>17,190</b>

## Agriculture and Natural Resources

**Agricultural Extension Service**

Assistant(s)	\$ 53,082
Supervisor/Director	17,179
Other Salaries and Wages	242
Social Security	2,369

(Continued)

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

## Agriculture and Natural Resources (Cont.)

**Agricultural Extension Service (Cont.)**

Pensions	\$ 4,538
Medical Insurance	8,985
Other Fringe Benefits	13,269
Communication	3,607
Postal Charges	250
Custodial Supplies	448
Office Supplies	1,974
Workers' Compensation Insurance	77
Total Agricultural Extension Service	\$ 106,020

**Soil Conservation**

Secretary(ies)	\$ 21,273
Social Security	1,307
Pensions	1,627
Unemployment Compensation	28
Employer Medicare	306
Total Soil Conservation	24,541

**Flood Control**

Other Contracted Services	\$ 28,835
Total Flood Control	28,835

## Other Operations

**Tourism**

Contributions	\$ 41,250
Other Charges	3,492
Total Tourism	44,742

**Industrial Development**

Contributions	\$ 51,318
Other Charges	492
Total Industrial Development	51,810

**Veterans' Services**

Supervisor/Director	\$ 37,754
Secretary(ies)	27,882

(Continued)

**HENDERSON COUNTY, TENNESSEE****Schedule of Detailed Expenditures -****All Governmental Fund Types (Cont.)****General Fund (Cont.)****Other Operations (Cont.)****Veterans' Services (Cont.)**

Social Security	\$ 3,958
Pensions	5,021
Medical Insurance	5,972
Unemployment Compensation	56
Employer Medicare	926
Travel	1,384
Office Supplies	785
Office Equipment	500
Total Veterans' Services	\$ 84,238

**Other Charges**

Building and Contents Insurance	\$ 148,179
Liability Insurance	201,390
Vehicle and Equipment Insurance	145,161
Workers' Compensation Insurance	128,518
Total Other Charges	623,248

**Miscellaneous**

Architects	\$ 21,400
Dues and Memberships	3,299
Legal Services	1,981
Legal Notices, Recording, and Court Costs	1,452
Other Contracted Services	6,000
Asphalt - Liquid	66,500
Office Supplies	502
Trustee's Commission	181,468
Other Charges	128,271
Airport Improvement	137,138
Site Development	1,885,940
Total Miscellaneous	2,433,951
Total General Fund	\$ 18,886,714

(Continued)

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

## Public Health and Welfare

**Sanitation Education/Information**

Supervisor/Director	\$ 88,273
Part-time Personnel	211,025
Overtime Pay	5,913
Social Security	18,749
Pensions	12,334
Medical Insurance	7,976
Unemployment Compensation	529
Employer Medicare	4,385
Communication	1,817
Contracts with Private Agencies	234,323
Legal Notices, Recording, and Court Costs	713
Maintenance Agreements	1,974
Maintenance and Repair Services - Buildings	6,088
Maintenance and Repair Services - Equipment	18,289
Maintenance and Repair Services - Vehicles	9,001
Custodial Supplies	5,799
Gasoline	21,423
Office Supplies	62
Tires and Tubes	15,913
Utilities	18,095
Other Supplies and Materials	154
Trustee's Commission	11,972
Landfill Closure/Postclosure Care Costs	14,874
Other Charges	943
Motor Vehicles	43,751
Other Capital Outlay	158,864
Total Sanitation Education/Information	<u>\$ 913,239</u>

Total Solid Waste/Sanitation Fund

\$ 913,239

**Drug Control Fund**

## Public Safety

**Drug Enforcement**

Trustee's Commission	\$ 148
Other Charges	5,027
Motor Vehicles	22,383
Total Drug Enforcement	<u>\$ 27,558</u>

Total Drug Control Fund

27,558

(Continued)

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

## General Government

**County Buildings**

Maintenance and Repair Services - Buildings	\$ 24,777
Total County Buildings	<u>\$ 24,777</u>

## Public Safety

**Sheriff's Department**

Other Equipment	\$ 348
Total Sheriff's Department	<u>348</u>

**Workhouse**

Other Equipment	\$ 21,361
Total Workhouse	<u>21,361</u>

## Other Operations

**Contributions to Other Agencies**

Contributions	\$ 452,500
Total Contributions to Other Agencies	<u>452,500</u>

Total Other General Government Fund	\$ 498,986
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**Constitutional Officers - Fees Fund**

## Administration of Justice

**Chancery Court**

Special Commissioner Fees/Special Master Fees	\$ 31,740
Total Chancery Court	<u>\$ 31,740</u>

Total Constitutional Officers - Fees Fund	31,740
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**Highway/Public Works Fund**

## Highways

**Administration**

County Official/Administrative Officer	\$ 115,254
Secretary(ies)	32,232
Social Security	10,755
Pensions	12,539
Medical Insurance	20,563
Unemployment Compensation	210

(Continued)

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

Employer Medicare	\$ 462
Dues and Memberships	3,976
Legal Notices, Recording, and Court Costs	1,344
Maintenance and Repair Services - Office Equipment	1,229
Office Supplies	1,039
Other Charges	3,545
<b>Total Administration</b>	<b>\$ 203,148</b>

**Highway and Bridge Maintenance**

Foremen	\$ 36,190
Equipment Operators	271,926
Truck Drivers	368,937
Laborers	205,721
Overtime Pay	27,181
Social Security	55,023
Pensions	67,662
Medical Insurance	169,785
Unemployment Compensation	5,381
Employer Medicare	12,868
Evaluation and Testing	950
Other Contracted Services	35,116
Asphalt - Cold Mix	13,068
Asphalt - Liquid	1,172,615
Crushed Stone	230,691
Pipe	91,491
Road Signs	14,428
Wood Products	14,973
Other Supplies and Materials	22,415
<b>Total Highway and Bridge Maintenance</b>	<b>2,816,421</b>

**Operation and Maintenance of Equipment**

Mechanic(s)	\$ 42,335
Overtime Pay	1,110
Social Security	2,671
Medical Insurance	7,719
Unemployment Compensation	210

(Continued)

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

Employer Medicare	\$ 625
Laundry Service	20,919
Maintenance and Repair Services - Equipment	3,337
Diesel Fuel	136,361
Equipment and Machinery Parts	201,700
Gasoline	27,315
Lubricants	8,673
Tires and Tubes	44,263
Other Supplies and Materials	3,704
Other Equipment	3,000
Total Operation and Maintenance of Equipment	\$ 503,942

**Other Charges**

Communication	\$ 6,813
Maintenance and Repair Services - Buildings	2,211
Custodial Supplies	773
Utilities	8,034
Liability Insurance	51,450
Trustee's Commission	32,386
Workers' Compensation Insurance	56,700
Total Other Charges	158,367

**Employee Benefits**

Employee and Dependent Insurance	\$ 3,714
Total Employee Benefits	3,714

**Capital Outlay**

Highway Equipment	\$ 94,310
Motor Vehicles	41,180
State Aid Projects	444,318
Total Capital Outlay	579,808

Total Highway/Public Works Fund	\$ 4,265,400
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(Continued)

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

## Principal on Debt

**General Government**

Principal on Bonds

Total General Government

\$ 1,185,750	\$ 1,185,750
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**Education**

Principal on Bonds

Principal on Other Loans

Total Education

\$ 239,250	\$ 93,480
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332,730

## Interest on Debt

**General Government**

Interest on Bonds

Total General Government

\$ 182,330	\$ 182,330
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**Education**

Interest on Bonds

Interest on Other Loans

Total Education

\$ 18,922	\$ 9,540
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28,462

## Other Debt Service

**General Government**

Fiscal Agent Charges

Trustee's Commission

Total General Government

\$ 2,605	\$ 24,943
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27,548

**Education**

Fiscal Agent Charges

Total Education

\$ 733	\$ 733
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Total General Debt Service Fund

\$ 1,757,553

**Rural Debt Service Fund**

## Principal on Debt

**Education**

Principal on Bonds

Total Education

\$ 305,000	\$ 305,000
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(Continued)

**HENDERSON COUNTY, TENNESSEE****Schedule of Detailed Expenditures -****All Governmental Fund Types (Cont.)****Rural Debt Service Fund (Cont.)**

## Interest on Debt

**Education**

Interest on Bonds

\$ 51,350

Total Education

\$ 51,350

## Other Debt Service

**Education**

Fiscal Agent Charges

\$ 1,750

Trustee's Commission

442

Total Education

2,192

Total Rural Debt Service Fund

\$ 358,542

**General Capital Projects Fund**

## Public Safety

**Sheriff's Department**

Motor Vehicles

\$ 108,920

Total Sheriff's Department

\$ 108,920

## Other Operations

**Miscellaneous**

Trustee's Commission

\$ 8,341

Total Miscellaneous

8,341

Total General Capital Projects Fund

117,261

Total Governmental Funds - Primary Government

\$ 26,856,993

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

Discretely Presented Henderson County School Department

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

## Instruction

**Regular Instruction Program**

Teachers	\$ 12,689,133
Career Ladder Program	17,000
Homebound Teachers	412
Salary Supplements	181,700
Clerical Personnel	574,348
Educational Assistants	309,005
Other Salaries and Wages	611,689
Non-certified Substitute Teachers	322,480
Social Security	840,901
Pensions	1,003,151
Medical Insurance	1,685,265
Employer Medicare	198,657
Tuition	55,179
Other Contracted Services	61,767
Instructional Supplies and Materials	232,018
Textbooks - Electronic	8,424
Textbooks - Bound	48,856
Software	125
Other Supplies and Materials	28,708
TISA - On-behalf Payments	66,694
Other Charges	157,629
<b>Total Regular Instruction Program</b>	<b>\$ 19,093,141</b>

**Alternative Instruction Program**

Educational Assistants	\$ 23,982
Social Security	1,487
Pensions	1,835
Employer Medicare	348
Instructional Supplies and Materials	220
Other Equipment	3,500
<b>Total Alternative Instruction Program</b>	<b>31,372</b>

**Special Education Program**

Teachers	\$ 1,712,596
Career Ladder Program	5,000

(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

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

Instruction (Cont.)

**Special Education Program (Cont.)**

Homebound Teachers	\$ 6,975
Educational Assistants	566,953
Speech Pathologist	233,766
Other Salaries and Wages	73,117
Non-certified Substitute Teachers	33,268
Social Security	146,959
Pensions	175,508
Medical Insurance	293,072
Employer Medicare	35,361
Contracts with Private Agencies	79,658
Instructional Supplies and Materials	2,113
Other Supplies and Materials	174
TISA - On-behalf Payments	25,930
Other Charges	2,117
Special Education Equipment	77,732
<b>Total Special Education Program</b>	<b>\$ 3,470,299</b>

**Career and Technical Education Program**

Teachers	\$ 923,076
Guidance Personnel	9,762
Other Salaries and Wages	43,045
Non-certified Substitute Teachers	19,385
Social Security	56,907
Pensions	68,658
Medical Insurance	130,078
Employer Medicare	13,309
Travel	88
Instructional Supplies and Materials	45,415
Software	15,608
Other Supplies and Materials	29,089
Vocational Instruction Equipment	81,356
<b>Total Career and Technical Education Program</b>	<b>\$ 1,435,776</b>

**Adult Education Program**

Teachers	\$ 183,638
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(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

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

## Instruction (Cont.)

**Adult Education Program (Cont.)**

Other Salaries and Wages	\$ 131,811
Social Security	18,640
Pensions	10,591
Medical Insurance	11,494
Employer Medicare	4,480
Contracts with Private Agencies	12,376
Travel	1,810
Other Supplies and Materials	9,915
In Service/Staff Development	2,278
Other Charges	5,030
Other Equipment	47,910
Total Adult Education Program	\$ 439,973

## Support Services

**Attendance**

Supervisor/Director	\$ 171,891
Social Security	9,443
Pensions	10,932
Medical Insurance	28,880
Employer Medicare	2,208
Other Supplies and Materials	356
Total Attendance	223,710

**Health Services**

Supervisor/Director	\$ 9,500
Medical Personnel	445,276
Social Security	26,066
Pensions	34,430
Medical Insurance	56,717
Employer Medicare	6,096
Travel	1,836
Instructional Supplies and Materials	6,401
Other Supplies and Materials	6,466
In Service/Staff Development	2,762
Other Charges	1,392
Total Health Services	596,942

(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

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

## Support Services (Cont.)

**Other Student Support**

Career Ladder Program	\$ 2,000
Guidance Personnel	1,037,010
Other Salaries and Wages	93,632
Social Security	61,294
Pensions	68,963
Medical Insurance	121,772
Employer Medicare	15,286
Communication	36,642
Contributions	59,954
Data Processing Services	35,515
Evaluation and Testing	10,000
Internet Connectivity	326,042
Travel	2,282
Other Contracted Services	21,323
Instructional Supplies and Materials	363,685
In Service/Staff Development	4,208
Other Charges	84,476
Regular Instruction Equipment	269,183
Other Equipment	54,007
Total Other Student Support	\$ 2,667,274

**Regular Instruction Program**

Supervisor/Director	\$ 117,174
Career Ladder Program	2,000
Librarians	559,675
Other Salaries and Wages	13,102
Social Security	38,581
Pensions	40,534
Medical Insurance	63,271
Employer Medicare	9,446
Travel	25,465
Other Contracted Services	5,800
Library Books/Media	47,100
Other Supplies and Materials	116
In Service/Staff Development	30,240
Other Charges	13,454
Total Regular Instruction Program	965,958

(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

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

## Support Services (Cont.)

**Alternative Instruction Program**

Supervisor/Director	\$ 70,511
Social Security	4,129
Pensions	4,485
Medical Insurance	5,935
Employer Medicare	966
<b>Total Alternative Instruction Program</b>	<b>\$ 86,026</b>

**Special Education Program**

Supervisor/Director	\$ 82,760
Career Ladder Program	1,600
Psychological Personnel	40,807
Assessment Personnel	69,883
Other Salaries and Wages	9,432
Social Security	10,961
Pensions	9,772
Medical Insurance	5,797
Employer Medicare	2,907
Communication	5,938
Postal Charges	200
Travel	13,936
Other Supplies and Materials	2,544
In Service/Staff Development	10,241
Other Equipment	336
<b>Total Special Education Program</b>	<b>267,114</b>

**Career and Technical Education Program**

Supervisor/Director	\$ 53,421
Other Salaries and Wages	11,000
Social Security	2,618
Pensions	700
Employer Medicare	934
Travel	1,608
Other Contracted Services	55,054
Other Supplies and Materials	575
In Service/Staff Development	1,010
Other Charges	20,136
<b>Total Career and Technical Education Program</b>	<b>147,056</b>

(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

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

## Support Services (Cont.)

**Technology**

Other Salaries and Wages	\$ 255,557
Social Security	14,725
Pensions	20,080
Medical Insurance	27,047
Employer Medicare	3,444
Internet Connectivity	<u>184,511</u>
Total Technology	\$ 505,364

**Adult Programs**

Supervisor/Director	\$ 89,198
Other Salaries and Wages	36,500
Social Security	7,414
Pensions	8,465
Medical Insurance	11,139
Employer Medicare	1,734
Travel	1,412
Other Charges	<u>4,650</u>
Total Adult Programs	160,512

**Other Programs**

On-behalf Payments to OPEB	\$ 90,859
Total Other Programs	90,859

**Board of Education**

Board and Committee Members Fees	\$ 52,800
Social Security	2,646
Medical Insurance	23,957
Employer Medicare	619
Audit Services	20,750
Dues and Memberships	3,550
Legal Services	12,110
Travel	209
Office Supplies	417
Trustee's Commission	114,782
Workers' Compensation Insurance	284,893

(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

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

## Support Services (Cont.)

**Board of Education (Cont.)**

In Service/Staff Development	\$ 708
Other Charges	<u>1,718</u>
Total Board of Education	\$ 519,159

**Director of Schools**

County Official/Administrative Officer	\$ 125,670
Career Ladder Program	500
Other Salaries and Wages	49,000
Social Security	10,816
Pensions	8,056
Employer Medicare	2,529
Dues and Memberships	19,778
Postal Charges	1,451
Travel	2,643
Office Supplies	4,948
Other Charges	<u>1,649</u>
Total Director of Schools	227,040

**Office of the Principal**

Principals	\$ 800,450
Career Ladder Program	4,000
Assistant Principals	595,323
Social Security	80,264
Pensions	89,025
Medical Insurance	175,631
Employer Medicare	18,771
Travel	1,729
In Service/Staff Development	<u>321</u>
Total Office of the Principal	1,765,514

**Fiscal Services**

Internal Audit Personnel	\$ 6,000
Clerical Personnel	89,049
Social Security	5,648
Pensions	7,194

(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

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

## Support Services (Cont.)

**Fiscal Services (Cont.)**

Medical Insurance	\$ 3,794
Employer Medicare	1,321
Maintenance and Repair Services - Equipment	<u>8,382</u>
Total Fiscal Services	\$ 121,388

**Operation of Plant**

Supervisor/Director	\$ 78,522
Custodial Personnel	789,214
Social Security	50,700
Pensions	51,203
Medical Insurance	56,166
Employer Medicare	11,857
Janitorial Services	108,959
Disposal Fees	30,512
Other Contracted Services	20,317
Custodial Supplies	122,051
Utilities	1,064,237
Building and Contents Insurance	450,751
Other Charges	<u>3,004</u>
Total Operation of Plant	2,837,493

**Maintenance of Plant**

Supervisor/Director	\$ 75,100
Maintenance Personnel	250,717
Social Security	19,148
Pensions	24,890
Medical Insurance	29,522
Employer Medicare	4,478
Maintenance and Repair Services - Buildings	228,881
Maintenance and Repair Services - Equipment	106,885
Maintenance and Repair Services - Vehicles	19,204
Pest Control	30,300
Travel	7,620
Other Contracted Services	7,504
Gasoline	29,046

(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

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

## Support Services (Cont.)

**Maintenance of Plant (Cont.)**

Other Supplies and Materials	\$ 4,315
Other Charges	10,675
Maintenance Equipment	<u>13,650</u>
Total Maintenance of Plant	\$ 861,935

**Transportation**

Bus Drivers	\$ 80,789
Social Security	4,997
Pensions	3,523
Employer Medicare	1,169
Contracts with Vehicle Owners	20,156
Maintenance and Repair Services - Vehicles	553
Other Contracted Services	5,682
Diesel Fuel	4,589
Gasoline	19,033
Other Charges	80
Total Transportation	140,571

## Operation of Non-Instructional Services

**Food Service**

Supervisor/Director	\$ 43,354
Clerical Personnel	32,000
Cafeteria Personnel	7,466
Other Salaries and Wages	10,000
Social Security	3,565
Pensions	4,467
Medical Insurance	5,229
Employer Medicare	834
Travel	871
Food Supplies	3,903
Other Supplies and Materials	908
Other Charges	330
Food Service Equipment	<u>2,693</u>
Total Food Service	115,620

(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

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

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

**Early Childhood Education**

Supervisor/Director	\$ 15,787
Teachers	396,571
Educational Assistants	151,280
Other Salaries and Wages	900
Social Security	32,060
Pensions	39,638
Medical Insurance	79,719
Employer Medicare	7,498
Communication	2,016
Travel	2,401
Food Supplies	2,369
Other Supplies and Materials	9,654
In Service/Staff Development	594
Other Equipment	5,500
Total Early Childhood Education	\$ 745,987

## Capital Outlay

**Regular Capital Outlay**

Architects	\$ 40,378
Building Improvements	593,392
Site Development	913,822
Other Capital Outlay	421,194
Total Regular Capital Outlay	\$ 1,968,786

## Other Debt Service

**Education**

Debt Service Contribution to Primary Government	\$ 459,958
Total Education	\$ 459,958

## Total General Purpose School Fund

\$ 39,944,827

**School Federal Projects Fund**

## Instruction

**Regular Instruction Program**

Teachers	\$ 75,729
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(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

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

## Instruction (Cont.)

**Regular Instruction Program (Cont.)**

Educational Assistants	\$ 400,683
Social Security	26,600
Pensions	34,173
Medical Insurance	86,695
Employer Medicare	6,221
Instructional Supplies and Materials	29,792
Software	<u>233,465</u>
Total Regular Instruction Program	\$ 893,358

**Special Education Program**

Teachers	\$ 53,877
Educational Assistants	544,309
Non-certified Substitute Teachers	80
Social Security	33,101
Pensions	44,741
Medical Insurance	105,454
Employer Medicare	7,741
Instructional Supplies and Materials	19,834
Other Supplies and Materials	493
Special Education Equipment	<u>19,200</u>
Total Special Education Program	828,830

**Career and Technical Education Program**

Other Supplies and Materials	\$ 15,828
Vocational Instruction Equipment	<u>57,701</u>
Total Career and Technical Education Program	73,529

## Support Services

**Health Services**

Other Salaries and Wages	\$ 6,227
Social Security	386
Pensions	498
Employer Medicare	90
Total Health Services	7,201

(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

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

## Support Services (Cont.)

**Other Student Support**

Guidance Personnel	\$ 84,721
Other Salaries and Wages	60,262
Social Security	8,258
Pensions	11,079
Medical Insurance	20,008
Employer Medicare	1,931
In Service/Staff Development	6,207
Other Charges	15,051
Total Other Student Support	\$ 207,517

**Regular Instruction Program**

Supervisor/Director	\$ 89,805
Instructional Coaches	172,984
Other Salaries and Wages	54,210
Social Security	17,365
Pensions	17,329
Medical Insurance	28,293
Employer Medicare	4,360
Travel	1,380
Other Supplies and Materials	414
In Service/Staff Development	59,541
Total Regular Instruction Program	445,681

**Special Education Program**

Secretary(ies)	\$ 31,939
Clerical Personnel	25,946
Social Security	3,589
Pensions	4,428
Employer Medicare	839
Contracts with Other Public Agencies	38,098
Evaluation and Testing	3,322
In Service/Staff Development	15,148
Total Special Education Program	123,309

(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

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

## Support Services (Cont.)

**Transportation**

Bus Drivers	\$ 120,337
Social Security	7,461
Pensions	1,469
Employer Medicare	1,745
Transportation Equipment	<u>65,289</u>
Total Transportation	<u>\$ 196,301</u>

Total School Federal Projects Fund \$ 2,775,726

**Central Cafeteria Fund**

## Operation of Non-Instructional Services

**Food Service**

Cafeteria Personnel	\$ 1,182,225
Social Security	68,905
Pensions	79,894
Medical Insurance	110,076
Employer Medicare	16,115
Travel	575
Food Supplies	1,535,012
Uniforms	4,513
USDA - Commodities	160,467
Other Supplies and Materials	235,310
Food Service Equipment	<u>160,763</u>
Total Food Service	<u>\$ 3,553,855</u>

Total Central Cafeteria Fund 3,553,855

**School Transportation Fund**

## Support Services

**Board of Education**

Trustee's Commission	\$ 28,218
Total Board of Education	\$ 28,218

**Transportation**

Bus Drivers	\$ 238,510
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(Continued)

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

Discretely Presented Henderson County School Department (Cont.)

**School Transportation Fund (Cont.)**

## Support Services (Cont.)

**Transportation (Cont.)**

Social Security	\$ 14,788
Pensions	5,223
Employer Medicare	3,458
Communication	2,151
Contracts with Vehicle Owners	741,095
Maintenance and Repair Services - Vehicles	70,715
Other Contracted Services	16,849
Diesel Fuel	167,817
Gasoline	105
Other Charges	47,979
Total Transportation	<u>\$ 1,308,690</u>

Total School Transportation Fund \$ 1,336,908

**Internal School Fund**

## Operation of Non-Instructional Services

**Community Services**

Other Charges	\$ 2,788,454
Total Community Services	<u>\$ 2,788,454</u>

Total Internal School Fund 2,788,454Total Governmental Funds - Henderson County School Department \$ 50,399,770

## **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***

Henderson County Mayor and  
Board of County Commissioners  
Henderson 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Henderson County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Henderson County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated August 22, 2025. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the Henderson County School Department (a discretely presented component unit) as described in our report on Henderson 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 Henderson County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Henderson County's internal control. Accordingly, we do not express an opinion on the effectiveness of Henderson 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Henderson 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Henderson 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

August 22, 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**

Henderson County Mayor and  
Board of County Commissioners  
Henderson 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 Henderson 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 Henderson County's major federal programs for the year ended June 30, 2025. Henderson 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, Henderson 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 Henderson 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 Henderson 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 Henderson 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 Henderson 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 Henderson 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 Henderson 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 Henderson 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 Henderson 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Henderson County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Henderson County's basic financial statements. We issued our report thereon dated August 22, 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

August 22, 2025

JEM/gc

**HENDERSON COUNTY, TENNESSEE, AND THE HENDERSON COUNTY SCHOOL DEPARTMENT**  
**Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7)**  
**For the Year-Ended June 30, 2025**

<b>Federal/Pass-through Agency/State Grantor Program Title</b>	<b>Assistance Listing Number</b>	<b>Passed-through Entity Identifying Number</b>	<b>Expenditures</b>
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster: (4)			
School Breakfast Program	10.553	N/A	\$ 741,489
National School Lunch Program	10.555	N/A	1,806,789 (6)
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	160,467 (6)
Total U.S. Department of Agriculture			<u>\$ 2,708,745</u>
U.S. Department of Justice:			
Passed-through State Office of Criminal Justice Programs:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	(5)	\$ 223,016
Total U.S. Department of Justice			<u>\$ 223,016</u>
U.S. Department of the Treasury:			
Passed-through State Department of Education:			
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds (ARP)	21.027	N/A	\$ 33,588
Total U.S. Department of the Treasury			<u>\$ 33,588</u>
U.S. Department of Education:			
Passed-through State Department of Labor and Workforce Development:			
Adult Education - Basic Grants to States	84.002	N/A	\$ 573,587
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	827,272
Special Education Cluster (IDEA): (4)			
Special Education Grants to States	84.027	N/A	1,113,923
Special Education Preschool Grants	84.173	N/A	34,517
Career and Technical Education - Basic Grants to States	84.048	N/A	92,528
Supporting Effective Instruction State Grants	84.367	N/A	169,553
Comprehensive Literacy Development	84.371	N/A	4,000
Student Support and Academic Enrichment Program	84.424	N/A	70,555
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	467,377
Total U.S. Department of Education			<u>\$ 3,353,312</u>
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
HAVA Election Security Grants	90.404	30501-02524-39	\$ 4,314
Total U.S. Election Assistance Commission			<u>\$ 4,314</u>
U.S. Department of Homeland Security:			
Passed-through Department of Military:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	(5)	\$ 12,825
Emergency Management Performance Grants	97.042	34101-30225	30,187
Total U.S. Department of Homeland Security			<u>\$ 43,012</u>
Total Expenditures of Federal Grants			<u>\$ 6,365,987</u>

(Continued)

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

<b>State Grants</b>	<b>Contract Number</b>	<b>Expenditures</b>
Juvenile Court State Supplement Funds - State Department of Children's Services	N/A (5)	\$ 13,500
Courtroom Security Grant - State Administrative Office of the Courts	N/A (5)	22,291
Recruitment and Retention Grant - State Department of Commerce and Insurance	N/A 33501-2425112	1,000
Early Childhood Education - State Department of Education	N/A N/A	731,807
Innovation School Model - State Department of Education	N/A N/A	474,610
Site Development Grant - State Department of Economic and Community Development	N/A (5)	975,798
Disaster Grants - Public Assistance (Presidentially Declared Disasters) - State Department of Military	N/A 34101-07125	2,004
State Special Education Preschool Grant - State Department of Education	N/A N/A	131,932
COVID 19 - Summer Learning Camps - State Department of Education	N/A N/A	146,315
COVID 19 - Summer Learning Transportation - State Department of Education	N/A N/A	14,460
Litter Program - State Department of Transportation	N/A 40100-51196	19,146
Multimodal Access Grant - State Department of Transportation	N/A (5)	4,912
Three Star Grant Program - State of Tennessee Department of Economic and Community Development	N/A (5)	19,905
Local Parks and Recreation Fund - State Department of Environment and Conservation	N/A (5)	239,045
Election Security Grant - Tennessee Secretary of State	N/A (5)	863
Volunteer Firefighter Educational Incentive Pay - State Department of Commerce and Insurance	N/A (5)	25,400
Volunteer Firefighter Equipment and Training Grant Program - State Department of Commerce and Insurance	N/A 33501-2525331	35,800
Local Health Department Capital Investment Project - State Department of Health	N/A (5)	1,927,789
Statewide School Resource Officer (SRO) Grant Program - State Department of Safety and Homeland Security	N/A 34901-01536	675,000
Evidence-Based Programming Project - State Office of Criminal Justice Programs	N/A (5)	242,060
2024 PPP Election - Tennessee Secretary of State	N/A (5)	
Capital Maintenance and Improvement Grant - Tennessee State Museum	N/A (5)	75,600
Total State Grants		\$ 5,779,237

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) Henderson 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 \$2,708,745; Special Education Cluster (IDEA) total \$1,148,440.

(5) Information not available.

(6) Total for ALN 10.555 is \$1,967,256.

(7) CONSOLIDATED ADMINISTRATION

The following amounts were consolidated for administration purposes:

Program Title	ALN	Amount Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	\$ 115,673
Supporting Effective Instruction State Grant	84.367	28,833
Student Support and Academic Enrichment Program	84.424	881
Total amounts consolidated for administration purposes		\$ 145,387

**HENDERSON 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 Henderson 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 DIRECTOR OF FINANCE**

2024	187	2024-001	Competitive bids were not solicited for the purchase of generators.	N/A	Corrected
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**Prior-year Federal Awards Findings**

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

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

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

**Financial Statements:**

1. Our report on the financial statements of Henderson County is unmodified.
2. Internal Control Over Financial Reporting:

* Material weakness identified?	<b>NO</b>
* Significant deficiency identified?	<b>NONE REPORTED</b>
3. Noncompliance material to the financial statements noted? **NO**

**Federal Awards:**

4. Internal Control Over Major Federal Programs:

* Material weakness identified?	<b>NO</b>
* Significant deficiency identified?	<b>NONE REPORTED</b>
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:

* Assistance Listing Numbers: 10.553 and 10.555	Child Nutrition Cluster: School Breakfast Program and National School Lunch Program
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8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **YES**

## **PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS**

There were no findings and recommendations as a result of our audit of the financial statements of Henderson County, Tennessee.

### **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.

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

The audit of Henderson County did not report findings and recommendations. Therefore, no management responses are 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).