



## ANNUAL FINANCIAL REPORT

### Carter County, Tennessee

*For the Year Ended June 30, 2022*

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



**DIVISION OF  
LOCAL GOVERNMENT AUDIT**

**ANNUAL FINANCIAL REPORT**  
**CARTER COUNTY, TENNESSEE**  
**FOR THE YEAR ENDED JUNE 30, 2022**

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

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

*MARK TREECE, CPA, CGFM*  
*Audit Manager*

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

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## ***Summary of Audit Findings***

Annual Financial Report  
Carter County, Tennessee  
For the Year Ended June 30, 2022

### ***Scope***

We have audited the basic financial statements of Carter County as of and for the year ended June 30, 2022.

### ***Results***

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

Our audit resulted in 11 findings and recommendations, which we have reviewed with Carter County management. Detailed findings, recommendations, and management's responses are included in the Single Audit section of this report.

### ***Findings***

The following are summaries of the audit findings:

#### **OFFICE OF FINANCE DIRECTOR**

- ◆ The accounting records for various funds had not been properly maintained.
  - ◆ The county had deficiencies in budget operations.
  - ◆ Deficiencies were noted in the posting of journal entries.
  - ◆ Deficiencies were noted in the maintenance of capital asset records.
  - ◆ The office had purchasing deficiencies.
  - ◆ The School Federal Projects and Other Education Special Revenue funds had fund deficits at June 30, 2022.
- 



## **OFFICES OF SOLID WASTE DEPARTMENT AND DIRECTOR OF SCHOOLS**

- ◆ The Carter County Solid Waste and School Transportation Departments are currently being investigated.
- 

### **OFFICE OF SOLID WASTE DEPARTMENT**

- ◆ The department had accounting deficiencies.
  - ◆ The Solid Waste Office had deficiencies in computer system backup procedures.
  - ◆ The Solid Waste Office did not review its software audit logs.
- 

### **OFFICE OF SHERIFF - FORMER SHERIFF DEXTER LUNCEFORD**

- ◆ The sheriff did not obtain a letter of agreement or court degree to authorize deputy hires.
- 



# INTRODUCTORY SECTION



## Carter County Officials

June 30, 2022

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### Officials

Patty Woodby, County Mayor  
Roger Colbaugh, Highway Superintendent  
Tracy McAbee, Director of Schools  
Randal Lewis, Trustee  
Ronnie Taylor, Assessor of Property  
Mary Gouge, County Clerk  
Johnny Blankenship, Circuit and General Sessions Courts Clerk  
Andrew LaPorte, Clerk and Master  
Jarrod Ellis, Register of Deeds  
Dexter Lunceford, Sheriff  
Carolyn Watson, Finance Director

### Board of County Commissioners

|                            |                    |
|----------------------------|--------------------|
| Ginger Holdren, Chairwoman | Travis Hill        |
| Robert Acuff               | Austin Jaynes      |
| Gary Bailey                | Randall Jenkins    |
| Mark Blevins               | Bradley Johnson    |
| Nancy Brown                | Daniel McInturff   |
| Willie Campbell            | Robin McKamey      |
| Sonja Culler               | Mike Miller        |
| Kelly Collins              | Jerry Proffitt     |
| Aaron Frazier              | Thomas Proffitt    |
| Ross Garland               | Mark Tester        |
| Isaiah Grindstaff          | Charles Von Cannon |
| Julie Guinn                | Layla Ward         |

### Board of Education

|                        |                |
|------------------------|----------------|
| Tony Garland, Chairman | Dylan Hill     |
| Keith Bowers, Sr.      | Chris Hitechew |
| David Buck             | Creola Miller  |
| Kelly Crain            | Danny Ward     |

### Financial Management Committee

|                           |  |
|---------------------------|--|
| Bradley Johnson, Chairman | Patty Woodby, County Mayor             |
| Ginger Holdren            | Roger Colbaugh, Highway Superintendent |
| Austin Jaynes             | Tracy McAbee, Director of Schools      |
| Mark Tester               |  |

### Audit Committee

|                          |                  |
|--------------------------|------------------|
| Margaret Moses, Chairman | Carter Honeycutt |
| Travis Hill              | Margaret Pate    |

## FINANCIAL SECTION



JASON E. MUMPOWER  
*Comptroller*

## Independent Auditor's Report

Carter County Mayor and  
Board of County Commissioners  
Carter 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 Carter County, Tennessee, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Carter County, Tennessee, as of June 30, 2022, and the respective changes in financial position and the respective budgetary comparison for the General, Other General Government, 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, a special revenue fund of the discretely presented Carter County School Department, which represent 1.38 percent, 2.44 percent, and 1.86 percent, respectively, of the assets, net position, and revenues of the discretely presented Carter County School Department. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Internal School Fund of the Carter County School Department, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Carter County, Tennessee, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to

our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Change in Accounting Principle***

As described in Note V.B., Carter County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. GASB 87 establishes a single approach to accounting for and reporting leases by state and local governments. 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 Carter 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 GAAS 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 GAAS 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 Carter 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 Carter County's ability to continue as a going concern for a reasonable period of time.

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

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

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

Accounting principles generally accepted in the United States of America require that the schedule of changes in the county's net pension liability (asset) and related ratios, schedules of county and school contributions, schedules of school's proportionate share of the net pension liability (asset), and schedules of county and school changes in the total 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 Carter County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds, combining and individual fund financial statements of the Carter County School Department (a discretely presented component unit), and miscellaneous schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other

records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds, combining and individual fund financial statements of the Carter 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***

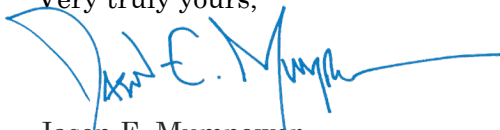
Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, 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 March 3, 2023, on our consideration of Carter 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 Carter 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 Carter County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

March 3, 2023

JEM/tg

# BASIC FINANCIAL STATEMENTS

Exhibit A

Carter County, Tennessee  
Statement of Net Position  
June 30, 2022

|   | Primary<br>Government<br>Governmental<br>Activities | Component<br>Unit<br>Carter<br>County<br>School<br>Department |
|---|---|---|
| <u>ASSETS</u>                                   |   |   |
| Cash  | \$ 24,124   | \$ 2,294,293  |
| Equity in Pooled Cash and Investments           | 40,243,119  | 20,837,251  |
| Accounts Receivable                             | 240,983   | 27,650  |
| Due from Other Governments                      | 2,014,387   | 2,804,513   |
| Due from Primary Government                     | 0   | 50,000  |
| Due from Component Units                        | 284,482   | 0   |
| Property Taxes Receivable                       | 13,028,455  | 6,111,124   |
| Allowance for Uncollectible Property Taxes      | (124,296)   | (58,824)  |
| Prepaid Items                                   | 3,315   | 80,718  |
| Net Pension Asset - Agent Plan                  | 8,414,099   | 4,914,111   |
| Net Pension Asset - Teacher Retirement Plan     | 0   | 365,210   |
| Net Pension Asset - Teacher Legacy Pension Plan | 0   | 23,062,613  |
| Restricted Assets:                              |   |   |
| Amounts Accumulated for Pension Benefits        | 0   | 398,704   |
| Capital Assets:                                 |   |   |
| Assets Not Depreciated:                         |   |   |
| Land  | 2,500,225   | 929,373   |
| Construction in Progress                        | 952,651   | 873,747   |
| Assets Net of Accumulated Depreciation:         |   |   |
| Buildings and Improvements                      | 25,554,069  | 21,335,581  |
| Infrastructure                                  | 22,174,747  | 0   |
| Other Capital Assets                            | 3,312,559   | 1,680,715   |
| Total Assets                                    | <u>\$ 118,622,919</u>                               | <u>\$ 85,706,779</u>  |
| <u>DEFERRED OUTFLOW OF RESOURCES</u>            |   |   |
| Pension Changes in Experience                   | \$ 26,350   | \$ 99,247   |
| Pension Changes in Assumptions                  | 2,329,299   | 7,654,060   |
| Pension Changes in Proportion                   | 0   | 205,012   |
| Pension Contributions after Measurement Date    | 796,786   | 2,484,939   |
| OPEB Changes in Experience                      | 254,486   | 2,635,000   |
| OPEB Changes in Assumptions                     | 0   | 1,302,402   |
| OPEB Changes in Proportion                      | 0   | 778,546   |
| OPEB Contributions after Measurement Date       | 0   | 824,984   |
| Total Deferred Outflows of Resources            | <u>\$ 3,406,921</u>                                 | <u>\$ 15,984,190</u>  |
| <u>LIABILITIES</u>                              |   |   |
| Accounts Payable                                | \$ 570,243  | \$ 393,390  |
| Accrued Payroll                                 | 520,227   | 4,731   |
| Accrued Interest Payable                        | 32,066  | 0   |
| Payroll Deductions Payable                      | 8,976   | 734,801   |
| Contracts Payable                               | 758,825   | 322,582   |
| Deferred Compensation Payable                   | 0   | 8,721   |
| Other Withholding Taxes                         | 1,481   | 2,906   |
| Due to Primary Government                       | 0   | 284,482   |
| Due to Component Units                          | 50,000  | 0   |
| Due to State of Tennessee                       | 0   | 29,260  |
| Due to Other Governments                        | 10,438,520  | 0   |

(Continued)



Exhibit A

Carter County, Tennessee  
Statement of Net Position (Cont.)

|  | Primary<br>Government<br>Governmental<br>Activities | Component<br>Unit<br>Carter<br>County<br>School<br>Department |
|--|---|---|
| <u>LIABILITIES (CONT.)</u>             |   |   |
| Other Current Liabilities              | \$ 71,196   | \$ 465,586  |
| Noncurrent Liabilities:                |   |   |
| Due Within One Year - Debt             | 1,290,000   | 0   |
| Due Within One Year - Other            | 524,215   | 189,582   |
| Due in More Than One Year - Debt       | 13,260,381  | 0   |
| Due in More Than One Year - Other      | 3,593,874   | 16,255,016  |
| Total Liabilities                      | <u>\$ 31,120,004</u>                                | <u>\$ 18,691,057</u>  |
| <u>DEFERRED INFLOWS OF RESOURCES</u>   |   |   |
| Deferred Current Property Taxes        | \$ 12,502,298                                       | \$ 5,860,289  |
| Pension Changes in Experience          | 708,176   | 2,403,921   |
| Pension Changes in Investment Earnings | 5,131,732   | 21,599,243  |
| Pension Changes in Proportion          | 0   | 17,255  |
| OPEB Changes in Experience             | 60,535  | 2,952,326   |
| OPEB Changes in Assumptions            | 53,787  | 1,080,741   |
| OPEB Changes in Proportion             | 0   | 892,171   |
| Total Deferred Inflows of Resources    | <u>\$ 18,456,528</u>                                | <u>\$ 34,805,946</u>  |
| <u>NET POSITION</u>                    |   |   |
| Net Investment in Capital Assets       | \$ 39,943,870                                       | \$ 24,819,416   |
| Restricted for:                        |   |   |
| General Government                     | 1,090,528   | 0   |
| Finance                                | 89,040  | 0   |
| Administration of Justice              | 174,910   | 0   |
| Public Safety                          | 808,711   | 0   |
| Public Health and Welfare              | 251,058   | 0   |
| Highways                               | 5,482,215   | 0   |
| Debt Service                           | 1,559,697   | 0   |
| Education                              | 0   | 4,960,072   |
| Capital Projects                       | 1,846,840   | 2,797,899   |
| Pensions                               | 8,414,099   | 28,740,638  |
| Unrestricted                           | <u>12,792,340</u>                                   | <u>(13,124,059)</u>   |
| Total Net Position                     | <u>\$ 72,453,308</u>                                | <u>\$ 48,193,966</u>  |

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

Exhibit B

Carter County, Tennessee  
Statement of Activities  
For the Year Ended June 30, 2022

| Functions/Programs                          |                      |                         |  |  |                                       | Net (Expense) Revenue<br>and Changes in Net Position |                     |
|---|----------------------|-------------------------|--|--|---------------------------------------|--|---------------------|
|   | Expenses             | Program Revenues        |  | Capital<br>Grants and<br>Contributions | Primary<br>Governmental<br>Activities | Component<br>Unit                                    |                     |
|   |                      | Charges for<br>Services | Operating<br>Grants and<br>Contributions |  |                                       | Carter<br>County<br>School<br>Department             |                     |
| Primary Government:                         |                      |                         |  |  |                                       |  |                     |
| Governmental Activities:                    |                      |                         |  |  |                                       |  |                     |
| General Government                          | \$ 2,589,885         | \$ 1,220,151            | \$ 131,144                               | \$ 295,000                             | \$ (943,590)                          | \$   | 0                   |
| Finance                                     | 2,124,597            | 1,652,003               | 0  | 0                                      | (472,594)                             |  | 0                   |
| Administration of Justice                   | 1,254,290            | 843,549                 | 7,100                                    | 0                                      | (403,641)                             |  | 0                   |
| Public Safety                               | 10,288,785           | 2,216,555               | 268,645                                  | 0                                      | (7,803,585)                           |  | 0                   |
| Public Health and Welfare                   | 3,483,403            | 1,887,504               | 494,609                                  | 218,203                                | (883,087)                             |  | 0                   |
| Social, Cultural, and Recreational Services | 730,666              | 0                       | 0  | 0                                      | (730,666)                             |  | 0                   |
| Agriculture and Natural Resources           | 165,719              | 0                       | 0  | 0                                      | (165,719)                             |  | 0                   |
| Highways                                    | 5,794,810            | 502,681                 | 2,812,631                                | 1,783,480                              | (696,018)                             |  | 0                   |
| Interest on Long-term Debt                  | 182,181              | 0                       | 0  | 0                                      | (182,181)                             |  | 0                   |
| Total Primary Government                    | <u>\$ 26,614,336</u> | <u>\$ 8,322,443</u>     | <u>\$ 3,714,129</u>                      | <u>\$ 2,296,683</u>                    | <u>\$ (12,281,081)</u>                | <u>\$</u>  | <u>0</u>            |
| Component Unit:                             |                      |                         |  |  |                                       |  |                     |
| Carter County School Department             | <u>\$ 51,524,437</u> | <u>\$ 297,260</u>       | <u>\$ 14,315,518</u>                     | <u>\$ 525,124</u>                      | <u>\$ 0</u>                           | <u>\$</u>  | <u>(36,386,535)</u> |
| Total Component Unit                        | <u>\$ 51,524,437</u> | <u>\$ 297,260</u>       | <u>\$ 14,315,518</u>                     | <u>\$ 525,124</u>                      | <u>\$ 0</u>                           | <u>\$</u>  | <u>(36,386,535)</u> |

(Continued)

Exhibit B

Carter County, Tennessee  
Statement of Activities (Cont.)

| Functions/Programs   | Expenses | Program Revenues        |  |  | Net (Expense) Revenue<br>and Changes in Net Position |  |
|--|----------|-------------------------|--|--|--|--|
|  |          | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions | Primary<br>Governmental<br>Activities                | Component                                |
|  |          |                         |  |  |  | Unit                                     |
|  |          |                         |  |  |  | Carter<br>County<br>School<br>Department |
| General Revenues:  |          |                         |  |  |  |  |
| Taxes:   |          |                         |  |  |  |  |
| Property Taxes Levied for General Purposes                   |          |                         |  |  | \$ 9,993,824   | \$ 6,018,022                             |
| Property Taxes Levied for Highway/Public Works               |          |                         |  |  | 1,207,793  | 0  |
| Property Taxes Levied for Debt Service                       |          |                         |  |  | 1,402,126  | 0  |
| Local Option Sales Taxes                                     |          |                         |  |  | 2,003,196  | 6,393,049                                |
| Litigation Tax - General                                     |          |                         |  |  | 106,437  | 0  |
| Litigation Tax - Jail, Workhouse, or Courthouse              |          |                         |  |  | 61,292   | 0  |
| Litigation Tax - Special                                     |          |                         |  |  | 8,703  | 0  |
| Litigation Tax - Courtroom Security                          |          |                         |  |  | 111,397  | 0  |
| Other County Local Option Taxes                              |          |                         |  |  | 103,218  | 0  |
| Hotel/Motel Tax  |          |                         |  |  | 369,331  | 0  |
| Business Tax   |          |                         |  |  | 500,500  | 0  |
| Mineral Severance Tax  |          |                         |  |  | 109,500  | 0  |
| Mixed Drink Tax  |          |                         |  |  | 1,902  | 1,267                                    |
| Wholesale Beer Tax   |          |                         |  |  | 27,228   | 0  |
| Beer Privilege Tax   |          |                         |  |  | 142,251  | 0  |
| Grants and Contributions Not Restricted to Specific Programs |          |                         |  |  | 3,210,036  | 34,021,320                               |
| Unrestricted Investment Income                               |          |                         |  |  | 200,828  | 12,826                                   |
| Miscellaneous  |          |                         |  |  | 27,798   | 75,887                                   |
| Total General Revenues                                       |          |                         |  |  | <u>\$ 19,587,360</u>                                 | <u>\$ 46,522,371</u>                     |
| Change in Net Position                                       |          |                         |  |  | \$ 7,306,279   | \$ 10,135,836                            |
| Net Position, July 1, 2021                                   |          |                         |  |  | <u>65,147,029</u>                                    | <u>38,058,130</u>                        |
| Net Position, June 30, 2022                                  |          |                         |  |  | <u><u>\$ 72,453,308</u></u>                          | <u><u>\$ 48,193,966</u></u>              |

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

Exhibit C-1

Carter County, Tennessee  
Balance Sheet  
Governmental Funds  
June 30, 2022

|  | Major Funds          |                               |                        | Nonmajor Funds           |                          |
|--|----------------------|-------------------------------|------------------------|--------------------------|--------------------------|
|  | General              | Other General Government Fund | Highway / Public Works | Other Governmental Funds | Total Governmental Funds |
| <u>ASSETS</u>                              |                      |                               |                        |                          |                          |
| Cash                                       | \$ 3,944             | \$ 0                          | \$ 0                   | \$ 20,180                | \$ 24,124                |
| Equity in Pooled Cash and Investments      | 20,182,220           | 10,457,908                    | 5,574,389              | 4,028,602                | 40,243,119               |
| Accounts Receivable                        | 100,556              | 0                             | 12,724                 | 127,703                  | 240,983                  |
| Due from Other Governments                 | 900,718              | 0                             | 1,099,188              | 14,481                   | 2,014,387                |
| Due from Other Funds                       | 65,658               | 0                             | 435,685                | 522,000                  | 1,023,343                |
| Due from Component Units                   | 284,482              | 0                             | 0                      | 0                        | 284,482                  |
| Property Taxes Receivable                  | 10,445,298           | 0                             | 1,150,011              | 1,433,146                | 13,028,455               |
| Allowance for Uncollectible Property Taxes | (99,146)             | 0                             | (11,425)               | (13,725)                 | (124,296)                |
| Prepaid Items                              | 3,315                | 0                             | 0                      | 0                        | 3,315                    |
| Total Assets                               | <u>\$ 31,887,045</u> | <u>\$ 10,457,908</u>          | <u>\$ 8,260,572</u>    | <u>\$ 6,132,387</u>      | <u>\$ 56,737,912</u>     |
| <u>LIABILITIES</u>                         |                      |                               |                        |                          |                          |
| Accounts Payable                           | \$ 373,045           | \$ 0                          | \$ 56,790              | \$ 140,408               | \$ 570,243               |
| Accrued Payroll                            | 419,400              | 0                             | 71,272                 | 29,555                   | 520,227                  |
| Payroll Deductions Payable                 | 8,976                | 0                             | 0                      | 0                        | 8,976                    |
| Contracts Payable                          | 0                    | 0                             | 758,825                | 0                        | 758,825                  |
| Other Withholding Taxes                    | 1,481                | 0                             | 0                      | 0                        | 1,481                    |
| Due to Other Funds                         | 443,049              | 19,388                        | 0                      | 560,906                  | 1,023,343                |
| Due to Component Units                     | 50,000               | 0                             | 0                      | 0                        | 50,000                   |
| Due to Other Governments                   | 0                    | 10,438,520                    | 0                      | 0                        | 10,438,520               |
| Other Current Liabilities                  | 55,381               | 0                             | 1,374                  | 14,441                   | 71,196                   |
| Total Liabilities                          | <u>\$ 1,351,332</u>  | <u>\$ 10,457,908</u>          | <u>\$ 888,261</u>      | <u>\$ 745,310</u>        | <u>\$ 13,442,811</u>     |

(Continued)

Exhibit C-1

Carter County, Tennessee  
Balance Sheet  
Governmental Funds (Cont.)

|   | Major Funds          |                               |                        | Nonmajor Funds           |                          |
|---|----------------------|-------------------------------|------------------------|--------------------------|--------------------------|
|   | General              | Other General Government Fund | Highway / Public Works | Other Governmental Funds | Total Governmental Funds |
| <u>DEFERRED INFLOWS OF RESOURCES</u>                      |                      |                               |                        |                          |                          |
| Deferred Current Property Taxes                           | \$ 10,027,376        | \$ 0                          | \$ 1,100,061           | \$ 1,374,861             | \$ 12,502,298            |
| Deferred Delinquent Property Taxes                        | 288,270              | 0                             | 34,838                 | 40,296                   | 363,404                  |
| Other Deferred/Unavailable Revenue                        | 431,012              | 0                             | 594,148                | 0                        | 1,025,160                |
| Total Deferred Inflows of Resources                       | <u>\$ 10,746,658</u> | <u>\$ 0</u>                   | <u>\$ 1,729,047</u>    | <u>\$ 1,415,157</u>      | <u>\$ 13,890,862</u>     |
| <u>FUND BALANCES</u>                                      |                      |                               |                        |                          |                          |
| Nonspendable:   |                      |                               |                        |                          |                          |
| Prepaid Items   | \$ 3,315             | \$ 0                          | \$ 0                   | \$ 0                     | \$ 3,315                 |
| Restricted:   |                      |                               |                        |                          |                          |
| Restricted for General Government                         | 1,090,528            | 0                             | 0                      | 0                        | 1,090,528                |
| Restricted for Finance                                    | 89,040               | 0                             | 0                      | 0                        | 89,040                   |
| Restricted for Administration of Justice                  | 174,910              | 0                             | 0                      | 0                        | 174,910                  |
| Restricted for Public Safety                              | 743,698              | 0                             | 0                      | 65,013                   | 808,711                  |
| Restricted for Public Health and Welfare                  | 161,695              | 0                             | 0                      | 89,363                   | 251,058                  |
| Restricted for Highways/Public Works                      | 0                    | 0                             | 4,954,012              | 0                        | 4,954,012                |
| Restricted for Debt Service                               | 0                    | 0                             | 0                      | 1,551,467                | 1,551,467                |
| Restricted for Capital Projects                           | 1,814,585            | 0                             | 0                      | 32,255                   | 1,846,840                |
| Committed:  |                      |                               |                        |                          |                          |
| Committed for General Government                          | 475,012              | 0                             | 0                      | 0                        | 475,012                  |
| Committed for Public Safety                               | 1,597,588            | 0                             | 0                      | 0                        | 1,597,588                |
| Committed for Public Health and Welfare                   | 1,800,027            | 0                             | 0                      | 571,189                  | 2,371,216                |
| Committed for Social, Cultural, and Recreational Services | 0                    | 0                             | 0                      | 69,849                   | 69,849                   |
| Committed for Highways/Public Works                       | 0                    | 0                             | 689,252                | 0                        | 689,252                  |
| Committed for Debt Service                                | 0                    | 0                             | 0                      | 1,576,118                | 1,576,118                |
| Committed for Capital Projects                            | 0                    | 0                             | 0                      | 16,666                   | 16,666                   |

(Continued)

Exhibit C-1

Carter County, Tennessee  
Balance Sheet  
Governmental Funds (Cont.)

|   | Major Funds          |                               |                        | Nonmajor Funds           |                          |
|---|----------------------|-------------------------------|------------------------|--------------------------|--------------------------|
|   | General              | Other General Government Fund | Highway / Public Works | Other Governmental Funds | Total Governmental Funds |
| <u>FUND BALANCES (Cont.)</u>  |                      |                               |                        |                          |                          |
| Assigned:   |                      |                               |                        |                          |                          |
| Assigned for General Government                                     | \$ 284,894           | \$ 0                          | \$ 0                   | \$ 0                     | \$ 284,894               |
| Assigned for Administration of Justice                              | 25,750               | 0                             | 0                      | 0                        | 25,750                   |
| Assigned for Public Safety  | 402,876              | 0                             | 0                      | 0                        | 402,876                  |
| Assigned for Public Health and Welfare                              | 28,229               | 0                             | 0                      | 0                        | 28,229                   |
| Assigned for Other Operations                                       | 118,567              | 0                             | 0                      | 0                        | 118,567                  |
| Assigned for Capital Projects                                       | 284,973              | 0                             | 0                      | 0                        | 284,973                  |
| Unassigned  | 10,693,368           | 0                             | 0                      | 0                        | 10,693,368               |
| Total Fund Balances   | <u>\$ 19,789,055</u> | <u>\$ 0</u>                   | <u>\$ 5,643,264</u>    | <u>\$ 3,971,920</u>      | <u>\$ 29,404,239</u>     |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 31,887,045</u> | <u>\$ 10,457,908</u>          | <u>\$ 8,260,572</u>    | <u>\$ 6,132,387</u>      | <u>\$ 56,737,912</u>     |

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

Exhibit C-2

Carter County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Position  
June 30, 2022

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)  |                  | \$ 29,404,239        |
| (1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.  |                  |                      |
| Add: land   | \$ 2,500,225     |                      |
| Add: construction in progress   | 952,651          |                      |
| Add: buildings and improvements net of accumulated depreciation   | 25,554,069       |                      |
| Add: infrastructure net of accumulated depreciation   | 22,174,747       |                      |
| Add: other capital assets net of accumulated depreciation   | <u>3,312,559</u> | 54,494,251           |
| (2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.   |                  |                      |
| Less: bonds payable   | \$ (14,405,000)  |                      |
| Less: compensated absences payable  | (716,717)        |                      |
| Less: landfill closure/postclosure care costs   | (1,381,250)      |                      |
| Less: OPEB liability  | (2,020,122)      |                      |
| Less: accrued interest on bonds   | (32,066)         |                      |
| Less: unamortized premium on debt   | <u>(145,381)</u> | (18,700,536)         |
| (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   | \$ 3,152,435     |                      |
| Less: deferred inflows of resources related to pensions   | (5,839,908)      |                      |
| Add: deferred outflows of resources related to OPEB   | 254,486          |                      |
| Less: deferred inflows of resources related to OPEB   | <u>(114,322)</u> | (2,547,309)          |
| (4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in governmental funds.  |                  | 8,414,099            |
| (5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.   |                  | <u>1,388,564</u>     |
| Net position of governmental activities (Exhibit A)   |                  | <u>\$ 72,453,308</u> |

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

Exhibit C-3

Carter County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2022

|   | Major Funds   |                               |                        | Nonmajor Funds           |                          |
|---|---------------|-------------------------------|------------------------|--------------------------|--------------------------|
|   | General       | Other General Government Fund | Highway / Public Works | Other Governmental Funds | Total Governmental Funds |
| <u>Revenues</u>                             |               |                               |                        |                          |                          |
| Local Taxes                                 | \$ 13,579,843 | \$ 0                          | \$ 1,339,723           | \$ 1,683,287             | \$ 16,602,853            |
| Licenses and Permits                        | 624,761       | 0                             | 100                    | 0                        | 624,861                  |
| Fines, Forfeitures, and Penalties           | 265,877       | 0                             | 0                      | 39,768                   | 305,645                  |
| Charges for Current Services                | 282,064       | 0                             | 0                      | 1,360,502                | 1,642,566                |
| Other Local Revenues                        | 478,370       | 0                             | 371,116                | 334,443                  | 1,183,929                |
| Fees Received From County Officials         | 2,238,361     | 0                             | 0                      | 0                        | 2,238,361                |
| State of Tennessee                          | 3,013,749     | 0                             | 4,621,052              | 81,900                   | 7,716,701                |
| Federal Government                          | 160,379       | 514,771                       | 173,918                | 0                        | 849,068                  |
| Other Governments and Citizens Groups       | 2,021,931     | 0                             | 131,565                | 0                        | 2,153,496                |
| Total Revenues                              | \$ 22,665,335 | \$ 514,771                    | \$ 6,637,474           | \$ 3,499,900             | \$ 33,317,480            |
| <u>Expenditures</u>                         |               |                               |                        |                          |                          |
| Current:                                    |               |                               |                        |                          |                          |
| General Government                          | \$ 2,829,011  | \$ 0                          | \$ 0                   | \$ 0                     | \$ 2,829,011             |
| Finance                                     | 2,067,887     | 0                             | 0                      | 0                        | 2,067,887                |
| Administration of Justice                   | 1,384,244     | 0                             | 0                      | 6,190                    | 1,390,434                |
| Public Safety                               | 10,292,768    | 150,000                       | 0                      | 14,755                   | 10,457,523               |
| Public Health and Welfare                   | 1,702,529     | 0                             | 0                      | 1,912,968                | 3,615,497                |
| Social, Cultural, and Recreational Services | 262,085       | 0                             | 0                      | 112,701                  | 374,786                  |
| Agriculture and Natural Resources           | 165,719       | 0                             | 0                      | 0                        | 165,719                  |
| Other Operations                            | 802,645       | 364,771                       | 0                      | 0                        | 1,167,416                |
| Highways                                    | 20,547        | 0                             | 5,933,179              | 0                        | 5,953,726                |
| Debt Service:                               |               |                               |                        |                          |                          |
| Principal on Debt                           | 0             | 0                             | 0                      | 1,230,000                | 1,230,000                |
| Interest on Debt                            | 0             | 0                             | 0                      | 207,768                  | 207,768                  |
| Other Debt Service                          | 0             | 0                             | 0                      | 29,799                   | 29,799                   |
| Total Expenditures                          | \$ 19,527,435 | \$ 514,771                    | \$ 5,933,179           | \$ 3,514,181             | \$ 29,489,566            |

(Continued)



Exhibit C-3

Carter County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Governmental Funds (Cont.)

|  | Major Funds   |  |                              | Nonmajor<br>Funds                   |                                |
|--|---------------|--|------------------------------|-------------------------------------|--------------------------------|
|  | General       | Other<br>General<br>Government<br>Fund | Highway /<br>Public<br>Works | Other<br>Govern-<br>mental<br>Funds | Total<br>Governmental<br>Funds |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ 3,137,900  | \$ 0                                   | \$ 704,295                   | \$ (14,281)                         | \$ 3,827,914                   |
| <u>Other Financing Sources (Uses)</u>                |               |  |                              |                                     |                                |
| Insurance Recovery                                   | \$ 226,881    | \$ 0                                   | \$ 12,416                    | \$ 7,241                            | \$ 246,538                     |
| Transfers In   | 0             | 0                                      | 25,000                       | 42,000                              | 67,000                         |
| Transfers Out  | (67,000)      | 0                                      | 0                            | 0                                   | (67,000)                       |
| Total Other Financing Sources (Uses)                 | \$ 159,881    | \$ 0                                   | \$ 37,416                    | \$ 49,241                           | \$ 246,538                     |
| Net Change in Fund Balances                          | \$ 3,297,781  | \$ 0                                   | \$ 741,711                   | \$ 34,960                           | \$ 4,074,452                   |
| Fund Balance, July 1, 2021                           | 16,491,274    | 0                                      | 4,901,553                    | 3,936,960                           | 25,329,787                     |
| Fund Balance, June 30, 2022                          | \$ 19,789,055 | \$ 0                                   | \$ 5,643,264                 | \$ 3,971,920                        | \$ 29,404,239                  |

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

Exhibit C-4

Carter 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, 2022

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)  |                    | \$ 4,074,452        |
| (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   | \$ 2,079,693       |                     |
| Less: current-year depreciation expense   | <u>(2,473,151)</u> | (393,458)           |
| (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, 2022  | \$ 1,388,564       |                     |
| Less: deferred delinquent property taxes and other deferred June 30, 2021   | <u>(785,429)</u>   | 603,135             |
| (3) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt related items. |                    |                     |
| Add: change in unamortized premium on debt issuances  | \$ 23,025          |                     |
| Add: principal payments on bonds  | <u>1,230,000</u>   | 1,253,025           |
| (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 accrued interest payable  | \$ 2,562           |                     |
| Change in compensated absences payable  | 59,655             |                     |
| Change in landfill closure/postclosure care costs   | 111,456            |                     |
| Change in OPEB liability  | 101,863            |                     |
| Change in net pension liability/asset   | 5,110,401          |                     |
| Change in deferred outflows related to pensions   | 1,968,459          |                     |
| Change in deferred inflows related to pensions  | (5,520,668)        |                     |
| Change in deferred inflows related to OPEB  | <u>(64,603)</u>    | 1,769,125           |
| Change in net position of governmental activities (Exhibit B)   |                    | <u>\$ 7,306,279</u> |

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

Exhibit C-5

Carter County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Fund  
For the Year Ended June 30, 2022

|                                       | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2021 | Add:<br>Encumbrances<br>6/30/2022 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |               | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|---------------------------------------|---------------------------|-----------------------------------|-----------------------------------|---|------------------|---------------|--|
|                                       |                           |                                   |                                   |   | Original         | Final         |  |
| <u>Revenues</u>                       |                           |                                   |                                   |   |                  |               |  |
| Local Taxes                           | \$ 13,579,843             | \$ 0                              | \$ 0                              | \$ 13,579,843   | \$ 12,354,519    | \$ 12,228,849 | \$ 1,350,994   |
| Licenses and Permits                  | 624,761                   | 0                                 | 0                                 | 624,761   | 553,838          | 553,838       | 70,923   |
| Fines, Forfeitures, and Penalties     | 265,877                   | 0                                 | 0                                 | 265,877   | 220,875          | 231,375       | 34,502   |
| Charges for Current Services          | 282,064                   | 0                                 | 0                                 | 282,064   | 34,200           | 43,049        | 239,015  |
| Other Local Revenues                  | 478,370                   | 0                                 | 0                                 | 478,370   | 444,940          | 457,950       | 20,420   |
| Fees Received From County Officials   | 2,238,361                 | 0                                 | 0                                 | 2,238,361   | 2,198,100        | 2,198,100     | 40,261   |
| State of Tennessee                    | 3,013,749                 | 0                                 | 0                                 | 3,013,749   | 1,184,528        | 1,267,328     | 1,746,421  |
| Federal Government                    | 160,379                   | 0                                 | 0                                 | 160,379   | 182,100          | 259,040       | (98,661)   |
| Other Governments and Citizens Groups | 2,021,931                 | 0                                 | 0                                 | 2,021,931   | 1,663,018        | 1,710,918     | 311,013  |
| Total Revenues                        | \$ 22,665,335             | \$ 0                              | \$ 0                              | \$ 22,665,335   | \$ 18,836,118    | \$ 18,950,447 | \$ 3,714,888   |
| <u>Expenditures</u>                   |                           |                                   |                                   |   |                  |               |  |
| <u>General Government</u>             |                           |                                   |                                   |   |                  |               |  |
| County Commission                     | \$ 95,574                 | \$ 0                              | \$ 0                              | \$ 95,574   | \$ 135,209       | \$ 741,759    | \$ 646,185   |
| Board of Equalization                 | 5,838                     | 0                                 | 0                                 | 5,838   | 6,202            | 6,202         | 364  |
| County Mayor/Executive                | 268,478                   | 0                                 | 0                                 | 268,478   | 268,217          | 275,360       | 6,882  |
| County Attorney                       | 78,284                    | 0                                 | 0                                 | 78,284  | 83,584           | 83,584        | 5,300  |
| Election Commission                   | 327,905                   | 0                                 | 0                                 | 327,905   | 354,961          | 356,117       | 28,212   |
| Register of Deeds                     | 263,812                   | 0                                 | 0                                 | 263,812   | 264,559          | 269,594       | 5,782  |
| Planning                              | 294,988                   | 0                                 | 0                                 | 294,988   | 377,832          | 408,668       | 113,680  |
| County Buildings                      | 1,156,485                 | (56,900)                          | 597,300                           | 1,696,885   | 1,066,349        | 1,819,140     | 122,255  |
| Other Facilities                      | 334,097                   | 0                                 | 0                                 | 334,097   | 219,790          | 494,790       | 160,693  |
| Preservation of Records               | 3,550                     | 0                                 | 0                                 | 3,550   | 15,800           | 15,800        | 12,250   |
| <u>Finance</u>                        |                           |                                   |                                   |   |                  |               |  |
| Accounting and Budgeting              | 679,264                   | 0                                 | 0                                 | 679,264   | 672,987          | 818,596       | 139,332  |
| Property Assessor's Office            | 397,371                   | 0                                 | 0                                 | 397,371   | 406,039          | 416,440       | 19,069   |
| Reappraisal Program                   | 151,568                   | 0                                 | 0                                 | 151,568   | 164,330          | 166,334       | 14,766   |
| County Trustee's Office               | 366,093                   | 0                                 | 0                                 | 366,093   | 372,569          | 375,462       | 9,369  |
| County Clerk's Office                 | 473,591                   | 0                                 | 0                                 | 473,591   | 503,112          | 507,742       | 34,151   |

(Continued)

## Exhibit C-5

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

|  | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2021 | Add:<br>Encumbrances<br>6/30/2022 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |            | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|------------|--|
|  |                           |                                   |                                   |   | Original         | Final      |  |
| <u>Expenditures (Cont.)</u>                        |                           |                                   |                                   |   |                  |            |  |
| <u>Administration of Justice</u>                   |                           |                                   |                                   |   |                  |            |  |
| Circuit Court                                      | \$ 727,596                | \$ 0                              | \$ 0                              | \$ 727,596  | \$ 756,199       | \$ 784,754 | \$ 57,158  |
| General Sessions Court                             | 256,156                   | 0                                 | 0                                 | 256,156   | 256,839          | 259,942    | 3,786  |
| Drug Court   | 19,853                    | 0                                 | 0                                 | 19,853  | 10,100           | 16,600     | (3,253)  |
| Chancery Court                                     | 363,305                   | 0                                 | 0                                 | 363,305   | 370,184          | 372,497    | 9,192  |
| Other Administration of Justice                    | 17,334                    | 0                                 | 0                                 | 17,334  | 28,725           | 28,725     | 11,391   |
| <u>Public Safety</u>                               |                           |                                   |                                   |   |                  |            |  |
| Sheriff's Department                               | 5,540,230                 | (135,319)                         | 402,876                           | 5,807,787   | 5,014,482        | 6,009,106  | 201,319  |
| Jail   | 3,571,595                 | (172,695)                         | 0                                 | 3,398,900   | 3,971,427        | 3,655,656  | 256,756  |
| Juvenile Services                                  | 189,459                   | 0                                 | 0                                 | 189,459   | 224,366          | 223,522    | 34,063   |
| Fire Prevention and Control                        | 484,406                   | 0                                 | 0                                 | 484,406   | 450,000          | 500,000    | 15,594   |
| Rescue Squad                                       | 322,700                   | 0                                 | 0                                 | 322,700   | 322,700          | 322,700    | 0  |
| Other Emergency Management                         | 149,446                   | 0                                 | 0                                 | 149,446   | 149,214          | 159,417    | 9,971  |
| Inspection and Regulation                          | 3,625                     | 0                                 | 0                                 | 3,625   | 3,844            | 4,044      | 419  |
| County Coroner/Medical Examiner                    | 28,715                    | 0                                 | 0                                 | 28,715  | 28,842           | 35,244     | 6,529  |
| Other Public Safety                                | 2,592                     | 0                                 | 0                                 | 2,592   | 4,065            | 84,065     | 81,473   |
| <u>Public Health and Welfare</u>                   |                           |                                   |                                   |   |                  |            |  |
| Local Health Center                                | 412,428                   | 0                                 | 0                                 | 412,428   | 654,016          | 490,802    | 78,374   |
| Rabies and Animal Control                          | 442,857                   | 0                                 | 0                                 | 442,857   | 492,604          | 470,139    | 27,282   |
| Ambulance/Emergency Medical Services               | 223,663                   | 0                                 | 0                                 | 223,663   | 223,663          | 223,663    | 0  |
| Crippled Children Services                         | 0                         | 0                                 | 0                                 | 0   | 27,809           | 27,809     | 27,809   |
| General Welfare Assistance                         | 5,125                     | 0                                 | 0                                 | 5,125   | 12,000           | 12,000     | 6,875  |
| Other Local Welfare Services                       | 87,158                    | 0                                 | 0                                 | 87,158  | 49,500           | 81,500     | (5,658)  |
| Recycling Center                                   | 348,470                   | (348,470)                         | 0                                 | 0   | 0                | 0          | 0  |
| Other Public Health and Welfare                    | 182,828                   | 0                                 | 0                                 | 182,828   | 143,309          | 204,824    | 21,996   |
| <u>Social, Cultural, and Recreational Services</u> |                           |                                   |                                   |   |                  |            |  |
| Senior Citizens Assistance                         | 61,070                    | 0                                 | 0                                 | 61,070  | 61,070           | 61,070     | 0  |
| Libraries  | 75,000                    | 0                                 | 0                                 | 75,000  | 75,000           | 75,000     | 0  |
| Parks and Fair Boards                              | 106,015                   | 0                                 | 0                                 | 106,015   | 106,670          | 132,000    | 25,985   |
| Other Social, Cultural, and Recreational           | 20,000                    | 0                                 | 0                                 | 20,000  | 25,000           | 25,000     | 5,000  |

(Continued)

Exhibit C-5

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

|  | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2021 | Add:<br>Encumbrances<br>6/30/2022 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |                | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|----------------|--|
|  |                           |                                   |                                   |   | Original         | Final          |  |
| <u>Expenditures (Cont.)</u>                          |                           |                                   |                                   |   |                  |                |  |
| <u>Agriculture and Natural Resources</u>             |                           |                                   |                                   |   |                  |                |  |
| Agricultural Extension Service                       | \$ 119,623                | \$ 0                              | \$ 0                              | \$ 119,623  | \$ 128,093       | \$ 128,094     | \$ 8,471   |
| Flood Control  | 1,096                     | 0                                 | 0                                 | 1,096   | 1,950            | 1,950          | 854  |
| Other Agriculture and Natural Resources              | 45,000                    | 0                                 | 0                                 | 45,000  | 45,000           | 45,000         | 0  |
| <u>Other Operations</u>                              |                           |                                   |                                   |   |                  |                |  |
| Tourism  | 355,880                   | 0                                 | 0                                 | 355,880   | 225,000          | 350,000        | (5,880)  |
| Other Economic and Community Development             | 105,202                   | 0                                 | 0                                 | 105,202   | 48,262           | 125,202        | 20,000   |
| Veterans' Services                                   | 46,874                    | 0                                 | 0                                 | 46,874  | 47,084           | 47,662         | 788  |
| COVID-19 Grant #2                                    | 5,877                     | 0                                 | 0                                 | 5,877   | 0                | 1,492          | (4,385)  |
| COVID-19 Grant A                                     | 29,473                    | 0                                 | 0                                 | 29,473  | 0                | 32,000         | 2,527  |
| Miscellaneous  | 259,339                   | 0                                 | 0                                 | 259,339   | 280,865          | 280,865        | 21,526   |
| <u>Highways</u>                                      |                           |                                   |                                   |   |                  |                |  |
| Litter and Trash Collection                          | 20,547                    | 0                                 | 0                                 | 20,547  | 0                | 50,800         | 30,253   |
| Total Expenditures                                   | \$ 19,527,435             | \$ (713,384)                      | \$ 1,000,176                      | \$ 19,814,227   | \$ 19,149,422    | \$ 22,078,732  | \$ 2,264,505   |
| Excess (Deficiency) of Revenues<br>Over Expenditures |                           |                                   |                                   |   |                  |                |  |
|  | \$ 3,137,900              | \$ 713,384                        | \$ (1,000,176)                    | \$ 2,851,108  | \$ (313,304)     | \$ (3,128,285) | \$ 5,979,393   |
| <u>Other Financing Sources (Uses)</u>                |                           |                                   |                                   |   |                  |                |  |
| Insurance Recovery                                   | \$ 226,881                | \$ 0                              | \$ 0                              | \$ 226,881  | \$ 0             | \$ 207,579     | \$ 19,302  |
| Transfers Out  | (67,000)                  | 0                                 | 0                                 | (67,000)  | 0                | (145,330)      | 78,330   |
| Total Other Financing Sources                        | \$ 159,881                | \$ 0                              | \$ 0                              | \$ 159,881  | \$ 0             | \$ 62,249      | \$ 97,632  |
| Net Change in Fund Balance                           |                           |                                   |                                   |   |                  |                |  |
| Fund Balance, July 1, 2021                           | \$ 3,297,781              | \$ 713,384                        | \$ (1,000,176)                    | \$ 3,010,989  | \$ (313,304)     | \$ (3,066,036) | \$ 6,077,025   |
|  | 16,491,274                | (713,384)                         | 0                                 | 15,777,890  | 11,090,506       | 12,297,681     | 3,480,209  |
| Fund Balance, June 30, 2022                          |                           |                                   |                                   |   |                  |                |  |
|  | \$ 19,789,055             | \$ 0                              | \$ (1,000,176)                    | \$ 18,788,879   | \$ 10,777,202    | \$ 9,231,645   | \$ 9,557,234   |

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

Exhibit C-6

Carter County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Other General Government Fund  
For the Year Ended June 30, 2022

|  | Actual<br>(GAAP<br>Basis) | Add:<br>Encumbrances<br>6/30/2022 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |                | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|---|------------------|----------------|--|
|  |                           |                                   |   | Original         | Final          |  |
| <u>Revenues</u>                                      |                           |                                   |   |                  |                |  |
| Federal Government                                   | \$ 514,771                | \$ 0                              | \$ 514,771  | \$ 0             | \$ 0           | \$ 514,771   |
| Total Revenues                                       | \$ 514,771                | \$ 0                              | \$ 514,771  | \$ 0             | \$ 0           | \$ 514,771   |
| <u>Expenditures</u>                                  |                           |                                   |   |                  |                |  |
| <u>Public Safety</u>                                 |                           |                                   |   |                  |                |  |
| Fire Prevention and Control                          | \$ 150,000                | \$ 0                              | \$ 150,000  | \$ 0             | \$ 300,000     | \$ 150,000   |
| <u>Other Operations</u>                              |                           |                                   |   |                  |                |  |
| American Rescue Plan Act Grant #1                    | 364,771                   | 234,117                           | 598,888   | 0                | 3,471,250      | 2,872,362  |
| Total Expenditures                                   | \$ 514,771                | \$ 234,117                        | \$ 748,888  | \$ 0             | \$ 3,771,250   | \$ 3,022,362   |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ 0                      | \$ (234,117)                      | \$ (234,117)  | \$ 0             | \$ (3,771,250) | \$ 3,537,133   |
| Net Change in Fund Balance                           | \$ 0                      | \$ (234,117)                      | \$ (234,117)  | \$ 0             | \$ (3,771,250) | \$ 3,537,133   |
| Fund Balance, July 1, 2021                           | 0                         | 0                                 | 0   | 5,476,646        | 5,476,646      | (5,476,646)  |
| Fund Balance, June 30, 2022                          | \$ 0                      | \$ (234,117)                      | \$ (234,117)  | \$ 5,476,646     | \$ 1,705,396   | \$ (1,939,513)   |

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

Exhibit C-7

Carter County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Highway/Public Works Fund  
For the Year Ended June 30, 2022

|  | Actual<br>(GAAP<br>Basis) | Add:<br>Encumbrances<br>6/30/2022 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |                | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|---|------------------|----------------|--|
|  |                           |                                   |   | Original         | Final          |  |
| <u>Revenues</u>                                      |                           |                                   |   |                  |                |  |
| Local Taxes  | \$ 1,339,723              | \$ 0                              | \$ 1,339,723  | \$ 1,285,113     | \$ 1,285,113   | \$ 54,610  |
| Licenses and Permits                                 | 100                       | 0                                 | 100   | 0                | 0              | 100  |
| Other Local Revenues                                 | 371,116                   | 0                                 | 371,116   | 194,250          | 221,069        | 150,047  |
| State of Tennessee                                   | 4,621,052                 | 0                                 | 4,621,052   | 6,916,809        | 8,120,809      | (3,499,757)  |
| Federal Government                                   | 173,918                   | 0                                 | 173,918   | 0                | 120,704        | 53,214   |
| Other Governments and Citizens Groups                | 131,565                   | 0                                 | 131,565   | 108,000          | 108,000        | 23,565   |
| Total Revenues                                       | \$ 6,637,474              | \$ 0                              | \$ 6,637,474  | \$ 8,504,172     | \$ 9,855,695   | \$ (3,218,221)   |
| <u>Expenditures</u>                                  |                           |                                   |   |                  |                |  |
| <u>Highways</u>                                      |                           |                                   |   |                  |                |  |
| Administration                                       | \$ 405,623                | \$ 0                              | \$ 405,623  | \$ 443,538       | \$ 448,351     | \$ 42,728  |
| Highway and Bridge Maintenance                       | 1,900,264                 | 38,231                            | 1,938,495   | 2,177,335        | 2,325,685      | 387,190  |
| Operation and Maintenance of Equipment               | 814,344                   | 0                                 | 814,344   | 780,070          | 914,456        | 100,112  |
| Other Charges  | 472,625                   | 0                                 | 472,625   | 218,300          | 517,870        | 45,245   |
| Capital Outlay                                       | 2,340,323                 | 3,014,467                         | 5,354,790   | 5,038,700        | 7,171,975      | 1,817,185  |
| Total Expenditures                                   | \$ 5,933,179              | \$ 3,052,698                      | \$ 8,985,877  | \$ 8,657,943     | \$ 11,378,337  | \$ 2,392,460   |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ 704,295                | \$ (3,052,698)                    | \$ (2,348,403)  | \$ (153,771)     | \$ (1,522,642) | \$ (825,761)   |
| <u>Other Financing Sources (Uses)</u>                |                           |                                   |   |                  |                |  |
| Insurance Recovery                                   | \$ 12,416                 | \$ 0                              | \$ 12,416   | \$ 0             | \$ 12,416      | \$ 0   |
| Transfers In   | 25,000                    | 0                                 | 25,000  | 0                | 25,000         | 0  |
| Total Other Financing Sources                        | \$ 37,416                 | \$ 0                              | \$ 37,416   | \$ 0             | \$ 37,416      | \$ 0   |
| Net Change in Fund Balance                           | \$ 741,711                | \$ (3,052,698)                    | \$ (2,310,987)  | \$ (153,771)     | \$ (1,485,226) | \$ (825,761)   |
| Fund Balance, July 1, 2021                           | 4,901,553                 | 0                                 | 4,901,553   | 3,947,807        | 3,947,807      | 953,746  |
| Fund Balance, June 30, 2022                          | \$ 5,643,264              | \$ (3,052,698)                    | \$ 2,590,566  | \$ 3,794,036     | \$ 2,462,581   | \$ 127,985   |

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

Exhibit D-1

Carter County, Tennessee  
Statement of Net Position  
Fiduciary Funds  
June 30, 2022

|   | <u>Custodial<br/>Funds</u> |
|---|----------------------------|
| <u>ASSETS</u>   |                            |
| Cash  | \$ 3,398,946               |
| Equity in Pooled Cash and Investments                           | 398,647                    |
| Accounts Receivable   | 11,475                     |
| Due from Other Governments                                      | 1,954,515                  |
| Property Taxes Receivable                                       | 3,700,053                  |
| Allowance for Uncollectible Property Taxes                      | <u>(35,615)</u>            |
| Total Assets  | <u>\$ 9,428,021</u>        |
| <u>LIABILITIES</u>  |                            |
| Due to Other Taxing Units                                       | <u>\$ 2,469,418</u>        |
| Total Liabilities   | <u>\$ 2,469,418</u>        |
| <u>DEFERRED INFLOWS OF RESOURCES</u>                            |                            |
| Deferred Current Property Taxes                                 | <u>\$ 3,548,182</u>        |
| Total Deferred Inflows of Resources                             | <u>\$ 3,548,182</u>        |
| <u>NET POSITION</u>   |                            |
| Restricted for Individuals, Organizations and Other Governments | <u>\$ 3,410,421</u>        |
| Total Net Position  | <u><u>\$ 3,410,421</u></u> |

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



Carter County, Tennessee  
Statement of Changes in Net Position  
Fiduciary Funds  
For the Year Ended June 30, 2022

Custodial  
Funds

ADDITIONS

|  |                      |
|--|----------------------|
| Sales Tax Collections for Other Governments  | \$ 7,278,172         |
| ADA - Educational Funds Collected for Cities | 7,516,774            |
| Fines/Fees and Other Collections             | <u>10,773,824</u>    |
| Total Additions                              | <u>\$ 25,568,770</u> |

DEDUCTIONS

|   |                      |
|---|----------------------|
| Payment of Sales Tax Collections to Other Governments | \$ 7,278,172         |
| Payments to City School Systems                       | 7,516,774            |
| Payments to State                                     | 6,943,499            |
| Payments to Individuals and Others                    | <u>3,146,518</u>     |
| Total Deductions                                      | <u>\$ 24,884,963</u> |

|  |                            |
|--|----------------------------|
| Net Increase (Decrease) in Fiduciary in Net Position | \$ 683,807                 |
| Net Position, July 1, 2021                           | <u>2,726,614</u>           |
| Net Position, June 30, 2022                          | <u><u>\$ 3,410,421</u></u> |

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

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**CARTER COUNTY, TENNESSEE**  
**Index of Notes to the Financial Statements**

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**CARTER COUNTY, TENNESSEE**  
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**CARTER COUNTY, TENNESSEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2022**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Carter 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 Carter County:

**A. Reporting Entity**

Carter County is a public municipal corporation governed by an elected 24-member board. As required by GAAP, these financial statements present Carter County (the primary government) and its component units. The financial statements of the Carter County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of their 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 Carter County School Department operates the public school system in the county, and the voters of Carter 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 Carter County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Carter County, and the Carter 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 Carter County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

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

Administrative Office:

Carter County Emergency Communications District  
529 South Sycamore Street  
Elizabethton, TN 37643

**Related Organization** – The Carter County Industrial Development Board is a related organization of Carter County. The county commission elects the board members, but the county’s accountability for the organization does not extend beyond making the elections.

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

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

Carter County issues all debt for the discretely presented Carter County School Department. There were no debt issues contributed by the county to the school department during the year ended June 30, 2022. Other significant

transactions between the primary government and the school department during the year include \$422,871 paid from the General Purpose School Fund to the county General Fund for School Resource Officers.

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

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

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

have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

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

Carter 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.

**Other General Government Fund** – This special revenue fund accounts for and reports financial resources and expenditures relating to the American Rescue Plan Act.

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

Additionally, Carter County reports the following fund types:

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

**Capital Projects Fund** – The General Capital Projects Fund accounts for financial resources to be used in the acquisition or construction of capital facilities or other capital assets.

**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 Carter County, and the City of Elizabethton and Johnson City school systems’ share of educational revenues.

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

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

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

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

Additionally, the discretely presented Carter County School Department reports the following fund type:

**Capital Projects Fund** – The Education Capital Projects Fund accounts for financial resources to be used in the acquisition or construction of capital facilities or other capital assets.

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The prior year balances (FY 21) are presented in this report. We do not believe using the prior year balances will affect the independent auditor's opinion on the Aggregate Discretely Presented Component Units. A more detailed reporting of the fund activities at each individual school may be found at <https://www.comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>.

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

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

**1. Deposits and Investments**

State statutes authorize the government to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposit accounts at state and federal chartered banks and savings and loan associations; repurchase agreements; the State Treasurer's Investment Pool; the State Treasurer's Intermediate Term Investment Fund; bonds



of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes.

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Carter County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General Debt Service Fund. Carter County and the school department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost.

Investments in the State Treasurer's Investment Pool are reported at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Investment Pool complied with accounting principles generally accepted in the United States of America.

Investments in the State Treasurer's Intermediate Term Investment Fund are reported at amortized cost using a floating net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Intermediate Term Investment Fund complied with accounting principles generally accepted in the United States of America. Carter 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 and interfund loans outstanding at the end of the fiscal year is referred to as due to/from other funds.

Long-term receivables between funds, as reported in Due from Other Funds in the General Debt Service Fund financial statements, are included in committed fund balance.

Property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to .5 percent of total taxes levied.

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

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

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

Most payables are disaggregated on the face of the financial statements. Other Current Liabilities reflected in the General Fund represent contractor's deposits relating to the HOME Investment Partnerships Program Grant \$3,819 and a portion of the remaining balance in the payroll tax clearing account \$51,562. Other Current Liabilities reflected

in the Highway/Public Works Fund totaling \$1,374 represent a portion of the remaining balance in the payroll tax clearing account. Other Current Liabilities of the nonmajor governmental funds totaling \$14,441 consist of asset seizures that have not been awarded to the county as of June 30, 2022. The balance in the Other Current Liabilities account totaling \$465,586 on the Statement of Net Position for the discretely presented Carter County School Department represents the remaining balance in the teachers' insurance clearing account and a portion of the remaining balance in the payroll tax clearing account.

Due to Other Governments in the primary government's Other General Government Special Revenue Fund (\$10,438,520) represents American Rescue Plan Act funds received in advance.

**3. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as an expenditure when consumed rather than when purchased. Prepaids are offset in the nonspendable fund balance account in governmental funds.

**4. Restricted Assets**

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

**5. Capital Assets**

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

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 \$10,000 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.

|                            |        |
|----------------------------|--------|
| Buildings and Improvements | 40     |
| Other Capital Assets       | 5 - 10 |
| Infrastructure             | 40     |

## **6. Deferred Outflows/Inflows of Resources**

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

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

7. **Compensated Absences**

**Primary Government**

It is the county's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since Carter County does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

**Discretely Presented Carter County School Department**

The school department has various policies related to vacation and sick leave benefits. Certain employees of the school department are allowed to accumulate unused vacation benefits but are only paid for 40 days of their unused vacation leave upon termination. The school department, in accordance with policy, allows all certified personnel to accumulate an unlimited amount of earned but unused sick leave benefits, which will be paid to employees at a rate of \$15 per day upon retirement. A liability for these benefits is accrued when incurred in the government-wide financial statements but is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

Non-certified employees are allowed to accumulate earned but unused sick leave benefits. There is no liability for unpaid accumulated sick leave since the school department does not have a policy to pay any amounts to these employees when they separate from service with the government.

8. **Long-term Debt and Long-term Obligations**

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

In the fund financial statements, governmental funds recognize debt premiums and discounts, as well as debt issuance costs, during the

current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

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

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

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

The government-wide Statement of Net Position reports \$19,717,098 of restricted net position for the primary government, of which \$2,108,697 is restricted by enabling legislation.

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 makes assignments for the general government and the Board of Education makes assignments for the school department. Assigned fund balance in the General Fund includes fund balance assigned for encumbrances of \$687,849, industrial/economic purposes \$118,567, various other assignments \$59,581, and fund balance appropriated for use in the 2022-23 budget of \$279,292. Assigned fund balance in the school department's General Purpose School Fund includes amounts assigned for encumbrances \$48,162, fund balance appropriated for use in the 2022-23 budget \$912,019, amounts assigned for energy savings project \$79,852, and various other assignments \$167,872.

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.

## **10. 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 fund balance policy exists:

General Fund – Beginning unassigned fund balance will be four months budgeted average expenses for the year and will not at any point be less than 25 percent of projected annual expenditures.

General Debt Service Fund – Beginning cash or investments will be 40 percent of the current year debt service obligations or an amount equal to the debt service fund expenditure requirements during the first six months of the fiscal year, whichever is greater.

## **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 Carter County's participation in the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Carter 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 Carter 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 Carter County. For this purpose, Carter County recognizes benefit payments when due and payable in accordance with benefit terms. Carter County's OPEB plan is not administered through a trust.

**Discretely Presented Carter 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 Carter 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 plans are 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 Carter County School Department**

Exhibit H-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 Carter County School Department**

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

### **III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

#### **A. Budgetary Information**

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

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

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

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

At June 30, 2022, Carter County and the discretely presented Carter County School Department reported the following encumbrances:

| Funds                       | Amount       |
|-----------------------------|--------------|
| Primary Government:         |              |
| Major Funds:                |              |
| General                     | \$ 1,000,176 |
| Other General Government    | 234,117      |
| Highway/Public Works        | 3,052,698    |
| Nonmajor Governmental Funds | 340,290      |
| School Department:          |              |
| Major Funds:                |              |
| General Purpose School      | 48,162       |
| School Federal Projects     | 444,700      |

**B. Fund Deficits**

The School Federal Projects and Other Education Special Revenue Funds of the discretely presented Carter County School Department had deficit unassigned fund balances of \$269,154 and \$5,747, respectively, at June 30, 2022. These deficits occurred because personnel had not requested the reimbursement of grant funds on a timely basis. Additionally, reimbursement requests for the Head Start Program in the Other Education Special Revenue Fund were not adequately reconciled with the general ledger to ensure that reimbursement was requested for all expenditures. The deficit unassigned fund balances were liquidated when revenues were recognized after June 30, 2022.

Due to the recognition of encumbrances as budgetary basis expenditures, the Other General Government Fund reported a deficit budgetary basis fund balance of \$234,117 on June 30, 2022. That deficit is expected to be liquidated as GAAP basis expenditures are incurred and grant revenues are recognized.

**C. Expenditures Exceeded Appropriations**

Expenditures exceeded appropriations approved by the county commission in several major appropriation categories (the legal level of control) in the following funds:

| <u>Fund/Major Appropriation Category</u> | <u>Amount<br/>Overspent</u> |
|--|-----------------------------|
| Primary Government:                      |                             |
| General:                                 |                             |
| Drug Court                               | \$ 3,253                    |
| Other Local Welfare Services             | 5,658                       |
| Tourism                                  | 5,880                       |
| COVID-19 Grant #2                        | 4,385                       |
| School Department:                       |                             |
| Other Education Special Revenue:         |                             |
| COVID-19 Expenditures                    | 131,567                     |

Salaries exceeded appropriations in 43 of 276 salary line-items of the General, nonmajor Solid Waste/Sanitation, Highway/Public Works, General Purpose School, School Federal Projects, and nonmajor Other Education Special Revenue funds by amounts ranging from \$52 to \$61,708 for a total of \$363,113. The budget resolution approved by the county commission states that the salary, wages, or remuneration of each official, employee or agent of the county will not exceed appropriations that accompany this resolution. Therefore, the salaries that exceeded line-item appropriations were expenditures not approved by the county commission.

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

#### **D. Investigation – Head Start Program**

On July 19, 2021, the Comptroller's Division of Investigations issued an investigative report on the Carter County Head Start Program. The investigative report disclosed that the former Head Start administrative assistant made at least \$8,657 in unauthorized personal purchases. Additionally, investigators identified questionable disbursements of Head Start funds totaling at least \$6,276. On July 12, 2021, Joyce Parsons, the former Head Start administrative assistant, was indicted on one count of Theft over \$2,500. During FY22, insurance remitted \$8,157 to the Head Start program (\$500 was the deductible) in covering the unauthorized purchases. On June 10, 2022, the court ordered Joyce Parsons to pay \$500 of restitution at \$25 per month beginning July 1, 2022. The report is available at [www.comptroller.tn.gov/ia](http://www.comptroller.tn.gov/ia).

#### **E. Ongoing Investigations**

As disclosed in the single audit section of this report, the Comptroller's Division of Investigations is reviewing certain operations of the Carter County Schools Transportation Department and the Carter County Solid Waste Department. Findings, if any, resulting from those investigations will be included in a subsequent report.

#### IV. DETAILED NOTES ON ALL FUNDS

##### A. Deposits and Investments

Carter County and the Carter 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.

Other than the Carter County School Department's investment in the Tennessee Consolidated Retirement System (TCRS) Stabilization Reserve Trust discussed below, the county had no pooled and nonpooled investments as of June 30, 2022.

### **TCRS Stabilization Trust**

**Legal Provisions.** The Carter 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 Carter 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, 2022, the Carter County School Department had the following investments held by the trust on its behalf. These funds are recognized as restricted assets in the General Purpose School Fund of the school department.

| Investment                                 | Weighted<br>Average<br>Maturity<br>(days) | Maturities | Fair<br>Value     |
|--|---|------------|-------------------|
| Investments at Fair Value:                 |   |            |                   |
| U.S. Equity                                | N/A                                       | N/A        | \$ 123,598        |
| Developed Market International Equity      | N/A                                       | N/A        | 55,819            |
| Emerging Market International Equity       | N/A                                       | N/A        | 15,948            |
| U.S. Fixed Income                          | N/A                                       | N/A        | 79,741            |
| Real Estate                                | N/A                                       | N/A        | 39,870            |
| Short-term Securities                      | N/A                                       | N/A        | 3,987             |
| NAV - Private Equity and Strategic Lending | N/A                                       | N/A        | <u>79,741</u>     |
| Total                                      |   |            | <u>\$ 398,704</u> |

For further information concerning the legal provisions, investment policies, investment types, and credit risks of the school department's investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at <https://comptroller.tn.gov/content/dam/cot/sa/advanced-search/disclaimer/2022/ag21066.pdf>.

**B. Lease Commitment**

Carter County entered into an agreement dated July 1, 2021, with the Tennessee Board of Regents on behalf of Northeast State Community College, for the use of the county-owned Workforce Development Complex. The agreement expires June 30, 2026, with the board being able to terminate its agreement at any time with 90 days' notice. There is no penalty specified for early termination and it is not considered reasonably certain that the board will not exercise the termination option. Therefore, no lease receivable is reported for this agreement. The board is required to make monthly payments of \$11,566 while the agreement is in force.

**C. Capital Assets**

Capital assets activity for the year ended June 30, 2022, was as follows:

**Primary Government**

**Governmental Activities:**

|  | Balance<br>7-1-21    | Increases           | Decreases           | Balance<br>6-30-22   |
|--|----------------------|---------------------|---------------------|----------------------|
| Capital Assets Not<br>Depreciated:             |                      |                     |                     |                      |
| Land   | \$ 2,205,225         | \$ 295,000          | \$ 0                | \$ 2,500,225         |
| Construction in Progress                       | 1,270,898            | 380,817             | (699,064)           | 952,651              |
| Total Capital Assets<br>Not Depreciated        | <u>\$ 3,476,123</u>  | <u>\$ 675,817</u>   | <u>\$ (699,064)</u> | <u>\$ 3,452,876</u>  |
| Capital Assets Depreciated:                    |                      |                     |                     |                      |
| Buildings and<br>Improvements                  | \$ 37,033,724        | \$ 323,977          | \$ 0                | \$ 37,357,701        |
| Infrastructure                                 | 34,398,106           | 986,405             | 0                   | 35,384,511           |
| Other Capital Assets                           | 9,557,880            | 792,558             | (367,908)           | 9,982,530            |
| Total Capital Assets<br>Depreciated            | <u>\$ 80,989,710</u> | <u>\$ 2,102,940</u> | <u>\$ (367,908)</u> | <u>\$ 82,724,742</u> |
| Less Accumulated<br>Depreciation For:          |                      |                     |                     |                      |
| Buildings and<br>Improvements                  | \$ 10,927,011        | \$ 876,621          | \$ 0                | \$ 11,803,632        |
| Infrastructure                                 | 12,364,771           | 844,993             | 0                   | 13,209,764           |
| Other Capital Assets                           | 6,286,342            | 751,537             | (367,908)           | 6,669,971            |
| Total Accumulated<br>Depreciation              | <u>\$ 29,578,124</u> | <u>\$ 2,473,151</u> | <u>\$ (367,908)</u> | <u>\$ 31,683,367</u> |
| Total Capital Assets<br>Depreciated, Net       | <u>\$ 51,411,586</u> | <u>\$ (370,211)</u> | <u>\$ 0</u>         | <u>\$ 51,041,375</u> |
| Governmental Activities<br>Capital Assets, Net | <u>\$ 54,887,709</u> | <u>\$ 305,606</u>   | <u>\$ (699,064)</u> | <u>\$ 54,494,251</u> |



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

**Governmental Activities:**

|   |                            |
|---|----------------------------|
| General Government                                      | \$ 90,539                  |
| Finance   | 21,233                     |
| Administration of Justice                               | 1,500                      |
| Public Safety   | 920,069                    |
| Public Health and Welfare                               | 202,603                    |
| Highways  | <u>1,237,207</u>           |
| Total Depreciation Expense -<br>Governmental Activities | <u><u>\$ 2,473,151</u></u> |

**Net Investment in Capital Assets**

---

|  |                             |
|--|-----------------------------|
| Capital Assets   | \$ 54,494,251               |
| Less:  |                             |
| Outstanding principal of capital debt and other capital borrowings                 | (14,405,000)                |
| Unamortized balance of original issue premiums on outstanding capital-related debt | <u>(145,381)</u>            |
| Net Investment in Capital Assets   | <u><u>\$ 39,943,870</u></u> |

## **Discretely Presented Carter County School Department**

### **Governmental Activities:**

|  | Balance<br>7-1-21 | Increases    | Balance<br>6-30-22 |
|--|-------------------|--------------|--------------------|
| Capital Assets Not<br>Depreciated:             |                   |              |                    |
| Land   | \$ 828,228        | \$ 101,145   | \$ 929,373         |
| Construction in Progress                       | 39,803            | 833,944      | 873,747            |
| Total Capital Assets<br>Not Depreciated        | \$ 868,031        | \$ 935,089   | \$ 1,803,120       |
| Capital Assets Depreciated:                    |                   |              |                    |
| Buildings and<br>Improvements                  | \$ 52,832,484     | \$ 64,529    | \$ 52,897,013      |
| Other Capital Assets                           | 8,854,870         | 556,964      | 9,411,834          |
| Total Capital Assets<br>Depreciated            | \$ 61,687,354     | \$ 621,493   | \$ 62,308,847      |
| Less Accumulated<br>Depreciation For:          |                   |              |                    |
| Buildings and<br>Improvements                  | \$ 30,629,199     | \$ 932,233   | \$ 31,561,432      |
| Other Capital Assets                           | 7,329,101         | 402,018      | 7,731,119          |
| Total Accumulated<br>Depreciation              | \$ 37,958,300     | \$ 1,334,251 | \$ 39,292,551      |
| Total Capital Assets<br>Depreciated, Net       | \$ 23,729,054     | \$ (712,758) | \$ 23,016,296      |
| Governmental Activities<br>Capital Assets, Net | \$ 24,597,085     | \$ 222,331   | \$ 24,819,416      |

There were no decreases in capital assets to report during the year ended June 30, 2022.

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

### **Governmental Activities:**

|   |                     |
|---|---------------------|
| Instruction   | \$ 1,026,266        |
| Support Services  | 249,304             |
| Operation of Non-instructional Services                 | 58,681              |
| Total Depreciation Expense -<br>Governmental Activities | <u>\$ 1,334,251</u> |

**D. Construction Commitments**

**Primary Government**

At June 30, 2022, the General Fund had uncompleted construction contracts of \$440,400 for renovations to the finance department and \$156,900 for emergency repairs to the Workforce Development Center. Funding has been received for these future expenditures.

The Highway/Public Works Fund had uncompleted construction contracts of \$1,903,592 for bridge and road projects, including architectural and engineering services. Funding for these future expenditures is expected to be received from state aid funds.

**Discretely Presented Carter County School Department**

At June 30, 2022, the General Purpose School Fund had an uncompleted construction contract of \$24,785 for school renovations. Funding has been provided for these future expenditures.

The School Federal Projects Fund had an uncompleted construction contract of \$444,700 for architectural and engineering services for an addition to an elementary school. Funding for these future expenditures is being provided by federal grants.

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

The composition of interfund balances as of June 30, 2022, was as follows:

**Due to/from Other Funds:**

| Receivable Fund                         | Payable Fund             | Amount    |
|---|--------------------------|-----------|
| Primary Government:                     |                          |           |
| General                                 | Other General Government | \$ 19,388 |
| "                                       | Nonmajor governmental    | 46,270    |
| Highway/Public Works                    | General                  | 423,049   |
| "                                       | Nonmajor governmental    | 12,636    |
| Nonmajor governmental                   | "                        | 502,000   |
| "                                       | General                  | 20,000    |
| Discretely Presented School Department: |                          |           |
| General Purpose School                  | School Federal Projects  | 64,444    |
| "                                       | Central Cafeteria        | 120,000   |
| School Federal Projects                 | General Purpose School   | 87,632    |
| Nonmajor governmental                   | "                        | 6,312     |

The amount due between nonmajor governmental funds (\$502,000) resulted from a long-term interfund loan from the General Debt Service Fund to the Solid Waste/Sanitation Fund. The loan has a final maturity date of January 18, 2025. The amount not expected to be received within one year is \$334,667. See Note IV.I. for further details of this loan.

The remaining 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:<br>General                                  | Component Unit:<br>School Department:<br>General Purpose School | \$ 284,482 |
| Component Unit:<br>School Department:<br>General Purpose School | Primary Government:<br>General                                  | 50,000     |

**Interfund Transfers:**

Interfund transfers for the year ended June 30, 2022, consisted of the following amounts:

**Primary Government**

| Transfers Out | Transfers In                     |                                   |
|---------------|----------------------------------|-----------------------------------|
|               | Highway/<br>Public<br>Works Fund | Nonmajor<br>Governmental<br>Funds |
| General Fund  | \$ 25,000                        | \$ 42,000                         |
| Total         | \$ 25,000                        | \$ 42,000                         |

Transfers to the Highway/Public Works Fund and Nonmajor Governmental Fund represent amounts contributed for road and equipment repairs, respectively.

## Discretely Presented Carter County School Department

| Transfers Out                | Transfers In                |                             |
|------------------------------|-----------------------------|-----------------------------|
|                              | General Purpose School Fund | Nonmajor Governmental Funds |
| General Purpose School       | \$ 0                        | \$ 1,228,348                |
| School Federal Projects Fund | 37,879                      | 0                           |
| Central Cafeteria Fund       | 120,000                     | 0                           |
| Total                        | \$ 157,879                  | \$ 1,228,348                |

Transfers to the nonmajor governmental funds were to provide funds for capital outlay purposes. Transfers to the General Purpose School Fund were for indirect costs.

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

### F. Long-term Debt

#### Primary Government

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

General Obligation Bonds - Carter 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 outstanding were issued for original terms of 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, 2022, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements - Carter County issues capital outlay notes and 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. Capital outlay notes and other loans are direct obligations and pledge the full faith, and credit, and taxing authority of the government. There were no

capital outlay notes or other loans outstanding at June 30, 2022.

General obligation bonds outstanding as of June 30, 2022, for governmental activities are as follows:

| Type   | Interest Rate | Final Maturity | Original Amount of Issue | Balance 6-30-21 |
|--|---------------|----------------|--------------------------|-----------------|
| General Obligation Bonds - Refunding (Taxable) | 1.1 to 1.8%   | 5-1-35         | \$ 15,635,000            | \$ 14,405,000   |

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2022, including interest payments are presented in the following table:

| Year Ending<br>June 30 | Bonds         |              |               |
|------------------------|---------------|--------------|---------------|
|                        | Principal     | Interest     | Total         |
| 2023                   | \$ 1,290,000  | \$ 192,393   | \$ 1,482,393  |
| 2024                   | 1,220,000     | 176,268      | 1,396,268     |
| 2025                   | 1,255,000     | 161,018      | 1,416,018     |
| 2026                   | 1,285,000     | 145,330      | 1,430,330     |
| 2027                   | 1,290,000     | 129,268      | 1,419,268     |
| 2028-2032              | 5,485,000     | 419,098      | 5,904,098     |
| 2033-2035              | 2,580,000     | 88,490       | 2,668,490     |
| Total                  | \$ 14,405,000 | \$ 1,311,865 | \$ 15,716,865 |

There is \$3,127,585 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$256, based on the 2020 federal census. Total debt per capita, including bonds and unamortized premiums on bonds totaled \$258, based on the 2020 federal census.

#### Changes in Long-term Debt

Long-term debt activity for the year ended June 30, 2022, was as follows:

Governmental Activities:

|                             | Bonds                |
|-----------------------------|----------------------|
| Balance, July 1, 2021       | \$ 15,635,000        |
| Reductions                  | <u>(1,230,000)</u>   |
| Balance, June 30, 2022      | <u>\$ 14,405,000</u> |
| Balance Due Within One Year | <u>\$ 1,290,000</u>  |

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

|  |                             |
|--|-----------------------------|
| Total Noncurrent Liabilities - Debt, June 30, 2022                       | \$ 14,405,000               |
| Less: Balance Due Within One Year - Debt                                 | (1,290,000)                 |
| Add: Unamortized Premium on Debt   | <u>145,381</u>              |
| Noncurrent Liabilities - Due in<br>More Than One Year - Debt - Exhibit A | <u><u>\$ 13,260,381</u></u> |

**G. Long-term Obligations**

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2022, was as follows:

Governmental Activities:

|                             | Compensated<br>Absences | Landfill<br>Closure/<br>Postclosure<br>Care Costs | Other<br>Postemployment<br>Benefits |
|-----------------------------|-------------------------|---|-------------------------------------|
| Balance, July 1, 2021       | \$ 776,372              | \$ 1,492,706                                      | \$ 2,121,985                        |
| Additions                   | 520,522                 | 0   | 148,179                             |
| Reductions                  | <u>(580,177)</u>        | <u>(111,456)</u>                                  | <u>(250,042)</u>                    |
| Balance, June 30, 2022      | <u>\$ 716,717</u>       | <u>\$ 1,381,250</u>                               | <u>\$ 2,020,122</u>                 |
| Balance Due Within One Year | <u>\$ 358,359</u>       | <u>\$ 165,856</u>                                 | <u>\$ 0</u>                         |

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

|   |                            |
|---|----------------------------|
| Total Other Noncurrent Liabilities, June 30, 2022                         | \$ 4,118,089               |
| Less: Balance Due Within One Year - Other                                 | <u>(524,215)</u>           |
| Noncurrent Liabilities - Due in<br>More Than One Year - Other - Exhibit A | <u><u>\$ 3,593,874</u></u> |

Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General and Highway/Public Works funds. Landfill closure/postclosure care costs will be paid from the Solid Waste/Sanitation Fund.

**Discretely Presented Carter County School Department**

Changes in Long-term Obligations

Long-term obligations activity for the discretely presented Carter County School Department for the year ended June 30, 2022, was as follows:

Governmental Activities:

|                             | Compensated<br>Absences | Other<br>Postemployment<br>Benefits |
|-----------------------------|-------------------------|-------------------------------------|
| Balance, July 1, 2021       | \$ 597,902              | \$ 17,806,405                       |
| Additions                   | 247,837                 | 1,508,757                           |
| Reductions                  | (235,498)               | (3,480,805)                         |
| Balance, June 30, 2022      | <u>\$ 610,241</u>       | <u>\$ 15,834,357</u>                |
| Balance Due Within One Year | <u>\$ 189,582</u>       | <u>\$ 0</u>                         |

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

|   |                      |
|---|----------------------|
| Total Other Noncurrent Liabilities, June 30, 2022                         | \$ 16,444,598        |
| Less: Balance Due Within One Year - Other                                 | <u>(189,582)</u>     |
| Noncurrent Liabilities - Due in<br>More Than One Year - Other - Exhibit A | <u>\$ 16,255,016</u> |

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

**H. On-Behalf Payments - Discretely Presented Carter County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on behalf of the Carter County School Department. These payments are made by the state to the Local Education Group Insurance Plan. This plan is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2022, were \$315,908. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

**I. Internal Financing**

In-lieu-of issuing debt with financial institutions, Carter County often chooses to internally finance various capital outlay expenditures with idle county funds. Internally reported notes receivable due to the General Debt Service Fund from the General Fund and the Solid Waste/Sanitation Fund (a nonmajor governmental fund) are reflected below:



| Fund/Purpose                     | Original<br>Amount<br>of Issue | Interest<br>Rate           | Date<br>of<br>Issue                        | Last<br>Maturity<br>Date |
|----------------------------------|--------------------------------|----------------------------|--|--------------------------|
| General Fund:                    |                                |                            |  |                          |
| Police Vehicles                  | \$ 272,187                     | 0 %                        | 1-14-20                                    | 11-1-24                  |
| Solid Waste/ Sanitation<br>Fund: |                                |                            |  |                          |
| Solid Waste Equipment            | 502,000                        | 0                          | 2-24-22                                    | 1-18-25                  |
|                                  | Outstanding<br>7-1-21          | Issued<br>During<br>Period | Paid and/or<br>Matured<br>During<br>Period | Outstanding<br>6-30-22   |
| General Fund:                    |                                |                            |  |                          |
| Police Vehicles                  | \$ 136,093                     | \$ 0                       | \$ (136,093)                               | \$ 0                     |
| Solid Waste/ Sanitation<br>Fund: |                                |                            |  |                          |
| Solid Waste Equipment            | 0                              | 502,000                    | 0  | 502,000                  |
| Total                            | \$ 136,093                     | \$ 502,000                 | \$ (136,093)                               | \$ 502,000               |

## V. OTHER INFORMATION

### A. Risk Management

Carter County and the discretely presented Carter County 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. Carter County and the Carter County 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.

The primary government continues to carry commercial insurance for employee health and accident. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

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

## B. Accounting Changes

GASB Statement No. 87, *Leases*, became effective for fiscal year ending June 30, 2022. Leases should be recognized and measured using the facts and circumstances that exist at the beginning of the period of implementation. GASB Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. Under this statement, a government entity that is a lessee must recognize (1) a lease liability, (2) an intangible asset representing the lessee's right to use the leased asset, (3) report the amortization expense for using the lease asset over the shorter of the term of the lease or the useful life of the underlying asset, (4) interest expense on the lease liability and (5) note disclosures about the lease. A lessor must recognize (1) a lease receivable (measured at the present value of lease payments expected to be received during the lease term), (2) deferred inflow of resources, (3) interest revenue on the lease receivable and (4) note disclosures of leasing arrangements and the total inflows of resources recognized from leases. This statement provides exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. A lessor should not derecognize the asset underlying the lease. This statement also addresses accounting for lease terminations and modifications, sale-leaseback transactions, non-lease components embedded in lease contracts (such as service agreements) and leases with related parties.

GASB Statement No. 92, *Omnibus 2020*, became effective during the fiscal year. This statement enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics and includes specific provision about the following:

- The effective date of GASB Statement No. 87, *Leases*, and Implementation Guide No. 2019-3, *Leases*, for interim financial reports
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan
- The applicability of GASB Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*, as amended, and GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits
- The applicability of certain requirements of GASB Statement No. 84 to postemployment benefit arrangements
- Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers

- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Terminology used to refer to derivative instruments

GASB Statement 93, *Replacement of Interbank Offered Rates*, became effective during the year. This statement was necessary due to the eventual ceasing of the London Interbank Offered Rate (LIBOR) and the replacement with another interbank offered rate (IBOR). The objective of this Statement is to address the accounting and financial reporting effects that result from the replacement of IBORs with other reference rates in order to preserve the reliability, relevance, consistency, and comparability of reported information.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* (except for paragraphs 4 and 5 which became effective in the prior fiscal year) became effective during the year. This Statement (a) clarifies how the absence of a governing board should be considered in determining whether a primary government is financially accountable for purposes of evaluating potential component units and (b) modifies the applicability of certain component unit criteria as they relate to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans (for example, certain Section 457 plans). This statement also establishes accounting and financial reporting requirements for Section 457 plans that meet the definition of a pension plan and for benefits provided through those plans and modifies the investment valuation requirements for all Section 457 plans.

GASB Statement No 98, *The Comprehensive Annual Financial Report*, became effective during the year. This statement replaces the terms comprehensive annual financial report and comprehensive annual financial reports in NCGA and GASB pronouncements with annual comprehensive financial report and annual comprehensive financial reports, respectively. The associated acronyms in NCGA and GASB pronouncements are replaced with ACFR and ACFRs.

### **C. Contingent Liabilities**

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

The county is involved in several pending lawsuits. Based on letters from attorneys, management believes that the potential claims against the county not covered by insurance resulting from such litigation would not materially affect the county's financial statements.

**D. Change in Administration**

Carolyn Watson was appointed interim finance director on August 9, 2021, overlapping Brad Burke's term as finance director. Brad Burke left the Office of Finance Director effective August 23, 2021. After Brad Burke's departure Carolyn Watson was appointed finance director.

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

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

State and federal laws and regulations require the county to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. Carter County closed its sanitary landfill in 2000. The \$1,381,250 reported as postclosure care liability at June 30, 2022, represents amounts based on what it would cost to perform all postclosure care in 2022. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. Carter County bills the City of Elizabethton for one-half of the postclosure expenditures in accordance with a written agreement with the city.

**F. Joint Ventures**

**Primary Government**

The Upper East Tennessee Juvenile Detention Center was formed through cooperative agreements between Carter County and the counties of Greene, Hawkins, Johnson, Sullivan, Unicoi, and Washington for the operation of a program to divert youth from commitment to the Department of Correction facilities. This program is governed by a board of directors designated by the counties. The board of directors has contracted with ElyJenn Health Services, LLC, to undertake the management of this program. Operation costs to the counties are allocated according to percentages based on population. Carter County's participation is 11.0 percent. The counties also pay a daily fee for individuals from their counties using the facility. Complete financial statements for the Juvenile Detention Center can be obtained from its administrative office at the following address:

Upper East Tennessee Regional  
Juvenile Detention Center  
307 Wesley Street  
Johnson City, TN 37601

**Discretely Presented School Department**

The discretely presented school department participates in the Northeast Tennessee Cooperative (NETCO). The cooperative was established through a contractual agreement between the Boards of Education of Carter County and various other counties and cities in the upper East Tennessee area. The cooperative was authorized through Chapter 49 of *Tennessee Code Annotated* and was established to obtain lower prices for food supplies, materials, equipment, and services by combining the purchasing requirements of each member's school food service systems. The cooperative has contracted with a coordinating district (Johnson City School System) and a service provider to provide this service. NETCO is governed by a representative committee, including one representative from each of the member districts and an executive council, consisting of the chair, vice chair, secretary, treasurer, and a member-at-large from the representative committee. Complete financial statements NETCO can be obtained from its administrative office at the following address:

Northeast Tennessee Cooperative  
100 East Maple Street  
P.O. Box 1517  
Johnson City, TN 37605

**G. Jointly Governed Organization**

**Primary Government**

Carter County is a participant in the Watauga River Regional Water Authority with the city of Elizabethton, North Elizabethton Utility District, Siam Utility District, Roan Mountain Utility District, and the South Elizabethton Utility District. The authority was created by Chapter 29, Private Acts of 2001, to plan, operate, and maintain a water and wastewater system in Carter County and the city of Elizabethton. The authority is governed by a five-member board of directors consisting of the Carter County mayor or a named designee and one director to be selected by each of the governing bodies of the four individual utility districts.

Carter County is a participant in Carter County Joint Economic and Community Development Board with the cities of Elizabethton, Johnson City, and Watauga. The purpose is to foster communications relative to economic and community development between and among government entities, industry, and private citizens. The board of directors consists of the mayors of Carter County and each city or the mayor's designee, the president of Elizabethton/Carter County Chamber of Commerce, the director of the

Elizabethton Electric System or the director's designee, the director of the Tennessee College of Applied Technology in Elizabethton, Tennessee, or the director's designee, and the following four members elected by the board: a qualified land owner, and individuals employed in the county school system and individuals employed in the financial and manufacturing areas of the private sector.

Carter County is a participant in the joint governance of the Alliance for Business and Training (AB&T), which administers funds received under the Workforce Innovation and Opportunity Act for the Northeast Tennessee Local Workforce Development Area. An interlocal consortium agreement between Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi, and Washington counties established the Northeast Tennessee Workforce Development Board and the governing structure of AB&T. The county mayors represent each county in the consortium. The Sullivan County Mayor serves as the chief local elected county official of the consortium by the majority approval of the local elected county officials in the consortium agreement and approves appointments of board members of the workforce development board following a nomination process specified in the agreement. The board has no financial activity but provides oversight for workforce development programs of the Development Area. Those programs are funded by grants passed through the state Department of Labor to AB&T.

Mayors of the participating counties, along with four members jointly appointed by the mayors, serve as the governing board of AB&T. The consortium agreement calls for any liability for disallowed costs of the grant programs to be shared by member counties of the consortium based on each county's percentage of the population of the local workforce development area. However, that contingent liability is to be mitigated by \$3 million of insurance coverage provided by AB&T to indemnify the counties pursuant to the consortium agreement.

Complete financial information for the Alliance for Business and Training can be obtained from the following address.

Alliance for Business and Training  
386 Hwy 91  
PO Box 249  
Elizabethton, TN 37643

## **H. Retirement Commitments**

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

#### **Primary Government**

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

*Plan Description.* Employees of Carter County and non-certified employees of the discretely presented Carter County School

Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 63.13 percent, the non-certified employees of the discretely presented school department comprise 36.87 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

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

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

*Employees Covered by Benefit Terms.* At the measurement date of June 30, 2021, the following employees were covered by the benefit terms:

|  |                     |
|--|---------------------|
| Inactive Employees or Beneficiaries Currently Receiving Benefits | 533                 |
| Inactive Employees Entitled to But Not Yet Receiving Benefits    | 931                 |
| Active Employees   | 564                 |
| Total  | <u><u>2,028</u></u> |

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Carter County elected to make employer contributions at a rate higher than the minimum rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2022, the employer contributions for Carter County were \$1,304,227 based on a rate of eight percent of covered payroll. The minimum rate set by the Board of Trustees was 1.92 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Carter 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)**

Carter County's net pension liability (asset) was measured as of June 30, 2021, 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, 2021, 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, 2021, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

*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.

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

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

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

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

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

|   | Increase (Decrease)                  |  |  |
|---|--------------------------------------|--|--|
|   | Total<br>Pension<br>Liability<br>(a) | Plan<br>Fiduciary<br>Net Position<br>(b) | Net Pension<br>Liability<br>(Asset)<br>(a)-(b) |
| Balance, July 1, 2020   | \$ 54,412,390                        | \$ 59,610,153                            | \$ (5,197,763)                                 |
| Changes for the Year:   |                                      |  |  |
| Service Cost  | \$ 1,234,159                         | \$ 0                                     | \$ 1,234,159                                   |
| Interest  | 3,938,865                            | 0  | 3,938,865                                      |
| Differences Between Expected<br>and Actual Experience               | (1,119,393)                          | 0  | (1,119,393)                                    |
| Changes in Assumptions  | 4,612,108                            | 0  | 4,612,108                                      |
| Contributions-Employer  | 0                                    | 1,112,163                                | (1,112,163)                                    |
| Contributions-Employees   | 0                                    | 497,735                                  | (497,735)                                      |
| Net Investment Income   | 0                                    | 15,238,623                               | (15,238,623)                                   |
| Benefit Payments, Including<br>Refunds of Employee<br>Contributions | (2,634,766)                          | (2,634,766)                              | 0  |
| Administrative Expense  | 0                                    | (52,335)                                 | 52,335   |
| Net Changes   | \$ 6,030,973                         | \$ 14,161,420                            | \$ (8,130,447)                                 |
| Balance, June 30, 2021  | \$ 60,443,363                        | \$ 73,771,573                            | \$ (13,328,210)                                |

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

|                    |        | Total<br>Pension<br>Liability | Plan<br>Fiduciary<br>Net<br>Position | Net<br>Pension<br>Liability<br>(Asset) |
|--------------------|--------|-------------------------------|--------------------------------------|--|
| Primary Government | 63.13% | \$ 38,157,895                 | \$ 46,571,994                        | \$ (8,414,099)                         |
| School Department  | 36.87% | 22,285,468                    | 27,199,579                           | (4,914,111)                            |
| Total              |        | <u>\$ 60,443,363</u>          | <u>\$ 73,771,573</u>                 | <u>\$ (13,328,210)</u>                 |

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

|               | 1%<br>Decrease | Current<br>Discount<br>Rate | 1%<br>Increase |
|---------------|----------------|-----------------------------|----------------|
| Carter County | 5.75%          | 6.75%                       | 7.75%          |

Net Pension Liability (Asset) \$ (5,035,111) \$ (13,328,210) \$ (20,131,054)

### 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, 2022, Carter County recognized pension expense (negative pension expense) of (\$1,265,958).

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2022, Carter County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred<br>Outflows<br>of<br>Resources | Deferred<br>Inflows<br>of<br>Resources |
|--|---|--|
| Difference Between Expected and Actual Experience                                | \$ 41,740                               | \$ 1,121,774                           |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 0                                       | 8,128,832                              |
| Changes in Assumptions   | 3,689,686                               | 0                                      |
| Contributions Subsequent to the Measurement Date of June 30, 2021 (1)            | 1,304,227                               | N/A                                    |
| Total  | <u>\$ 5,035,653</u>                     | <u>\$ 9,250,606</u>                    |

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2021,” 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<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|--------------------|--------------------------------------|-------------------------------------|
| Primary Government | \$ 3,152,434                         | \$ 5,839,908                        |
| School Department  | 1,883,219                            | 3,410,698                           |
| Total              | <u>\$ 5,035,653</u>                  | <u>\$ 9,250,606</u>                 |

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

| Year Ending<br>June 30 | Amount         |
|------------------------|----------------|
| 2023                   | \$ (1,451,195) |
| 2024                   | (1,354,583)    |
| 2025                   | (1,220,758)    |
| 2026                   | (1,492,644)    |
| 2027                   | 0              |
| Thereafter             | 0              |

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

### **Payable to the Pension Plan**

At June 30, 2022, Carter County reported a payable of \$4,736 for the outstanding amount of contributions due to the pension plan required at the year ended June 30, 2022.

### **Discretely Presented Carter County School Department**

#### **Non-certified Employees**

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

*Plan Description.* As noted above under the primary government, employees of Carter County and non-certified employees of the discretely presented Carter County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 63.13 percent and the non-certified employees of the discretely presented school department comprise 36.87 percent of the plan based on contribution data.

#### **Certified Employees**

#### **Teacher Retirement Plan**

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

*Plan Description.* Teachers of the Carter County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan is closed to new membership. Teachers with membership in the TCRS after June 30, 2014, are provided with pensions through a legally separate plan referred to as the Teacher

Retirement Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

*Benefits Provided.* TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. Members who leave employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLAs, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

*Contributions.* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except

in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2022, to the Teacher Retirement Plan were \$135,727 which is 2.01 percent of covered payroll. In addition, employer contributions of \$121,266 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).* At June 30, 2022, the school department reported a liability (asset) of (\$365,210) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2021, 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 share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2021, the school department's proportion was .337154 percent. The proportion as of June 30, 2020, was .317873 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2022, the school department recognized pension expense (negative pension expense) of \$45,426.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2022, the school department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred<br>Outflows<br>of<br>Resources | Deferred<br>Inflows<br>of<br>Resources |
|--|---|--|
| Difference Between Expected and<br>Actual Experience                                   | \$ 6,354                                | \$ 66,826                              |
| Net Difference Between Projected and<br>Actual Earnings on Pension Plan<br>Investments | 0                                       | 210,224                                |
| Changes in Assumptions   | 131,728                                 | 0                                      |
| Changes in Proportion of Net Pension<br>Liability (Asset)                              | 21,082                                  | 12,718                                 |
| LEA's Contributions Subsequent to the<br>Measurement Date of June 30, 2021             | 135,727                                 | N/A                                    |
| Total  | \$ 294,891                              | \$ 289,768                             |

The school department's employer contributions of \$135,727, 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, 2023. 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<br>June 30 | Amount      |
|------------------------|-------------|
| 2023                   | \$ (45,100) |
| 2024                   | (43,950)    |
| 2025                   | (43,622)    |
| 2026                   | (48,912)    |
| 2027                   | 7,160       |
| Thereafter             | 43,818      |

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, 2021, 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, 2021, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

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

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

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

Net Pension Liability (Asset)   \$   125,549   \$   (365,210)   \$   (727,162)

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

### **Payable to the Pension Plan**

At June 30, 2022, the Carter County School Department reported a payable of \$26,174 for the outstanding amount of contributions due to the pension plan required for the year ended June 30, 2022.

### **Teacher Legacy Pension Plan**

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

*Plan Description.* Teachers of the Carter County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by LEAs after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

*Benefits Provided.* TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 55. Members

are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

*Contributions.* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Carter County School Department for the year ended June 30, 2022, to the Teacher Legacy Pension Plan were \$1,841,771, which is 10.3 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

*Pension Liability (Assets).* At June 30, 2022, the school department reported a liability (asset) of (\$23,062,613) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2021, 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, 2021, the school department's proportion was .534693 percent.

The proportion measured at June 30, 2020, was .566338 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2022, the school department recognized pension expense (negative pension expense) of (\$3,545,502).

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2022, the school department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred<br>Outflows<br>of<br>Resources | Deferred<br>Inflows<br>of<br>Resources |
|--|---|--|
| Difference Between Expected and<br>Actual Experience                                   | \$ 77,503                               | \$ 1,923,497                           |
| Changes in Assumptions   | 6,161,945                               | 0                                      |
| Net Difference Between Projected and<br>Actual Earnings on Pension Plan<br>Investments | 0                                       | 18,391,919                             |
| Changes in Proportion of Net Pension<br>Liability (Asset)                              | 183,930                                 | 4,537                                  |
| LEA's Contributions Subsequent to the<br>Measurement Date of June 30, 2021             | 1,841,771                               | N/A                                    |
| Total  | <u>\$ 8,265,149</u>                     | <u>\$ 20,319,953</u>                   |

The school department's employer contributions of \$1,841,771 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) in net pension liability (asset) in the year ending June 30, 2023. 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<br>June 30 | Amount         |
|------------------------|----------------|
| 2023                   | \$ (3,279,264) |
| 2024                   | (3,107,665)    |
| 2025                   | (2,546,197)    |
| 2026                   | (4,963,449)    |
| 2027                   | 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, 2021, 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, 2021, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

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

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

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

Net Pension Liability (Asset) \$ (4,104,369) \$ (23,062,613) \$ (38,839,654)

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

### **Payable to the Pension Plan**

At June 30, 2022, the Carter County School Department reported a payable of \$360,033 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2022.

## **2. Deferred Compensation**

Carter County offers its employees an optional deferred compensation plan established pursuant to IRC Section 457. All costs of administering and funding this program are the responsibility of plan participants. Section 457 plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Section 457 establish participation, contribution, and withdrawal provisions for the plans.

Teachers hired after July 1, 2014, by the Carter County 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 a minimum of 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 \$312,087 and teachers contributed \$226,203 to this deferred compensation pension plan.

## **I. Other Postemployment Benefits (OPEB)**

### **Primary Government**

*Plan Description.* Carter County participates in a commercial postemployment benefits plan administered by BlueCross BlueShield for medical benefits for retirees under the age of 65. For reporting purposes, the plan is considered to



be a single employer defined benefit OPEB plan based on criteria in Statement No. 75 of the Governmental Accounting Standards Board (GASB). The plan is funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

*Benefits Provided.* Benefits provided by the plan are established and may be amended by the county commission. To be eligible for benefits, retirees who were hired on or prior to December 31, 2007, must be age 55 with at least 20 years of service or have ten years of service and be over the age of 60. Those hired subsequent to December 31, 2007, must be age 55 with at least 20 years of service or be age 52 with at least 25 years of service to be eligible for benefits. Benefits are paid until the retirees reach age 65, provided they are not covered under another health insurance plan. Carter County pays 100 percent of the costs for single coverage. Family coverage is not provided under the plan, other than through COBRA.

Employees Covered by Benefit Terms

At the measurement date of June 30, 2022, the following employees were covered by the benefit terms:

|  |            |
|--|------------|
| Inactive Employees or Beneficiaries Currently        |            |
| Receiving Benefits                                   | 12         |
| Inactive Employees Entitled to But Not Yet Receiving |            |
| Benefits   | 0          |
| Active Employees Eligible for Benefits               | 233        |
| Total  | <u>245</u> |

**Total OPEB Liability**

The plan’s total OPEB liability of \$2,020,122 was measured as of June 30, 2022, and was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to the measurement date.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the actuarial valuation 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                              | 2.5%  |
| Discount Rate                          | 4.09%   |
| Healthcare Cost Trend Rates            | 8% for FY22 with an ultimate rate of 3.6% in 2061 |
| Retirees share of Benefit-related Cost | See discussion under Benefits Provided            |

The discount rate was based on the S&P Municipal Bond 20-Year High Grade as of June 30, 2022.

The mortality assumption is based on the PubT-2010 Mortality Tables projected generationally with scale MP-2020. Mortality assumptions reflect observed current mortality and expected mortality improvements.

The actuarial assumptions used in the valuation were based on plan data and costs presented by the county with concurrence by the actuary.

Changes in the Total OPEB Liability

|   | <u>Total OPEB<br/>Liability</u> |
|---|---------------------------------|
| Balance July 1, 2021                                    | <u>\$ 2,121,985</u>             |
| Changes for the Year:                                   |                                 |
| Service Cost  | \$ 75,848                       |
| Interest  | 45,881                          |
| Difference between Expected and Actuarial<br>Experience | (12,618)                        |
| Changes in Assumptions                                  | (62,751)                        |
| Benefit Payments  | (99,949)                        |
| Implicit Rate Subsidy                                   | (48,274)                        |
| Net Changes   | <u>\$ (101,863)</u>             |
| Balance June 30, 2022                                   | <u><u>\$ 2,020,122</u></u>      |

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2022, the primary government recognized OPEB expense of \$148,179. At June 30, 2022, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|  | Deferred<br>Outflows<br>of<br>Resources | Deferred<br>Inflows<br>of<br>Resources |
|--|---|--|
| Difference Between Expected and<br>Actual Experience | \$ 254,486                              | \$ 60,535                              |
| Changes in Assumptions                               | 0                                       | 53,787                                 |
| Total  | <u>\$ 254,486</u>                       | <u>\$ 114,322</u>                      |

Amounts reported as deferred inflows and deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year Ending<br>June 30 | Primary<br>Government |
|------------------------|-----------------------|
| 2023                   | \$ 26,450             |
| 2024                   | 26,450                |
| 2025                   | 26,450                |
| 2026                   | 30,017                |
| 2027                   | 30,621                |
| Thereafter             | 176                   |

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 primary government calculated using the current discount rate, as well as what the OPEB liability would be if it was calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

| <u>Discount Rate</u> | 1%<br>Decrease<br>3.09% | Current<br>Discount<br>Rate<br>4.09% | 1%<br>Increase<br>5.09% |
|----------------------|-------------------------|--------------------------------------|-------------------------|
| Total OPEB Liability | \$ 2,156,497            | \$ 2,020,122                         | \$ 1,893,112            |

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

| <u>Healthcare Cost Trend Rate</u> | Current  |       |          |
|-----------------------------------|----------|-------|----------|
|                                   | 1%       | Trend | 1%       |
|                                   | Decrease | Rate  | Increase |
|                                   | 7.00%    | 8.00% | 9.00%    |

Total OPEB Liability      \$ 1,840,772   \$ 2,020,122   \$ 2,228,389

### **Discretely Presented Carter County School Department**

#### **Closed Local Education (LEP) OPEB Plan**

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

*Plan Description.* Employees of the Carter 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.

Once the certified retirees of Carter County School Department reach Medicare eligibility, they may then join the Tennessee Plan – Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare. However, the school department does not provide any subsidy (direct or indirect) to this plan and therefore does not recognize any OPEB liability associated with the TNM.

The school department's total OPEB liability was measured as of June 30, 2021, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the June 30, 2021, actuarial valuation 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                          | 2.16   |
| Healthcare Cost Trend Rates            | Based on the Getzen Model, with trend starting at 7.36% for pre-65 retirees in the 2022 calendar year, and decreasing annually over a 10 year period to an ultimate trend rate of 4.5% |
| Retirees Share of Benefit Related Cost | Discussed under Benefits Provided  |

The discount rate was 2.16 percent, based on an average rating of AA/Aa as shown in the Bond Buyer 20-Year Municipal GO AA index closest to but not later than the measurement date.

Mortality rates were based on the results of a statewide experience study undertaken on behalf of the Tennessee Consolidated Retirement System (TCRS). These mortality rates were used in the July 1, 2021, actuarial valuation of the TCRS.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2021, valuations were the same as those employed in the July 1, 2020, Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (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 reflect more closely 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 Teacher Employees for non-disabled pre-retirement mortality, with mortality improvement projected generationally with MP-2020 from 2010. Post-retirement tables for teachers are Headcount-Weighted Below Median Healthy Annuitant and adjusted with a 19 percent to load for males and an 18 percent load for females, projected generationally from 2010 with MP-2020. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct 103 table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load, projected generationally from 2018 with MP-2020.

*Changes in Assumptions.* The discount rate changed from 2.21 percent as of the beginning of the measurement period to 2.16 percent as of the measurement date of June 30, 2021. This change in assumption increased the total OPEB liability. Other changes in assumptions include adjustments to initial per capita costs and health trend rates. The trend rate applicable to the 2022 plan year was revised from 9.02 percent to 7.36 percent. The assumed long term inflation rate was changed from 2.1 percent to 2.25 percent.

*Benefits Provided.* The Carter County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants. 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. Carter County School Department provides a direct subsidy for certified retirees ranging from \$255 to \$442 per month depending on years of service and coverage selected. The school department provides a direct subsidy for noncertified retirees ranging from \$465 to \$602 depending on years of service and coverage selected. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retiree's premiums based on years of service. 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, 2021, the following employees were covered by the benefit terms:

|  |                   |
|--|-------------------|
| Inactive Employees Currently Receiving<br>Benefit Payments               | 87                |
| Inactive Employees Entitled to But Not Yet<br>Receiving Benefit Payments | 0                 |
| Active Employees Eligible For Benefits                                   | 509               |
| Total  | <u><u>596</u></u> |

A state insurance committee, created in accordance with TCA 8-27-301, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$824,984 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

|                        | <u>Share of Collective Liability</u> |                 |                   |
|------------------------|--------------------------------------|-----------------|-------------------|
|                        | <u>Carter County</u>                 | <u>State of</u> |                   |
|                        | <u>School Department</u>             | <u>TN</u>       | <u>Total OPEB</u> |
|                        | <u>72.0127%</u>                      | <u>27.9873%</u> | <u>Liability</u>  |
| Balance July 1, 2020   | \$ 13,396,812                        | \$ 4,672,311    | \$ 18,069,123     |
| Changes for the Year:  |                                      |                 |                   |
| Service Cost           | \$ 586,057                           | \$ 227,767      | \$ 813,824        |
| Interest               | 293,068                              | 113,898         | 406,966           |
| Difference between     |                                      |                 |                   |
| Expected and Actuarial |                                      |                 |                   |
| Experience             | 792,874                              | 308,145         | 1,101,019         |
| Changes in Proportion  | (384,745)                            | 384,745         | 0                 |
| Changes in Assumption  |                                      |                 |                   |
| and Other Inputs       | (429,879)                            | (167,069)       | (596,948)         |
| Benefit Payments       | (678,017)                            | (263,506)       | (941,523)         |
| Net Changes            | \$ 179,358                           | \$ 603,980      | \$ 783,338        |
| Balance June 30, 2021  | \$ 13,576,170                        | \$ 5,276,291    | \$ 18,852,461     |

The Carter 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 Carter 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 \$416,014 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Carter County School Department's proportionate share of the collective OPEB liability was 72.0127 percent and the State of Tennessee's share was 27.9873 percent.

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2022, the school department recognized OPEB expense of \$1,461,359 including the state's share of the expense. At June 30, 2022, 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<br>Outflows<br>of<br>Resources | Deferred<br>Inflows<br>of<br>Resources |
|--|---|--|
| Difference Between Expected and<br>Actual Experience         | \$ 1,892,158                            | \$ 958,509                             |
| Changes of Assumptions/Inputs                                | 1,241,571                               | 1,080,741                              |
| Changes in Proportion  | 778,546                                 | 892,171                                |
| Benefits Paid After the Measurement Date<br>of June 30, 2021 | 824,984                                 | 0                                      |
| Total  | <u>\$ 4,737,259</u>                     | <u>\$ 2,931,421</u>                    |

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

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

| <u>Year Ending<br/>June 30</u> | <u>School<br/>Department</u> |
|--------------------------------|------------------------------|
| 2023                           | \$ 166,221                   |
| 2024                           | 166,221                      |
| 2025                           | 166,221                      |
| 2026                           | 175,767                      |
| 2027                           | 171,579                      |
| Thereafter                     | 134,845                      |

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

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



| <u>Discount Rate</u> | 1%<br>Decrease<br>1.16% | Current<br>Discount<br>Rate<br>2.16% | 1%<br>Increase<br>3.16% |
|----------------------|-------------------------|--------------------------------------|-------------------------|
|----------------------|-------------------------|--------------------------------------|-------------------------|

Proportionate Share of the  
 Collective Total OPEB Liability \$ 14,427,627 \$ 13,576,170 \$ 12,755,669

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

| <u>Healthcare Cost Trend Rate</u> | 1%<br>Decrease<br>6.36 to 3.5% | Current<br>Rates<br>7.36 to 4.5% | 1%<br>Increase<br>8.36 to 5.5% |
|-----------------------------------|--------------------------------|----------------------------------|--------------------------------|
|-----------------------------------|--------------------------------|----------------------------------|--------------------------------|

Proportionate Share of the  
 Collective Total OPEB Liability \$ 12,335,662 \$ 13,576,170 \$ 15,007,722

### **Dental, Life, and Retirement Bonus Plan**

*Plan Description.* In addition to health insurance coverage provided to pre-65 retirees discussed under the closed LEA plan, the Carter County School Department also provides other postemployment benefits to pre-65 retirees for dental insurance and basic life insurance coverage of \$10,000. The school department also provides a \$5,000 retirement bonus to eligible retirees. Dental coverage is provided through BlueCross BlueShield. Life insurance is provided through MetLife. The retirement bonus is provided through payments to retirees from the General Purpose School Fund. For reporting purposes, the plan is considered to be a single employer defined benefit OPEB plan based on criteria in Statement No. 75 of the Governmental Accounting Standards Board (GASB). The plan is funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

*Benefits Provided.* Benefits provided by the plan are established and may be amended by the Board of Education. To be eligible for benefits, certified retirees must be age 55 or retire with 25 or more years of service and have been employed with the school department for at least 15 years, with the five years preceding retirement having been with the school department. Full-time non-certified employees are eligible for benefits if they retire with: (a) 15 or more years of service and have attained age 60; (b) 17 or more years of service and have attained age 55; (c) 30 or more years of service at any age. Years of service

for non-certified employees must be established with TCRS, with the last five years of service with the school department.

Carter County School Department pays the entire premium for dental insurance and the premium for basic life insurance of \$10,000 for the retiree. These benefits are provided from the date of retirement until the earlier of age 65, Medicare eligibility, or upon obtaining coverage through another individual health insurance plan. Spouse and dependent coverage is not provided under the plan. Retirees may purchase a limited amount of additional life insurance for themselves or their family by paying the full cost of that coverage.

Carter County School Department also provides a retirement bonus payment available to all full-time certified and non-certified personnel who meet the eligibility requirements. To be eligible, certified personnel must have been employed with the Carter County School System for at least 30 years, or who are retiring with 29 years of service and one year of sick days for a total of 30 years, with the ten years preceding retirement having been employed with the Carter County School System. Non-certified personnel must have been employed with the Carter County School System for at least 30 years, with the ten years preceding retirement having been with the Carter County School System. The plan gives certified and non-certified personnel who have met the above requirements a one-time bonus of \$5,000 when the employee retires.

#### Employees Covered by Benefit Terms

At the measurement date of June 30, 2022, the following employees were covered by the benefit terms:

|  |                     |
|--|---------------------|
| Inactive Employees or Beneficiaries Currently        |                     |
| Receiving Benefits                                   | 103                 |
| Inactive Employees Entitled to But Not Yet Receiving |                     |
| Benefits   | 0                   |
| Active Employees                                     | 912                 |
| Total  | <u><u>1,015</u></u> |

#### **Total OPEB Liability**

The plan's total OPEB liability of \$2,258,187 was measured as of June 30, 2022, and was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to the measurement date.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the actuarial valuation 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                                  |
| Discount Rate                          | 4%  |
| Healthcare Cost Trend Rates            | 8% for FY22 with an ultimate rate of 3.6% in 2061 |
| Retirees share of Benefit-related Cost | See discussion under Benefits Provided            |

A single equivalent discount rate of four percent was used, based on the S&P Municipal Bond 20-Year High Grade Index as of June 30, 2022, which was 4.09 percent.

The mortality assumption for certified employees is based on the PubT-2010 Mortality Table for Employees projected generationally with scale MP-2020. The mortality assumption for non-certified employees is based on the PubG-2010 Mortality Table for Employees projected generationally with scale MP-2020. Mortality assumptions reflect observed current mortality as well as expected mortality improvements.

The actuarial assumptions used in the valuation were based on plan data and costs presented by the school department with concurrence by the actuary.

#### Changes in the Total OPEB Liability

|  | <u>Total OPEB<br/>Liability</u> |
|--|---------------------------------|
| Balance July 1, 2021                                 | <u>\$ 4,409,593</u>             |
| Changes for the Year:                                |                                 |
| Service Cost   | \$ 178,853                      |
| Interest   | 213,186                         |
| Difference between Expected and Actuarial Experience | (2,292,121)                     |
| Benefit Payments                                     | (439,673)                       |
| Assumption and Other Inputs                          | 71,373                          |
| Other Changes  | 116,976                         |
| Net Changes  | <u>\$ (2,151,406)</u>           |
| Balance June 30, 2022                                | <u><u>\$ 2,258,187</u></u>      |

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2022, the school department recognized OPEB expense of \$175,568. At June 30, 2022, the school department reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|  | Deferred<br>Outflows<br>of<br>Resources | Deferred<br>Inflows<br>of<br>Resources |
|--|---|--|
| Changes of Assumptions/Inputs                        | \$ 60,831                               | \$ 0                                   |
| Difference Between Expected and<br>Actual Experience | 742,842                                 | 1,993,817                              |
| Total  | <u>\$ 803,673</u>                       | <u>\$ 1,993,817</u>                    |

Amounts reported as deferred inflows and deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year Ending<br>June 30 | School<br>Department |
|------------------------|----------------------|
| 2023                   | \$ (216,471)         |
| 2024                   | (216,471)            |
| 2025                   | (210,276)            |
| 2026                   | (209,756)            |
| 2027                   | (222,921)            |
| Thereafter             | (114,249)            |

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 school department calculated using the current discount rate, as well as what the OPEB liability would be if it was calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

| <u>Discount Rate</u> | 1%<br>Decrease<br>3% | Current<br>Discount<br>Rate<br>4% | 1%<br>Increase<br>5% |
|----------------------|----------------------|-----------------------------------|----------------------|
| Total OPEB Liability | \$ 2,450,091         | \$ 2,258,187                      | \$ 2,086,409         |

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

| <u>Healthcare Cost Trend Rate</u> | Current      |              |              |
|-----------------------------------|--------------|--------------|--------------|
|                                   | 1%           | Trend        | 1%           |
|                                   | Decrease     | Rate         | Increase     |
|                                   | 7%           | 8%           | 9%           |
| <hr/>                             |              |              |              |
| Total OPEB Liability              | \$ 2,054,145 | \$ 2,258,187 | \$ 2,492,259 |

**J. Termination Benefits**

The Carter County Board of Education approved a one-time retirement bonus funded in the 2021-22 year school department budget. Fifteen individuals received this bonus payment of \$15,000 each which was paid from the General Purpose School Fund during the year.

**K. Office of Central Accounting, Budgeting, and Purchasing**

**Office of Director of Finance**

Carter 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. The act also provides for the creation of a finance department operated under the direction of the finance director.

**L. Purchasing Law**

The County Financial Management System of 1981 provides for the finance director or a deputy appointed by the finance director to serve as the county purchasing agent. The finance director serves as the purchasing agent for Carter County. Purchases exceeding \$25,000 are required to be competitively bid.

**M. Subsequent Events**

On July 1, 2022, Brandon Carpenter was appointed Director of Schools succeeding Tracy McAbee.

On September 1, 2022, Mike Fraley assumed the position of sheriff from Dexter Lunceford, and Chad Lewis assumed the position of trustee from Randal Lewis.

# **REQUIRED SUPPLEMENTARY INFORMATION**

Exhibit E-1

Carter County, Tennessee  
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on  
Participation in the Public Employee Pension Plan of TCRS  
Primary Government  
For the Fiscal Year Ended June 30

|  | 2014          | 2015          | 2016          | 2017          | 2018           | 2019           | 2020           | 2021            |
|--|---------------|---------------|---------------|---------------|----------------|----------------|----------------|-----------------|
| <b>Total Pension Liability</b>   |               |               |               |               |                |                |                |                 |
| Service Cost   | \$ 968,307    | \$ 946,742    | \$ 990,434    | \$ 1,076,184  | \$ 1,143,055   | \$ 1,187,615   | \$ 1,233,659   | \$ 1,234,159    |
| Interest   | 2,954,231     | 3,112,630     | 3,203,218     | 3,385,810     | 3,466,250      | 3,631,000      | 3,759,163      | 3,938,865       |
| Differences Between Actual and Expected Experience                     | 196,779       | (791,022)     | 340,372       | (814,366)     | 29,062         | (565,653)      | 59,878         | (1,119,393)     |
| Changes in Assumptions   | 0             | 0             | 0             | 1,192,709     | 0              | 0              | 0              | 4,612,108       |
| Benefit Payments, Including Refunds of Employee Contributions          | (1,924,412)   | (2,047,102)   | (2,161,299)   | (2,209,132)   | (2,272,875)    | (2,548,147)    | (2,514,341)    | (2,634,766)     |
| Net Change in Total Pension Liability                                  | \$ 2,194,905  | \$ 1,221,248  | \$ 2,372,725  | \$ 2,631,205  | \$ 2,365,492   | \$ 1,704,815   | \$ 2,538,359   | \$ 6,030,973    |
| Total Pension Liability, Beginning                                     | 39,383,641    | 41,578,546    | 42,799,794    | 45,172,519    | 47,803,724     | 50,169,216     | 51,874,031     | 54,412,390      |
| Total Pension Liability, Ending (a)                                    | \$ 41,578,546 | \$ 42,799,794 | \$ 45,172,519 | \$ 47,803,724 | \$ 50,169,216  | \$ 51,874,031  | \$ 54,412,390  | \$ 60,443,363   |
| <b>Plan Fiduciary Net Position</b>                                     |               |               |               |               |                |                |                |                 |
| Contributions - Employer   | \$ 1,642,354  | \$ 1,799,438  | \$ 1,887,726  | \$ 1,919,806  | \$ 2,007,168   | \$ 2,104,319   | \$ 2,187,453   | \$ 1,112,163    |
| Contributions - Employee   | 205,685       | 258,553       | 315,826       | 347,325       | 388,330        | 446,800        | 468,662        | 497,735         |
| Net Investment Income  | 5,882,079     | 1,273,583     | 1,130,452     | 4,958,056     | 4,046,199      | 3,931,510      | 2,814,901      | 15,238,623      |
| Benefit Payments, Including Refunds of Employee Contributions          | (1,924,412)   | (2,047,102)   | (2,161,299)   | (2,209,132)   | (2,272,875)    | (2,548,147)    | (2,514,341)    | (2,634,766)     |
| Administrative Expense   | (21,508)      | (28,327)      | (43,750)      | (49,238)      | (55,339)       | (53,461)       | (53,325)       | (52,335)        |
| Other Changes  | 0             | 0             | 8,928         | 297           | 0              | 0              | 0              | 0               |
| Net Change in Plan Fiduciary Net Position                              | \$ 5,784,198  | \$ 1,256,145  | \$ 1,137,883  | \$ 4,967,114  | \$ 4,113,483   | \$ 3,881,021   | \$ 2,903,350   | \$ 14,161,420   |
| Plan Fiduciary Net Position, Beginning                                 | 35,566,959    | 41,351,157    | 42,607,302    | 43,745,185    | 48,712,299     | 52,825,782     | 56,706,803     | 59,610,153      |
| Plan Fiduciary Net Position, Ending (b)                                | \$ 41,351,157 | \$ 42,607,302 | \$ 43,745,185 | \$ 48,712,299 | \$ 52,825,782  | \$ 56,706,803  | \$ 59,610,153  | \$ 73,771,573   |
| Net Pension Liability (Asset), Ending (a - b)                          | \$ 227,389    | \$ 192,492    | \$ 1,427,334  | \$ (908,575)  | \$ (2,656,566) | \$ (4,832,772) | \$ (5,197,763) | \$ (13,328,210) |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 99.45%        | 99.55%        | 96.84%        | 101.90%       | 105.30%        | 109.32%        | 109.55%        | 122.05%         |
| Covered Payroll  | \$ 11,631,366 | \$ 12,044,428 | \$ 12,637,078 | \$ 12,850,190 | \$ 13,434,863  | \$ 14,085,117  | \$ 14,641,576  | \$ 14,781,344   |
| Net Pension Liability (Asset) as a Percentage of Covered Payroll       | 1.95%         | 1.60%         | 11.29%        | (7.07%)       | (19.77%)       | (34.31%)       | (35.50%)       | (90.17%)        |

Note 1: Ten years of data will be presented when available.

Note 2: 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.

Exhibit E-2

Carter County, Tennessee  
Schedule of Contributions Based on Participation in the Public  
Employee Pension Plan of TCRS  
Primary Government  
For the Fiscal Year Ended June 30

|  | 2014          | 2015          | 2016          | 2017          | 2018                | 2019                | 2020                  | 2021                | 2022                |
|--|---------------|---------------|---------------|---------------|---------------------|---------------------|-----------------------|---------------------|---------------------|
| Actuarially Determined Contribution  | \$ 1,642,354  | \$ 1,799,438  | \$ 1,887,726  | \$ 1,919,806  | \$ 1,567,849        | \$ 1,476,122        | \$ 869,710            | \$ 947,956          | \$ 313,016          |
| Less: Contributions in Relation to the Actuarially Determined Contribution | (1,642,354)   | (1,799,438)   | (1,887,726)   | (1,919,806)   | (2,007,169)         | (2,104,319)         | (2,187,453)           | (1,112,163)         | (1,304,227)         |
| Contribution Deficiency (Excess)   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ (439,320)</u> | <u>\$ (628,197)</u> | <u>\$ (1,317,743)</u> | <u>\$ (164,207)</u> | <u>\$ (991,211)</u> |
| Covered Payroll  | \$ 11,631,366 | \$ 12,044,428 | \$ 12,637,078 | \$ 12,850,190 | \$ 13,434,863       | \$ 14,085,117       | \$ 14,641,576         | \$ 14,781,344       | \$ 16,302,904       |
| Contributions as a Percentage of Covered Payroll                           | 14.12%        | 14.94%        | 14.94%        | 14.94%        | 14.94%              | 14.94%              | 14.94%                | 7.52%               | 8.00%               |

Note 1: Ten years of data will be presented when available.

Note 2: 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.



Exhibit E-3

Carter County, Tennessee  
Schedule of Contributions Based on Participation in the Teacher  
Retirement Plan of TCRS  
Discretely Presented Carter County School Department  
For the Fiscal Year Ended June 30

|  | 2015       | 2016         | 2017         | 2018         | 2019         | 2020         | 2021         | 2022         |
|--|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Contractually Required Contribution  | \$ 28,892  | \$ 60,931    | \$ 103,169   | \$ 124,703   | \$ 68,531    | \$ 81,430    | \$ 98,291    | \$ 135,727   |
| Less: Contributions in Relation to the Contractually Required Contribution | (28,892)   | (60,931)     | (103,169)    | (124,703)    | (68,531)     | (81,430)     | (98,291)     | (135,727)    |
| Contribution Deficiency (Excess)   | \$ 0       | \$ 0         | \$ 0         | \$ 0         | \$ 0         | \$ 0         | \$ 0         | \$ 0         |
| Covered Payroll  | \$ 722,287 | \$ 1,523,278 | \$ 2,579,247 | \$ 3,117,577 | \$ 3,532,541 | \$ 4,011,265 | \$ 4,708,196 | \$ 6,752,601 |
| Contributions as a Percentage of Covered Payroll                           | 4.00%      | 4.00%        | 4.00%        | 4.00%        | 1.94%        | 2.03%        | 2.09%        | 2.01%        |

Note 1: Ten years of data will be presented when available.

Note 2: 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.  
2019: Pension - 1.94%, SRT - 2.02%  
2020: Pension - 2.03%, SRT - 1.97%  
2021: Pension - 2.02%, SRT - 1.98%  
2022: Pension - 2.01%, SRT - 1.99%

Exhibit E-4

Carter County, Tennessee  
Schedule of Contributions Based on Participation in the Teacher  
Legacy Pension Plan of TCRS  
Discretely Presented Carter County School Department  
For the Fiscal Year Ended June 30

|   | 2014          | 2015          | 2016          | 2017          | 2018          | 2019          | 2020          | 2021          | 2022          |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Contractually Required Contribution   | \$ 1,864,442  | \$ 1,862,080  | \$ 1,826,476  | \$ 1,804,892  | \$ 1,806,782  | \$ 2,043,113  | \$ 2,003,669  | \$ 1,802,339  | \$ 1,841,771  |
| Less: Contributions in Relation to the<br>Contractually Required Contribution | (1,864,442)   | (1,862,080)   | (1,826,476)   | (1,804,892)   | (1,806,782)   | (2,043,113)   | (2,003,669)   | (1,802,339)   | (1,841,771)   |
| Contribution Deficiency (Excess)  | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   |
| Covered Payroll   | \$ 20,995,964 | \$ 20,599,747 | \$ 20,204,373 | \$ 19,965,598 | \$ 19,898,460 | \$ 19,532,654 | \$ 18,849,177 | \$ 17,549,550 | \$ 17,881,270 |
| Contributions as a Percentage of Covered Payroll                              | 8.88%         | 9.04%         | 9.04%         | 9.04%         | 9.08%         | 10.46%        | 10.63%        | 10.27%        | 10.30%        |

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

Exhibit E-5

Carter County, Tennessee  
Schedule of Proportionate Share of the Net Pension Liability (Asset)  
in the Teacher Retirement Plan of TCRS  
Discretely Presented Carter County School Department  
For the Fiscal Year Ended June 30

|   | 2015        | 2016         | 2017         | 2018         | 2019         | 2020         | 2021         |
|---|-------------|--------------|--------------|--------------|--------------|--------------|--------------|
| School Department's Proportion of the Net Pension Liability (Asset)   | 0.347636%   | 0.346198%    | 0.392973%    | 0.356751%    | 0.333822%    | 0.317873%    | 0.337154%    |
| School Department's Proportionate Share of the Net Pension Liability (Asset)  | \$ (13,985) | \$ (36,040)  | \$ (103,679) | \$ (161,797) | \$ (188,438) | \$ (180,756) | \$ (365,210) |
| Covered Payroll   | \$ 722,287  | \$ 1,523,278 | \$ 2,579,247 | \$ 3,117,577 | \$ 3,532,541 | \$ 4,011,265 | \$ 4,708,196 |
| 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%)      | (7.76%)      |
| 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%      |

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

Exhibit E-6

Carter County, Tennessee  
Schedule of Proportionate Share of the Net Pension Liability (Asset)  
in the Teacher Legacy Pension Plan of TCRS  
Discretely Presented Carter County School Department  
For the Fiscal Year Ended June 30

|   | 2014          | 2015          | 2016          | 2017          | 2018           | 2019           | 2020           | 2021            |
|---|---------------|---------------|---------------|---------------|----------------|----------------|----------------|-----------------|
| School Department's Proportion of the Net Pension Liability (Asset)   | 0.534930%     | 0.550239%     | 0.559709%     | 0.564806%     | 0.568256%      | 0.582517%      | 0.566338%      | 0.534693%       |
| School Department's Proportionate Share of the Net Pension Liability (Asset)  | \$ (86,924)   | \$ 225,397    | \$ 3,497,874  | \$ (184,795)  | \$ (1,999,645) | \$ (5,989,324) | \$ (4,318,746) | \$ (23,062,613) |
| Covered Payroll   | \$ 20,995,964 | \$ 20,599,747 | \$ 20,204,373 | \$ 19,965,598 | \$ 19,898,460  | \$ 19,532,654  | \$ 18,849,177  | \$ 17,549,550   |
| School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll | (0.41%)       | 1.09%         | 17.31%        | (0.93%)       | (10.05%)       | (30.66%)       | (22.91%)       | (131.41%)       |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)                                  | 100.08%       | 99.81%        | 97.14%        | 100.14%       | 101.49%        | 104.28%        | 103.09%        | 116.13%         |

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

Carter County, Tennessee  
Schedule of Changes in the Total OPEB Liability and Related Ratios - Carter County Plan  
Primary Government  
For the Fiscal Year Ended June 30

|  | 2018                | 2019                | 2020                | 2021                | 2022                |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Total OPEB Liability</b>                                    |                     |                     |                     |                     |                     |
| Service Cost   | \$ 50,675           | \$ 53,795           | \$ 41,241           | \$ 52,956           | \$ 75,848           |
| Interest   | 68,057              | 63,740              | 63,083              | 47,305              | 45,881              |
| Differences Between Actual and Expected Experience             | (67,745)            | 90,185              | 273,937             | (20,385)            | (12,618)            |
| Changes in Assumptions or Other Inputs                         | 0                   | 0                   | 0                   | 0                   | (62,751)            |
| Benefit Payments   | (85,020)            | (65,586)            | (63,914)            | (57,256)            | (99,949)            |
| Implicit Rate Subsidy  | 0                   | (97,972)            | (37,732)            | (37,732)            | (48,274)            |
| Net Change in Total OPEB Liability                             | \$ (34,033)         | \$ 44,162           | \$ 276,615          | \$ (15,112)         | \$ (101,863)        |
| Total OPEB Liability, Beginning                                | 1,850,353           | 1,816,320           | 1,860,482           | 2,137,097           | 2,121,985           |
| Total OPEB Liability, Ending                                   | <u>\$ 1,816,320</u> | <u>\$ 1,860,482</u> | <u>\$ 2,137,097</u> | <u>\$ 2,121,985</u> | <u>\$ 2,020,122</u> |
| Covered Employee Payroll                                       | \$ 8,897,803        | \$ 9,025,064        | \$ 9,990,375        | \$ 10,313,273       | \$ 8,912,884        |
| Net OPEB Liability as a Percentage of Covered Employee Payroll | 20.41%              | 20.61%              | 21.39%              | 20.58%              | 22.67%              |

Note 1: Ten years of data will be presented when available.

Note 2: Changes in assumptions.

The following are the discount rates used in each period:

|      |       |
|------|-------|
| 2017 | 3.58% |
| 2018 | 3.87% |
| 2019 | 3.50% |
| 2020 | 2.21% |
| 2021 | 2.16% |
| 2022 | 4.09% |

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

Exhibit E-8

Carter County, Tennessee  
Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Education Plan  
Discretely Presented Carter County School Department  
For the Fiscal Year Ended June 30

|   | 2017                 | 2018                 | 2019                 | 2020                 | 2021                 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Total OPEB Liability</b>   |                      |                      |                      |                      |                      |
| Service Cost  | \$ 681,507           | \$ 630,478           | \$ 1,051,967         | \$ 676,967           | \$ 813,824           |
| Interest  | 434,429              | 508,713              | 745,358              | 558,351              | 406,966              |
| Changes in Benefit Terms  | 0                    | 2,336,571            | (1,893,708)          | 0                    | 0                    |
| Differences Between Actual and Expected Experience                              | 0                    | 2,390,151            | (2,128,053)          | 484,563              | 1,101,019            |
| Changes in Assumptions or Other Inputs  | (583,190)            | 1,023,786            | (1,170,504)          | 1,569,048            | (596,948)            |
| Benefit Payments  | (1,041,256)          | (1,098,186)          | (931,865)            | (892,823)            | (941,523)            |
| Net Change in Total OPEB Liability  | \$ (508,510)         | \$ 5,791,513         | \$ (4,326,805)       | \$ 2,396,106         | \$ 783,338           |
| Total OPEB Liability, Beginning   | 14,716,819           | 14,208,309           | 19,999,822           | 15,673,017           | 18,069,123           |
| Total OPEB Liability, Ending  | <u>\$ 14,208,309</u> | <u>\$ 19,999,822</u> | <u>\$ 15,673,017</u> | <u>\$ 18,069,123</u> | <u>\$ 18,852,461</u> |
| Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability | \$ 4,302,347         | \$ 4,212,403         | \$ 4,143,160         | \$ 4,672,311         | \$ 5,276,291         |
| Employer Proportionate Share of the Total OPEB Liability                        | 9,905,962            | 15,787,419           | 11,529,857           | 13,396,812           | 13,576,170           |
| Covered Employee Payroll  | \$ 22,341,444        | \$ 28,713,977        | \$ 29,353,868        | \$ 29,148,056        | \$ 28,509,226        |
| Net OPEB Liability as a Percentage of Covered Employee Payroll                  | 44.34%               | 54.98%               | 39.28%               | 45.96%               | 47.62%               |

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% |

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

|                |                       |
|----------------|-----------------------|
| 2019 plan year | - from 5.4% to 6.75%  |
| 2020 plan year | - from 6.75% to 6.03% |
| 2021 plan year | - from 6.03% to 9.02% |
| 2022 plan year | - from 9.02% to 7.36% |

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

Exhibit E-9

Carter County, Tennessee

Schedule of Changes in the Total OPEB Liability and Related Ratios - Dental, Life, and Retirement Bonus Plan

Discretely Presented Carter County School Department

For the Fiscal Year Ended June 30

|  | 2018                | 2019                | 2020                | 2021                | 2022                |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Total OPEB Liability</b>                        |                     |                     |                     |                     |                     |
| Service Cost                                       | \$ 36,187           | \$ 38,476           | \$ 46,815           | \$ 60,971           | \$ 178,853          |
| Interest   | 120,379             | 116,349             | 126,162             | 98,234              | 213,186             |
| Differences Between Actual and Expected Experience | (117,701)           | 166,724             | 858,313             | 14,072              | (2,292,121)         |
| Changes in Assumptions or Other Inputs             | 0                   | 0                   | 0                   | 0                   | 71,373              |
| Benefit Payments                                   | (33,935)            | (73,327)            | (164,792)           | (120,335)           | (439,673)           |
| Implicit Rate Subsidy                              | (25,819)            | (25,819)            | (27,341)            | (27,341)            | -                   |
| Other Changes                                      | -                   | -                   | -                   | -                   | 116,976             |
| Net Change in Total OPEB Liability                 | \$ (20,889)         | \$ 222,403          | \$ 839,157          | \$ 25,601           | \$ (2,151,406)      |
| Total OPEB Liability, Beginning                    | 3,343,321           | 3,322,432           | 3,544,835           | 4,383,992           | 4,409,593           |
| Total OPEB Liability, Ending                       | <u>\$ 3,322,432</u> | <u>\$ 3,544,835</u> | <u>\$ 4,383,992</u> | <u>\$ 4,409,593</u> | <u>\$ 2,258,187</u> |

|  |               |               |               |               |               |
|--|---------------|---------------|---------------|---------------|---------------|
| Covered Employee Payroll                                       | \$ 29,793,895 | \$ 28,351,948 | \$ 28,074,870 | \$ 29,625,456 | \$ 29,451,934 |
| Net OPEB Liability as a Percentage of Covered Employee Payroll | 11.15%        | 12.50%        | 15.62%        | 14.88%        | 7.67%         |

Note 1: Ten years of data will be presented when available.

Note 2: Changes in assumptions.

The following are the discount rates used in each period:

|      |       |
|------|-------|
| 2016 | 2.92% |
| 2017 | 3.56% |
| 2018 | 3.62% |
| 2019 | 3.51% |
| 2020 | 2.16% |
| 2021 | 4.00% |

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

**CARTER COUNTY, TENNESSEE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2022**

**TENNESSEE CONSOLIDATED RETIREMENT SYSTEM**

*Valuation Date:* Actuarially determined contribution rates for fiscal year 2022 were calculated based on the July 1, 2020, actuarial valuation.

Methods and assumptions used to determine contribution rates:

|                               |  |
|-------------------------------|--|
| Actuarial Cost Method         | Entry Age Normal   |
| Amortization Method           | Level Dollar, Closed (Not to Exceed 20 Years)  |
| Remaining Amortization Period | Varies by Year   |
| Asset Valuation               | 10-Year Smoothed Within a 20% Corridor to Market Value   |
| Inflation                     | 2.5%   |
| Salary Increases              | Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%             |
| Investment Rate of Return     | 7.25%, 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     | 2.25%  |

*Changes of assumptions.* In 2017, the following assumptions were changed: (1) decreased inflation rate from 3 percent to 2.5 percent; (2) decreased the investment rate of return from 7.5 percent to 7.25 percent; (3) decreased the cost-of-living adjustment from 2.5 percent to 2.25 percent; (4) decreased salary growth graded ranges from an average of 4.25 percent to an average of 4 percent; and (5) modified mortality assumptions.



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

# Nonmajor Governmental Funds

## Special Revenue Funds

---

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

---

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for Carter County’s transfer station, convenience centers, and class IV landfill operations.

Health Department Fund – The Health Department Fund is used to account for transactions of the Carter County Health Department.

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

Sports and Recreation Fund – The Sports and Recreation Fund is used to account for transactions of the Carter County Parks and Recreation Board.

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

## Debt Service Fund

---

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

---

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

## 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.

Exhibit F-1

Carter County, Tennessee  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2022

|  | Special Revenue Funds          |                      |                  |                          |  |                     |
|--|--------------------------------|----------------------|------------------|--------------------------|--|---------------------|
|  | Solid<br>Waste /<br>Sanitation | Health<br>Department | Drug<br>Control  | Sports and<br>Recreation | Constitu -<br>tional<br>Officers -<br>Fees | Total               |
| <u>ASSETS</u>                              |                                |                      |                  |                          |  |                     |
| Cash                                       | \$ 7,370                       | \$ 0                 | \$ 0             | \$ 500                   | \$ 12,310                                  | \$ 20,180           |
| Equity in Pooled Cash and Investments      | 1,016,043                      | 156,378              | 80,349           | 105,751                  | 0  | 1,358,521           |
| Accounts Receivable                        | 93,856                         | 0                    | 0                | 0                        | 33,847                                     | 127,703             |
| Due from Other Governments                 | 14,320                         | 0                    | 0                | 0                        | 0  | 14,320              |
| Due from Other Funds                       | 20,000                         | 0                    | 0                | 0                        | 0  | 20,000              |
| Property Taxes Receivable                  | 0                              | 0                    | 0                | 0                        | 0  | 0                   |
| Allowance for Uncollectible Property Taxes | 0                              | 0                    | 0                | 0                        | 0  | 0                   |
| Total Assets                               | <u>\$ 1,151,589</u>            | <u>\$ 156,378</u>    | <u>\$ 80,349</u> | <u>\$ 106,251</u>        | <u>\$ 46,157</u>                           | <u>\$ 1,540,724</u> |
| <u>LIABILITIES</u>                         |                                |                      |                  |                          |  |                     |
| Accounts Payable                           | \$ 96,194                      | \$ 6,917             | \$ 895           | \$ 36,402                | \$ 0                                       | \$ 140,408          |
| Accrued Payroll                            | 29,555                         | 0                    | 0                | 0                        | 0  | 29,555              |
| Due to Other Funds                         | 514,749                        | 0                    | 0                | 0                        | 46,157                                     | 560,906             |
| Other Current Liabilities                  | 0                              | 0                    | 14,441           | 0                        | 0  | 14,441              |
| Total Liabilities                          | <u>\$ 640,498</u>              | <u>\$ 6,917</u>      | <u>\$ 15,336</u> | <u>\$ 36,402</u>         | <u>\$ 46,157</u>                           | <u>\$ 745,310</u>   |
| <u>DEFERRED INFLOWS OF RESOURCES</u>       |                                |                      |                  |                          |  |                     |
| Deferred Current Property Taxes            | \$ 0                           | \$ 0                 | \$ 0             | \$ 0                     | \$ 0                                       | \$ 0                |
| Deferred Delinquent Property Taxes         | 0                              | 0                    | 0                | 0                        | 0  | 0                   |
| Total Deferred Inflows of Resources        | <u>\$ 0</u>                    | <u>\$ 0</u>          | <u>\$ 0</u>      | <u>\$ 0</u>              | <u>\$ 0</u>                                | <u>\$ 0</u>         |

(Continued)

Exhibit F-1

Carter County, Tennessee  
Combining Balance Sheet  
Nonmajor Governmental Funds (Cont.)

|   | Special Revenue Funds          |                      |                 |                          |  | Total        |
|---|--------------------------------|----------------------|-----------------|--------------------------|--|--------------|
|   | Solid<br>Waste /<br>Sanitation | Health<br>Department | Drug<br>Control | Sports and<br>Recreation | Constitu -<br>tional<br>Officers -<br>Fees |              |
| <u>FUND BALANCES</u>  |                                |                      |                 |                          |  |              |
| Restricted:   |                                |                      |                 |                          |  |              |
| Restricted for Public Safety  | \$ 0                           | \$ 0                 | \$ 65,013       | \$ 0                     | \$ 0                                       | \$ 65,013    |
| Restricted for Public Health and Welfare                            | 0                              | 89,363               | 0               | 0                        | 0  | 89,363       |
| Restricted for Debt Service   | 0                              | 0                    | 0               | 0                        | 0  | 0            |
| Restricted for Capital Projects                                     | 0                              | 0                    | 0               | 0                        | 0  | 0            |
| Committed:  |                                |                      |                 |                          |  |              |
| Committed for Public Health and Welfare                             | 511,091                        | 60,098               | 0               | 0                        | 0  | 571,189      |
| Committed for Social, Cultural, and Recreational Services           | 0                              | 0                    | 0               | 69,849                   | 0  | 69,849       |
| Committed for Debt Service  | 0                              | 0                    | 0               | 0                        | 0  | 0            |
| Committed for Capital Projects                                      | 0                              | 0                    | 0               | 0                        | 0  | 0            |
| Total Fund Balances   | \$ 511,091                     | \$ 149,461           | \$ 65,013       | \$ 69,849                | \$ 0                                       | \$ 795,414   |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$ 1,151,589                   | \$ 156,378           | \$ 80,349       | \$ 106,251               | \$ 46,157                                  | \$ 1,540,724 |

(Continued)

Exhibit F-1

Carter County, Tennessee  
Combining Balance Sheet  
Nonmajor Governmental Funds (Cont.)

|  | Debt Service<br>Fund       | Capital<br>Projects Fund       | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|----------------------------|--------------------------------|--|
|  | General<br>Debt<br>Service | General<br>Capital<br>Projects |  |
| <u>ASSETS</u>                              |                            |                                |  |
| Cash                                       | \$ 0                       | \$ 0                           | \$ 20,180                                  |
| Equity in Pooled Cash and Investments      | 2,621,160                  | 48,921                         | 4,028,602                                  |
| Accounts Receivable                        | 0                          | 0                              | 127,703                                    |
| Due from Other Governments                 | 161                        | 0                              | 14,481                                     |
| Due from Other Funds                       | 502,000                    | 0                              | 522,000                                    |
| Property Taxes Receivable                  | 1,433,146                  | 0                              | 1,433,146                                  |
| Allowance for Uncollectible Property Taxes | (13,725)                   | 0                              | (13,725)                                   |
| Total Assets                               | <u>\$ 4,542,742</u>        | <u>\$ 48,921</u>               | <u>\$ 6,132,387</u>                        |
| <u>LIABILITIES</u>                         |                            |                                |  |
| Accounts Payable                           | \$ 0                       | \$ 0                           | \$ 140,408                                 |
| Accrued Payroll                            | 0                          | 0                              | 29,555                                     |
| Due to Other Funds                         | 0                          | 0                              | 560,906                                    |
| Other Current Liabilities                  | 0                          | 0                              | 14,441                                     |
| Total Liabilities                          | <u>\$ 0</u>                | <u>\$ 0</u>                    | <u>\$ 745,310</u>                          |
| <u>DEFERRED INFLOWS OF RESOURCES</u>       |                            |                                |  |
| Deferred Current Property Taxes            | \$ 1,374,861               | \$ 0                           | \$ 1,374,861                               |
| Deferred Delinquent Property Taxes         | 40,296                     | 0                              | 40,296                                     |
| Total Deferred Inflows of Resources        | <u>\$ 1,415,157</u>        | <u>\$ 0</u>                    | <u>\$ 1,415,157</u>                        |

(Continued)

Exhibit F-1

Carter County, Tennessee  
Combining Balance Sheet  
Nonmajor Governmental Funds (Cont.)

FUND BALANCES

Restricted:

Restricted for Public Safety

Restricted for Public Health and Welfare

Restricted for Debt Service

Restricted for Capital Projects

Committed:

Committed for Public Health and Welfare

Committed for Social, Cultural, and Recreational Services

Committed for Debt Service

Committed for Capital Projects

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

| <u>Debt Service</u> | <u>Capital</u>       |                     |
|---------------------|----------------------|---------------------|
| <u>Fund</u>         | <u>Projects Fund</u> |                     |
| General             | General              | Total               |
| Debt                | Capital              | Nonmajor            |
| Service             | Projects             | Governmental        |
|                     |                      | Funds               |
|                     |                      |                     |
| \$ 0                | \$ 0                 | \$ 65,013           |
| 0                   | 0                    | 89,363              |
| 1,551,467           | 0                    | 1,551,467           |
| 0                   | 32,255               | 32,255              |
| 0                   | 0                    | 571,189             |
| 0                   | 0                    | 69,849              |
| 1,576,118           | 0                    | 1,576,118           |
| 0                   | 16,666               | 16,666              |
| <u>\$ 3,127,585</u> | <u>\$ 48,921</u>     | <u>\$ 3,971,920</u> |
| <u>\$ 4,542,742</u> | <u>\$ 48,921</u>     | <u>\$ 6,132,387</u> |

Exhibit F-2

Carter County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2022

|  | Special Revenue Funds          |                      |                 |                          |  |              |
|--|--------------------------------|----------------------|-----------------|--------------------------|--|--------------|
|  | Solid<br>Waste /<br>Sanitation | Health<br>Department | Drug<br>Control | Sports and<br>Recreation | Constitu -<br>tional<br>Officers -<br>Fees | Total        |
| <u>Revenues</u>                                      |                                |                      |                 |                          |  |              |
| Local Taxes  | \$ 0                           | \$ 169,000           | \$ 0            | \$ 81,670                | \$ 0                                       | \$ 250,670   |
| Fines, Forfeitures, and Penalties                    | 0                              | 0                    | 39,768          | 0                        | 0  | 39,768       |
| Charges for Current Services                         | 1,354,312                      | 0                    | 0               | 0                        | 6,190                                      | 1,360,502    |
| Other Local Revenues                                 | 334,043                        | 0                    | 400             | 0                        | 0  | 334,443      |
| State of Tennessee                                   | 48,018                         | 0                    | 0               | 0                        | 0  | 48,018       |
| Total Revenues                                       | \$ 1,736,373                   | \$ 169,000           | \$ 40,168       | \$ 81,670                | \$ 6,190                                   | \$ 2,033,401 |
| <u>Expenditures</u>                                  |                                |                      |                 |                          |  |              |
| Current:   |                                |                      |                 |                          |  |              |
| Administration of Justice                            | \$ 0                           | \$ 0                 | \$ 0            | \$ 0                     | \$ 6,190                                   | \$ 6,190     |
| Public Safety  | 0                              | 0                    | 14,755          | 0                        | 0  | 14,755       |
| Public Health and Welfare                            | 1,742,321                      | 170,647              | 0               | 0                        | 0  | 1,912,968    |
| Social, Cultural, and Recreational Services          | 0                              | 0                    | 0               | 112,701                  | 0  | 112,701      |
| Debt Service:  |                                |                      |                 |                          |  |              |
| Principal on Debt                                    | 0                              | 0                    | 0               | 0                        | 0  | 0            |
| Interest on Debt                                     | 0                              | 0                    | 0               | 0                        | 0  | 0            |
| Other Debt Service                                   | 0                              | 0                    | 0               | 0                        | 0  | 0            |
| Total Expenditures                                   | \$ 1,742,321                   | \$ 170,647           | \$ 14,755       | \$ 112,701               | \$ 6,190                                   | \$ 2,046,614 |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ (5,948)                     | \$ (1,647)           | \$ 25,413       | \$ (31,031)              | \$ 0                                       | \$ (13,213)  |

(Continued)



Exhibit F-2

Carter County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds (Cont.)

|                                       | Special Revenue Funds          |                          |                         |                          |                    | Constitu -<br>tional<br>Officers -<br>Fees | Total                    |
|---------------------------------------|--------------------------------|--------------------------|-------------------------|--------------------------|--------------------|--|--------------------------|
|                                       | Solid<br>Waste /<br>Sanitation | Health<br>Department     | Drug<br>Control         | Sports and<br>Recreation |                    |  |                          |
| <u>Other Financing Sources (Uses)</u> |                                |                          |                         |                          |                    |  |                          |
| Insurance Recovery                    | \$ 7,241                       | \$ 0                     | \$ 0                    | \$ 0                     | \$ 0               | \$ 0                                       | \$ 7,241                 |
| Transfers In                          | 42,000                         | 0                        | 0                       | 0                        | 0                  | 0  | 42,000                   |
| Total Other Financing Sources (Uses)  | <u>\$ 49,241</u>               | <u>\$ 0</u>              | <u>\$ 0</u>             | <u>\$ 0</u>              | <u>\$ 0</u>        | <u>\$ 0</u>                                | <u>\$ 49,241</u>         |
| Net Change in Fund Balances           | \$ 43,293                      | \$ (1,647)               | \$ 25,413               | \$ (31,031)              | \$ 0               | \$ 0                                       | \$ 36,028                |
| Fund Balance, July 1, 2021            | <u>467,798</u>                 | <u>151,108</u>           | <u>39,600</u>           | <u>100,880</u>           | <u>0</u>           | <u>0</u>                                   | <u>759,386</u>           |
| Fund Balance, June 30, 2022           | <u><u>\$ 511,091</u></u>       | <u><u>\$ 149,461</u></u> | <u><u>\$ 65,013</u></u> | <u><u>\$ 69,849</u></u>  | <u><u>\$ 0</u></u> | <u><u>\$ 0</u></u>                         | <u><u>\$ 795,414</u></u> |

(Continued)

Exhibit F-2

Carter County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds (Cont.)

|  | Debt Service<br>Fund | Capital<br>Projects Fund | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|----------------------|--------------------------|--|
| <u>Revenues</u>                                      |                      |                          |  |
| Local Taxes  | \$ 1,432,617         | \$ 0                     | \$ 1,683,287                               |
| Fines, Forfeitures, and Penalties                    | 0                    | 0                        | 39,768                                     |
| Charges for Current Services                         | 0                    | 0                        | 1,360,502                                  |
| Other Local Revenues                                 | 0                    | 0                        | 334,443                                    |
| State of Tennessee                                   | 33,882               | 0                        | 81,900                                     |
| Total Revenues                                       | <u>\$ 1,466,499</u>  | <u>\$ 0</u>              | <u>\$ 3,499,900</u>                        |
| <u>Expenditures</u>                                  |                      |                          |  |
| Current:   |                      |                          |  |
| Administration of Justice                            | \$ 0                 | \$ 0                     | \$ 6,190                                   |
| Public Safety  | 0                    | 0                        | 14,755                                     |
| Public Health and Welfare                            | 0                    | 0                        | 1,912,968                                  |
| Social, Cultural, and Recreational Services          | 0                    | 0                        | 112,701                                    |
| Debt Service:  |                      |                          |  |
| Principal on Debt                                    | 1,230,000            | 0                        | 1,230,000                                  |
| Interest on Debt                                     | 207,768              | 0                        | 207,768                                    |
| Other Debt Service                                   | 29,799               | 0                        | 29,799                                     |
| Total Expenditures                                   | <u>\$ 1,467,567</u>  | <u>\$ 0</u>              | <u>\$ 3,514,181</u>                        |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ (1,068)</u>    | <u>\$ 0</u>              | <u>\$ (14,281)</u>                         |

(Continued)

Exhibit F-2

Carter County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds (Cont.)

|                                       | Debt Service<br>Fund       | Capital<br>Projects Fund       | Total<br>Nonmajor<br>Governmental<br>Funds |
|---------------------------------------|----------------------------|--------------------------------|--|
|                                       | General<br>Debt<br>Service | General<br>Capital<br>Projects |  |
| <u>Other Financing Sources (Uses)</u> |                            |                                |  |
| Insurance Recovery                    | \$ 0                       | \$ 0                           | \$ 7,241                                   |
| Transfers In                          | 0                          | 0                              | 42,000                                     |
| Total Other Financing Sources (Uses)  | <u>\$ 0</u>                | <u>\$ 0</u>                    | <u>\$ 49,241</u>                           |
| Net Change in Fund Balances           | \$ (1,068)                 | \$ 0                           | \$ 34,960                                  |
| Fund Balance, July 1, 2021            | <u>3,128,653</u>           | <u>48,921</u>                  | <u>3,936,960</u>                           |
| Fund Balance, June 30, 2022           | <u>\$ 3,127,585</u>        | <u>\$ 48,921</u>               | <u>\$ 3,971,920</u>                        |

Exhibit F-3

Carter County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Solid Waste/Sanitation Fund  
For the Year Ended June 30, 2022

|  | Actual<br>(GAAP<br>Basis) | Add:<br>Encumbrances<br>6/30/2022 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts    |                     | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|---|---------------------|---------------------|--|
|  |                           |                                   |   | Original            | Final               |  |
| <u>Revenues</u>                                      |                           |                                   |   |                     |                     |  |
| Charges for Current Services                         | \$ 1,354,312              | \$ 0                              | \$ 1,354,312  | \$ 1,328,485        | \$ 1,328,485        | \$ 25,827  |
| Other Local Revenues                                 | 334,043                   | 0                                 | 334,043   | 174,000             | 174,000             | 160,043  |
| State of Tennessee                                   | 48,018                    | 0                                 | 48,018  | 22,500              | 42,500              | 5,518  |
| Total Revenues                                       | <u>\$ 1,736,373</u>       | <u>\$ 0</u>                       | <u>\$ 1,736,373</u>   | <u>\$ 1,524,985</u> | <u>\$ 1,544,985</u> | <u>\$ 191,388</u>  |
| <u>Expenditures</u>                                  |                           |                                   |   |                     |                     |  |
| <u>Public Health and Welfare</u>                     |                           |                                   |   |                     |                     |  |
| Convenience Centers                                  | \$ 39,163                 | \$ 0                              | \$ 39,163   | \$ 43,304           | \$ 44,153           | \$ 4,990   |
| Recycling Center                                     | 230,477                   | 0                                 | 230,477   | 137,473             | 232,423             | 1,946  |
| Landfill Operation and Maintenance                   | 1,472,681                 | 340,290                           | 1,812,971   | 1,478,727           | 2,016,171           | 203,200  |
| Total Expenditures                                   | <u>\$ 1,742,321</u>       | <u>\$ 340,290</u>                 | <u>\$ 2,082,611</u>   | <u>\$ 1,659,504</u> | <u>\$ 2,292,747</u> | <u>\$ 210,136</u>  |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ (5,948)</u>         | <u>\$ (340,290)</u>               | <u>\$ (346,238)</u>   | <u>\$ (134,519)</u> | <u>\$ (747,762)</u> | <u>\$ 401,524</u>  |
| <u>Other Financing Sources (Uses)</u>                |                           |                                   |   |                     |                     |  |
| Insurance Recovery                                   | \$ 7,241                  | \$ 0                              | \$ 7,241  | \$ 0                | \$ 0                | \$ 7,241   |
| Transfers In   | 42,000                    | 0                                 | 42,000  | 0                   | 544,000             | (502,000)  |
| Total Other Financing Sources                        | <u>\$ 49,241</u>          | <u>\$ 0</u>                       | <u>\$ 49,241</u>  | <u>\$ 0</u>         | <u>\$ 544,000</u>   | <u>\$ (494,759)</u>  |
| Net Change in Fund Balance                           | \$ 43,293                 | \$ (340,290)                      | \$ (296,997)  | \$ (134,519)        | \$ (203,762)        | \$ (93,235)  |
| Fund Balance, July 1, 2021                           | <u>467,798</u>            | <u>0</u>                          | <u>467,798</u>  | <u>276,978</u>      | <u>276,978</u>      | <u>190,820</u>   |
| Fund Balance, June 30, 2022                          | <u>\$ 511,091</u>         | <u>\$ (340,290)</u>               | <u>\$ 170,801</u>   | <u>\$ 142,459</u>   | <u>\$ 73,216</u>    | <u>\$ 97,585</u>   |

## Exhibit F-4

Carter County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Health Department Fund  
For the Year Ended June 30, 2022

|  | Actual     | Budgeted Amounts |             | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|------------|------------------|-------------|--|
|  |            | Original         | Final       |  |
| <u>Revenues</u>                                      |            |                  |             |  |
| Local Taxes  | \$ 169,000 | \$ 0             | \$ 169,000  | \$ 0   |
| Total Revenues                                       | \$ 169,000 | \$ 0             | \$ 169,000  | \$ 0   |
| <u>Expenditures</u>                                  |            |                  |             |  |
| <u>Public Health and Welfare</u>                     |            |                  |             |  |
| Local Health Center                                  | \$ 170,647 | \$ 169,000       | \$ 179,000  | \$ 8,353   |
| Total Expenditures                                   | \$ 170,647 | \$ 169,000       | \$ 179,000  | \$ 8,353   |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ (1,647) | \$ (169,000)     | \$ (10,000) | \$ 8,353   |
| <u>Other Financing Sources (Uses)</u>                |            |                  |             |  |
| Transfers In   | \$ 0       | \$ 169,000       | \$ 0        | \$ 0   |
| Total Other Financing Sources                        | \$ 0       | \$ 169,000       | \$ 0        | \$ 0   |
| Net Change in Fund Balance                           | \$ (1,647) | \$ 0             | \$ (10,000) | \$ 8,353   |
| Fund Balance, July 1, 2021                           | 151,108    | 174,695          | 174,695     | (23,587)   |
| Fund Balance, June 30, 2022                          | \$ 149,461 | \$ 174,695       | \$ 164,695  | \$ (15,234)  |

## Exhibit F-5

Carter County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Drug Control Fund  
For the Year Ended June 30, 2022

|  | Actual                  | Budgeted Amounts        |                         | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|-------------------------|-------------------------|-------------------------|--|
|  |                         | Original                | Final                   |  |
| <u>Revenues</u>                                      |                         |                         |                         |  |
| Fines, Forfeitures, and Penalties                    | \$ 39,768               | \$ 34,100               | \$ 34,100               | \$ 5,668   |
| Other Local Revenues                                 | 400                     | 5,700                   | 5,700                   | (5,300)  |
| Total Revenues                                       | <u>\$ 40,168</u>        | <u>\$ 39,800</u>        | <u>\$ 39,800</u>        | <u>\$ 368</u>  |
| <u>Expenditures</u>                                  |                         |                         |                         |  |
| <u>Public Safety</u>                                 |                         |                         |                         |  |
| Sheriff's Department                                 | \$ 14,755               | \$ 39,800               | \$ 39,956               | \$ 25,201  |
| Total Expenditures                                   | <u>\$ 14,755</u>        | <u>\$ 39,800</u>        | <u>\$ 39,956</u>        | <u>\$ 25,201</u>   |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ 25,413</u>        | <u>\$ 0</u>             | <u>\$ (156)</u>         | <u>\$ 25,569</u>   |
| Net Change in Fund Balance                           | \$ 25,413               | \$ 0                    | \$ (156)                | \$ 25,569  |
| Fund Balance, July 1, 2021                           | <u>39,600</u>           | <u>33,026</u>           | <u>33,026</u>           | <u>6,574</u>   |
| Fund Balance, June 30, 2022                          | <u><u>\$ 65,013</u></u> | <u><u>\$ 33,026</u></u> | <u><u>\$ 32,870</u></u> | <u><u>\$ 32,143</u></u>                                      |

## Exhibit F-6

Carter County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Sports and Recreation Fund  
For the Year Ended June 30, 2022

|  | Actual      | Budgeted Amounts |            | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|-------------|------------------|------------|--|
|  |             | Original         | Final      |  |
| <u>Revenues</u>                                      |             |                  |            |  |
| Local Taxes  | \$ 81,670   | \$ 0             | \$ 160,000 | \$ (78,330)  |
| Total Revenues                                       | \$ 81,670   | \$ 0             | \$ 160,000 | \$ (78,330)  |
| <u>Expenditures</u>                                  |             |                  |            |  |
| <u>Social, Cultural, and Recreational Services</u>   |             |                  |            |  |
| Parks and Fair Boards                                | \$ 112,701  | \$ 81,670        | \$ 160,000 | \$ 47,299  |
| Total Expenditures                                   | \$ 112,701  | \$ 81,670        | \$ 160,000 | \$ 47,299  |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ (31,031) | \$ (81,670)      | \$ 0       | \$ (31,031)  |
| <u>Other Financing Sources (Uses)</u>                |             |                  |            |  |
| Transfers In   | \$ 0        | \$ 81,670        | \$ 0       | \$ 0   |
| Total Other Financing Sources                        | \$ 0        | \$ 81,670        | \$ 0       | \$ 0   |
| Net Change in Fund Balance                           | \$ (31,031) | \$ 0             | \$ 0       | \$ (31,031)  |
| Fund Balance, July 1, 2021                           | 100,880     | 39,049           | 39,049     | 61,831   |
| Fund Balance, June 30, 2022                          | \$ 69,849   | \$ 39,049        | \$ 39,049  | \$ 30,800  |

## Exhibit F-7

Carter County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
General Debt Service Fund  
For the Year Ended June 30, 2022

|  | Actual                     | Budgeted Amounts           |                            | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|----------------------------|----------------------------|----------------------------|--|
|  |                            | Original                   | Final                      |  |
| <u>Revenues</u>                                      |                            |                            |                            |  |
| Local Taxes  | \$ 1,432,617               | \$ 1,432,416               | \$ 1,432,416               | \$ 201   |
| State of Tennessee                                   | 33,882                     | 35,000                     | 35,000                     | (1,118)  |
| Total Revenues                                       | <u>\$ 1,466,499</u>        | <u>\$ 1,467,416</u>        | <u>\$ 1,467,416</u>        | <u>\$ (917)</u>  |
| <u>Expenditures</u>                                  |                            |                            |                            |  |
| <u>Principal on Debt</u>                             |                            |                            |                            |  |
| General Government                                   | \$ 1,230,000               | \$ 1,230,000               | \$ 1,230,000               | \$ 0   |
| <u>Interest on Debt</u>                              |                            |                            |                            |  |
| General Government                                   | 207,768                    | 207,768                    | 207,768                    | 0  |
| <u>Other Debt Service</u>                            |                            |                            |                            |  |
| General Government                                   | 29,799                     | 29,648                     | 29,980                     | 181  |
| Total Expenditures                                   | <u>\$ 1,467,567</u>        | <u>\$ 1,467,416</u>        | <u>\$ 1,467,748</u>        | <u>\$ 181</u>  |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ (1,068)</u>          | <u>\$ 0</u>                | <u>\$ (332)</u>            | <u>\$ (736)</u>  |
| Net Change in Fund Balance                           | \$ (1,068)                 | \$ 0                       | \$ (332)                   | \$ (736)   |
| Fund Balance, July 1, 2021                           | <u>3,128,653</u>           | <u>3,088,402</u>           | <u>3,088,402</u>           | <u>40,251</u>  |
| Fund Balance, June 30, 2022                          | <u><u>\$ 3,127,585</u></u> | <u><u>\$ 3,088,402</u></u> | <u><u>\$ 3,088,070</u></u> | <u><u>\$ 39,515</u></u>                                      |



# Custodial Funds

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Custodial Funds are used to account for assets held by the county in a custodial capacity or as an agent for individuals, private organizations, and other governments. 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.

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

City School ADA - Elizabethton Fund and City School ADA – Johnson City Fund – These two funds are used to account for the city school systems' shares of education revenues collected by the county that must be apportioned between the various school systems on an average daily attendance basis. These collections are remitted to the city school systems on a monthly basis.

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

Exhibit G-1

Carter County, Tennessee  
Combining Statement of Net Position  
Custodial Funds  
June 30, 2022

|  | Custodial Funds |              |              |              |              |
|--|-----------------|--------------|--------------|--------------|--------------|
|  | Cities -        | City         | City         | Constitu -   |              |
|  | Sales           | School       | School       | tional       |              |
|  | Tax             | ADA -        | ADA -        | Officers -   |              |
|  |                 | Elizabethton | Johnson City | Custodial    | Total        |
| <u>ASSETS</u>  |                 |              |              |              |              |
| Cash   | \$ 0            | \$ 0         | \$ 0         | \$ 3,398,946 | \$ 3,398,946 |
| Equity in Pooled Cash and Investments                            | 0               | 386,479      | 12,168       | 0            | 398,647      |
| Accounts Receivable  | 0               | 0            | 0            | 11,475       | 11,475       |
| Due from Other Governments                                       | 1,302,308       | 632,317      | 19,890       | 0            | 1,954,515    |
| Property Taxes Receivable  | 0               | 3,587,323    | 112,730      | 0            | 3,700,053    |
| Allowance for Uncollectible Property Taxes                       | 0               | (34,530)     | (1,085)      | 0            | (35,615)     |
| Total Assets   | \$ 1,302,308    | \$ 4,571,589 | \$ 143,703   | \$ 3,410,421 | \$ 9,428,021 |
| <u>LIABILITIES</u>   |                 |              |              |              |              |
| Due to Other Taxing Units  | \$ 1,302,308    | \$ 1,131,510 | \$ 35,600    | \$ 0         | \$ 2,469,418 |
| Total Liabilities  | \$ 1,302,308    | \$ 1,131,510 | \$ 35,600    | \$ 0         | \$ 2,469,418 |
| <u>DEFERRED INFLOWS OF RESOURCES</u>                             |                 |              |              |              |              |
| Deferred Current Property Taxes                                  | \$ 0            | \$ 3,440,079 | \$ 108,103   | \$ 0         | \$ 3,548,182 |
| Total Deferred Inflows of Resources                              | \$ 0            | \$ 3,440,079 | \$ 108,103   | \$ 0         | \$ 3,548,182 |
| <u>NET POSITION</u>  |                 |              |              |              |              |
| Restricted for Individuals, Organizations, and Other Governments | \$ 0            | \$ 0         | \$ 0         | \$ 3,410,421 | \$ 3,410,421 |
| Total Net Position   | \$ 0            | \$ 0         | \$ 0         | \$ 3,410,421 | \$ 3,410,421 |

Exhibit G-2

Carter County, Tennessee  
Combining Statement of Changes in Net Position  
Custodial Funds  
For the Year Ended June 30, 2022

|  | Custodial Funds |              |              |               |    |            |
|--|-----------------|--------------|--------------|---------------|----|------------|
|  | Cities -        | City         | City         | Constitu -    |    |            |
|  | Sales           | School       | School       | tional        |    |            |
|  | Tax             | ADA -        | ADA -        | Officers -    |    |            |
|  |                 | Elizabethton | Johnson City | Custodial     |    | Total      |
| <u>Additions</u>                                       |                 |              |              |               |    |            |
| Sales Tax Collections for Other Governments            | \$ 7,278,172    | \$ 0         | \$ 0         | \$ 0          | \$ | 7,278,172  |
| ADA - Educational Funds Collected for Cities           | 0               | 7,287,098    | 229,676      | 0             |    | 7,516,774  |
| Fines/Fees and Other Collections                       | 0               | 0            | 0            | 10,773,824    |    | 10,773,824 |
| Total Additions  | \$ 7,278,172    | \$ 7,287,098 | \$ 229,676   | \$ 10,773,824 | \$ | 25,568,770 |
| <u>Deductions</u>                                      |                 |              |              |               |    |            |
| Payment of Sales Tax Collections for Other Governments | \$ 7,278,172    | \$ 0         | \$ 0         | \$ 0          | \$ | 7,278,172  |
| Payments to City School Systems                        | 0               | 7,287,098    | 229,676      | 0             |    | 7,516,774  |
| Payments to State                                      | 0               | 0            | 0            | 6,943,499     |    | 6,943,499  |
| Payments to Individuals and Others                     | 0               | 0            | 0            | 3,146,518     |    | 3,146,518  |
| Total Deductions                                       | \$ 7,278,172    | \$ 7,287,098 | \$ 229,676   | \$ 10,090,017 | \$ | 24,884,963 |
| Change in Net Position                                 | \$ 0            | \$ 0         | \$ 0         | \$ 683,807    | \$ | 683,807    |
| Net Position July 1, 2021                              | 0               | 0            | 0            | 2,726,614     |    | 2,726,614  |
| Net Position June 30, 2022                             | \$ 0            | \$ 0         | \$ 0         | \$ 3,410,421  | \$ | 3,410,421  |

# Carter County School Department

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

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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.

Other Education Special Revenue Fund – The Other Education Special Revenue Fund is used to account for the Head Start Program.

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

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

Exhibit H-1

Carter County, Tennessee  
Statement of Activities  
Discretely Presented Carter County School Department  
For the Year Ended June 30, 2022

| Functions/Programs  | Expenses      | Program Revenues           |   |   | Net (Expense)<br>Revenue and<br>Changes in<br>Net Position<br>Total<br>Governmental<br>Activities |
|---|---------------|----------------------------|---|---|---|
|   |               | Charges<br>for<br>Services | Operating<br>Grants<br>and<br>Contributions | Capital<br>Grants<br>and<br>Contributions |   |
| Governmental Activities:                                      |               |                            |   |   |   |
| Instruction   | \$ 28,464,954 | \$ 0                       | \$ 8,483,423                                | \$ 525,124                                | \$ (19,456,407)   |
| Support Services  | 16,668,307    | 42,255                     | 658,278                                     | 0   | (15,967,774)  |
| Operation of Non-instructional Services                       | 6,391,176     | 255,005                    | 5,173,817                                   | 0   | (962,354)   |
| Total Governmental Activities                                 | \$ 51,524,437 | \$ 297,260                 | \$ 14,315,518                               | \$ 525,124                                | \$ (36,386,535)   |
| General Revenues:   |               |                            |   |   |   |
| Taxes:  |               |                            |   |   |   |
| Property Taxes Levied for General Purposes                    |               |                            |   |   | \$ 6,018,022  |
| Local Option Sales Taxes                                      |               |                            |   |   | 6,393,049   |
| Mixed Drink Tax   |               |                            |   |   | 1,267   |
| Grants and Contributions Not Restricted for Specific Programs |               |                            |   |   | 34,021,320  |
| Unrestricted Investment Income                                |               |                            |   |   | 12,826  |
| Miscellaneous   |               |                            |   |   | 75,887  |
| Total General Revenues  |               |                            |   |   | \$ 46,522,371   |
| Change in Net Position  |               |                            |   |   | \$ 10,135,836   |
| Net Position, July 1, 2021                                    |               |                            |   |   | 38,058,130  |
| Net Position, June 30, 2022                                   |               |                            |   |   | \$ 48,193,966   |

Exhibit H-2

Carter County, Tennessee  
Balance Sheet - Governmental Funds  
Discretely Presented Carter County School Department  
June 30, 2022

|  | Major Funds                  |                               |                      | Nonmajor<br>Funds                   |                                |
|--|------------------------------|-------------------------------|----------------------|-------------------------------------|--------------------------------|
|  | General<br>Purpose<br>School | School<br>Federal<br>Projects | Central<br>Cafeteria | Other<br>Govern-<br>mental<br>Funds | Total<br>Governmental<br>Funds |
| <u>ASSETS</u>                              |                              |                               |                      |                                     |                                |
| Cash                                       | \$ 1,107,457                 | \$ 0                          | \$ 2,865             | \$ 1,183,971                        | \$ 2,294,293                   |
| Equity in Pooled Cash and Investments      | 13,375,832                   | 1,001,104                     | 3,666,684            | 2,793,631                           | 20,837,251                     |
| Accounts Receivable                        | 0                            | 0                             | 27,150               | 500                                 | 27,650                         |
| Due from Other Governments                 | 2,162,747                    | 291,889                       | 37,196               | 312,681                             | 2,804,513                      |
| Due from Other Funds                       | 184,444                      | 87,632                        | 0                    | 6,312                               | 278,388                        |
| Due from Primary Government                | 50,000                       | 0                             | 0                    | 0                                   | 50,000                         |
| Property Taxes Receivable                  | 6,111,124                    | 0                             | 0                    | 0                                   | 6,111,124                      |
| Allowance for Uncollectible Property Taxes | (58,824)                     | 0                             | 0                    | 0                                   | (58,824)                       |
| Prepaid Items                              | 80,718                       | 0                             | 0                    | 0                                   | 80,718                         |
| Restricted Assets                          | 398,704                      | 0                             | 0                    | 0                                   | 398,704                        |
| Total Assets                               | <u>\$ 23,412,202</u>         | <u>\$ 1,380,625</u>           | <u>\$ 3,733,895</u>  | <u>\$ 4,297,095</u>                 | <u>\$ 32,823,817</u>           |
| <u>LIABILITIES</u>                         |                              |                               |                      |                                     |                                |
| Accounts Payable                           | \$ 268,889                   | \$ 45,698                     | \$ 7,409             | \$ 71,394                           | \$ 393,390                     |
| Accrued Payroll                            | 2,350                        | 0                             | 0                    | 2,381                               | 4,731                          |
| Payroll Deductions Payable                 | 640,060                      | 70,644                        | 6,999                | 17,098                              | 734,801                        |
| Contracts Payable                          | 64,175                       | 258,407                       | 0                    | 0                                   | 322,582                        |
| Future Compensation Payable                | 8,715                        | 0                             | 6                    | 0                                   | 8,721                          |
| Other Withholding Taxes                    | 0                            | 0                             | 0                    | 2,906                               | 2,906                          |
| Due to Other Funds                         | 93,944                       | 64,444                        | 120,000              | 0                                   | 278,388                        |
| Due to Primary Government                  | 284,482                      | 0                             | 0                    | 0                                   | 284,482                        |
| Due to State of Tennessee                  | 25,050                       | 4,210                         | 0                    | 0                                   | 29,260                         |
| Other Current Liabilities                  | 454,490                      | 6,376                         | 3,353                | 1,367                               | 465,586                        |
| Total Liabilities                          | <u>\$ 1,842,155</u>          | <u>\$ 449,779</u>             | <u>\$ 137,767</u>    | <u>\$ 95,146</u>                    | <u>\$ 2,524,847</u>            |

(Continued)

## Exhibit H-2

Carter County, Tennessee  
Balance Sheet - Governmental Funds  
Discretely Presented Carter County School Department (Cont.)

|   | Major Funds                  |                               |                      | Nonmajor<br>Funds                   |                                |
|---|------------------------------|-------------------------------|----------------------|-------------------------------------|--------------------------------|
|   | General<br>Purpose<br>School | School<br>Federal<br>Projects | Central<br>Cafeteria | Other<br>Govern-<br>mental<br>Funds | Total<br>Governmental<br>Funds |
| <u>DEFERRED INFLOWS OF RESOURCES</u>                                |                              |                               |                      |                                     |                                |
| Deferred Current Property Taxes                                     | \$ 5,860,289                 | \$ 0                          | \$ 0                 | \$ 0                                | \$ 5,860,289                   |
| Deferred Delinquent Property Taxes                                  | 173,636                      | 0                             | 0                    | 0                                   | 173,636                        |
| Other Deferred/Unavailable Revenue                                  | 441,703                      | 0                             | 0                    | 135,409                             | 577,112                        |
| Total Deferred Inflows of Resources                                 | <u>\$ 6,475,628</u>          | <u>\$ 0</u>                   | <u>\$ 0</u>          | <u>\$ 135,409</u>                   | <u>\$ 6,611,037</u>            |
| <u>FUND BALANCES</u>  |                              |                               |                      |                                     |                                |
| Nonspendable:   |                              |                               |                      |                                     |                                |
| Prepaid Items   | \$ 80,718                    | \$ 0                          | \$ 0                 | \$ 0                                | \$ 80,718                      |
| Restricted:   |                              |                               |                      |                                     |                                |
| Restricted for Education  | 189,556                      | 0                             | 3,596,128            | 1,174,388                           | 4,960,072                      |
| Restricted for Capital Projects                                     | 0                            | 0                             | 0                    | 2,797,899                           | 2,797,899                      |
| Restricted for Hybrid Retirement Stabilization Funds                | 398,704                      | 0                             | 0                    | 0                                   | 398,704                        |
| Committed:  |                              |                               |                      |                                     |                                |
| Committed for Education   | 13,077                       | 1,200,000                     | 0                    | 100,000                             | 1,313,077                      |
| Assigned:   |                              |                               |                      |                                     |                                |
| Assigned for Education  | 1,181,643                    | 0                             | 0                    | 0                                   | 1,181,643                      |
| Assigned for Capital Projects                                       | 26,262                       | 0                             | 0                    | 0                                   | 26,262                         |
| Unassigned  | 13,204,459                   | (269,154)                     | 0                    | (5,747)                             | 12,929,558                     |
| Total Fund Balances   | <u>\$ 15,094,419</u>         | <u>\$ 930,846</u>             | <u>\$ 3,596,128</u>  | <u>\$ 4,066,540</u>                 | <u>\$ 23,687,933</u>           |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 23,412,202</u>         | <u>\$ 1,380,625</u>           | <u>\$ 3,733,895</u>  | <u>\$ 4,297,095</u>                 | <u>\$ 32,823,817</u>           |

Exhibit H-3

Carter County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to  
the Statement of Net Position  
Discretely Presented Carter County School Department  
June 30, 2022

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

|  |                     |                      |
|--|---------------------|----------------------|
| Total fund balances - balance sheet - governmental funds (Exhibit H-2)   |                     | \$ 23,687,933        |
| (1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.   |                     |                      |
| Add: land  | \$ 929,373          |                      |
| Add: construction in progress  | 873,747             |                      |
| Add: building and improvements net of accumulated depreciation   | 21,335,581          |                      |
| Add: other capital assets net of accumulated depreciation  | <u>1,680,715</u>    | 24,819,416           |
| (2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.  |                     |                      |
| Less: compensated absences payable   | \$ (610,241)        |                      |
| Less: OPEB liability   | <u>(15,834,357)</u> | (16,444,598)         |
| (3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of expense in future years. |                     |                      |
| Add: deferred outflows of resources related to pensions  | \$ 10,443,258       |                      |
| Less: deferred inflows of resources related to pensions  | (24,020,419)        |                      |
| Add: deferred outflows of resources related to OPEB  | 5,540,932           |                      |
| Less: deferred inflows of resources related to OPEB  | <u>(4,925,238)</u>  | (12,961,467)         |
| (4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.   |                     |                      |
| Add: net pension asset - agent plan  | \$ 4,914,111        |                      |
| Add: net pension asset - teacher retirement plan   | 365,210             |                      |
| Add: net pension asset - teacher legacy pension plan   | <u>23,062,613</u>   | 28,341,934           |
| (5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.  |                     | <u>750,748</u>       |
| Net position of governmental activities (Exhibit A)  |                     | <u>\$ 48,193,966</u> |



## Exhibit H-4

Carter County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Governmental Funds  
Discretely Presented Carter County School Department  
For the Year Ended June 30, 2022

|  | Major Funds                  |                               |                      | Nonmajor<br>Funds                   |                                |
|--|------------------------------|-------------------------------|----------------------|-------------------------------------|--------------------------------|
|  | General<br>Purpose<br>School | School<br>Federal<br>Projects | Central<br>Cafeteria | Other<br>Govern-<br>mental<br>Funds | Total<br>Governmental<br>Funds |
| <u>Revenues</u>                                      |                              |                               |                      |                                     |                                |
| Local Taxes  | \$ 10,964,316                | \$ 0                          | \$ 0                 | \$ 1,637,971                        | \$ 12,602,287                  |
| Licenses and Permits                                 | 908                          | 0                             | 0                    | 0                                   | 908                            |
| Charges for Current Services                         | 41,331                       | 0                             | 254,882              | 0                                   | 296,213                        |
| Other Local Revenues                                 | 70,791                       | 0                             | 45,396               | 1,149,988                           | 1,266,175                      |
| State of Tennessee                                   | 33,572,265                   | 0                             | 24,542               | 0                                   | 33,596,807                     |
| Federal Government                                   | 347,141                      | 8,224,201                     | 3,941,668            | 135,564                             | 12,648,574                     |
| Other Governments and Citizens Groups                | 3,382                        | 0                             | 0                    | 1,166,678                           | 1,170,060                      |
| Total Revenues                                       | \$ 45,000,134                | \$ 8,224,201                  | \$ 4,266,488         | \$ 4,090,201                        | \$ 61,581,024                  |
| <u>Expenditures</u>                                  |                              |                               |                      |                                     |                                |
| Current:   |                              |                               |                      |                                     |                                |
| Instruction  | \$ 26,648,835                | \$ 5,353,516                  | \$ 0                 | \$ 0                                | \$ 32,002,351                  |
| Support Services                                     | 15,780,600                   | 2,350,988                     | 0                    | 1,441                               | 18,133,029                     |
| Operation of Non-Instructional Services              | 1,004,321                    | 26,132                        | 3,211,243            | 2,536,044                           | 6,777,740                      |
| Capital Outlay                                       | 389,319                      | 783,531                       | 0                    | 0                                   | 1,172,850                      |
| Capital Projects                                     | 0                            | 0                             | 0                    | 68,420                              | 68,420                         |
| Total Expenditures                                   | \$ 43,823,075                | \$ 8,514,167                  | \$ 3,211,243         | \$ 2,605,905                        | \$ 58,154,390                  |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ 1,177,059                 | \$ (289,966)                  | \$ 1,055,245         | \$ 1,484,296                        | \$ 3,426,634                   |
| <u>Other Financing Sources (Uses)</u>                |                              |                               |                      |                                     |                                |
| Insurance Recovery                                   | \$ 0                         | \$ 0                          | \$ 9,638             | \$ 8,657                            | \$ 18,295                      |
| Transfers In   | 157,879                      | 0                             | 0                    | 1,228,348                           | 1,386,227                      |
| Transfers Out  | (1,228,348)                  | (37,879)                      | (120,000)            | 0                                   | (1,386,227)                    |
| Total Other Financing Sources (Uses)                 | \$ (1,070,469)               | \$ (37,879)                   | \$ (110,362)         | \$ 1,237,005                        | \$ 18,295                      |
| Net Change in Fund Balances                          | \$ 106,590                   | \$ (327,845)                  | \$ 944,883           | \$ 2,721,301                        | \$ 3,444,929                   |
| Fund Balance, July 1, 2021                           | 14,987,829                   | 1,258,691                     | 2,651,245            | 1,345,239                           | 20,243,004                     |
| Fund Balance, June 30, 2022                          | \$ 15,094,419                | \$ 930,846                    | \$ 3,596,128         | \$ 4,066,540                        | \$ 23,687,933                  |

Exhibit H-5

Carter County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
Discretely Presented Carter County School Department  
For the Year Ended June 30, 2022

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

|   |                    |                      |
|---|--------------------|----------------------|
| Net change in fund balances - total governmental funds (Exhibit H-4)  |                    | \$ 3,444,929         |
| (1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows: |                    |                      |
| Add: capital assets purchased in the current period   | \$ 1,556,582       |                      |
| Less: current-year depreciation expense   | <u>(1,334,251)</u> | 222,331              |
| (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, 2022  | \$ 750,748         |                      |
| Less: deferred delinquent property taxes and other deferred June 30, 2021   | <u>(771,602)</u>   | (20,854)             |
| (3) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.   |                    |                      |
| Change in compensated absences payable  | \$ (12,339)        |                      |
| Change in OPEB liability  | 1,972,048          |                      |
| Change in net pension asset/liability   | 21,948,367         |                      |
| Change in deferred outflows related to pensions   | 6,226,352          |                      |
| Change in deferred inflows related to pensions  | (21,704,825)       |                      |
| Change in deferred outflows related to OPEB   | 158,103            |                      |
| Change in deferred inflows related to OPEB  | <u>(2,098,276)</u> | <u>6,489,430</u>     |
| Change in net position of governmental activities (Exhibit B)   |                    | <u>\$ 10,135,836</u> |

Exhibit H-6

Carter County, Tennessee  
Combining Balance Sheet - Nonmajor Governmental Funds  
Discretely Presented Carter County School Department  
June 30, 2022

|   | Special Revenue Funds                    |                    |              | Capital<br>Projects Fund         | Total<br>Nonmajor<br>Governmental<br>Funds |
|---|--|--------------------|--------------|----------------------------------|--|
|   | Other<br>Education<br>Special<br>Revenue | Internal<br>School | Total        | Education<br>Capital<br>Projects |  |
| <u>ASSETS</u>   |  |                    |              |                                  |  |
| Cash  | \$ 0                                     | \$ 1,183,971       | \$ 1,183,971 | \$ 0                             | \$ 1,183,971                               |
| Equity in Pooled Cash and Investments                               | 96,618                                   | 0                  | 96,618       | 2,697,013                        | 2,793,631                                  |
| Accounts Receivable   | 500                                      | 0                  | 500          | 0                                | 500  |
| Due from Other Governments  | 41,863                                   | 0                  | 41,863       | 270,818                          | 312,681                                    |
| Due from Other Funds  | 6,312                                    | 0                  | 6,312        | 0                                | 6,312                                      |
| Total Assets  | \$ 145,293                               | \$ 1,183,971       | \$ 1,329,264 | \$ 2,967,831                     | \$ 4,297,095                               |
| <u>LIABILITIES</u>  |  |                    |              |                                  |  |
| Accounts Payable  | \$ 27,288                                | \$ 9,583           | \$ 36,871    | \$ 34,523                        | \$ 71,394                                  |
| Accrued Payroll   | 2,381                                    | 0                  | 2,381        | 0                                | 2,381                                      |
| Payroll Deductions Payable  | 17,098                                   | 0                  | 17,098       | 0                                | 17,098                                     |
| Other Withholding Taxes   | 2,906                                    | 0                  | 2,906        | 0                                | 2,906                                      |
| Other Current Liabilities   | 1,367                                    | 0                  | 1,367        | 0                                | 1,367                                      |
| Total Liabilities   | \$ 51,040                                | \$ 9,583           | \$ 60,623    | \$ 34,523                        | \$ 95,146                                  |
| <u>DEFERRED INFLOWS OF RESOURCES</u>                                |  |                    |              |                                  |  |
| Other Deferred/Unavailable Revenue                                  | \$ 0                                     | \$ 0               | \$ 0         | \$ 135,409                       | \$ 135,409                                 |
| Total Deferred Inflows of Resources                                 | \$ 0                                     | \$ 0               | \$ 0         | \$ 135,409                       | \$ 135,409                                 |
| <u>FUND BALANCES</u>  |  |                    |              |                                  |  |
| Restricted:   |  |                    |              |                                  |  |
| Restricted for Education  | \$ 0                                     | \$ 1,174,388       | \$ 1,174,388 | \$ 0                             | \$ 1,174,388                               |
| Restricted for Capital Projects                                     | 0  | 0                  | 0            | 2,797,899                        | 2,797,899                                  |
| Committed:  |  |                    |              |                                  |  |
| Committed for Education   | 100,000                                  | 0                  | 100,000      | 0                                | 100,000                                    |
| Unassigned  | (5,747)                                  | 0                  | (5,747)      | 0                                | (5,747)                                    |
| Total Fund Balances   | \$ 94,253                                | \$ 1,174,388       | \$ 1,268,641 | \$ 2,797,899                     | \$ 4,066,540                               |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$ 145,293                               | \$ 1,183,971       | \$ 1,329,264 | \$ 2,967,831                     | \$ 4,297,095                               |

## Exhibit H-7

Carter County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Nonmajor Governmental Funds  
Discretely Presented Carter County School Department  
For the Year Ended June 30, 2022

|  | Special Revenue Funds                    |                    |              | Capital<br>Projects Fund         | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|--|--------------------|--------------|----------------------------------|--|
|  | Other<br>Education<br>Special<br>Revenue | Internal<br>School | Total        | Education<br>Capital<br>Projects |  |
| <u>Revenues</u>                                      |  |                    |              |                                  |  |
| Local Taxes  | \$ 0                                     | \$ 0               | \$ 0         | \$ 1,637,971                     | \$ 1,637,971                               |
| Other Local Revenues                                 | 150                                      | 1,149,838          | 1,149,988    | 0                                | 1,149,988                                  |
| Federal Government                                   | 135,564                                  | 0                  | 135,564      | 0                                | 135,564                                    |
| Other Governments and Citizens Groups                | 1,166,678                                | 0                  | 1,166,678    | 0                                | 1,166,678                                  |
| Total Revenues                                       | \$ 1,302,392                             | \$ 1,149,838       | \$ 2,452,230 | \$ 1,637,971                     | \$ 4,090,201                               |
| <u>Expenditures</u>                                  |  |                    |              |                                  |  |
| Current:   |  |                    |              |                                  |  |
| Support Services                                     | \$ 1,441                                 | \$ 0               | \$ 1,441     | \$ 0                             | \$ 1,441                                   |
| Operation of Non-Instructional Services              | 1,315,861                                | 1,220,183          | 2,536,044    | 0                                | 2,536,044                                  |
| Capital Projects                                     | 0  | 0                  | 0            | 68,420                           | 68,420                                     |
| Total Expenditures                                   | \$ 1,317,302                             | \$ 1,220,183       | \$ 2,537,485 | \$ 68,420                        | \$ 2,605,905                               |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ (14,910)                              | \$ (70,345)        | \$ (85,255)  | \$ 1,569,551                     | \$ 1,484,296                               |
| <u>Other Financing Sources (Uses)</u>                |  |                    |              |                                  |  |
| Insurance Recovery                                   | \$ 8,657                                 | \$ 0               | \$ 8,657     | \$ 0                             | \$ 8,657                                   |
| Transfers In   | 0  | 0                  | 0            | 1,228,348                        | 1,228,348                                  |
| Total Other Financing Sources (Uses)                 | \$ 8,657                                 | \$ 0               | \$ 8,657     | \$ 1,228,348                     | \$ 1,237,005                               |
| Net Change in Fund Balances                          | \$ (6,253)                               | \$ (70,345)        | \$ (76,598)  | \$ 2,797,899                     | \$ 2,721,301                               |
| Fund Balance, July 1, 2021                           | 100,506                                  | 1,244,733          | 1,345,239    | 0                                | 1,345,239                                  |
| Fund Balance, June 30, 2022                          | \$ 94,253                                | \$ 1,174,388       | \$ 1,268,641 | \$ 2,797,899                     | \$ 4,066,540                               |

Exhibit H-8

Carter County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Carter County School Department  
General Purpose School Fund  
For the Year Ended June 30, 2022

|  | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2021 | Add:<br>Encumbrances<br>6/30/2022 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |               | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|---------------|--|
|  |                           |                                   |                                   |   | Original         | Final         |  |
| <u>Revenues</u>                        |                           |                                   |                                   |   |                  |               |  |
| Local Taxes                            | \$ 10,964,316             | \$ 0                              | \$ 0                              | \$ 10,964,316   | \$ 10,209,457    | \$ 10,259,457 | \$ 704,859   |
| Licenses and Permits                   | 908                       | 0                                 | 0                                 | 908   | 1,200            | 1,200         | (292)  |
| Charges for Current Services           | 41,331                    | 0                                 | 0                                 | 41,331  | 190,770          | 264,022       | (222,691)  |
| Other Local Revenues                   | 70,791                    | 0                                 | 0                                 | 70,791  | 10,000           | 48,550        | 22,241   |
| State of Tennessee                     | 33,572,265                | 0                                 | 0                                 | 33,572,265  | 31,786,952       | 34,002,972    | (430,707)  |
| Federal Government                     | 347,141                   | 0                                 | 0                                 | 347,141   | 45,000           | 308,659       | 38,482   |
| Other Governments and Citizens Groups  | 3,382                     | 0                                 | 0                                 | 3,382   | 0                | 0             | 3,382  |
| Total Revenues                         | \$ 45,000,134             | \$ 0                              | \$ 0                              | \$ 45,000,134   | \$ 42,243,379    | \$ 44,884,860 | \$ 115,274   |
| <u>Expenditures</u>                    |                           |                                   |                                   |   |                  |               |  |
| <u>Instruction</u>                     |                           |                                   |                                   |   |                  |               |  |
| Regular Instruction Program            | \$ 20,911,703             | \$ (119,869)                      | \$ 0                              | \$ 20,791,834   | \$ 21,271,377    | \$ 21,823,079 | \$ 1,031,245   |
| Alternative Instruction Program        | 68,448                    | 0                                 | 0                                 | 68,448  | 71,827           | 71,827        | 3,379  |
| Special Education Program              | 4,221,524                 | 0                                 | 0                                 | 4,221,524   | 4,299,024        | 4,342,674     | 121,150  |
| Career and Technical Education Program | 1,447,160                 | 0                                 | 0                                 | 1,447,160   | 1,434,527        | 1,631,230     | 184,070  |
| <u>Support Services</u>                |                           |                                   |                                   |   |                  |               |  |
| Health Services                        | 514,456                   | 0                                 | 0                                 | 514,456   | 541,185          | 556,962       | 42,506   |
| Other Student Support                  | 1,510,555                 | 0                                 | 0                                 | 1,510,555   | 1,562,811        | 1,712,765     | 202,210  |
| Regular Instruction Program            | 1,326,341                 | 0                                 | 0                                 | 1,326,341   | 1,374,378        | 1,506,905     | 180,564  |
| Alternative Instruction Program        | 136,769                   | 0                                 | 0                                 | 136,769   | 143,222          | 143,222       | 6,453  |
| Special Education Program              | 605,500                   | 0                                 | 0                                 | 605,500   | 550,775          | 644,353       | 38,853   |
| Career and Technical Education Program | 211,649                   | 0                                 | 0                                 | 211,649   | 239,753          | 237,053       | 25,404   |
| Technology                             | 722,434                   | (98,116)                          | 0                                 | 624,318   | 631,865          | 631,865       | 7,547  |
| Other Programs                         | 315,908                   | 0                                 | 0                                 | 315,908   | 0                | 315,908       | 0  |
| Board of Education                     | 658,374                   | 0                                 | 0                                 | 658,374   | 683,887          | 683,394       | 25,020   |
| Director of Schools                    | 392,536                   | 0                                 | 0                                 | 392,536   | 449,371          | 449,864       | 57,328   |
| Office of the Principal                | 2,678,452                 | 0                                 | 0                                 | 2,678,452   | 2,659,450        | 2,680,040     | 1,588  |
| Fiscal Services                        | 423,967                   | 0                                 | 0                                 | 423,967   | 458,700          | 458,700       | 34,733   |
| Operation of Plant                     | 3,041,764                 | 0                                 | 0                                 | 3,041,764   | 3,245,651        | 3,176,366     | 134,602  |

(Continued)

Exhibit H-8

Carter County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Carter County School Department  
General Purpose School Fund (Cont.)

|  | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2021 | Add:<br>Encumbrances<br>6/30/2022 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts     |                       | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|----------------------|-----------------------|--|
|  |                           |                                   |                                   |   | Original             | Final                 |  |
| <u>Expenditures (Cont.)</u>                          |                           |                                   |                                   |   |                      |                       |  |
| <u>Support Services (Cont.)</u>                      |                           |                                   |                                   |   |                      |                       |  |
| Maintenance of Plant                                 | \$ 827,012                | \$ 0                              | \$ 21,900                         | \$ 848,912  | \$ 950,611           | \$ 950,611            | \$ 101,699   |
| Transportation                                       | 2,414,883                 | (92,994)                          | 0                                 | 2,321,889   | 2,277,781            | 2,433,516             | 111,627  |
| <u>Operation of Non-Instructional Services</u>       |                           |                                   |                                   |   |                      |                       |  |
| Food Service   | 16,678                    | 0                                 | 0                                 | 16,678  | 0                    | 18,117                | 1,439  |
| Community Services                                   | 685,594                   | 0                                 | 0                                 | 685,594   | 174,370              | 1,084,593             | 398,999  |
| Early Childhood Education                            | 302,049                   | 0                                 | 0                                 | 302,049   | 0                    | 304,420               | 2,371  |
| <u>Capital Outlay</u>                                |                           |                                   |                                   |   |                      |                       |  |
| Regular Capital Outlay                               | 389,319                   | (193,886)                         | 26,262                            | 221,695   | 177,750              | 311,895               | 90,200   |
| Total Expenditures                                   | <u>\$ 43,823,075</u>      | <u>\$ (504,865)</u>               | <u>\$ 48,162</u>                  | <u>\$ 43,366,372</u>  | <u>\$ 43,198,315</u> | <u>\$ 46,169,359</u>  | <u>\$ 2,802,987</u>  |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ 1,177,059              | \$ 504,865                        | \$ (48,162)                       | \$ 1,633,762  | \$ (954,936)         | \$ (1,284,499)        | \$ 2,918,261   |
| <u>Other Financing Sources (Uses)</u>                |                           |                                   |                                   |   |                      |                       |  |
| Transfers In   | \$ 157,879                | \$ 0                              | \$ 0                              | \$ 157,879  | \$ 190,400           | \$ 190,400            | \$ (32,521)  |
| Transfers Out  | (1,228,348)               | 0                                 | 0                                 | (1,228,348)   | (31,400)             | (1,261,613)           | 33,265   |
| Total Other Financing Sources                        | <u>\$ (1,070,469)</u>     | <u>\$ 0</u>                       | <u>\$ 0</u>                       | <u>\$ (1,070,469)</u>                                       | <u>\$ 159,000</u>    | <u>\$ (1,071,213)</u> | <u>\$ 744</u>  |
| Net Change in Fund Balance                           | \$ 106,590                | \$ 504,865                        | \$ (48,162)                       | \$ 563,293  | \$ (795,936)         | \$ (2,355,712)        | \$ 2,919,005   |
| Fund Balance, July 1, 2021                           | 14,987,829                | (504,865)                         | 0                                 | 14,482,964  | 11,709,671           | 11,709,671            | 2,773,293  |
| Fund Balance, June 30, 2022                          | <u>\$ 15,094,419</u>      | <u>\$ 0</u>                       | <u>\$ (48,162)</u>                | <u>\$ 15,046,257</u>  | <u>\$ 10,913,735</u> | <u>\$ 9,353,959</u>   | <u>\$ 5,692,298</u>  |

Exhibit H-9

Carter County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Carter County School Department  
School Federal Projects Fund  
For the Year Ended June 30, 2022

|  | Actual<br>(GAAP<br>Basis) | Add:<br>Encumbrances<br>6/30/2022 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |               | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|---|------------------|---------------|--|
|  |                           |                                   |   | Original         | Final         |  |
| <u>Revenues</u>                                |                           |                                   |   |                  |               |  |
| Federal Government                             | \$ 8,224,201              | \$ 0                              | \$ 8,224,201  | \$ 3,885,255     | \$ 27,000,564 | \$ (18,776,363)  |
| Total Revenues                                 | \$ 8,224,201              | \$ 0                              | \$ 8,224,201  | \$ 3,885,255     | \$ 27,000,564 | \$ (18,776,363)  |
| <u>Expenditures</u>                            |                           |                                   |   |                  |               |  |
| <u>Instruction</u>                             |                           |                                   |   |                  |               |  |
| Regular Instruction Program                    | \$ 3,813,909              | \$ 0                              | \$ 3,813,909  | \$ 1,301,176     | \$ 7,388,108  | \$ 3,574,199   |
| Special Education Program                      | 1,229,189                 | 0                                 | 1,229,189   | 1,022,876        | 2,302,947     | 1,073,758  |
| Career and Technical Education Program         | 310,418                   | 0                                 | 310,418   | 0                | 808,112       | 497,694  |
| <u>Support Services</u>                        |                           |                                   |   |                  |               |  |
| Attendance                                     | 15,071                    | 0                                 | 15,071  | 0                | 45,610        | 30,539   |
| Health Services                                | 46,119                    | 0                                 | 46,119  | 0                | 48,120        | 2,001  |
| Other Student Support                          | 630,727                   | 0                                 | 630,727   | 573,958          | 1,245,466     | 614,739  |
| Regular Instruction Program                    | 1,084,433                 | 0                                 | 1,084,433   | 509,304          | 2,406,653     | 1,322,220  |
| Special Education Program                      | 185,827                   | 0                                 | 185,827   | 363,978          | 671,457       | 485,630  |
| Career and Technical Education Program         | 8,782                     | 0                                 | 8,782   | 0                | 174,575       | 165,793  |
| Technology                                     | 48,867                    | 0                                 | 48,867  | 0                | 168,738       | 119,871  |
| Office of the Principal                        | 5,740                     | 0                                 | 5,740   | 0                | 5,740         | 0  |
| Fiscal Services                                | 0                         | 0                                 | 0   | 0                | 56,200        | 56,200   |
| Operation of Plant                             | 29,490                    | 0                                 | 29,490  | 0                | 114,980       | 85,490   |
| Transportation                                 | 295,932                   | 0                                 | 295,932   | 72,658           | 481,877       | 185,945  |
| <u>Operation of Non-Instructional Services</u> |                           |                                   |   |                  |               |  |
| Food Service                                   | 8,315                     | 0                                 | 8,315   | 0                | 15,000        | 6,685  |
| Community Services                             | 17,817                    | 0                                 | 17,817  | 0                | 99,635        | 81,818   |
| <u>Capital Outlay</u>                          |                           |                                   |   |                  |               |  |
| Regular Capital Outlay                         | 783,531                   | 444,700                           | 1,228,231   | 0                | 10,909,948    | 9,681,717  |
| Total Expenditures                             | \$ 8,514,167              | \$ 444,700                        | \$ 8,958,867  | \$ 3,843,950     | \$ 26,943,166 | \$ 17,984,299  |

(Continued)

Exhibit H-9

Carter County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Carter County School Department  
School Federal Projects Fund (Cont.)

|  | Actual<br>(GAAP<br>Basis) | Add:<br>Encumbrances<br>6/30/2022 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |             | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|---|------------------|-------------|--|
|  |                           |                                   |   | Original         | Final       |  |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ (289,966)              | \$ (444,700)                      | \$ (734,666)  | \$ 41,305        | \$ 57,398   | \$ (792,064)   |
| <u>Other Financing Sources (Uses)</u>                |                           |                                   |   |                  |             |  |
| Transfers Out  | \$ (37,879)               | \$ 0                              | \$ (37,879)   | \$ (41,305)      | \$ (57,395) | \$ 19,516  |
| Total Other Financing Sources                        | \$ (37,879)               | \$ 0                              | \$ (37,879)   | \$ (41,305)      | \$ (57,395) | \$ 19,516  |
| Net Change in Fund Balance                           | \$ (327,845)              | \$ (444,700)                      | \$ (772,545)  | \$ 0             | \$ 3        | \$ (772,548)   |
| Fund Balance, July 1, 2021                           | 1,258,691                 | 0                                 | 1,258,691   | 1,872            | 1,872       | 1,256,819  |
| Fund Balance, June 30, 2022                          | \$ 930,846                | \$ (444,700)                      | \$ 486,146  | \$ 1,872         | \$ 1,875    | \$ 484,271   |



Exhibit H-10

Carter County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Carter County School Department  
Central Cafeteria Fund  
For the Year Ended June 30, 2022

|  | Actual              | Budgeted Amounts    |                     | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------|---------------------|---------------------|--|
|  |                     | Original            | Final               |  |
| <u>Revenues</u>                                      |                     |                     |                     |  |
| Charges for Current Services                         | \$ 254,882          | \$ 477,700          | \$ 477,700          | \$ (222,818)   |
| Other Local Revenues                                 | 45,396              | 20,000              | 20,000              | 25,396   |
| State of Tennessee                                   | 24,542              | 27,000              | 27,000              | (2,458)  |
| Federal Government                                   | 3,941,668           | 2,816,198           | 2,816,198           | 1,125,470  |
| Total Revenues                                       | <u>\$ 4,266,488</u> | <u>\$ 3,340,898</u> | <u>\$ 3,340,898</u> | <u>\$ 925,590</u>  |
| <u>Expenditures</u>                                  |                     |                     |                     |  |
| <u>Operation of Non-Instructional Services</u>       |                     |                     |                     |  |
| Food Service   | \$ 3,211,243        | \$ 3,589,094        | \$ 3,575,165        | \$ 363,922   |
| Total Expenditures                                   | <u>\$ 3,211,243</u> | <u>\$ 3,589,094</u> | <u>\$ 3,575,165</u> | <u>\$ 363,922</u>  |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ 1,055,245</u> | <u>\$ (248,196)</u> | <u>\$ (234,267)</u> | <u>\$ 1,289,512</u>  |
| <u>Other Financing Sources (Uses)</u>                |                     |                     |                     |  |
| Insurance Recovery                                   | \$ 9,638            | \$ 0                | \$ 0                | \$ 9,638   |
| Transfers Out  | (120,000)           | (120,000)           | (120,000)           | 0  |
| Total Other Financing Sources                        | <u>\$ (110,362)</u> | <u>\$ (120,000)</u> | <u>\$ (120,000)</u> | <u>\$ 9,638</u>  |
| Net Change in Fund Balance                           | \$ 944,883          | \$ (368,196)        | \$ (354,267)        | \$ 1,299,150   |
| Fund Balance, July 1, 2021                           | <u>2,651,245</u>    | <u>1,505,028</u>    | <u>1,505,028</u>    | <u>1,146,217</u>   |
| Fund Balance, June 30, 2022                          | <u>\$ 3,596,128</u> | <u>\$ 1,136,832</u> | <u>\$ 1,150,761</u> | <u>\$ 2,445,367</u>  |

Exhibit H-11

Carter County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Carter County School Department  
Other Education Special Revenue Fund  
For the Year Ended June 30, 2022

|  | Actual                  | Budgeted Amounts        |                         | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|-------------------------|-------------------------|-------------------------|--|
|  |                         | Original                | Final                   |  |
| <u>Revenues</u>                                      |                         |                         |                         |  |
| Other Local Revenues                                 | \$ 150                  | \$ 0                    | \$ 0                    | \$ 150   |
| Federal Government                                   | 135,564                 | 133,196                 | 133,196                 | 2,368  |
| Other Governments and Citizens Groups                | 1,166,678               | 1,113,772               | 1,127,119               | 39,559   |
| Total Revenues                                       | <u>\$ 1,302,392</u>     | <u>\$ 1,246,968</u>     | <u>\$ 1,260,315</u>     | <u>\$ 42,077</u>   |
| <u>Expenditures</u>                                  |                         |                         |                         |  |
| <u>Support Services</u>                              |                         |                         |                         |  |
| Operation of Plant                                   | \$ 1,441                | \$ 1,457                | \$ 1,457                | \$ 16  |
| <u>Operation of Non-Instructional Services</u>       |                         |                         |                         |  |
| Early Childhood Education                            | 1,161,098               | 1,222,313               | 1,235,661               | 74,563   |
| COVID-19 Expenditures                                | 154,763                 | 23,196                  | 23,196                  | (131,567)  |
| Total Expenditures                                   | <u>\$ 1,317,302</u>     | <u>\$ 1,246,966</u>     | <u>\$ 1,260,314</u>     | <u>\$ (56,988)</u>   |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ (14,910)</u>      | <u>\$ 2</u>             | <u>\$ 1</u>             | <u>\$ (14,911)</u>   |
| <u>Other Financing Sources (Uses)</u>                |                         |                         |                         |  |
| Insurance Recovery                                   | \$ 8,657                | \$ 0                    | \$ 0                    | \$ 8,657   |
| Total Other Financing Sources                        | <u>\$ 8,657</u>         | <u>\$ 0</u>             | <u>\$ 0</u>             | <u>\$ 8,657</u>  |
| Net Change in Fund Balance                           | \$ (6,253)              | \$ 2                    | \$ 1                    | \$ (6,254)   |
| Fund Balance, July 1, 2021                           | <u>100,506</u>          | <u>62,044</u>           | <u>62,044</u>           | <u>38,462</u>  |
| Fund Balance, June 30, 2022                          | <u><u>\$ 94,253</u></u> | <u><u>\$ 62,046</u></u> | <u><u>\$ 62,045</u></u> | <u><u>\$ 32,208</u></u>                                      |

## Exhibit H-12

Carter County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Carter County School Department  
Education Capital Projects Fund  
For the Year Ended June 30, 2022

|  | Actual       | Budgeted Amounts |              | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|--------------|------------------|--------------|--|
|  |              | Original         | Final        |  |
| <u>Revenues</u>                                      |              |                  |              |  |
| Local Taxes  | \$ 1,637,971 | \$ 725,000       | \$ 725,000   | \$ 912,971   |
| Total Revenues                                       | \$ 1,637,971 | \$ 725,000       | \$ 725,000   | \$ 912,971   |
| <u>Expenditures</u>                                  |              |                  |              |  |
| <u>Support Services</u>                              |              |                  |              |  |
| Fiscal Services                                      | \$ 0         | \$ 7,250         | \$ 0         | \$ 0   |
| <u>Capital Outlay</u>                                |              |                  |              |  |
| Regular Capital Outlay                               | 0            | 717,750          | 0            | 0  |
| <u>Capital Projects</u>                              |              |                  |              |  |
| Education Capital Projects                           | 68,420       | 0                | 725,000      | 656,580  |
| Total Expenditures                                   | \$ 68,420    | \$ 725,000       | \$ 725,000   | \$ 656,580   |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ 1,569,551 | \$ 0             | \$ 0         | \$ 1,569,551   |
| <u>Other Financing Sources (Uses)</u>                |              |                  |              |  |
| Transfers In   | \$ 1,228,348 | \$ 0             | \$ 1,228,348 | \$ 0   |
| Total Other Financing Sources                        | \$ 1,228,348 | \$ 0             | \$ 1,228,348 | \$ 0   |
| Net Change in Fund Balance                           | \$ 2,797,899 | \$ 0             | \$ 1,228,348 | \$ 1,569,551   |
| Fund Balance, July 1, 2021                           | 0            | 0                | 0            | 0  |
| Fund Balance, June 30, 2022                          | \$ 2,797,899 | \$ 0             | \$ 1,228,348 | \$ 1,569,551   |

## MISCELLANEOUS SCHEDULES

# Exhibit I-1

Carter County, Tennessee  
Schedule of Changes in Long-term Bonds  
For the Year Ended June 30, 2022

| Description of Indebtedness                               | Original<br>Amount<br>of Issue | Interest<br>Rate | Date<br>of<br>Issue | Last<br>Maturity<br>Date | Outstanding<br>7-1-21 | Paid and/or<br>Matured<br>During<br>Period | Outstanding<br>6-30-22 |
|---|--------------------------------|------------------|---------------------|--------------------------|-----------------------|--|------------------------|
| <u>BONDS PAYABLE</u>                                      |                                |                  |                     |                          |                       |  |                        |
| <u>Payable through General Debt Service Fund</u>          |                                |                  |                     |                          |                       |  |                        |
| General Obligation Refunding Bonds, Series 2020 (taxable) | \$ 15,635,000                  | 1.1 to 1.8 %     | 9-25-20             | 5-1-35                   | \$ 15,635,000         | \$ 1,230,000                               | \$ 14,405,000          |
| Total Bonds Payable                                       |                                |                  |                     |                          | <u>\$ 15,635,000</u>  | <u>\$ 1,230,000</u>                        | <u>\$ 14,405,000</u>   |

Carter County, TennesseeSchedule of Long-term Debt Requirements by Year

| Year<br>Ending<br>June 30 | Bonds                |                     |                      |
|---------------------------|----------------------|---------------------|----------------------|
|                           | Principal            | Interest            | Total                |
| 2023                      | \$ 1,290,000         | \$ 192,393          | \$ 1,482,393         |
| 2024                      | 1,220,000            | 176,268             | 1,396,268            |
| 2025                      | 1,255,000            | 161,018             | 1,416,018            |
| 2026                      | 1,285,000            | 145,330             | 1,430,330            |
| 2027                      | 1,290,000            | 129,268             | 1,419,268            |
| 2028                      | 1,345,000            | 113,143             | 1,458,143            |
| 2029                      | 1,315,000            | 96,330              | 1,411,330            |
| 2030                      | 970,000              | 81,865              | 1,051,865            |
| 2031                      | 940,000              | 70,225              | 1,010,225            |
| 2032                      | 915,000              | 57,535              | 972,535              |
| 2033                      | 885,000              | 43,810              | 928,810              |
| 2034                      | 860,000              | 29,650              | 889,650              |
| 2035                      | 835,000              | 15,030              | 850,030              |
| Total                     | <u>\$ 14,405,000</u> | <u>\$ 1,311,865</u> | <u>\$ 15,716,865</u> |

Exhibit I-3

Carter County, Tennessee

Schedule of Transfers

Primary Government and Discretely Presented Carter County School Department

For the Year Ended June 30, 2022

| <u>From Fund</u>  | <u>To Fund</u>             | <u>Purpose</u>  | <u>Amount</u>              |
|---|----------------------------|---|----------------------------|
| <u>PRIMARY GOVERNMENT</u>   |                            |   |                            |
| General   | Solid Waste/Sanitation     | Operations - equipment repair                                   | \$ 42,000                  |
| "   | Highway/Public Works       | Operations - highway repair                                     | <u>25,000</u>              |
| Total Transfers Primary Government                                      |                            |   | <u><u>\$ 67,000</u></u>    |
| <u>DISCRETELY PRESENTED CARTER<br/>COUNTY SCHOOL DEPARTMENT</u>         |                            |   |                            |
| General Purpose School  | Education Capital Projects | Local Option Sales Tax revenues for<br>various capital projects | \$ 1,228,348               |
| School Federal Projects   | General Purpose School     | Indirect costs  | 37,879                     |
| Central Cafeteria   | "                          | "   | <u>120,000</u>             |
| Total Transfers Discretely Presented Carter<br>County School Department |                            |   | <u><u>\$ 1,386,227</u></u> |

Exhibit I-4

Carter County, Tennessee  
Schedule of Salaries and Official Bonds of Principal Officials  
Primary Government and Discretely Presented Carter County School Department  
For the Year Ended June 30, 2022

| Official  | Authorization for Salary                                  | Salary<br>Paid<br>During<br>Period | Bond       | Surety                          |
|---|---|------------------------------------|------------|---------------------------------|
| County Mayor                                    | Section 8-24-102, <i>TCA</i>                              | \$ 113,202                         | \$ 400,000 | Tennessee Risk Management Trust |
| Highway Superintendent                          | Section 8-24-102, <i>TCA</i>                              | 101,811                            | 400,000    | "                               |
| Director of Schools                             | State Board of Education and<br>County Board of Education | 99,840 (1)                         | 400,000    | "                               |
| Trustee   | Section 8-24-102, <i>TCA</i>                              | 92,555                             | 400,000    | "                               |
| Assessor of Property                            | Section 8-24-102, <i>TCA</i>                              | 92,555                             | 400,000    | "                               |
| Finance Director:                               |   |                                    |            |                                 |
| Brad Burke (7-1-21 through 8-23-21)             | County Commission   | 23,083 (4)                         | 400,000    | "                               |
| Carolyn Watson (8-24-21 through 6-30-22)        | County Commission   | 84,510 (5)                         | 400,000    | "                               |
| County Clerk                                    | Section 8-24-102, <i>TCA</i>                              | 92,555                             | 400,000    | "                               |
| Circuit and General Sessions Courts Clerk       | Section 8-24-102, <i>TCA</i>                              | 92,555                             | 400,000    | "                               |
| Clerk and Master                                | Section 8-24-102, <i>TCA</i>                              | 92,555 (3)                         | 400,000    | "                               |
| Register of Deeds                               | Section 8-24-102, <i>TCA</i>                              | 92,555                             | 400,000    | "                               |
| Sheriff   | Section 8-24-102, <i>TCA</i> ,<br>and County Commission   | 107,811 (2)                        | 400,000    | "                               |
| Employee Blanket Bonds:                         |   |                                    |            |                                 |
| Public Employee Dishonesty - County Departments |   |                                    | 400,000    | Tennessee Risk Management Trust |
| Public Employee Dishonesty - School Department  |   |                                    | 400,000    | "                               |

(1) Does not include contractual payments for travel allowance of \$3,600.

(2) Includes a county workhouse supplement of \$6,000. Does not include a law enforcement training supplement of \$800.

(3) Does not include special commissioner fees of \$6,190. Also, does not include special master fees of \$7,374 paid directly from an estate.

(4) Includes vacation payout for 27 days of \$9,538.

(5) Does not include bonus of \$500 approved by county commission.



## Exhibit I-5

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
For the Year Ended June 30, 2022

|  | Special Revenue Funds |                                |                      |                 |                          |  |  |
|--|-----------------------|--------------------------------|----------------------|-----------------|--------------------------|--|--|
|  | General               | Solid<br>Waste /<br>Sanitation | Health<br>Department | Drug<br>Control | Sports and<br>Recreation | Other<br>General<br>Government<br>Fund |  |
| <u>Local Taxes</u>                                       |                       |                                |                      |                 |                          |  |  |
| <u>County Property Taxes</u>                             |                       |                                |                      |                 |                          |  |  |
| Current Property Tax                                     | \$ 9,555,785          | \$ 0                           | \$ 0                 | \$ 0            | \$ 0                     | \$ 0                                   |  |
| Trustee's Collections - Prior Year                       | 216,548               | 0                              | 0                    | 0               | 0                        | 0                                      |  |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 54,625                | 0                              | 0                    | 0               | 0                        | 0                                      |  |
| Interest and Penalty                                     | 73,873                | 0                              | 0                    | 0               | 0                        | 0                                      |  |
| Payments in-Lieu-of Taxes - T.V.A.                       | 13,807                | 0                              | 0                    | 0               | 0                        | 0                                      |  |
| Payments in-Lieu-of Taxes - Local Utilities              | 418,576               | 0                              | 0                    | 0               | 0                        | 0                                      |  |
| Payments in-Lieu-of Taxes - Other                        | 3,013                 | 0                              | 0                    | 0               | 0                        | 0                                      |  |
| <u>County Local Option Taxes</u>                         |                       |                                |                      |                 |                          |  |  |
| Local Option Sales Tax                                   | 1,721,018             | 0                              | 169,000              | 0               | 81,670                   | 0                                      |  |
| Hotel/Motel Tax  | 369,331               | 0                              | 0                    | 0               | 0                        | 0                                      |  |
| Litigation Tax - General                                 | 106,437               | 0                              | 0                    | 0               | 0                        | 0                                      |  |
| Litigation Tax - Special Purpose                         | 8,703                 | 0                              | 0                    | 0               | 0                        | 0                                      |  |
| Litigation Tax - Jail, Workhouse, or Courthouse          | 61,292                | 0                              | 0                    | 0               | 0                        | 0                                      |  |
| Litigation Tax - Courthouse Security                     | 111,397               | 0                              | 0                    | 0               | 0                        | 0                                      |  |
| Business Tax   | 500,500               | 0                              | 0                    | 0               | 0                        | 0                                      |  |
| Mixed Drink Tax  | 1,902                 | 0                              | 0                    | 0               | 0                        | 0                                      |  |
| Mineral Severance Tax                                    | 0                     | 0                              | 0                    | 0               | 0                        | 0                                      |  |
| Other County Local Option Taxes                          | 103,218               | 0                              | 0                    | 0               | 0                        | 0                                      |  |
| <u>Statutory Local Taxes</u>                             |                       |                                |                      |                 |                          |  |  |
| Bank Excise Tax  | 90,339                | 0                              | 0                    | 0               | 0                        | 0                                      |  |
| Wholesale Beer Tax                                       | 27,228                | 0                              | 0                    | 0               | 0                        | 0                                      |  |
| Beer Privilege Tax                                       | 142,251               | 0                              | 0                    | 0               | 0                        | 0                                      |  |
| Total Local Taxes  | \$ 13,579,843         | \$ 0                           | \$ 169,000           | \$ 0            | \$ 81,670                | \$ 0                                   |  |

(Continued)

## Exhibit I-5

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

|  | Special Revenue Funds |                                |                      |                 |                          |  |
|--|-----------------------|--------------------------------|----------------------|-----------------|--------------------------|--|
|  | General               | Solid<br>Waste /<br>Sanitation | Health<br>Department | Drug<br>Control | Sports and<br>Recreation | Other<br>General<br>Government<br>Fund |
| <u>Licenses and Permits</u>              |                       |                                |                      |                 |                          |  |
| <u>Licenses</u>                          |                       |                                |                      |                 |                          |  |
| Marriage Licenses                        | \$ 1,458              | \$ 0                           | \$ 0                 | \$ 0            | \$ 0                     | \$ 0                                   |
| Animal Registration                      | 27,169                | 0                              | 0                    | 0               | 0                        | 0                                      |
| Cable TV Franchise                       | 392,636               | 0                              | 0                    | 0               | 0                        | 0                                      |
| <u>Permits</u>                           |                       |                                |                      |                 |                          |  |
| Beer Permits                             | 4,447                 | 0                              | 0                    | 0               | 0                        | 0                                      |
| Building Permits                         | 173,031               | 0                              | 0                    | 0               | 0                        | 0                                      |
| Other Permits                            | 26,020                | 0                              | 0                    | 0               | 0                        | 0                                      |
| Total Licenses and Permits               | \$ 624,761            | \$ 0                           | \$ 0                 | \$ 0            | \$ 0                     | \$ 0                                   |
| <u>Fines, Forfeitures, and Penalties</u> |                       |                                |                      |                 |                          |  |
| <u>Circuit Court</u>                     |                       |                                |                      |                 |                          |  |
| Fines                                    | \$ 5,510              | \$ 0                           | \$ 0                 | \$ 0            | \$ 0                     | \$ 0                                   |
| Drug Control Fines                       | 0                     | 0                              | 0                    | 24,834          | 0                        | 0                                      |
| Drug Court Fees                          | 1,788                 | 0                              | 0                    | 0               | 0                        | 0                                      |
| Jail Fees                                | 3,156                 | 0                              | 0                    | 0               | 0                        | 0                                      |
| Judicial Commissioner Fees               | 2,724                 | 0                              | 0                    | 0               | 0                        | 0                                      |
| DUI Treatment Fines                      | 1,521                 | 0                              | 0                    | 0               | 0                        | 0                                      |
| Data Entry Fee - Circuit Court           | 1,358                 | 0                              | 0                    | 0               | 0                        | 0                                      |
| Courtroom Security Fee                   | 318                   | 0                              | 0                    | 0               | 0                        | 0                                      |
| Victims Assistance Assessments           | 4,529                 | 0                              | 0                    | 0               | 0                        | 0                                      |
| <u>General Sessions Court</u>            |                       |                                |                      |                 |                          |  |
| Fines                                    | 128,063               | 0                              | 0                    | 0               | 0                        | 0                                      |
| Officers Costs                           | 35,765                | 0                              | 0                    | 0               | 0                        | 0                                      |
| Drug Control Fines                       | 0                     | 0                              | 0                    | 947             | 0                        | 0                                      |
| Drug Court Fees                          | 8,765                 | 0                              | 0                    | 0               | 0                        | 0                                      |

(Continued)

## Exhibit I-5

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

|  | Special Revenue Funds |                                |                      |                 |                          |  |
|--|-----------------------|--------------------------------|----------------------|-----------------|--------------------------|--|
|  | General               | Solid<br>Waste /<br>Sanitation | Health<br>Department | Drug<br>Control | Sports and<br>Recreation | Other<br>General<br>Government<br>Fund |
| <u>Fines, Forfeitures, and Penalties (Cont.)</u> |                       |                                |                      |                 |                          |  |
| <u>General Sessions Court (Cont.)</u>            |                       |                                |                      |                 |                          |  |
| Jail Fees  | \$ 9,766              | \$ 0                           | \$ 0                 | \$ 0            | \$ 0                     | \$ 0                                   |
| Judicial Commissioner Fees                       | 167                   | 0                              | 0                    | 0               | 0                        | 0                                      |
| DUI Treatment Fines                              | 9,796                 | 0                              | 0                    | 0               | 0                        | 0                                      |
| Data Entry Fee - General Sessions Court          | 14,206                | 0                              | 0                    | 0               | 0                        | 0                                      |
| Courtroom Security Fee                           | 310                   | 0                              | 0                    | 0               | 0                        | 0                                      |
| Victims Assistance Assessments                   | 16,339                | 0                              | 0                    | 0               | 0                        | 0                                      |
| <u>Juvenile Court</u>                            |                       |                                |                      |                 |                          |  |
| Fines  | 994                   | 0                              | 0                    | 0               | 0                        | 0                                      |
| Data Entry Fee - Juvenile Court                  | 1,036                 | 0                              | 0                    | 0               | 0                        | 0                                      |
| <u>Chancery Court</u>                            |                       |                                |                      |                 |                          |  |
| Officers Costs                                   | 1,878                 | 0                              | 0                    | 0               | 0                        | 0                                      |
| Data Entry Fee - Chancery Court                  | 4,806                 | 0                              | 0                    | 0               | 0                        | 0                                      |
| Courtroom Security Fee                           | 10                    | 0                              | 0                    | 0               | 0                        | 0                                      |
| <u>Other Courts - In-county</u>                  |                       |                                |                      |                 |                          |  |
| Jail Fees  | 100                   | 0                              | 0                    | 0               | 0                        | 0                                      |
| <u>Other Fines, Forfeitures, and Penalties</u>   |                       |                                |                      |                 |                          |  |
| Proceeds from Confiscated Property               | 1,398                 | 0                              | 0                    | 13,987          | 0                        | 0                                      |
| Other Fines, Forfeitures, and Penalties          | 11,574                | 0                              | 0                    | 0               | 0                        | 0                                      |
| Total Fines, Forfeitures, and Penalties          | \$ 265,877            | \$ 0                           | \$ 0                 | \$ 39,768       | \$ 0                     | \$ 0                                   |
| <u>Charges for Current Services</u>              |                       |                                |                      |                 |                          |  |
| <u>General Service Charges</u>                   |                       |                                |                      |                 |                          |  |
| Transfer Waste Stations Collection Charge        | \$ 0                  | \$ 1,263,509                   | \$ 0                 | \$ 0            | \$ 0                     | \$ 0                                   |
| Tipping Fees                                     | 0                     | 90,803                         | 0                    | 0               | 0                        | 0                                      |
| Patient Charges                                  | 7,190                 | 0                              | 0                    | 0               | 0                        | 0                                      |
| Work Release Charges for Board                   | 7,535                 | 0                              | 0                    | 0               | 0                        | 0                                      |

(Continued)

## Exhibit I-5

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

|   | Special Revenue Funds |                                |                      |                 |                          | Other<br>General<br>Government<br>Fund |
|---|-----------------------|--------------------------------|----------------------|-----------------|--------------------------|--|
|   | General               | Solid<br>Waste /<br>Sanitation | Health<br>Department | Drug<br>Control | Sports and<br>Recreation |  |
| <u>Charges for Current Services (Cont.)</u>   |                       |                                |                      |                 |                          |  |
| <u>Fees</u>                                   |                       |                                |                      |                 |                          |  |
| Copy Fees                                     | \$ 4,839              | \$ 0                           | \$ 0                 | \$ 0            | \$ 0                     | \$ 0                                   |
| Archives and Records Management Fee           | 115,237               | 0                              | 0                    | 0               | 0                        | 0                                      |
| Greenbelt Late Application Fee                | 650                   | 0                              | 0                    | 0               | 0                        | 0                                      |
| Telephone Commissions                         | 101,304               | 0                              | 0                    | 0               | 0                        | 0                                      |
| Special Commissioner Fees/Special Master Fees | 0                     | 0                              | 0                    | 0               | 0                        | 0                                      |
| Data Processing Fee - Register                | 19,382                | 0                              | 0                    | 0               | 0                        | 0                                      |
| Data Processing Fee - Sheriff                 | 8,390                 | 0                              | 0                    | 0               | 0                        | 0                                      |
| Sexual Offender Registration Fee - Sheriff    | 6,260                 | 0                              | 0                    | 0               | 0                        | 0                                      |
| Data Processing Fee - County Clerk            | 7,797                 | 0                              | 0                    | 0               | 0                        | 0                                      |
| Vehicle Registration Reinstatement Fees       | 3,480                 | 0                              | 0                    | 0               | 0                        | 0                                      |
| Total Charges for Current Services            | \$ 282,064            | \$ 1,354,312                   | \$ 0                 | \$ 0            | \$ 0                     | \$ 0                                   |
| <u>Other Local Revenues</u>                   |                       |                                |                      |                 |                          |  |
| <u>Recurring Items</u>                        |                       |                                |                      |                 |                          |  |
| Investment Income                             | \$ 200,828            | \$ 0                           | \$ 0                 | \$ 0            | \$ 0                     | \$ 0                                   |
| Lease/Rentals                                 | 178,990               | 57,746                         | 0                    | 0               | 0                        | 0                                      |
| Sale of Materials and Supplies                | 165                   | 0                              | 0                    | 0               | 0                        | 0                                      |
| Commissary Sales                              | 30,575                | 0                              | 0                    | 0               | 0                        | 0                                      |
| Sale of Gasoline                              | 0                     | 0                              | 0                    | 0               | 0                        | 0                                      |
| Sale of Recycled Materials                    | 0                     | 265,923                        | 0                    | 0               | 0                        | 0                                      |
| Sale of Animals/Livestock                     | 19,913                | 0                              | 0                    | 0               | 0                        | 0                                      |
| Miscellaneous Refunds                         | 17,024                | 10,374                         | 0                    | 400             | 0                        | 0                                      |
| <u>Nonrecurring Items</u>                     |                       |                                |                      |                 |                          |  |
| Sale of Equipment                             | 18,746                | 0                              | 0                    | 0               | 0                        | 0                                      |
| Damages Recovered from Individuals            | 6,070                 | 0                              | 0                    | 0               | 0                        | 0                                      |
| Contributions and Gifts                       | 3,349                 | 0                              | 0                    | 0               | 0                        | 0                                      |

(Continued)

## Exhibit I-5

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

|  | Special Revenue Funds |                                |                      |                 |                          |  |
|--|-----------------------|--------------------------------|----------------------|-----------------|--------------------------|--|
|  | General               | Solid<br>Waste /<br>Sanitation | Health<br>Department | Drug<br>Control | Sports and<br>Recreation | Other<br>General<br>Government<br>Fund |
| <u>Other Local Revenues (Cont.)</u>        |                       |                                |                      |                 |                          |  |
| <u>Other Local Revenues</u>                |                       |                                |                      |                 |                          |  |
| Other Local Revenues                       | \$ 2,710              | \$ 0                           | \$ 0                 | \$ 0            | \$ 0                     | \$ 0                                   |
| Total Other Local Revenues                 | \$ 478,370            | \$ 334,043                     | \$ 0                 | \$ 400          | \$ 0                     | \$ 0                                   |
| <u>Fees Received From County Officials</u> |                       |                                |                      |                 |                          |  |
| <u>Fees In-Lieu-of Salary</u>              |                       |                                |                      |                 |                          |  |
| County Clerk                               | \$ 566,258            | \$ 0                           | \$ 0                 | \$ 0            | \$ 0                     | \$ 0                                   |
| Circuit Court Clerk                        | 121,916               | 0                              | 0                    | 0               | 0                        | 0                                      |
| General Sessions Court Clerk               | 277,187               | 0                              | 0                    | 0               | 0                        | 0                                      |
| Clerk and Master                           | 159,570               | 0                              | 0                    | 0               | 0                        | 0                                      |
| Register                                   | 302,046               | 0                              | 0                    | 0               | 0                        | 0                                      |
| Sheriff                                    | 10,839                | 0                              | 0                    | 0               | 0                        | 0                                      |
| Trustee                                    | 800,545               | 0                              | 0                    | 0               | 0                        | 0                                      |
| Total Fees Received From County Officials  | \$ 2,238,361          | \$ 0                           | \$ 0                 | \$ 0            | \$ 0                     | \$ 0                                   |
| <u>State of Tennessee</u>                  |                       |                                |                      |                 |                          |  |
| <u>General Government Grants</u>           |                       |                                |                      |                 |                          |  |
| Juvenile Services Program                  | \$ 7,100              | \$ 0                           | \$ 0                 | \$ 0            | \$ 0                     | \$ 0                                   |
| <u>Public Safety Grants</u>                |                       |                                |                      |                 |                          |  |
| Law Enforcement Training Programs          | 48,000                | 0                              | 0                    | 0               | 0                        | 0                                      |
| <u>Health and Welfare Grants</u>           |                       |                                |                      |                 |                          |  |
| Health Department Programs                 | 435,232               | 0                              | 0                    | 0               | 0                        | 0                                      |
| <u>Public Works Grants</u>                 |                       |                                |                      |                 |                          |  |
| Bridge Program                             | 0                     | 0                              | 0                    | 0               | 0                        | 0                                      |
| State Aid Program                          | 0                     | 0                              | 0                    | 0               | 0                        | 0                                      |

(Continued)

## Exhibit I-5

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

|  | Special Revenue Funds |                                |                      |                 |                          | Other<br>General<br>Government<br>Fund |
|--|-----------------------|--------------------------------|----------------------|-----------------|--------------------------|--|
|  | General               | Solid<br>Waste /<br>Sanitation | Health<br>Department | Drug<br>Control | Sports and<br>Recreation |  |
| <u>State of Tennessee (Cont.)</u>          |                       |                                |                      |                 |                          |  |
| <u>Other State Revenues</u>                |                       |                                |                      |                 |                          |  |
| Beer Tax                                   | \$ 24,292             | \$ 0                           | \$ 0                 | \$ 0            | \$ 0                     | \$ 0                                   |
| Vehicle Certificate of Title Fees          | 8,019                 | 0                              | 0                    | 0               | 0                        | 0                                      |
| Alcoholic Beverage Tax                     | 122,797               | 0                              | 0                    | 0               | 0                        | 0                                      |
| Opioid Settlement Funds                    | 1,806,527             | 0                              | 0                    | 0               | 0                        | 0                                      |
| State Revenue Sharing - T.V.A.             | 0                     | 0                              | 0                    | 0               | 0                        | 0                                      |
| State Revenue Sharing - Telecommunications | 76,740                | 0                              | 0                    | 0               | 0                        | 0                                      |
| State Shared Sports Gaming Privilege Tax   | 39,227                | 0                              | 0                    | 0               | 0                        | 0                                      |
| Contracted Prisoner Boarding               | 341,250               | 0                              | 0                    | 0               | 0                        | 0                                      |
| Gasoline and Motor Fuel Tax                | 0                     | 0                              | 0                    | 0               | 0                        | 0                                      |
| Petroleum Special Tax                      | 0                     | 0                              | 0                    | 0               | 0                        | 0                                      |
| Registrar's Salary Supplement              | 11,373                | 0                              | 0                    | 0               | 0                        | 0                                      |
| State Shared Sales Tax - Cities            | 8,304                 | 0                              | 0                    | 0               | 0                        | 0                                      |
| Other State Grants                         | 84,050                | 20,000                         | 0                    | 0               | 0                        | 0                                      |
| Other State Revenues                       | 838                   | 28,018                         | 0                    | 0               | 0                        | 0                                      |
| Total State of Tennessee                   | \$ 3,013,749          | \$ 48,018                      | \$ 0                 | \$ 0            | \$ 0                     | \$ 0                                   |
| <u>Federal Government</u>                  |                       |                                |                      |                 |                          |  |
| <u>Federal Through State</u>               |                       |                                |                      |                 |                          |  |
| Community Development                      | \$ 89,278             | \$ 0                           | \$ 0                 | \$ 0            | \$ 0                     | \$ 0                                   |
| Disaster Relief                            | 0                     | 0                              | 0                    | 0               | 0                        | 0                                      |
| COVID-19 Grant D                           | 30,368                | 0                              | 0                    | 0               | 0                        | 0                                      |
| American Rescue Plan Act Grant #1          | 0                     | 0                              | 0                    | 0               | 0                        | 514,771                                |
| <u>Direct Federal Revenue</u>              |                       |                                |                      |                 |                          |  |
| Police Service (Lake Area)                 | 7,455                 | 0                              | 0                    | 0               | 0                        | 0                                      |
| Forest Service                             | 22,278                | 0                              | 0                    | 0               | 0                        | 0                                      |

(Continued)

## Exhibit I-5

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

|  | Special Revenue Funds |                                |                      |                 |                          | Other<br>General<br>Government<br>Fund |
|--|-----------------------|--------------------------------|----------------------|-----------------|--------------------------|--|
|  | General               | Solid<br>Waste /<br>Sanitation | Health<br>Department | Drug<br>Control | Sports and<br>Recreation |  |
| <u>Federal Government (Cont.)</u>            |                       |                                |                      |                 |                          |  |
| <u>Direct Federal Revenue (Cont.)</u>        |                       |                                |                      |                 |                          |  |
| Other Direct Federal Revenue                 | \$ 11,000             | \$ 0                           | \$ 0                 | \$ 0            | \$ 0                     | \$ 0                                   |
| Total Federal Government                     | \$ 160,379            | \$ 0                           | \$ 0                 | \$ 0            | \$ 0                     | \$ 514,771                             |
| <u>Other Governments and Citizens Groups</u> |                       |                                |                      |                 |                          |  |
| <u>Other Governments</u>                     |                       |                                |                      |                 |                          |  |
| Prisoner Board                               | \$ 1,047,882          | \$ 0                           | \$ 0                 | \$ 0            | \$ 0                     | \$ 0                                   |
| Contributions                                | 212,030               | 0                              | 0                    | 0               | 0                        | 0                                      |
| Contracted Services                          | 729,010               | 0                              | 0                    | 0               | 0                        | 0                                      |
| <u>Citizens Groups</u>                       |                       |                                |                      |                 |                          |  |
| Donations                                    | 33,009                | 0                              | 0                    | 0               | 0                        | 0                                      |
| Total Other Governments and Citizens Groups  | \$ 2,021,931          | \$ 0                           | \$ 0                 | \$ 0            | \$ 0                     | \$ 0                                   |
| Total  | \$ 22,665,335         | \$ 1,736,373                   | \$ 169,000           | \$ 40,168       | \$ 81,670                | \$ 514,771                             |

(Continued)

## Exhibit I-5

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

|  | <u>Special Revenue Funds</u>               |                              | <u>Debt Service Fund</u>   |               |
|--|--|------------------------------|----------------------------|---------------|
|  | Constitu -<br>tional<br>Officers -<br>Fees | Highway /<br>Public<br>Works | General<br>Debt<br>Service | Total         |
| <u>Local Taxes</u>                                       |  |                              |                            |               |
| <u>County Property Taxes</u>                             |  |                              |                            |               |
| Current Property Tax                                     | \$ 0                                       | \$ 1,123,825                 | \$ 1,317,985               | \$ 11,997,595 |
| Trustee's Collections - Prior Year                       | 0  | 58,628                       | 53,944                     | 329,120       |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 0  | 5,540                        | 10,051                     | 70,216        |
| Interest and Penalty                                     | 0  | 9,101                        | 12,276                     | 95,250        |
| Payments in-Lieu-of Taxes - T.V.A.                       | 0  | 1,671                        | 1,960                      | 17,438        |
| Payments in-Lieu-of Taxes - Local Utilities              | 0  | 20,180                       | 23,351                     | 462,107       |
| Payments in-Lieu-of Taxes - Other                        | 0  | 364                          | 421                        | 3,798         |
| <u>County Local Option Taxes</u>                         |  |                              |                            |               |
| Local Option Sales Tax                                   | 0  | 0                            | 0                          | 1,971,688     |
| Hotel/Motel Tax  | 0  | 0                            | 0                          | 369,331       |
| Litigation Tax - General                                 | 0  | 0                            | 0                          | 106,437       |
| Litigation Tax - Special Purpose                         | 0  | 0                            | 0                          | 8,703         |
| Litigation Tax - Jail, Workhouse, or Courthouse          | 0  | 0                            | 0                          | 61,292        |
| Litigation Tax - Courthouse Security                     | 0  | 0                            | 0                          | 111,397       |
| Business Tax   | 0  | 0                            | 0                          | 500,500       |
| Mixed Drink Tax  | 0  | 0                            | 0                          | 1,902         |
| Mineral Severance Tax                                    | 0  | 109,500                      | 0                          | 109,500       |
| Other County Local Option Taxes                          | 0  | 0                            | 0                          | 103,218       |
| <u>Statutory Local Taxes</u>                             |  |                              |                            |               |
| Bank Excise Tax  | 0  | 10,914                       | 12,629                     | 113,882       |
| Wholesale Beer Tax                                       | 0  | 0                            | 0                          | 27,228        |
| Beer Privilege Tax                                       | 0  | 0                            | 0                          | 142,251       |
| Total Local Taxes  | \$ 0                                       | \$ 1,339,723                 | \$ 1,432,617               | \$ 16,602,853 |

(Continued)



## Exhibit I-5

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

|  | <u>Special Revenue Funds</u>               |                              | <u>Debt Service Fund</u>   |            |
|--|--|------------------------------|----------------------------|------------|
|  | Constitu -<br>tional<br>Officers -<br>Fees | Highway /<br>Public<br>Works | General<br>Debt<br>Service | Total      |
| <u>Licenses and Permits</u>              |  |                              |                            |            |
| <u>Licenses</u>                          |  |                              |                            |            |
| Marriage Licenses                        | \$ 0                                       | \$ 0                         | \$ 0                       | \$ 1,458   |
| Animal Registration                      | 0  | 0                            | 0                          | 27,169     |
| Cable TV Franchise                       | 0  | 0                            | 0                          | 392,636    |
| <u>Permits</u>                           |  |                              |                            |            |
| Beer Permits                             | 0  | 0                            | 0                          | 4,447      |
| Building Permits                         | 0  | 0                            | 0                          | 173,031    |
| Other Permits                            | 0  | 100                          | 0                          | 26,120     |
| Total Licenses and Permits               | \$ 0                                       | \$ 100                       | \$ 0                       | \$ 624,861 |
| <u>Fines, Forfeitures, and Penalties</u> |  |                              |                            |            |
| <u>Circuit Court</u>                     |  |                              |                            |            |
| Fines                                    | \$ 0                                       | \$ 0                         | \$ 0                       | \$ 5,510   |
| Drug Control Fines                       | 0  | 0                            | 0                          | 24,834     |
| Drug Court Fees                          | 0  | 0                            | 0                          | 1,788      |
| Jail Fees                                | 0  | 0                            | 0                          | 3,156      |
| Judicial Commissioner Fees               | 0  | 0                            | 0                          | 2,724      |
| DUI Treatment Fines                      | 0  | 0                            | 0                          | 1,521      |
| Data Entry Fee - Circuit Court           | 0  | 0                            | 0                          | 1,358      |
| Courtroom Security Fee                   | 0  | 0                            | 0                          | 318        |
| Victims Assistance Assessments           | 0  | 0                            | 0                          | 4,529      |
| <u>General Sessions Court</u>            |  |                              |                            |            |
| Fines                                    | 0  | 0                            | 0                          | 128,063    |
| Officers Costs                           | 0  | 0                            | 0                          | 35,765     |
| Drug Control Fines                       | 0  | 0                            | 0                          | 947        |
| Drug Court Fees                          | 0  | 0                            | 0                          | 8,765      |

(Continued)

## Exhibit I-5

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

|  | <u>Special Revenue Funds</u>               |                              | <u>Debt Service Fund</u>   |              |
|--|--|------------------------------|----------------------------|--------------|
|  | Constitu -<br>tional<br>Officers -<br>Fees | Highway /<br>Public<br>Works | General<br>Debt<br>Service | Total        |
| <u>Fines, Forfeitures, and Penalties (Cont.)</u> |  |                              |                            |              |
| <u>General Sessions Court (Cont.)</u>            |  |                              |                            |              |
| Jail Fees  | \$ 0                                       | \$ 0                         | \$ 0                       | \$ 9,766     |
| Judicial Commissioner Fees                       | 0  | 0                            | 0                          | 167          |
| DUI Treatment Fines                              | 0  | 0                            | 0                          | 9,796        |
| Data Entry Fee - General Sessions Court          | 0  | 0                            | 0                          | 14,206       |
| Courtroom Security Fee                           | 0  | 0                            | 0                          | 310          |
| Victims Assistance Assessments                   | 0  | 0                            | 0                          | 16,339       |
| <u>Juvenile Court</u>                            |  |                              |                            |              |
| Fines  | 0  | 0                            | 0                          | 994          |
| Data Entry Fee - Juvenile Court                  | 0  | 0                            | 0                          | 1,036        |
| <u>Chancery Court</u>                            |  |                              |                            |              |
| Officers Costs                                   | 0  | 0                            | 0                          | 1,878        |
| Data Entry Fee - Chancery Court                  | 0  | 0                            | 0                          | 4,806        |
| Courtroom Security Fee                           | 0  | 0                            | 0                          | 10           |
| <u>Other Courts - In-county</u>                  |  |                              |                            |              |
| Jail Fees  | 0  | 0                            | 0                          | 100          |
| <u>Other Fines, Forfeitures, and Penalties</u>   |  |                              |                            |              |
| Proceeds from Confiscated Property               | 0  | 0                            | 0                          | 15,385       |
| Other Fines, Forfeitures, and Penalties          | 0  | 0                            | 0                          | 11,574       |
| Total Fines, Forfeitures, and Penalties          | \$ 0                                       | \$ 0                         | \$ 0                       | \$ 305,645   |
| <u>Charges for Current Services</u>              |  |                              |                            |              |
| <u>General Service Charges</u>                   |  |                              |                            |              |
| Transfer Waste Stations Collection Charge        | \$ 0                                       | \$ 0                         | \$ 0                       | \$ 1,263,509 |
| Tipping Fees                                     | 0  | 0                            | 0                          | 90,803       |
| Patient Charges                                  | 0  | 0                            | 0                          | 7,190        |
| Work Release Charges for Board                   | 0  | 0                            | 0                          | 7,535        |

(Continued)

## Exhibit I-5

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

|   | <u>Special Revenue Funds</u> |           | <u>Debt Service Fund</u> |              |
|---|------------------------------|-----------|--------------------------|--------------|
|   | Constitu -                   | Highway / | General                  |              |
|   | tional                       | Public    | Debt                     |              |
|   | Officers -                   | Works     | Service                  | Total        |
|   | Fees                         |           |                          |              |
| <u>Charges for Current Services (Cont.)</u>   |                              |           |                          |              |
| <u>Fees</u>                                   |                              |           |                          |              |
| Copy Fees                                     | \$ 0                         | \$ 0      | \$ 0                     | \$ 4,839     |
| Archives and Records Management Fee           | 0                            | 0         | 0                        | 115,237      |
| Greenbelt Late Application Fee                | 0                            | 0         | 0                        | 650          |
| Telephone Commissions                         | 0                            | 0         | 0                        | 101,304      |
| Special Commissioner Fees/Special Master Fees | 6,190                        | 0         | 0                        | 6,190        |
| Data Processing Fee - Register                | 0                            | 0         | 0                        | 19,382       |
| Data Processing Fee - Sheriff                 | 0                            | 0         | 0                        | 8,390        |
| Sexual Offender Registration Fee - Sheriff    | 0                            | 0         | 0                        | 6,260        |
| Data Processing Fee - County Clerk            | 0                            | 0         | 0                        | 7,797        |
| Vehicle Registration Reinstatement Fees       | 0                            | 0         | 0                        | 3,480        |
| Total Charges for Current Services            | \$ 6,190                     | \$ 0      | \$ 0                     | \$ 1,642,566 |
| <u>Other Local Revenues</u>                   |                              |           |                          |              |
| <u>Recurring Items</u>                        |                              |           |                          |              |
| Investment Income                             | \$ 0                         | \$ 0      | \$ 0                     | \$ 200,828   |
| Lease/Rentals                                 | 0                            | 0         | 0                        | 236,736      |
| Sale of Materials and Supplies                | 0                            | 0         | 0                        | 165          |
| Commissary Sales                              | 0                            | 0         | 0                        | 30,575       |
| Sale of Gasoline                              | 0                            | 314,019   | 0                        | 314,019      |
| Sale of Recycled Materials                    | 0                            | 5,562     | 0                        | 271,485      |
| Sale of Animals/Livestock                     | 0                            | 0         | 0                        | 19,913       |
| Miscellaneous Refunds                         | 0                            | 0         | 0                        | 27,798       |
| <u>Nonrecurring Items</u>                     |                              |           |                          |              |
| Sale of Equipment                             | 0                            | 51,535    | 0                        | 70,281       |
| Damages Recovered from Individuals            | 0                            | 0         | 0                        | 6,070        |
| Contributions and Gifts                       | 0                            | 0         | 0                        | 3,349        |

(Continued)

## Exhibit I-5

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

|  | <u>Special Revenue Funds</u>               |                              | <u>Debt Service Fund</u>   |    |           |
|--|--|------------------------------|----------------------------|----|-----------|
|  | Constitu -<br>tional<br>Officers -<br>Fees | Highway /<br>Public<br>Works | General<br>Debt<br>Service |    | Total     |
| <hr/>                                      |  |                              |                            |    |           |
| <u>Other Local Revenues (Cont.)</u>        |  |                              |                            |    |           |
| <u>Other Local Revenues</u>                |  |                              |                            |    |           |
| Other Local Revenues                       | \$ 0                                       | \$ 0                         | \$ 0                       | \$ | 2,710     |
| Total Other Local Revenues                 | \$ 0                                       | \$ 371,116                   | \$ 0                       | \$ | 1,183,929 |
| <hr/>                                      |  |                              |                            |    |           |
| <u>Fees Received From County Officials</u> |  |                              |                            |    |           |
| <u>Fees In-Lieu-of Salary</u>              |  |                              |                            |    |           |
| County Clerk                               | \$ 0                                       | \$ 0                         | \$ 0                       | \$ | 566,258   |
| Circuit Court Clerk                        | 0  | 0                            | 0                          |    | 121,916   |
| General Sessions Court Clerk               | 0  | 0                            | 0                          |    | 277,187   |
| Clerk and Master                           | 0  | 0                            | 0                          |    | 159,570   |
| Register                                   | 0  | 0                            | 0                          |    | 302,046   |
| Sheriff                                    | 0  | 0                            | 0                          |    | 10,839    |
| Trustee                                    | 0  | 0                            | 0                          |    | 800,545   |
| Total Fees Received From County Officials  | \$ 0                                       | \$ 0                         | \$ 0                       | \$ | 2,238,361 |
| <hr/>                                      |  |                              |                            |    |           |
| <u>State of Tennessee</u>                  |  |                              |                            |    |           |
| <u>General Government Grants</u>           |  |                              |                            |    |           |
| Juvenile Services Program                  | \$ 0                                       | \$ 0                         | \$ 0                       | \$ | 7,100     |
| <u>Public Safety Grants</u>                |  |                              |                            |    |           |
| Law Enforcement Training Programs          | 0  | 0                            | 0                          |    | 48,000    |
| <u>Health and Welfare Grants</u>           |  |                              |                            |    |           |
| Health Department Programs                 | 0  | 0                            | 0                          |    | 435,232   |
| <u>Public Works Grants</u>                 |  |                              |                            |    |           |
| Bridge Program                             | 0  | 1,315,577                    | 0                          |    | 1,315,577 |
| State Aid Program                          | 0  | 197,713                      | 0                          |    | 197,713   |

(Continued)

## Exhibit I-5

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

|  | <u>Special Revenue Funds</u> |              | <u>Debt Service Fund</u> |              |
|--|------------------------------|--------------|--------------------------|--------------|
|  | Constitu -                   | Highway /    | General                  |              |
|  | tional -                     | Public       | Debt                     |              |
|  | Fees                         | Works        | Service                  | Total        |
| <u>State of Tennessee (Cont.)</u>          |                              |              |                          |              |
| <u>Other State Revenues</u>                |                              |              |                          |              |
| Beer Tax                                   | \$ 0                         | \$ 0         | \$ 0                     | \$ 24,292    |
| Vehicle Certificate of Title Fees          | 0                            | 0            | 0                        | 8,019        |
| Alcoholic Beverage Tax                     | 0                            | 0            | 0                        | 122,797      |
| Opioid Settlement Funds                    | 0                            | 0            | 0                        | 1,806,527    |
| State Revenue Sharing - T.V.A.             | 0                            | 43,472       | 33,882                   | 77,354       |
| State Revenue Sharing - Telecommunications | 0                            | 0            | 0                        | 76,740       |
| State Shared Sports Gaming Privilege Tax   | 0                            | 0            | 0                        | 39,227       |
| Contracted Prisoner Boarding               | 0                            | 0            | 0                        | 341,250      |
| Gasoline and Motor Fuel Tax                | 0                            | 2,622,267    | 0                        | 2,622,267    |
| Petroleum Special Tax                      | 0                            | 38,023       | 0                        | 38,023       |
| Registrar's Salary Supplement              | 0                            | 0            | 0                        | 11,373       |
| State Shared Sales Tax - Cities            | 0                            | 0            | 0                        | 8,304        |
| Other State Grants                         | 0                            | 404,000      | 0                        | 508,050      |
| Other State Revenues                       | 0                            | 0            | 0                        | 28,856       |
| Total State of Tennessee                   | \$ 0                         | \$ 4,621,052 | \$ 33,882                | \$ 7,716,701 |
| <u>Federal Government</u>                  |                              |              |                          |              |
| <u>Federal Through State</u>               |                              |              |                          |              |
| Community Development                      | \$ 0                         | \$ 0         | \$ 0                     | \$ 89,278    |
| Disaster Relief                            | 0                            | 21,577       | 0                        | 21,577       |
| COVID-19 Grant D                           | 0                            | 0            | 0                        | 30,368       |
| American Rescue Plan Act Grant #1          | 0                            | 0            | 0                        | 514,771      |
| <u>Direct Federal Revenue</u>              |                              |              |                          |              |
| Police Service (Lake Area)                 | 0                            | 0            | 0                        | 7,455        |
| Forest Service                             | 0                            | 31,561       | 0                        | 53,839       |

(Continued)

## Exhibit I-5

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

|  | <u>Special Revenue Funds</u>               |                              | <u>Debt Service Fund</u>   |    |            |
|--|--|------------------------------|----------------------------|----|------------|
|  | Constitu -<br>tional<br>Officers -<br>Fees | Highway /<br>Public<br>Works | General<br>Debt<br>Service |    | Total      |
| <u>Federal Government (Cont.)</u>            |  |                              |                            |    |            |
| <u>Direct Federal Revenue (Cont.)</u>        |  |                              |                            |    |            |
| Other Direct Federal Revenue                 | \$ 0                                       | \$ 120,780                   | \$ 0                       | \$ | 131,780    |
| Total Federal Government                     | \$ 0                                       | \$ 173,918                   | \$ 0                       | \$ | 849,068    |
| <u>Other Governments and Citizens Groups</u> |  |                              |                            |    |            |
| <u>Other Governments</u>                     |  |                              |                            |    |            |
| Prisoner Board                               | \$ 0                                       | \$ 0                         | \$ 0                       | \$ | 1,047,882  |
| Contributions                                | 0  | 0                            | 0                          |    | 212,030    |
| Contracted Services                          | 0  | 131,565                      | 0                          |    | 860,575    |
| <u>Citizens Groups</u>                       |  |                              |                            |    |            |
| Donations                                    | 0  | 0                            | 0                          |    | 33,009     |
| Total Other Governments and Citizens Groups  | \$ 0                                       | \$ 131,565                   | \$ 0                       | \$ | 2,153,496  |
| Total  | \$ 6,190                                   | \$ 6,637,474                 | \$ 1,466,499               | \$ | 33,317,480 |

## Exhibit I-6

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Carter County School Department  
For the Year Ended June 30, 2022

|  | Special Revenue Funds  |                         |                   |                                 |                 |
|--|------------------------|-------------------------|-------------------|---------------------------------|-----------------|
|  | General Purpose School | School Federal Projects | Central Cafeteria | Other Education Special Revenue | Internal School |
| <u>Local Taxes</u>                                       |                        |                         |                   |                                 |                 |
| <u>County Property Taxes</u>                             |                        |                         |                   |                                 |                 |
| Current Property Tax                                     | \$ 5,687,568           | \$ 0                    | \$ 0              | \$ 0                            | \$ 0            |
| Trustee's Collections - Prior Year                       | 200,067                | 0                       | 0                 | 0                               | 0               |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 34,389                 | 0                       | 0                 | 0                               | 0               |
| Interest and Penalty                                     | 45,599                 | 0                       | 0                 | 0                               | 0               |
| Payments in-Lieu-of Taxes - T.V.A.                       | 12,717                 | 0                       | 0                 | 0                               | 0               |
| Payments in-Lieu-of Taxes - Local Utilities              | 100,606                | 0                       | 0                 | 0                               | 0               |
| Payments in-Lieu-of Taxes - Other                        | 1,359                  | 0                       | 0                 | 0                               | 0               |
| <u>County Local Option Taxes</u>                         |                        |                         |                   |                                 |                 |
| Local Option Sales Tax                                   | 4,826,331              | 0                       | 0                 | 0                               | 0               |
| Mixed Drink Tax  | 1,267                  | 0                       | 0                 | 0                               | 0               |
| <u>Statutory Local Taxes</u>                             |                        |                         |                   |                                 |                 |
| Bank Excise Tax  | 54,413                 | 0                       | 0                 | 0                               | 0               |
| Total Local Taxes  | <u>\$ 10,964,316</u>   | <u>\$ 0</u>             | <u>\$ 0</u>       | <u>\$ 0</u>                     | <u>\$ 0</u>     |
| <u>Licenses and Permits</u>                              |                        |                         |                   |                                 |                 |
| <u>Licenses</u>  |                        |                         |                   |                                 |                 |
| Marriage Licenses  | \$ 908                 | \$ 0                    | \$ 0              | \$ 0                            | \$ 0            |
| Total Licenses and Permits                               | <u>\$ 908</u>          | <u>\$ 0</u>             | <u>\$ 0</u>       | <u>\$ 0</u>                     | <u>\$ 0</u>     |
| <u>Charges for Current Services</u>                      |                        |                         |                   |                                 |                 |
| <u>Education Charges</u>                                 |                        |                         |                   |                                 |                 |
| Lunch Payments - Children                                | \$ 0                   | \$ 0                    | \$ 37,490         | \$ 0                            | \$ 0            |
| Lunch Payments - Adults                                  | 0                      | 0                       | 69,012            | 0                               | 0               |
| Income from Breakfast                                    | 0                      | 0                       | 41,254            | 0                               | 0               |

(Continued)

## Exhibit I-6

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

|   | Special Revenue Funds  |                         |                   |                                 |                 |
|---|------------------------|-------------------------|-------------------|---------------------------------|-----------------|
|   | General Purpose School | School Federal Projects | Central Cafeteria | Other Education Special Revenue | Internal School |
| <u>Charges for Current Services (Cont.)</u> |                        |                         |                   |                                 |                 |
| <u>Education Charges (Cont.)</u>            |                        |                         |                   |                                 |                 |
| Special Milk Sales                          | \$ 0                   | \$ 0                    | \$ 169            | \$ 0                            | \$ 0            |
| A la Carte Sales                            | 0                      | 0                       | 61,604            | 0                               | 0               |
| Receipts from Individual Schools            | 41,208                 | 0                       | 0                 | 0                               | 0               |
| Community Service Fees - Children           | 123                    | 0                       | 0                 | 0                               | 0               |
| Other Charges for Services                  | 0                      | 0                       | 45,353            | 0                               | 0               |
| Total Charges for Current Services          | \$ 41,331              | \$ 0                    | \$ 254,882        | \$ 0                            | \$ 0            |
| <u>Other Local Revenues</u>                 |                        |                         |                   |                                 |                 |
| <u>Recurring Items</u>                      |                        |                         |                   |                                 |                 |
| Investment Income                           | \$ (18,223)            | \$ 0                    | \$ 12,826         | \$ 0                            | \$ 0            |
| Lease/Rentals                               | 8,173                  | 0                       | 0                 | 0                               | 0               |
| Sale of Recycled Materials                  | 1,047                  | 0                       | 0                 | 0                               | 0               |
| Rebates                                     | 0                      | 0                       | 32,122            | 0                               | 0               |
| Miscellaneous Refunds                       | 34,814                 | 0                       | 448               | 150                             | 0               |
| <u>Nonrecurring Items</u>                   |                        |                         |                   |                                 |                 |
| Damages Recovered from Individuals          | 180                    | 0                       | 0                 | 0                               | 0               |
| Contributions and Gifts                     | 44,800                 | 0                       | 0                 | 0                               | 0               |
| <u>Other Local Revenues</u>                 |                        |                         |                   |                                 |                 |
| Other Local Revenues                        | 0                      | 0                       | 0                 | 0                               | 1,149,838       |
| Total Other Local Revenues                  | \$ 70,791              | \$ 0                    | \$ 45,396         | \$ 150                          | \$ 1,149,838    |
| <u>State of Tennessee</u>                   |                        |                         |                   |                                 |                 |
| <u>General Government Grants</u>            |                        |                         |                   |                                 |                 |
| On-behalf Contributions for OPEB            | \$ 315,908             | \$ 0                    | \$ 0              | \$ 0                            | \$ 0            |

(Continued)



## Exhibit I-6

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

|   | Special Revenue Funds  |                         |                   |                                 |                 |   |
|---|------------------------|-------------------------|-------------------|---------------------------------|-----------------|---|
|   | General Purpose School | School Federal Projects | Central Cafeteria | Other Education Special Revenue | Internal School |   |
| <u>State of Tennessee (Cont.)</u>             |                        |                         |                   |                                 |                 |   |
| <u>State Education Funds</u>                  |                        |                         |                   |                                 |                 |   |
| Basic Education Program                       | \$ 30,800,761          | \$ 0                    | \$ 0              | \$ 0                            |                 | 0 |
| Early Childhood Education                     | 304,370                | 0                       | 0                 | 0                               |                 | 0 |
| School Food Service                           | 0                      | 0                       | 24,542            | 0                               |                 | 0 |
| Driver Education                              | 3,389                  | 0                       | 0                 | 0                               |                 | 0 |
| Other State Education Funds                   | 926,294                | 0                       | 0                 | 0                               |                 | 0 |
| Coordinated School Health                     | 99,996                 | 0                       | 0                 | 0                               |                 | 0 |
| Family Resource Centers                       | 29,612                 | 0                       | 0                 | 0                               |                 | 0 |
| Career Ladder Program                         | 85,997                 | 0                       | 0                 | 0                               |                 | 0 |
| Other Vocational                              | 124,703                | 0                       | 0                 | 0                               |                 | 0 |
| <u>Other State Revenues</u>                   |                        |                         |                   |                                 |                 |   |
| State Revenue Sharing - T.V.A.                | 734,915                | 0                       | 0                 | 0                               |                 | 0 |
| Other State Grants                            | 50,000                 | 0                       | 0                 | 0                               |                 | 0 |
| Safe Schools                                  | 96,320                 | 0                       | 0                 | 0                               |                 | 0 |
| Total State of Tennessee                      | \$ 33,572,265          | \$ 0                    | \$ 24,542         | \$ 0                            |                 | 0 |
| <u>Federal Government</u>                     |                        |                         |                   |                                 |                 |   |
| <u>Federal Through State</u>                  |                        |                         |                   |                                 |                 |   |
| USDA School Lunch Program                     | \$ 0                   | \$ 0                    | \$ 2,692,207      | \$ 0                            |                 | 0 |
| USDA - Commodities                            | 0                      | 0                       | 266,198           | 0                               |                 | 0 |
| Breakfast                                     | 0                      | 0                       | 827,055           | 0                               |                 | 0 |
| USDA - Other                                  | 41,684                 | 0                       | 156,208           | 16,085                          |                 | 0 |
| Vocational Education - Basic Grants to States | 0                      | 121,772                 | 0                 | 0                               |                 | 0 |
| Other Vocational                              | 0                      | 113,272                 | 0                 | 0                               |                 | 0 |
| Title I Grants to Local Education Agencies    | 0                      | 2,126,158               | 0                 | 0                               |                 | 0 |
| Special Education - Grants to States          | 73,073                 | 951,738                 | 0                 | 0                               |                 | 0 |

(Continued)

## Exhibit I-6

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

|  | Special Revenue Funds        |                               |                      |  |                    |      |
|--|------------------------------|-------------------------------|----------------------|--|--------------------|------|
|  | General<br>Purpose<br>School | School<br>Federal<br>Projects | Central<br>Cafeteria | Other<br>Education<br>Special<br>Revenue | Internal<br>School |      |
| <u>Federal Government (Cont.)</u>                |                              |                               |                      |  |                    |      |
| <u>Federal Through State (Cont.)</u>             |                              |                               |                      |  |                    |      |
| Special Education Preschool Grants               | \$ 0                         | \$ 67,582                     | \$ 0                 | \$ 0                                     | \$ 0               | \$ 0 |
| Education for Homeless Children and Youth        | 0                            | 27,593                        | 0                    | 0  | 0                  | 0    |
| 21st Century Community Learning Centers          | 122,863                      | 0                             | 0                    | 0  | 0                  | 0    |
| Eisenhower Professional Development State Grants | 0                            | 283,670                       | 0                    | 0  | 0                  | 0    |
| COVID-19 Grant #1                                | 0                            | 78,303                        | 0                    | 0  | 0                  | 0    |
| COVID-19 Grant B                                 | 0                            | 2,714,392                     | 0                    | 0  | 0                  | 0    |
| COVID-19 Grant E                                 | 0                            | 414,776                       | 0                    | 0  | 0                  | 0    |
| American Rescue Plan Act Grant #1                | 0                            | 1,272,362                     | 0                    | 0  | 0                  | 0    |
| American Rescue Plan Act Grant #2                | 0                            | 40,433                        | 0                    | 0  | 0                  | 0    |
| American Rescue Plan Act Grant #3                | 0                            | 1,747                         | 0                    | 0  | 0                  | 0    |
| American Rescue Plan Act Grant #4                | 0                            | 10,403                        | 0                    | 0  | 0                  | 0    |
| Other Federal through State                      | 10,839                       | 0                             | 0                    | 0  | 0                  | 0    |
| <u>Direct Federal Revenue</u>                    |                              |                               |                      |  |                    |      |
| Forest Service                                   | 94,683                       | 0                             | 0                    | 0  | 0                  | 0    |
| COVID-19 Grant #10                               | 3,999                        | 0                             | 0                    | 119,479                                  | 0                  | 0    |
| Total Federal Government                         | \$ 347,141                   | \$ 8,224,201                  | \$ 3,941,668         | \$ 135,564                               | \$ 0               | \$ 0 |
| <u>Other Governments and Citizens Groups</u>     |                              |                               |                      |  |                    |      |
| <u>Other Governments</u>                         |                              |                               |                      |  |                    |      |
| Contracted Services                              | \$ 0                         | \$ 0                          | \$ 0                 | \$ 1,166,678                             | \$ 0               | \$ 0 |
| <u>Citizens Groups</u>                           |                              |                               |                      |  |                    |      |
| Donations  | 3,382                        | 0                             | 0                    | 0  | 0                  | 0    |
| Total Other Governments and Citizens Groups      | \$ 3,382                     | \$ 0                          | \$ 0                 | \$ 1,166,678                             | \$ 0               | \$ 0 |
| Total  | \$ 45,000,134                | \$ 8,224,201                  | \$ 4,266,488         | \$ 1,302,392                             | \$ 1,149,838       | \$ 0 |

(Continued)

## Exhibit I-6

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

|  | <u>Capital<br/>Projects Fund</u> |                      |
|--|----------------------------------|----------------------|
|  | Education<br>Capital<br>Projects | Total                |
| <u>Local Taxes</u>                                       |                                  |                      |
| <u>County Property Taxes</u>                             |                                  |                      |
| Current Property Tax                                     | \$ 0                             | \$ 5,687,568         |
| Trustee's Collections - Prior Year                       | 0                                | 200,067              |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 0                                | 34,389               |
| Interest and Penalty                                     | 0                                | 45,599               |
| Payments in-Lieu-of Taxes - T.V.A.                       | 0                                | 12,717               |
| Payments in-Lieu-of Taxes - Local Utilities              | 0                                | 100,606              |
| Payments in-Lieu-of Taxes - Other                        | 0                                | 1,359                |
| <u>County Local Option Taxes</u>                         |                                  |                      |
| Local Option Sales Tax                                   | 1,637,971                        | 6,464,302            |
| Mixed Drink Tax  | 0                                | 1,267                |
| <u>Statutory Local Taxes</u>                             |                                  |                      |
| Bank Excise Tax  | 0                                | 54,413               |
| Total Local Taxes  | <u>\$ 1,637,971</u>              | <u>\$ 12,602,287</u> |
| <u>Licenses and Permits</u>                              |                                  |                      |
| <u>Licenses</u>  |                                  |                      |
| Marriage Licenses  | \$ 0                             | \$ 908               |
| Total Licenses and Permits                               | <u>\$ 0</u>                      | <u>\$ 908</u>        |
| <u>Charges for Current Services</u>                      |                                  |                      |
| <u>Education Charges</u>                                 |                                  |                      |
| Lunch Payments - Children                                | \$ 0                             | \$ 37,490            |
| Lunch Payments - Adults                                  | 0                                | 69,012               |
| Income from Breakfast                                    | 0                                | 41,254               |

(Continued)

## Exhibit I-6

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

|   | <u>Capital<br/>Projects Fund</u> |                     |
|---|----------------------------------|---------------------|
|   | Education<br>Capital<br>Projects | Total               |
| <hr/>                                       |                                  |                     |
| <u>Charges for Current Services (Cont.)</u> |                                  |                     |
| <u>Education Charges (Cont.)</u>            |                                  |                     |
| Special Milk Sales                          | \$ 0                             | \$ 169              |
| A la Carte Sales                            | 0                                | 61,604              |
| Receipts from Individual Schools            | 0                                | 41,208              |
| Community Service Fees - Children           | 0                                | 123                 |
| Other Charges for Services                  | 0                                | 45,353              |
| Total Charges for Current Services          | <u>\$ 0</u>                      | <u>\$ 296,213</u>   |
| <br><u>Other Local Revenues</u>             |                                  |                     |
| <u>Recurring Items</u>                      |                                  |                     |
| Investment Income                           | \$ 0                             | \$ (5,397)          |
| Lease/Rentals                               | 0                                | 8,173               |
| Sale of Recycled Materials                  | 0                                | 1,047               |
| Rebates                                     | 0                                | 32,122              |
| Miscellaneous Refunds                       | 0                                | 35,412              |
| <u>Nonrecurring Items</u>                   |                                  |                     |
| Damages Recovered from Individuals          | 0                                | 180                 |
| Contributions and Gifts                     | 0                                | 44,800              |
| <u>Other Local Revenues</u>                 |                                  |                     |
| Other Local Revenues                        | 0                                | 1,149,838           |
| Total Other Local Revenues                  | <u>\$ 0</u>                      | <u>\$ 1,266,175</u> |
| <br><u>State of Tennessee</u>               |                                  |                     |
| <u>General Government Grants</u>            |                                  |                     |
| On-behalf Contributions for OPEB            | \$ 0                             | \$ 315,908          |

(Continued)

## Exhibit I-6

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

|   | <u>Capital<br/>Projects Fund</u> |               |
|---|----------------------------------|---------------|
|   | Education<br>Capital<br>Projects | Total         |
| <u>State of Tennessee (Cont.)</u>             |                                  |               |
| <u>State Education Funds</u>                  |                                  |               |
| Basic Education Program                       | \$ 0                             | \$ 30,800,761 |
| Early Childhood Education                     | 0                                | 304,370       |
| School Food Service                           | 0                                | 24,542        |
| Driver Education                              | 0                                | 3,389         |
| Other State Education Funds                   | 0                                | 926,294       |
| Coordinated School Health                     | 0                                | 99,996        |
| Family Resource Centers                       | 0                                | 29,612        |
| Career Ladder Program                         | 0                                | 85,997        |
| Other Vocational                              | 0                                | 124,703       |
| <u>Other State Revenues</u>                   |                                  |               |
| State Revenue Sharing - T.V.A.                | 0                                | 734,915       |
| Other State Grants                            | 0                                | 50,000        |
| Safe Schools                                  | 0                                | 96,320        |
| Total State of Tennessee                      | \$ 0                             | \$ 33,596,807 |
| <u>Federal Government</u>                     |                                  |               |
| <u>Federal Through State</u>                  |                                  |               |
| USDA School Lunch Program                     | \$ 0                             | \$ 2,692,207  |
| USDA - Commodities                            | 0                                | 266,198       |
| Breakfast                                     | 0                                | 827,055       |
| USDA - Other                                  | 0                                | 213,977       |
| Vocational Education - Basic Grants to States | 0                                | 121,772       |
| Other Vocational                              | 0                                | 113,272       |
| Title I Grants to Local Education Agencies    | 0                                | 2,126,158     |
| Special Education - Grants to States          | 0                                | 1,024,811     |

(Continued)

## Exhibit I-6

Carter County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

|  | <u>Capital<br/>Projects Fund</u> |                      |
|--|----------------------------------|----------------------|
|  | Education<br>Capital<br>Projects | Total                |
| <u>Federal Government (Cont.)</u>                |                                  |                      |
| <u>Federal Through State (Cont.)</u>             |                                  |                      |
| Special Education Preschool Grants               | \$ 0                             | \$ 67,582            |
| Education for Homeless Children and Youth        | 0                                | 27,593               |
| 21st Century Community Learning Centers          | 0                                | 122,863              |
| Eisenhower Professional Development State Grants | 0                                | 283,670              |
| COVID-19 Grant #1                                | 0                                | 78,303               |
| COVID-19 Grant B                                 | 0                                | 2,714,392            |
| COVID-19 Grant E                                 | 0                                | 414,776              |
| American Rescue Plan Act Grant #1                | 0                                | 1,272,362            |
| American Rescue Plan Act Grant #2                | 0                                | 40,433               |
| American Rescue Plan Act Grant #3                | 0                                | 1,747                |
| American Rescue Plan Act Grant #4                | 0                                | 10,403               |
| Other Federal through State                      | 0                                | 10,839               |
| <u>Direct Federal Revenue</u>                    |                                  |                      |
| Forest Service                                   | 0                                | 94,683               |
| COVID-19 Grant #10                               | 0                                | 123,478              |
| Total Federal Government                         | <u>\$ 0</u>                      | <u>\$ 12,648,574</u> |
| <u>Other Governments and Citizens Groups</u>     |                                  |                      |
| <u>Other Governments</u>                         |                                  |                      |
| Contracted Services                              | \$ 0                             | \$ 1,166,678         |
| <u>Citizens Groups</u>                           |                                  |                      |
| Donations  | 0                                | 3,382                |
| Total Other Governments and Citizens Groups      | <u>\$ 0</u>                      | <u>\$ 1,170,060</u>  |
| Total  | <u>\$ 1,637,971</u>              | <u>\$ 61,581,024</u> |

## Exhibit I-7

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
For the Year Ended June 30, 2022

General FundGeneral GovernmentCounty Commission

|   |    |        |           |
|---|----|--------|-----------|
| Board and Committee Members Fees          | \$ | 43,950 |           |
| Social Security                           |    | 4,098  |           |
| Pensions                                  |    | 3,600  |           |
| Employer Medicare                         |    | 1,015  |           |
| Audit Services                            |    | 23,106 |           |
| Dues and Memberships                      |    | 5,137  |           |
| Legal Notices, Recording, and Court Costs |    | 750    |           |
| Travel                                    |    | 995    |           |
| Other Contracted Services                 |    | 3,600  |           |
| Data Processing Supplies                  |    | 565    |           |
| Office Supplies                           |    | 548    |           |
| Other Supplies and Materials              |    | 79     |           |
| Liability Insurance                       |    | 4,563  |           |
| Workers' Compensation Insurance           |    | 2,298  |           |
| In Service/Staff Development              |    | 150    |           |
| Other Charges                             |    | 1,120  |           |
| Total County Commission                   |    |        | \$ 95,574 |

Board of Equalization

|   |    |       |       |
|---|----|-------|-------|
| Board and Committee Members Fees          | \$ | 5,200 |       |
| Social Security                           |    | 322   |       |
| Employer Medicare                         |    | 75    |       |
| Legal Notices, Recording, and Court Costs |    | 142   |       |
| Other Supplies and Materials              |    | 99    |       |
| Total Board of Equalization               |    |       | 5,838 |

County Mayor/Executive

|   |    |         |  |
|---|----|---------|--|
| County Official/Administrative Officer    | \$ | 113,202 |  |
| Secretary(ies)                            |    | 35,642  |  |
| Bonus Payments                            |    | 2,550   |  |
| Other Salaries and Wages                  |    | 3,231   |  |
| Social Security                           |    | 9,185   |  |
| Pensions                                  |    | 12,267  |  |
| Life Insurance                            |    | 43      |  |
| Medical Insurance                         |    | 15,008  |  |
| Dental Insurance                          |    | 281     |  |
| Unemployment Compensation                 |    | 31      |  |
| Employer Medicare                         |    | 2,148   |  |
| Advertising                               |    | 125     |  |
| Dues and Memberships                      |    | 1,709   |  |
| Legal Notices, Recording, and Court Costs |    | 58      |  |
| Maintenance Agreements                    |    | 651     |  |
| Postal Charges                            |    | 104     |  |
| Travel                                    |    | 3,200   |  |
| Data Processing Supplies                  |    | 129     |  |
| Office Supplies                           |    | 1,216   |  |
| Software                                  |    | 524     |  |

(Continued)

## Exhibit I-7

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)General Government (Cont.)County Mayor/Executive (Cont.)

|                                 |    |        |            |
|---------------------------------|----|--------|------------|
| Other Supplies and Materials    | \$ | 1,344  |            |
| Liability Insurance             |    | 3,153  |            |
| Vehicle and Equipment Insurance |    | 141    |            |
| Workers' Compensation Insurance |    | 360    |            |
| In Service/Staff Development    |    | 270    |            |
| Access Fees                     |    | 300    |            |
| Tax Relief Program              |    | 59,089 |            |
| Other Charges                   |    | 548    |            |
| Office Equipment                |    | 1,969  |            |
| Total County Mayor/Executive    |    |        | \$ 268,478 |

County Attorney

|                                 |    |        |        |
|---------------------------------|----|--------|--------|
| Other Salaries and Wages        | \$ | 600    |        |
| Social Security                 |    | 37     |        |
| Pensions                        |    | 48     |        |
| Employer Medicare               |    | 9      |        |
| Legal Services                  |    | 77,588 |        |
| Workers' Compensation Insurance |    | 2      |        |
| Total County Attorney           |    |        | 78,284 |

Election Commission

|   |    |        |  |
|---|----|--------|--|
| Supervisor/Director                       | \$ | 83,300 |  |
| Deputy(ies)                               |    | 33,200 |  |
| Data Processing Personnel                 |    | 26,787 |  |
| Bonus Payments                            |    | 1,000  |  |
| Other Salaries and Wages                  |    | 6,975  |  |
| Board and Committee Members Fees          |    | 11,157 |  |
| Election Workers                          |    | 44,101 |  |
| Social Security                           |    | 11,336 |  |
| Pensions                                  |    | 11,478 |  |
| Life Insurance                            |    | 65     |  |
| Medical Insurance                         |    | 23,408 |  |
| Dental Insurance                          |    | 421    |  |
| Unemployment Compensation                 |    | 42     |  |
| Employer Medicare                         |    | 2,651  |  |
| Communication                             |    | 3,479  |  |
| Data Processing Services                  |    | 3,099  |  |
| Legal Notices, Recording, and Court Costs |    | 4,802  |  |
| Maintenance Agreements                    |    | 23,004 |  |
| Pest Control                              |    | 455    |  |
| Postal Charges                            |    | 5,326  |  |
| Printing, Stationery, and Forms           |    | 1,200  |  |
| Rentals                                   |    | 2,532  |  |
| Travel                                    |    | 139    |  |
| Disposal Fees                             |    | 1,310  |  |
| Data Processing Supplies                  |    | 794    |  |
| Office Supplies                           |    | 1,731  |  |

(Continued)



Exhibit I-7

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

|                                 |    |        |            |
|---------------------------------|----|--------|------------|
| Software                        | \$ | 3,861  |            |
| Other Supplies and Materials    |    | 10,175 |            |
| Liability Insurance             |    | 966    |            |
| Workers' Compensation Insurance |    | 1,578  |            |
| Other Charges                   |    | 300    |            |
| Data Processing Equipment       |    | 4,999  |            |
| Office Equipment                |    | 2,234  |            |
| Total Election Commission       |    |        | \$ 327,905 |

Register of Deeds

|  |    |        |         |
|--|----|--------|---------|
| County Official/Administrative Officer | \$ | 92,555 |         |
| Deputy(ies)                            |    | 85,065 |         |
| Bonus Payments                         |    | 1,500  |         |
| Social Security                        |    | 10,887 |         |
| Pensions                               |    | 14,238 |         |
| Life Insurance                         |    | 86     |         |
| Medical Insurance                      |    | 28,546 |         |
| Dental Insurance                       |    | 421    |         |
| Unemployment Compensation              |    | 63     |         |
| Employer Medicare                      |    | 2,546  |         |
| Other Fringe Benefits                  |    | 2,553  |         |
| Communication                          |    | 1,280  |         |
| Data Processing Services               |    | 13,650 |         |
| Dues and Memberships                   |    | 1,023  |         |
| Postal Charges                         |    | 63     |         |
| Rentals                                |    | 2,006  |         |
| Data Processing Supplies               |    | 1,921  |         |
| Office Supplies                        |    | 1,733  |         |
| Software                               |    | 165    |         |
| Liability Insurance                    |    | 3,143  |         |
| Workers' Compensation Insurance        |    | 368    |         |
| Total Register of Deeds                |    |        | 263,812 |

Planning

|                                  |    |        |  |
|----------------------------------|----|--------|--|
| Supervisor/Director              | \$ | 54,050 |  |
| Deputy(ies)                      |    | 48,274 |  |
| Data Processing Personnel        |    | 27,162 |  |
| Part-time Personnel              |    | 11,636 |  |
| Bonus Payments                   |    | 2,250  |  |
| Other Salaries and Wages         |    | 32,120 |  |
| Board and Committee Members Fees |    | 3,200  |  |
| Social Security                  |    | 10,970 |  |
| Pensions                         |    | 12,975 |  |
| Life Insurance                   |    | 88     |  |
| Medical Insurance                |    | 24,438 |  |
| Dental Insurance                 |    | 573    |  |
| Unemployment Compensation        |    | 133    |  |

(Continued)

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

General Government (Cont.)

Planning (Cont.)

|  |    |        |            |
|--|----|--------|------------|
| Employer Medicare                          | \$ | 2,566  |            |
| Other Fringe Benefits                      |    | 7,286  |            |
| Advertising                                |    | 106    |            |
| Communication                              |    | 809    |            |
| Data Processing Services                   |    | 1,198  |            |
| Dues and Memberships                       |    | 1,081  |            |
| Legal Notices, Recording, and Court Costs  |    | 69     |            |
| Maintenance Agreements                     |    | 2,020  |            |
| Maintenance and Repair Services - Vehicles |    | 505    |            |
| Pest Control                               |    | 408    |            |
| Postal Charges                             |    | 426    |            |
| Rentals                                    |    | 1,743  |            |
| Travel                                     |    | 1,135  |            |
| Permits                                    |    | 3,460  |            |
| Penalties                                  |    | 11     |            |
| Gasoline                                   |    | 3,050  |            |
| Office Supplies                            |    | 1,777  |            |
| Tires and Tubes                            |    | 865    |            |
| Software                                   |    | 19,139 |            |
| Liability Insurance                        |    | 1,028  |            |
| Vehicle and Equipment Insurance            |    | 555    |            |
| Workers' Compensation Insurance            |    | 4,650  |            |
| In Service/Staff Development               |    | 390    |            |
| Other Charges                              |    | 2,088  |            |
| Furniture and Fixtures                     |    | 3,302  |            |
| Office Equipment                           |    | 7,452  |            |
| Total Planning                             |    |        | \$ 294,988 |

County Buildings

|   |    |         |
|---|----|---------|
| Custodial Personnel                         | \$ | 30,806  |
| Maintenance Personnel                       |    | 81,915  |
| Part-time Personnel                         |    | 2,145   |
| Bonus Payments                              |    | 1,500   |
| Social Security                             |    | 6,694   |
| Pensions                                    |    | 8,911   |
| Life Insurance                              |    | 65      |
| Medical Insurance                           |    | 20,146  |
| Dental Insurance                            |    | 421     |
| Unemployment Compensation                   |    | 81      |
| Employer Medicare                           |    | 1,566   |
| Other Fringe Benefits                       |    | 2,553   |
| Architects                                  |    | 11,540  |
| Communication                               |    | 43,081  |
| Contracts with Private Agencies             |    | 16,352  |
| Data Processing Services                    |    | 1,308   |
| Evaluation and Testing                      |    | 5,000   |
| Maintenance and Repair Services - Buildings |    | 306,542 |

(Continued)

Exhibit I-7

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

|   |    |         |              |
|---|----|---------|--------------|
| Maintenance and Repair Services - Equipment | \$ | 30,383  |              |
| Maintenance and Repair Services - Vehicles  |    | 2,287   |              |
| Pest Control                                |    | 2,038   |              |
| Printing, Stationery, and Forms             |    | 204     |              |
| Disposal Fees                               |    | 1,410   |              |
| Permits                                     |    | 115     |              |
| Penalties                                   |    | 35      |              |
| Other Contracted Services                   |    | 12,410  |              |
| Custodial Supplies                          |    | 8,099   |              |
| Electricity                                 |    | 186,103 |              |
| Gasoline                                    |    | 209     |              |
| Natural Gas                                 |    | 61,660  |              |
| Water and Sewer                             |    | 24,500  |              |
| Software                                    |    | 9,452   |              |
| Other Supplies and Materials                |    | 673     |              |
| Boiler Insurance                            |    | 6,755   |              |
| Building and Contents Insurance             |    | 97,778  |              |
| Liability Insurance                         |    | 2,901   |              |
| Vehicle and Equipment Insurance             |    | 73      |              |
| Workers' Compensation Insurance             |    | 2,917   |              |
| Other Charges                               |    | 4,480   |              |
| Building Improvements                       |    | 93,706  |              |
| Furniture and Fixtures                      |    | 7,553   |              |
| Heating and Air Conditioning Equipment      |    | 4,000   |              |
| Maintenance Equipment                       |    | 653     |              |
| Other Equipment                             |    | 11,262  |              |
| Other Capital Outlay                        |    | 44,203  |              |
| Total County Buildings                      |    |         | \$ 1,156,485 |

Other Facilities

|   |    |         |         |
|---|----|---------|---------|
| Architects                                  | \$ | 153,815 |         |
| Communication                               |    | 5,258   |         |
| Maintenance and Repair Services - Buildings |    | 3,045   |         |
| Maintenance and Repair Services - Equipment |    | 4,943   |         |
| Maintenance and Repair Services - Vehicles  |    | 38      |         |
| Pest Control                                |    | 500     |         |
| Permits                                     |    | 115     |         |
| Other Contracted Services                   |    | 48,671  |         |
| Electricity                                 |    | 21,986  |         |
| Gasoline                                    |    | 1,491   |         |
| Natural Gas                                 |    | 12,709  |         |
| Office Supplies                             |    | 105     |         |
| Small Tools                                 |    | 714     |         |
| Water and Sewer                             |    | 6,439   |         |
| Liability Insurance                         |    | 598     |         |
| Other Charges                               |    | 943     |         |
| Maintenance Equipment                       |    | 993     |         |
| Other Capital Outlay                        |    | 71,734  |         |
| Total Other Facilities                      |    |         | 334,097 |

(Continued)

## Exhibit I-7

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)General Government (Cont.)Preservation of Records

Maintenance and Repair Services - Records

\$ 3,550

Total Preservation of Records

\$ 3,550

FinanceAccounting and Budgeting

Supervisor/Director

\$ 107,593

Deputy(ies)

73,364

Accountants/Bookkeepers

224,967

Purchasing Personnel

33,017

Part-time Personnel

138

Bonus Payments

16,000

Social Security

27,366

Pensions

35,245

Life Insurance

202

Medical Insurance

70,993

Dental Insurance

1,309

Unemployment Compensation

284

Employer Medicare

6,400

Other Fringe Benefits

8,864

Accounting Services

1,200

Data Processing Services

9

Dues and Memberships

115

Legal Notices, Recording, and Court Costs

3,435

Maintenance Agreements

27,419

Postal Charges

6,452

Printing, Stationery, and Forms

1,487

Rentals

1,123

Travel

1,610

Data Processing Supplies

5,385

Office Supplies

4,077

Software

8,114

Liability Insurance

1,831

Workers' Compensation Insurance

3,506

In Service/Staff Development

955

Other Charges

442

Data Processing Equipment

1,510

Furniture and Fixtures

4,332

Office Equipment

520

Total Accounting and Budgeting

679,264

Property Assessor's Office

County Official/Administrative Officer

\$ 92,555

Deputy(ies)

163,877

Bonus Payments

2,500

Social Security

15,337

Pensions

19,633

Life Insurance

115

(Continued)

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

|  |    |        |            |
|--|----|--------|------------|
| Medical Insurance                          | \$ | 57,988 |            |
| Dental Insurance                           |    | 818    |            |
| Unemployment Compensation                  |    | 152    |            |
| Employer Medicare                          |    | 3,587  |            |
| Audit Services                             |    | 10,000 |            |
| Communication                              |    | 621    |            |
| Contracts with Government Agencies         |    | 10,684 |            |
| Data Processing Services                   |    | 243    |            |
| Dues and Memberships                       |    | 1,850  |            |
| Maintenance Agreements                     |    | 3,030  |            |
| Maintenance and Repair Services - Vehicles |    | 595    |            |
| Postal Charges                             |    | 3,434  |            |
| Printing, Stationery, and Forms            |    | 255    |            |
| Rentals                                    |    | 1,335  |            |
| Travel                                     |    | 130    |            |
| Gasoline                                   |    | 1,903  |            |
| Office Supplies                            |    | 995    |            |
| Software                                   |    | 262    |            |
| Liability Insurance                        |    | 447    |            |
| Vehicle and Equipment Insurance            |    | 1,378  |            |
| Workers' Compensation Insurance            |    | 287    |            |
| Furniture and Fixtures                     |    | 1,975  |            |
| Office Equipment                           |    | 1,385  |            |
| Total Property Assessor's Office           |    |        | \$ 397,371 |

Reappraisal Program

|                                 |    |        |         |
|---------------------------------|----|--------|---------|
| Deputy(ies)                     | \$ | 85,030 |         |
| Part-time Personnel             |    | 11,730 |         |
| Bonus Payments                  |    | 1,750  |         |
| Social Security                 |    | 5,982  |         |
| Pensions                        |    | 6,830  |         |
| Life Insurance                  |    | 65     |         |
| Medical Insurance               |    | 23,408 |         |
| Dental Insurance                |    | 281    |         |
| Unemployment Compensation       |    | 104    |         |
| Employer Medicare               |    | 1,399  |         |
| Communication                   |    | 471    |         |
| Data Processing Services        |    | 6,301  |         |
| Data Processing Supplies        |    | 1,048  |         |
| Gasoline                        |    | 1,870  |         |
| Office Supplies                 |    | 1,026  |         |
| Software                        |    | 262    |         |
| Liability Insurance             |    | 3,528  |         |
| Workers' Compensation Insurance |    | 483    |         |
| Total Reappraisal Program       |    |        | 151,568 |

(Continued)

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office

|   |    |         |            |
|---|----|---------|------------|
| County Official/Administrative Officer    | \$ | 92,555  |            |
| Deputy(ies)                               |    | 115,396 |            |
| Clerical Personnel                        |    | 11,960  |            |
| Bonus Payments                            |    | 8,500   |            |
| Social Security                           |    | 13,965  |            |
| Pensions                                  |    | 18,165  |            |
| Life Insurance                            |    | 124     |            |
| Medical Insurance                         |    | 47,628  |            |
| Dental Insurance                          |    | 807     |            |
| Unemployment Compensation                 |    | 94      |            |
| Employer Medicare                         |    | 3,266   |            |
| Bank Charges                              |    | 191     |            |
| Contracts with Government Agencies        |    | 22,789  |            |
| Dues and Memberships                      |    | 988     |            |
| Legal Notices, Recording, and Court Costs |    | 275     |            |
| Maintenance Agreements                    |    | 14,836  |            |
| Postal Charges                            |    | 4,359   |            |
| Rentals                                   |    | 1,472   |            |
| Travel                                    |    | 601     |            |
| Data Processing Supplies                  |    | 1,379   |            |
| Office Supplies                           |    | 1,017   |            |
| Software                                  |    | 262     |            |
| Liability Insurance                       |    | 3,437   |            |
| Workers' Compensation Insurance           |    | 435     |            |
| In Service/Staff Development              |    | 330     |            |
| Office Equipment                          |    | 1,262   |            |
| Total County Trustee's Office             |    |         | \$ 366,093 |

County Clerk's Office

|  |    |         |
|--|----|---------|
| County Official/Administrative Officer | \$ | 92,555  |
| Deputy(ies)                            |    | 194,944 |
| Part-time Personnel                    |    | 3,175   |
| Bonus Payments                         |    | 4,000   |
| Social Security                        |    | 17,603  |
| Pensions                               |    | 22,932  |
| Life Insurance                         |    | 159     |
| Medical Insurance                      |    | 56,687  |
| Dental Insurance                       |    | 1,149   |
| Unemployment Compensation              |    | 197     |
| Employer Medicare                      |    | 4,131   |
| Other Fringe Benefits                  |    | 8,240   |
| Communication                          |    | 1,380   |
| Data Processing Services               |    | 87      |
| Dues and Memberships                   |    | 928     |
| Maintenance Agreements                 |    | 23,769  |
| Postal Charges                         |    | 24,299  |
| Printing, Stationery, and Forms        |    | 778     |

(Continued)

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

|                                 |    |       |            |
|---------------------------------|----|-------|------------|
| Rentals                         | \$ | 4,703 |            |
| Data Processing Supplies        |    | 4,775 |            |
| Office Supplies                 |    | 2,283 |            |
| Software                        |    | 160   |            |
| Liability Insurance             |    | 3,792 |            |
| Workers' Compensation Insurance |    | 559   |            |
| Office Equipment                |    | 306   |            |
| Total County Clerk's Office     |    |       | \$ 473,591 |

Administration of Justice

Circuit Court

|  |    |         |         |
|--|----|---------|---------|
| County Official/Administrative Officer | \$ | 92,555  |         |
| Clerical Personnel                     |    | 337,052 |         |
| Part-time Personnel                    |    | 63,294  |         |
| Bonus Payments                         |    | 7,000   |         |
| Social Security                        |    | 30,446  |         |
| Pensions                               |    | 34,421  |         |
| Life Insurance                         |    | 268     |         |
| Medical Insurance                      |    | 82,866  |         |
| Dental Insurance                       |    | 1,602   |         |
| Unemployment Compensation              |    | 414     |         |
| Employer Medicare                      |    | 7,120   |         |
| Other Fringe Benefits                  |    | 2,553   |         |
| Communication                          |    | 276     |         |
| Data Processing Services               |    | 172     |         |
| Dues and Memberships                   |    | 1,308   |         |
| Maintenance Agreements                 |    | 15,877  |         |
| Postal Charges                         |    | 5,031   |         |
| Rentals                                |    | 6,505   |         |
| Travel                                 |    | 1,118   |         |
| Data Processing Supplies               |    | 3,712   |         |
| Office Supplies                        |    | 5,268   |         |
| Software                               |    | 4,913   |         |
| Liability Insurance                    |    | 3,390   |         |
| Workers' Compensation Insurance        |    | 838     |         |
| In Service/Staff Development           |    | 200     |         |
| Office Equipment                       |    | 19,397  |         |
| Total Circuit Court                    |    |         | 727,596 |

General Sessions Court

|                   |    |         |  |
|-------------------|----|---------|--|
| Judge(s)          | \$ | 176,203 |  |
| Secretary(ies)    |    | 27,778  |  |
| Bonus Payments    |    | 500     |  |
| Social Security   |    | 10,593  |  |
| Pensions          |    | 16,118  |  |
| Life Insurance    |    | 43      |  |
| Medical Insurance |    | 12,642  |  |

(Continued)

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court (Cont.)

|                                 |    |       |            |
|---------------------------------|----|-------|------------|
| Dental Insurance                | \$ | 281   |            |
| Unemployment Compensation       |    | 30    |            |
| Employer Medicare               |    | 2,924 |            |
| Other Fringe Benefits           |    | 2,367 |            |
| Communication                   |    | 880   |            |
| Dues and Memberships            |    | 1,500 |            |
| Maintenance Agreements          |    | 350   |            |
| Postal Charges                  |    | 151   |            |
| Penalties                       |    | 1     |            |
| Data Processing Supplies        |    | 573   |            |
| Office Supplies                 |    | 464   |            |
| Software                        |    | 262   |            |
| Liability Insurance             |    | 1,161 |            |
| Workers' Compensation Insurance |    | 523   |            |
| Other Charges                   |    | 9     |            |
| Office Equipment                |    | 803   |            |
| Total General Sessions Court    |    |       | \$ 256,156 |

Drug Court

|                                 |    |        |        |
|---------------------------------|----|--------|--------|
| Remittance of Revenue Collected | \$ | 19,853 |        |
| Total Drug Court                |    |        | 19,853 |

Chancery Court

|   |    |         |         |
|---|----|---------|---------|
| County Official/Administrative Officer    | \$ | 92,555  |         |
| Clerical Personnel                        |    | 142,068 |         |
| Bonus Payments                            |    | 2,000   |         |
| Social Security                           |    | 13,764  |         |
| Pensions                                  |    | 18,777  |         |
| Life Insurance                            |    | 108     |         |
| Medical Insurance                         |    | 28,116  |         |
| Dental Insurance                          |    | 561     |         |
| Unemployment Compensation                 |    | 84      |         |
| Employer Medicare                         |    | 3,219   |         |
| Other Fringe Benefits                     |    | 10,213  |         |
| Data Processing Services                  |    | 1,285   |         |
| Dues and Memberships                      |    | 1,430   |         |
| Legal Notices, Recording, and Court Costs |    | 18,764  |         |
| Maintenance Agreements                    |    | 21,604  |         |
| Postal Charges                            |    | 3,620   |         |
| Rentals                                   |    | 36      |         |
| Travel                                    |    | 165     |         |
| Data Processing Supplies                  |    | 964     |         |
| Office Supplies                           |    | 1,461   |         |
| Periodicals                               |    | 473     |         |
| Liability Insurance                       |    | 1,635   |         |
| Workers' Compensation Insurance           |    | 403     |         |
| Total Chancery Court                      |    |         | 363,305 |

(Continued)



Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Administration of Justice (Cont.)

Other Administration of Justice

|  |    |        |           |
|--|----|--------|-----------|
| Jury and Witness Expense                   | \$ | 13,887 |           |
| Evaluation and Testing                     |    | 800    |           |
| Legal Notices, Recording, and Court Costs  |    | 255    |           |
| Maintenance and Repair Services - Vehicles |    | 348    |           |
| Medical and Dental Services                |    | 533    |           |
| Postal Charges                             |    | 328    |           |
| Other Charges                              |    | 1,183  |           |
| Total Other Administration of Justice      |    |        | \$ 17,334 |

Public Safety

Sheriff's Department

|   |    |         |
|---|----|---------|
| County Official/Administrative Officer      | \$ | 107,811 |
| Assistant(s)                                |    | 77,679  |
| Deputy(ies)                                 |    | 607,938 |
| Investigator(s)                             |    | 389,989 |
| Captain(s)                                  |    | 169,896 |
| Lieutenant(s)                               |    | 294,822 |
| Sergeant(s)                                 |    | 282,984 |
| Accountants/Bookkeepers                     |    | 37,165  |
| Data Processing Personnel                   |    | 25,803  |
| Salary Supplements                          |    | 48,000  |
| Dispatchers/Radio Operators                 |    | 122,389 |
| Clerical Personnel                          |    | 114,939 |
| Part-time Personnel                         |    | 85,993  |
| School Resource Officer                     |    | 584,419 |
| Overtime Pay                                |    | 276,857 |
| Bonus Payments                              |    | 259,331 |
| Social Security                             |    | 211,598 |
| Pensions                                    |    | 260,519 |
| Life Insurance                              |    | 1,587   |
| Medical Insurance                           |    | 406,958 |
| Dental Insurance                            |    | 9,598   |
| Unemployment Compensation                   |    | 1,871   |
| Employer Medicare                           |    | 49,670  |
| Other Fringe Benefits                       |    | 94,104  |
| Advertising                                 |    | 685     |
| Communication                               |    | 71,124  |
| Data Processing Services                    |    | 1,601   |
| Confidential Drug Enforcement Payments      |    | 1,500   |
| Dues and Memberships                        |    | 3,543   |
| Evaluation and Testing                      |    | 4,030   |
| Lease Payments                              |    | 15,528  |
| Maintenance Agreements                      |    | 75,488  |
| Maintenance and Repair Services - Buildings |    | 1,956   |
| Maintenance and Repair Services - Equipment |    | 2,784   |
| Maintenance and Repair Services - Vehicles  |    | 18,385  |
| Pest Control                                |    | 1,800   |

(Continued)

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

|                                      |    |         |              |
|--------------------------------------|----|---------|--------------|
| Postal Charges                       | \$ | 1,549   |              |
| Printing, Stationery, and Forms      |    | 1,612   |              |
| Rentals                              |    | 23,309  |              |
| Towing Services                      |    | 2,136   |              |
| Transportation - Other than Students |    | 4,782   |              |
| Travel                               |    | 18,907  |              |
| Disposal Fees                        |    | 1,607   |              |
| Other Contracted Services            |    | 2,750   |              |
| Data Processing Supplies             |    | 7,975   |              |
| Gasoline                             |    | 178,065 |              |
| Law Enforcement Supplies             |    | 3,575   |              |
| Office Supplies                      |    | 4,752   |              |
| Tires and Tubes                      |    | 17,973  |              |
| Uniforms                             |    | 32,477  |              |
| Vehicle Parts                        |    | 31,784  |              |
| Software                             |    | 10,762  |              |
| Other Supplies and Materials         |    | 122     |              |
| Liability Insurance                  |    | 29,695  |              |
| Vehicle and Equipment Insurance      |    | 21,449  |              |
| Workers' Compensation Insurance      |    | 73,519  |              |
| Liability Claims                     |    | 6,000   |              |
| In Service/Staff Development         |    | 18,166  |              |
| Other Charges                        |    | 1,999   |              |
| Law Enforcement Equipment            |    | 140,716 |              |
| Motor Vehicles                       |    | 172,492 |              |
| Office Equipment                     |    | 11,713  |              |
| Total Sheriff's Department           |    |         | \$ 5,540,230 |

Jail

|                           |    |         |
|---------------------------|----|---------|
| Captain(s)                | \$ | 49,630  |
| Lieutenant(s)             |    | 41,750  |
| Sergeant(s)               |    | 151,493 |
| Salary Supplements        |    | 14,400  |
| Guards                    |    | 741,082 |
| Cafeteria Personnel       |    | 128,607 |
| Maintenance Personnel     |    | 79,077  |
| Part-time Personnel       |    | 55,441  |
| Overtime Pay              |    | 248,736 |
| Bonus Payments            |    | 123,271 |
| Social Security           |    | 99,382  |
| Pensions                  |    | 121,690 |
| Life Insurance            |    | 769     |
| Medical Insurance         |    | 208,874 |
| Dental Insurance          |    | 4,559   |
| Unemployment Compensation |    | 1,218   |
| Employer Medicare         |    | 23,243  |
| Other Fringe Benefits     |    | 38,321  |

(Continued)

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

|   |    |         |              |
|---|----|---------|--------------|
| Contracts with Government Agencies          | \$ | 2,670   |              |
| Evaluation and Testing                      |    | 8,570   |              |
| Maintenance Agreements                      |    | 14,628  |              |
| Maintenance and Repair Services - Buildings |    | 27,853  |              |
| Maintenance and Repair Services - Equipment |    | 26,839  |              |
| Medical and Dental Services                 |    | 613,216 |              |
| Printing, Stationery, and Forms             |    | 2,131   |              |
| Travel                                      |    | 7,844   |              |
| Other Contracted Services                   |    | 132     |              |
| Custodial Supplies                          |    | 35,872  |              |
| Data Processing Supplies                    |    | 78      |              |
| Drugs and Medical Supplies                  |    | 5,441   |              |
| Equipment and Machinery Parts               |    | 880     |              |
| Food Preparation Supplies                   |    | 10,804  |              |
| Food Supplies                               |    | 354,134 |              |
| Law Enforcement Supplies                    |    | 3,700   |              |
| Prisoners Clothing                          |    | 19,178  |              |
| Propane Gas                                 |    | 75      |              |
| Uniforms                                    |    | 27,914  |              |
| Other Supplies and Materials                |    | 12,231  |              |
| Liability Insurance                         |    | 24,434  |              |
| Vehicle and Equipment Insurance             |    | 1,172   |              |
| Workers' Compensation Insurance             |    | 49,187  |              |
| In Service/Staff Development                |    | 7,657   |              |
| Other Charges                               |    | 2,234   |              |
| Office Equipment                            |    | 8,483   |              |
| Other Equipment                             |    | 172,695 |              |
| Total Jail                                  |    |         | \$ 3,571,595 |

Juvenile Services

|                                    |    |         |         |
|------------------------------------|----|---------|---------|
| Youth Service Officer(s)           | \$ | 52,981  |         |
| Part-time Personnel                |    | 938     |         |
| Bonus Payments                     |    | 1,000   |         |
| Social Security                    |    | 3,321   |         |
| Pensions                           |    | 4,247   |         |
| Life Insurance                     |    | 32      |         |
| Medical Insurance                  |    | 10,073  |         |
| Dental Insurance                   |    | 210     |         |
| Unemployment Compensation          |    | 32      |         |
| Employer Medicare                  |    | 776     |         |
| Other Fringe Benefits              |    | 1,183   |         |
| Communication                      |    | 280     |         |
| Contracts with Government Agencies |    | 111,212 |         |
| Data Processing Supplies           |    | 390     |         |
| Office Supplies                    |    | 77      |         |
| Software                           |    | 262     |         |
| Liability Insurance                |    | 610     |         |
| Workers' Compensation Insurance    |    | 1,835   |         |
| Total Juvenile Services            |    |         | 189,459 |

(Continued)

## Exhibit I-7

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Public Safety (Cont.)Fire Prevention and Control

|                                   |    |         |            |
|-----------------------------------|----|---------|------------|
| Contributions                     | \$ | 484,406 |            |
| Total Fire Prevention and Control |    |         | \$ 484,406 |

Rescue Squad

|                    |    |         |         |
|--------------------|----|---------|---------|
| Contributions      | \$ | 322,700 |         |
| Total Rescue Squad |    |         | 322,700 |

Other Emergency Management

|  |    |        |         |
|--|----|--------|---------|
| Supervisor/Director                                | \$ | 47,614 |         |
| Deputy(ies)  |    | 31,158 |         |
| Bonus Payments                                     |    | 1,000  |         |
| Social Security                                    |    | 4,693  |         |
| Pensions   |    | 6,295  |         |
| Life Insurance                                     |    | 43     |         |
| Medical Insurance                                  |    | 15,904 |         |
| Dental Insurance                                   |    | 281    |         |
| Unemployment Compensation                          |    | 42     |         |
| Employer Medicare                                  |    | 1,098  |         |
| Communication                                      |    | 3,497  |         |
| Data Processing Services                           |    | 18     |         |
| Dues and Memberships                               |    | 55     |         |
| Maintenance and Repair Services - Equipment        |    | 84     |         |
| Maintenance and Repair Services - Office Equipment |    | 83     |         |
| Maintenance and Repair Services - Vehicles         |    | 1,830  |         |
| Pest Control                                       |    | 120    |         |
| Printing, Stationery, and Forms                    |    | 30     |         |
| Rentals  |    | 620    |         |
| Travel   |    | 882    |         |
| Other Contracted Services                          |    | 15,064 |         |
| Data Processing Supplies                           |    | 99     |         |
| Electricity  |    | 4,182  |         |
| Gasoline   |    | 3,411  |         |
| Office Supplies                                    |    | 100    |         |
| Small Tools  |    | 94     |         |
| Tires and Tubes                                    |    | 186    |         |
| Uniforms   |    | 1,878  |         |
| Water and Sewer                                    |    | 453    |         |
| Software   |    | 262    |         |
| Other Supplies and Materials                       |    | 148    |         |
| Liability Insurance                                |    | 406    |         |
| Vehicle and Equipment Insurance                    |    | 635    |         |
| Workers' Compensation Insurance                    |    | 220    |         |
| In Service/Staff Development                       |    | 150    |         |
| Hazardous Waste Cleanup                            |    | 276    |         |
| Other Charges                                      |    | 1,043  |         |
| Communication Equipment                            |    | 880    |         |
| Office Equipment                                   |    | 1,200  |         |
| Other Equipment                                    |    | 3,412  |         |
| Total Other Emergency Management                   |    |        | 149,446 |

(Continued)

## Exhibit I-7

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Public Safety (Cont.)Inspection and Regulation

|                                 |    |       |          |
|---------------------------------|----|-------|----------|
| Supervisor/Director             | \$ | 3,149 |          |
| Social Security                 |    | 183   |          |
| Pensions                        |    | 248   |          |
| Unemployment Compensation       |    | 2     |          |
| Employer Medicare               |    | 43    |          |
| Total Inspection and Regulation |    |       | \$ 3,625 |

County Coroner/Medical Examiner

|                                       |    |        |        |
|---------------------------------------|----|--------|--------|
| Bonus Payments                        | \$ | 250    |        |
| Other Per Diem and Fees               |    | 23,575 |        |
| Social Security                       |    | 1,477  |        |
| Unemployment Compensation             |    | 21     |        |
| Employer Medicare                     |    | 346    |        |
| Communication                         |    | 540    |        |
| Drugs and Medical Supplies            |    | 634    |        |
| Gasoline                              |    | 1,100  |        |
| Liability Insurance                   |    | 78     |        |
| Premiums on Corporate Surety Bonds    |    | 100    |        |
| Vehicle and Equipment Insurance       |    | 371    |        |
| Workers' Compensation Insurance       |    | 43     |        |
| Other Charges                         |    | 180    |        |
| Total County Coroner/Medical Examiner |    |        | 28,715 |

Other Public Safety

|                                  |    |       |       |
|----------------------------------|----|-------|-------|
| Board and Committee Members Fees | \$ | 2,500 |       |
| Social Security                  |    | 36    |       |
| Pensions                         |    | 48    |       |
| Employer Medicare                |    | 8     |       |
| Total Other Public Safety        |    |       | 2,592 |

Public Health and WelfareLocal Health Center

|                                 |    |         |         |
|---------------------------------|----|---------|---------|
| Bonus Payments                  | \$ | 5,000   |         |
| Other Salaries and Wages        |    | 282,062 |         |
| Social Security                 |    | 17,093  |         |
| Pensions                        |    | 22,264  |         |
| Life Insurance                  |    | 200     |         |
| Medical Insurance               |    | 65,605  |         |
| Dental Insurance                |    | 1,134   |         |
| Unemployment Compensation       |    | 324     |         |
| Employer Medicare               |    | 3,998   |         |
| Other Fringe Benefits           |    | 4,525   |         |
| Travel                          |    | 3,175   |         |
| Liability Insurance             |    | 59      |         |
| Workers' Compensation Insurance |    | 6,989   |         |
| Total Local Health Center       |    |         | 412,428 |

(Continued)

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control

|   |    |        |            |
|---|----|--------|------------|
| Supervisor/Director                         | \$ | 51,452 |            |
| Deputy(ies)                                 |    | 27,232 |            |
| Attendants                                  |    | 76,526 |            |
| Part-time Personnel                         |    | 64,662 |            |
| Overtime Pay                                |    | 4,744  |            |
| Bonus Payments                              |    | 3,750  |            |
| Social Security                             |    | 13,733 |            |
| Pensions                                    |    | 12,654 |            |
| Life Insurance                              |    | 112    |            |
| Medical Insurance                           |    | 38,620 |            |
| Dental Insurance                            |    | 701    |            |
| Unemployment Compensation                   |    | 284    |            |
| Employer Medicare                           |    | 3,212  |            |
| Other Fringe Benefits                       |    | 592    |            |
| Communication                               |    | 2,792  |            |
| Data Processing Services                    |    | 1,662  |            |
| Maintenance and Repair Services - Buildings |    | 4,285  |            |
| Maintenance and Repair Services - Vehicles  |    | 1,073  |            |
| Pest Control                                |    | 325    |            |
| Postal Charges                              |    | 94     |            |
| Printing, Stationery, and Forms             |    | 492    |            |
| Rentals                                     |    | 3,509  |            |
| Veterinary Services                         |    | 42,280 |            |
| Disposal Fees                               |    | 1,021  |            |
| Other Contracted Services                   |    | 724    |            |
| Animal Food and Supplies                    |    | 13,011 |            |
| Custodial Supplies                          |    | 11,263 |            |
| Drugs and Medical Supplies                  |    | 11,977 |            |
| Electricity                                 |    | 20,775 |            |
| Gasoline                                    |    | 5,440  |            |
| Office Supplies                             |    | 785    |            |
| Propane Gas                                 |    | 6,396  |            |
| Tires and Tubes                             |    | 1,400  |            |
| Uniforms                                    |    | 707    |            |
| Water and Sewer                             |    | 3,919  |            |
| Software                                    |    | 619    |            |
| Other Supplies and Materials                |    | 3,238  |            |
| Liability Insurance                         |    | 1,265  |            |
| Vehicle and Equipment Insurance             |    | 1,297  |            |
| Workers' Compensation Insurance             |    | 4,079  |            |
| Other Charges                               |    | 155    |            |
| Total Rabies and Animal Control             |    |        | \$ 442,857 |

Ambulance/Emergency Medical Services

|  |    |         |         |
|--|----|---------|---------|
| Other Contracted Services                  | \$ | 223,663 |         |
| Total Ambulance/Emergency Medical Services |    |         | 223,663 |

(Continued)

## Exhibit I-7

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Public Health and Welfare (Cont.)General Welfare Assistance

|                                  |          |          |
|----------------------------------|----------|----------|
| Contributions                    | \$ 5,125 |          |
| Total General Welfare Assistance |          | \$ 5,125 |

Other Local Welfare Services

|                                    |           |        |
|------------------------------------|-----------|--------|
| Contributions                      | \$ 55,500 |        |
| Pauper Burials                     | 7,686     |        |
| Remittance of Revenue Collected    | 23,972    |        |
| Total Other Local Welfare Services |           | 87,158 |

Recycling Center

|                        |          |         |
|------------------------|----------|---------|
| Freight Expenses       | \$ 5,622 |         |
| Solid Waste Equipment  | 342,848  |         |
| Total Recycling Center |          | 348,470 |

Other Public Health and Welfare

|                                       |            |         |
|---------------------------------------|------------|---------|
| Contracts with Other Public Agencies  | \$ 123,809 |         |
| Contributions                         | 22,000     |         |
| Other Contracted Services             | 36,000     |         |
| Other Supplies and Materials          | 1,019      |         |
| Total Other Public Health and Welfare |            | 182,828 |

Social, Cultural, and Recreational ServicesSenior Citizens Assistance

|                                  |           |        |
|----------------------------------|-----------|--------|
| Contributions                    | \$ 61,070 |        |
| Total Senior Citizens Assistance |           | 61,070 |

Libraries

|                 |           |        |
|-----------------|-----------|--------|
| Contributions   | \$ 75,000 |        |
| Total Libraries |           | 75,000 |

Parks and Fair Boards

|                             |            |         |
|-----------------------------|------------|---------|
| Contributions               | \$ 106,015 |         |
| Total Parks and Fair Boards |            | 106,015 |

Other Social, Cultural, and Recreational

|  |           |        |
|--|-----------|--------|
| Contributions                                  | \$ 20,000 |        |
| Total Other Social, Cultural, and Recreational |           | 20,000 |

Agriculture and Natural ResourcesAgricultural Extension Service

|                          |           |  |
|--------------------------|-----------|--|
| Other Salaries and Wages | \$ 65,792 |  |
| Other Fringe Benefits    | 23,864    |  |
| Communication            | 1,979     |  |
| Contributions            | 1,500     |  |
| Data Processing Services | 391       |  |
| Pest Control             | 374       |  |
| Rentals                  | 1,208     |  |

(Continued)

Exhibit I-7

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Agricultural Extension Service (Cont.)

|                                      |    |        |            |
|--------------------------------------|----|--------|------------|
| Travel                               | \$ | 411    |            |
| Electricity                          |    | 2,140  |            |
| Natural Gas                          |    | 1,579  |            |
| Water and Sewer                      |    | 483    |            |
| Other Charges                        |    | 18,022 |            |
| Office Equipment                     |    | 1,880  |            |
| Total Agricultural Extension Service |    |        | \$ 119,623 |

Flood Control

|                              |    |     |       |
|------------------------------|----|-----|-------|
| Data Processing Supplies     | \$ | 240 |       |
| Office Supplies              |    | 139 |       |
| Other Supplies and Materials |    | 717 |       |
| Total Flood Control          |    |     | 1,096 |

Other Agriculture and Natural Resources

|   |    |        |        |
|---|----|--------|--------|
| Contracts with Government Agencies            | \$ | 44,000 |        |
| Contributions                                 |    | 1,000  |        |
| Total Other Agriculture and Natural Resources |    |        | 45,000 |

Other Operations

Tourism

|                           |    |         |         |
|---------------------------|----|---------|---------|
| Contributions             | \$ | 355,180 |         |
| Other Contracted Services |    | 700     |         |
| Total Tourism             |    |         | 355,880 |

Other Economic and Community Development

|  |    |        |         |
|--|----|--------|---------|
| Contracts with Other Public Agencies           | \$ | 76,940 |         |
| Contributions                                  |    | 28,262 |         |
| Total Other Economic and Community Development |    |        | 105,202 |

Veterans' Services

|                                 |    |        |        |
|---------------------------------|----|--------|--------|
| Supervisor/Director             | \$ | 38,599 |        |
| Bonus Payments                  |    | 500    |        |
| Social Security                 |    | 2,424  |        |
| Pensions                        |    | 3,086  |        |
| Life Insurance                  |    | 22     |        |
| Unemployment Compensation       |    | 21     |        |
| Employer Medicare               |    | 510    |        |
| Postal Charges                  |    | 20     |        |
| Rentals                         |    | 397    |        |
| Other Contracted Services       |    | 449    |        |
| Office Supplies                 |    | 350    |        |
| Software                        |    | 262    |        |
| Liability Insurance             |    | 128    |        |
| Workers' Compensation Insurance |    | 106    |        |
| Total Veterans' Services        |    |        | 46,874 |

(Continued)



## Exhibit I-7

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Other Operations (Cont.)COVID-19 Grant #2

|   |    |              |       |
|---|----|--------------|-------|
| Maintenance and Repair Services - Equipment | \$ | 4,385        |       |
| Other Supplies and Materials                |    | <u>1,492</u> |       |
| Total COVID-19 Grant #2                     | \$ |              | 5,877 |

COVID-19 Grant A

|                              |    |               |        |
|------------------------------|----|---------------|--------|
| Other Supplies and Materials | \$ | 8,473         |        |
| Other Equipment              |    | <u>21,000</u> |        |
| Total COVID-19 Grant A       |    |               | 29,473 |

Miscellaneous

|                      |    |                |         |
|----------------------|----|----------------|---------|
| Postal Charges       | \$ | 3,511          |         |
| Trustee's Commission |    | <u>255,828</u> |         |
| Total Miscellaneous  |    |                | 259,339 |

HighwaysLitter and Trash Collection

|  |    |              |               |
|--|----|--------------|---------------|
| Guards                                     | \$ | 2,441        |               |
| Maintenance and Repair Services - Vehicles |    | 636          |               |
| Travel                                     |    | 408          |               |
| Disposal Fees                              |    | 605          |               |
| Instructional Supplies and Materials       |    | 14,961       |               |
| Other Supplies and Materials               |    | <u>1,496</u> |               |
| Total Litter and Trash Collection          |    |              | <u>20,547</u> |

Total General Fund \$ 19,527,435

Solid Waste/Sanitation FundPublic Health and WelfareConvenience Centers

|                                 |    |            |        |
|---------------------------------|----|------------|--------|
| Attendants                      | \$ | 16,920     |        |
| Part-time Personnel             |    | 11,611     |        |
| Bonus Payments                  |    | 750        |        |
| Social Security                 |    | 1,815      |        |
| Pensions                        |    | 1,241      |        |
| Life Insurance                  |    | 9          |        |
| Unemployment Compensation       |    | 56         |        |
| Employer Medicare               |    | 425        |        |
| Communication                   |    | 2,081      |        |
| Printing, Stationery, and Forms |    | 747        |        |
| Electricity                     |    | 1,643      |        |
| Water and Sewer                 |    | 290        |        |
| Building and Contents Insurance |    | 118        |        |
| Workers' Compensation Insurance |    | 1,136      |        |
| Other Charges                   |    | <u>321</u> |        |
| Total Convenience Centers       | \$ |            | 39,163 |

(Continued)

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Recycling Center

|   |    |        |            |
|---|----|--------|------------|
| Attendants                                  | \$ | 43,976 |            |
| Part-time Personnel                         |    | 22,623 |            |
| Overtime Pay                                |    | 2,722  |            |
| Bonus Payments                              |    | 1,250  |            |
| Social Security                             |    | 4,307  |            |
| Pensions                                    |    | 3,734  |            |
| Life Insurance                              |    | 43     |            |
| Medical Insurance                           |    | 5,137  |            |
| Dental Insurance                            |    | 281    |            |
| Unemployment Compensation                   |    | 104    |            |
| Employer Medicare                           |    | 1,007  |            |
| Other Fringe Benefits                       |    | 2,553  |            |
| Communication                               |    | 768    |            |
| Maintenance and Repair Services - Buildings |    | 3,624  |            |
| Maintenance and Repair Services - Equipment |    | 402    |            |
| Electricity                                 |    | 6,045  |            |
| Equipment and Machinery Parts               |    | 2,875  |            |
| Propane Gas                                 |    | 2,485  |            |
| Small Tools                                 |    | 500    |            |
| Water and Sewer                             |    | 721    |            |
| Wire  |    | 4,817  |            |
| Building and Contents Insurance             |    | 374    |            |
| Trustee's Commission                        |    | 419    |            |
| Workers' Compensation Insurance             |    | 2,895  |            |
| Other Charges                               |    | 602    |            |
| Building Construction                       |    | 33,138 |            |
| Solid Waste Equipment                       |    | 83,075 |            |
| Total Recycling Center                      |    |        | \$ 230,477 |

Landfill Operation and Maintenance

|                           |    |         |
|---------------------------|----|---------|
| Supervisor/Director       | \$ | 52,573  |
| Equipment Operators       |    | 53,460  |
| Truck Drivers             |    | 138,081 |
| Attendants                |    | 33,396  |
| Part-time Personnel       |    | 45,304  |
| Overtime Pay              |    | 30,520  |
| Bonus Payments            |    | 6,000   |
| Social Security           |    | 22,139  |
| Pensions                  |    | 24,579  |
| Life Insurance            |    | 202     |
| Medical Insurance         |    | 51,227  |
| Dental Insurance          |    | 1,408   |
| Unemployment Compensation |    | 329     |
| Employer Medicare         |    | 5,118   |
| Other Fringe Benefits     |    | 8,832   |
| Advertising               |    | 500     |
| Communication             |    | 4,956   |

(Continued)

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Landfill Operation and Maintenance (Cont.)

|   |    |         |              |
|---|----|---------|--------------|
| Dues and Memberships                        | \$ | 395     |              |
| Evaluation and Testing                      |    | 17,235  |              |
| Legal Notices, Recording, and Court Costs   |    | 432     |              |
| Maintenance and Repair Services - Buildings |    | 6,915   |              |
| Maintenance and Repair Services - Equipment |    | 37,571  |              |
| Maintenance and Repair Services - Vehicles  |    | 26,564  |              |
| Pest Control                                |    | 275     |              |
| Postal Charges                              |    | 537     |              |
| Travel                                      |    | 3,602   |              |
| Disposal Fees                               |    | 478,424 |              |
| Permits                                     |    | 7,096   |              |
| Crushed Stone                               |    | 9,705   |              |
| Custodial Supplies                          |    | 2,486   |              |
| Data Processing Supplies                    |    | 1,486   |              |
| Diesel Fuel                                 |    | 119,367 |              |
| Electricity                                 |    | 3,600   |              |
| Equipment and Machinery Parts               |    | 38,621  |              |
| Garage Supplies                             |    | 1,994   |              |
| Gasoline                                    |    | 16,835  |              |
| Lubricants                                  |    | 6,853   |              |
| Office Supplies                             |    | 1,773   |              |
| Propane Gas                                 |    | 2,732   |              |
| Road Signs                                  |    | 175     |              |
| Small Tools                                 |    | 908     |              |
| Tires and Tubes                             |    | 44,858  |              |
| Uniforms                                    |    | 3,237   |              |
| Vehicle Parts                               |    | 17,334  |              |
| Water and Sewer                             |    | 804     |              |
| Software                                    |    | 262     |              |
| Other Supplies and Materials                |    | 245     |              |
| Building and Contents Insurance             |    | 4,023   |              |
| Trustee's Commission                        |    | 13,124  |              |
| Vehicle and Equipment Insurance             |    | 4,950   |              |
| Workers' Compensation Insurance             |    | 15,293  |              |
| In Service/Staff Development                |    | 299     |              |
| Other Charges                               |    | 5,501   |              |
| Data Processing Equipment                   |    | 395     |              |
| Solid Waste Equipment                       |    | 91,929  |              |
| Other Capital Outlay                        |    | 6,222   |              |
| Total Landfill Operation and Maintenance    |    |         | \$ 1,472,681 |

Total Solid Waste/Sanitation Fund \$ 1,742,321

Health Department Fund

Public Health and Welfare

Local Health Center

|             |    |     |
|-------------|----|-----|
| Advertising | \$ | 559 |
|-------------|----|-----|

(Continued)

## Exhibit I-7

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

Health Department Fund (Cont.)

Public Health and Welfare (Cont.)

Local Health Center (Cont.)

|   |    |        |            |
|---|----|--------|------------|
| Communication                               | \$ | 7,918  |            |
| Contracts with Government Agencies          |    | 62,914 |            |
| Contracts with Private Agencies             |    | 30,480 |            |
| Dues and Memberships                        |    | 200    |            |
| Maintenance and Repair Services - Buildings |    | 18,345 |            |
| Pest Control                                |    | 300    |            |
| Postal Charges                              |    | 1,984  |            |
| Disposal Fees                               |    | 3,199  |            |
| Custodial Supplies                          |    | 2,016  |            |
| Drugs and Medical Supplies                  |    | 100    |            |
| Electricity                                 |    | 24,197 |            |
| Natural Gas                                 |    | 8,378  |            |
| Office Supplies                             |    | 1,302  |            |
| Water and Sewer                             |    | 7,560  |            |
| Other Supplies and Materials                |    | 1,195  |            |
| Total Local Health Center                   |    |        | \$ 170,647 |

Total Health Department Fund \$ 170,647

Drug Control Fund

Public Safety

Sheriff's Department

|                              |    |       |           |
|------------------------------|----|-------|-----------|
| Dues and Memberships         | \$ | 4,000 |           |
| Travel                       |    | 3,948 |           |
| Veterinary Services          |    | 273   |           |
| Other Supplies and Materials |    | 959   |           |
| Trustee's Commission         |    | 347   |           |
| In Service/Staff Development |    | 3,195 |           |
| Law Enforcement Equipment    |    | 2,033 |           |
| Total Sheriff's Department   |    |       | \$ 14,755 |

Total Drug Control Fund 14,755

Sports and Recreation Fund

Social, Cultural, and Recreational Services

Parks and Fair Boards

|                             |    |        |            |
|-----------------------------|----|--------|------------|
| Contributions               | \$ | 33,500 |            |
| Electricity                 |    | 585    |            |
| Access Fees                 |    | 300    |            |
| Other Charges               |    | 78,316 |            |
| Total Parks and Fair Boards |    |        | \$ 112,701 |

Total Sports and Recreation Fund 112,701

(Continued)

## Exhibit I-7

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

Other General Government Special Revenue Fund

Public Safety

Fire Prevention and Control

|                                   |            |            |
|-----------------------------------|------------|------------|
| Contributions                     | \$ 150,000 |            |
| Total Fire Prevention and Control |            | \$ 150,000 |

Other Operations

American Rescue Plan Act Grant #1

|   |           |         |
|---|-----------|---------|
| Contributions                           | \$ 49,133 |         |
| Other Contracted Services               | 1,250     |         |
| Land                                    | 62,869    |         |
| Building Purchases                      | 232,131   |         |
| Other Equipment                         | 19,388    |         |
| Total American Rescue Plan Act Grant #1 |           | 364,771 |

Total Other General Government Special Revenue Fund \$ 514,771

Constitutional Officers - Fees Fund

Administration of Justice

Chancery Court

|   |          |          |
|---|----------|----------|
| Special Commissioner Fees/Special Master Fees | \$ 6,190 |          |
| Total Chancery Court                          |          | \$ 6,190 |

Total Constitutional Officers - Fees Fund 6,190

Highway/Public Works Fund

Highways

Administration

|  |            |  |
|--|------------|--|
| County Official/Administrative Officer             | \$ 101,811 |  |
| Assistant(s)                                       | 51,451     |  |
| Secretary(ies)                                     | 74,895     |  |
| Maintenance Personnel                              | 25,201     |  |
| Overtime Pay                                       | 3,079      |  |
| Bonus Payments                                     | 2,000      |  |
| Other Salaries and Wages                           | 186        |  |
| Social Security                                    | 15,456     |  |
| Pensions   | 20,509     |  |
| Life Insurance                                     | 90         |  |
| Medical Insurance                                  | 35,216     |  |
| Dental Insurance                                   | 701        |  |
| Unemployment Compensation                          | 84         |  |
| Employer Medicare                                  | 3,615      |  |
| Other Fringe Benefits                              | 2,367      |  |
| Accounting Services                                | 37,840     |  |
| Dues and Memberships                               | 4,179      |  |
| Evaluation and Testing                             | 1,400      |  |
| Legal Notices, Recording, and Court Costs          | 346        |  |
| Maintenance and Repair Services - Buildings        | 165        |  |
| Maintenance and Repair Services - Office Equipment | 70         |  |
| Pest Control                                       | 600        |  |

(Continued)

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

|                                 |    |       |            |
|---------------------------------|----|-------|------------|
| Postal Charges                  | \$ | 203   |            |
| Rentals                         |    | 1,000 |            |
| Travel                          |    | 741   |            |
| Disposal Fees                   |    | 765   |            |
| Other Contracted Services       |    | 37    |            |
| Custodial Supplies              |    | 1,454 |            |
| Data Processing Supplies        |    | 627   |            |
| Drugs and Medical Supplies      |    | 189   |            |
| Office Supplies                 |    | 1,357 |            |
| Periodicals                     |    | 130   |            |
| Software                        |    | 456   |            |
| Workers' Compensation Insurance |    | 1,992 |            |
| Other Charges                   |    | 1,010 |            |
| Building Improvements           |    | 9,995 |            |
| Communication Equipment         |    | 1,217 |            |
| Office Equipment                |    | 3,189 |            |
| Total Administration            |    |       | \$ 405,623 |

Highway and Bridge Maintenance

|   |    |         |
|---|----|---------|
| Foremen                                     | \$ | 111,075 |
| Equipment Operators                         |    | 129,332 |
| Truck Drivers                               |    | 294,544 |
| Laborers                                    |    | 225,951 |
| Part-time Personnel                         |    | 48,801  |
| Overtime Pay                                |    | 46,640  |
| Bonus Payments                              |    | 13,750  |
| Social Security                             |    | 54,826  |
| Pensions                                    |    | 64,393  |
| Life Insurance                              |    | 546     |
| Medical Insurance                           |    | 206,614 |
| Dental Insurance                            |    | 3,741   |
| Unemployment Compensation                   |    | 697     |
| Employer Medicare                           |    | 12,250  |
| Other Fringe Benefits                       |    | 8,240   |
| Engineering Services                        |    | 3,000   |
| Maintenance and Repair Services - Equipment |    | 106     |
| Rentals                                     |    | 1,707   |
| Asphalt - Hot Mix                           |    | 341,668 |
| Asphalt - Liquid                            |    | 5,000   |
| Concrete                                    |    | 3,864   |
| Crushed Stone                               |    | 138,361 |
| Equipment and Machinery Parts               |    | 337     |
| Garage Supplies                             |    | 87      |
| General Construction Materials              |    | 6,484   |
| Other Road Materials                        |    | 27,431  |
| Pipe  |    | 25,911  |
| Propane Gas                                 |    | 620     |

(Continued)

## Exhibit I-7

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

Highway/Public Works Fund (Cont.)Highways (Cont.)Highway and Bridge Maintenance (Cont.)

|                                      |    |        |              |
|--------------------------------------|----|--------|--------------|
| Road Signs                           | \$ | 11,750 |              |
| Salt                                 |    | 36,417 |              |
| Small Tools                          |    | 12     |              |
| Uniforms                             |    | 29,385 |              |
| Wood Products                        |    | 195    |              |
| Chemicals                            |    | 1,400  |              |
| Other Supplies and Materials         |    | 1,558  |              |
| Workers' Compensation Insurance      |    | 43,571 |              |
| Total Highway and Bridge Maintenance |    |        | \$ 1,900,264 |

Operation and Maintenance of Equipment

|  |    |         |         |
|--|----|---------|---------|
| Mechanic(s)                                  | \$ | 75,063  |         |
| Overtime Pay                                 |    | 2,080   |         |
| Bonus Payments                               |    | 1,000   |         |
| Social Security                              |    | 4,762   |         |
| Pensions                                     |    | 6,145   |         |
| Life Insurance                               |    | 45      |         |
| Medical Insurance                            |    | 15,938  |         |
| Dental Insurance                             |    | 257     |         |
| Unemployment Compensation                    |    | 91      |         |
| Employer Medicare                            |    | 1,114   |         |
| Other Fringe Benefits                        |    | 965     |         |
| Freight Expenses                             |    | 287     |         |
| Maintenance and Repair Services - Buildings  |    | 3,800   |         |
| Maintenance and Repair Services - Equipment  |    | 29,971  |         |
| Maintenance and Repair Services - Vehicles   |    | 12,093  |         |
| Towing Services                              |    | 150     |         |
| Disposal Fees                                |    | 725     |         |
| Other Contracted Services                    |    | 1,875   |         |
| Diesel Fuel                                  |    | 252,760 |         |
| Equipment and Machinery Parts                |    | 86,865  |         |
| Garage Supplies                              |    | 12,774  |         |
| Gasoline                                     |    | 221,964 |         |
| Lubricants                                   |    | 9,998   |         |
| Small Tools                                  |    | 3,020   |         |
| Tires and Tubes                              |    | 35,000  |         |
| Vehicle Parts                                |    | 26,519  |         |
| Other Supplies and Materials                 |    | 7,553   |         |
| Workers' Compensation Insurance              |    | 1,530   |         |
| Total Operation and Maintenance of Equipment |    |         | 814,344 |

Other Charges

|                 |    |         |  |
|-----------------|----|---------|--|
| Communication   | \$ | 5,620   |  |
| Asphalt         |    | 330,377 |  |
| Electricity     |    | 11,965  |  |
| Natural Gas     |    | 5,748   |  |
| Water and Sewer |    | 1,839   |  |

(Continued)

## Exhibit I-7

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Other Charges (Cont.)

|                                 |    |              |            |
|---------------------------------|----|--------------|------------|
| Judgments                       | \$ | 66           |            |
| Liability Insurance             |    | 25,975       |            |
| Trustee's Commission            |    | 52,774       |            |
| Vehicle and Equipment Insurance |    | 36,228       |            |
| Other Charges                   |    | <u>2,033</u> |            |
| Total Other Charges             |    |              | \$ 472,625 |

Capital Outlay

|   |    |                |                  |
|---|----|----------------|------------------|
| Engineering Services                      | \$ | 274,776        |                  |
| Legal Notices, Recording, and Court Costs |    | 37             |                  |
| Bridge Construction                       |    | 1,236,514      |                  |
| Furniture and Fixtures                    |    | 1,000          |                  |
| Highway Equipment                         |    | 385,185        |                  |
| Motor Vehicles                            |    | 98,000         |                  |
| Right-of-Way                              |    | 7,474          |                  |
| State Aid Projects                        |    | 222,632        |                  |
| Other Capital Outlay                      |    | <u>114,705</u> |                  |
| Total Capital Outlay                      |    |                | <u>2,340,323</u> |

Total Highway/Public Works Fund \$ 5,933,179

General Debt Service Fund

Principal on Debt

General Government

|                          |    |                  |              |
|--------------------------|----|------------------|--------------|
| Principal on Bonds       | \$ | <u>1,230,000</u> |              |
| Total General Government |    |                  | \$ 1,230,000 |

Interest on Debt

General Government

|                          |    |                |         |
|--------------------------|----|----------------|---------|
| Interest on Bonds        | \$ | <u>207,768</u> |         |
| Total General Government |    |                | 207,768 |

Other Debt Service

General Government

|                          |    |            |               |
|--------------------------|----|------------|---------------|
| Trustee's Commission     | \$ | 29,169     |               |
| Other Debt Service       |    | <u>630</u> |               |
| Total General Government |    |            | <u>29,799</u> |

Total General Debt Service Fund 1,467,567

Total Governmental Funds - Primary Government \$ 29,489,566



Exhibit I-8

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Carter County School Department  
For the Year Ended June 30, 2022

General Purpose School Fund

Instruction

Regular Instruction Program

|                                      |    |            |               |
|--------------------------------------|----|------------|---------------|
| Principals                           | \$ | 62         |               |
| Teachers                             |    | 13,310,146 |               |
| Career Ladder Program                |    | 52,000     |               |
| Homebound Teachers                   |    | 47,394     |               |
| Salary Supplements                   |    | 572,391    |               |
| Educational Assistants               |    | 380,967    |               |
| Certified Substitute Teachers        |    | 167,140    |               |
| Non-certified Substitute Teachers    |    | 325,233    |               |
| Social Security                      |    | 882,074    |               |
| Pensions                             |    | 1,318,546  |               |
| Life Insurance                       |    | 7,341      |               |
| Medical Insurance                    |    | 2,219,504  |               |
| Dental Insurance                     |    | 78,218     |               |
| Unemployment Compensation            |    | 6,308      |               |
| Employer Medicare                    |    | 210,396    |               |
| Termination Benefits                 |    | 279,487    |               |
| Other Fringe Benefits                |    | 457,064    |               |
| Contracts with Private Agencies      |    | 24,977     |               |
| Payments to Schools - Other          |    | 345,335    |               |
| Travel                               |    | 1,160      |               |
| Other Contracted Services            |    | 18,261     |               |
| Drugs and Medical Supplies           |    | 5,017      |               |
| Instructional Supplies and Materials |    | 65,606     |               |
| Office Supplies                      |    | 1,474      |               |
| Textbooks - Bound                    |    | 119,869    |               |
| Software                             |    | 2,125      |               |
| Other Supplies and Materials         |    | 8,323      |               |
| In Service/Staff Development         |    | 1,798      |               |
| Other Charges                        |    | 340        |               |
| Furniture and Fixtures               |    | 1,797      |               |
| Office Equipment                     |    | 1,200      |               |
| Regular Instruction Equipment        |    | 150        |               |
| Total Regular Instruction Program    |    |            | \$ 20,911,703 |

Alternative Instruction Program

|                                       |    |        |        |
|---------------------------------------|----|--------|--------|
| Teachers                              | \$ | 50,751 |        |
| Social Security                       |    | 3,100  |        |
| Pensions                              |    | 5,227  |        |
| Life Insurance                        |    | 25     |        |
| Medical Insurance                     |    | 7,300  |        |
| Dental Insurance                      |    | 275    |        |
| Unemployment Compensation             |    | 64     |        |
| Employer Medicare                     |    | 725    |        |
| Instructional Supplies and Materials  |    | 981    |        |
| Total Alternative Instruction Program |    |        | 68,448 |

(Continued)

Exhibit I-8

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program

|                                      |    |           |              |
|--------------------------------------|----|-----------|--------------|
| Teachers                             | \$ | 1,916,011 |              |
| Career Ladder Program                |    | 4,000     |              |
| Homebound Teachers                   |    | 109,747   |              |
| Salary Supplements                   |    | 4,250     |              |
| Educational Assistants               |    | 611,244   |              |
| Speech Pathologist                   |    | 328,593   |              |
| Social Security                      |    | 175,167   |              |
| Pensions                             |    | 264,004   |              |
| Life Insurance                       |    | 2,202     |              |
| Medical Insurance                    |    | 671,296   |              |
| Dental Insurance                     |    | 23,360    |              |
| Unemployment Compensation            |    | 1,452     |              |
| Employer Medicare                    |    | 40,964    |              |
| Instructional Supplies and Materials |    | 3,765     |              |
| Software                             |    | 695       |              |
| Other Supplies and Materials         |    | 58,534    |              |
| Special Education Equipment          |    | 6,240     |              |
| Total Special Education Program      |    |           | \$ 4,221,524 |

Career and Technical Education Program

|  |    |         |           |
|--|----|---------|-----------|
| Teachers                                     | \$ | 884,820 |           |
| Educational Assistants                       |    | 13,468  |           |
| Social Security                              |    | 53,747  |           |
| Pensions                                     |    | 78,271  |           |
| Life Insurance                               |    | 499     |           |
| Medical Insurance                            |    | 151,247 |           |
| Dental Insurance                             |    | 5,332   |           |
| Unemployment Compensation                    |    | 256     |           |
| Employer Medicare                            |    | 12,570  |           |
| Evaluation and Testing                       |    | 9,016   |           |
| Licenses                                     |    | 100     |           |
| Maintenance and Repair Services - Equipment  |    | 2,100   |           |
| Travel                                       |    | 20,433  |           |
| Lobbying Services                            |    | 6,250   |           |
| Other Contracted Services                    |    | 600     |           |
| Instructional Supplies and Materials         |    | 80,852  |           |
| Propane Gas                                  |    | 9       |           |
| Textbooks - Bound                            |    | 20,338  |           |
| Other Supplies and Materials                 |    | 73      |           |
| Liability Insurance                          |    | 185     |           |
| Vocational Instruction Equipment             |    | 106,994 |           |
| Total Career and Technical Education Program |    |         | 1,447,160 |

Support Services

Health Services

|                     |    |        |
|---------------------|----|--------|
| Supervisor/Director | \$ | 38,203 |
|---------------------|----|--------|

(Continued)

Exhibit I-8

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Health Services (Cont.)

|                               |    |         |            |
|-------------------------------|----|---------|------------|
| Medical Personnel             | \$ | 275,079 |            |
| Other Salaries and Wages      |    | 12,277  |            |
| Certified Substitute Teachers |    | 1,155   |            |
| Social Security               |    | 18,854  |            |
| Pensions                      |    | 25,085  |            |
| Life Insurance                |    | 334     |            |
| Medical Insurance             |    | 94,387  |            |
| Dental Insurance              |    | 3,638   |            |
| Unemployment Compensation     |    | 172     |            |
| Employer Medicare             |    | 4,409   |            |
| Licenses                      |    | 500     |            |
| Travel                        |    | 1,645   |            |
| Drugs and Medical Supplies    |    | 8,177   |            |
| Office Supplies               |    | 561     |            |
| Other Supplies and Materials  |    | 24,493  |            |
| In Service/Staff Development  |    | 745     |            |
| Other Charges                 |    | 4,742   |            |
| Total Health Services         |    |         | \$ 514,456 |

Other Student Support

|                                    |    |         |           |
|------------------------------------|----|---------|-----------|
| Career Ladder Program              | \$ | 2,000   |           |
| Guidance Personnel                 |    | 713,667 |           |
| Other Salaries and Wages           |    | 784     |           |
| Social Security                    |    | 43,484  |           |
| Pensions                           |    | 60,680  |           |
| Life Insurance                     |    | 378     |           |
| Medical Insurance                  |    | 99,885  |           |
| Dental Insurance                   |    | 4,121   |           |
| Unemployment Compensation          |    | 177     |           |
| Employer Medicare                  |    | 10,170  |           |
| Retirement - Hybrid Stabilization  |    | 1       |           |
| Contracts with Government Agencies |    | 407,389 |           |
| Evaluation and Testing             |    | 90,713  |           |
| Travel                             |    | 17      |           |
| Office Supplies                    |    | 265     |           |
| Other Equipment                    |    | 76,824  |           |
| Total Other Student Support        |    |         | 1,510,555 |

Regular Instruction Program

|                          |    |         |  |
|--------------------------|----|---------|--|
| Supervisor/Director      | \$ | 255,259 |  |
| Career Ladder Program    |    | 5,000   |  |
| Librarians               |    | 574,861 |  |
| Other Salaries and Wages |    | 43,157  |  |
| Social Security          |    | 52,551  |  |
| Pensions                 |    | 82,838  |  |
| Life Insurance           |    | 353     |  |

(Continued)

Exhibit I-8

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

|                                   |    |         |              |
|-----------------------------------|----|---------|--------------|
| Medical Insurance                 | \$ | 107,871 |              |
| Dental Insurance                  |    | 3,906   |              |
| Unemployment Compensation         |    | 320     |              |
| Employer Medicare                 |    | 12,291  |              |
| Advertising                       |    | 1,270   |              |
| Data Processing Services          |    | 6,419   |              |
| Licenses                          |    | 5,792   |              |
| Maintenance Agreements            |    | 7,334   |              |
| Payments to Schools - Other       |    | 28,000  |              |
| Printing, Stationery, and Forms   |    | 1,491   |              |
| Rentals                           |    | 10,904  |              |
| Travel                            |    | 21,777  |              |
| Penalties                         |    | 195     |              |
| Other Contracted Services         |    | 5,250   |              |
| Library Books/Media               |    | 45,729  |              |
| Office Supplies                   |    | 5,834   |              |
| Other Supplies and Materials      |    | 2,868   |              |
| In Service/Staff Development      |    | 41,759  |              |
| Other Charges                     |    | 1,312   |              |
| Furniture and Fixtures            |    | 2,000   |              |
| Total Regular Instruction Program |    |         | \$ 1,326,341 |

Alternative Instruction Program

|                                       |    |        |         |
|---------------------------------------|----|--------|---------|
| Supervisor/Director                   | \$ | 66,392 |         |
| Career Ladder Program                 |    | 1,000  |         |
| Secretary(ies)                        |    | 15,038 |         |
| Other Salaries and Wages              |    | 22,033 |         |
| Social Security                       |    | 6,214  |         |
| Pensions                              |    | 8,144  |         |
| Life Insurance                        |    | 50     |         |
| Medical Insurance                     |    | 15,870 |         |
| Dental Insurance                      |    | 549    |         |
| Unemployment Compensation             |    | 26     |         |
| Employer Medicare                     |    | 1,453  |         |
| Total Alternative Instruction Program |    |        | 136,769 |

Special Education Program

|                          |    |        |  |
|--------------------------|----|--------|--|
| Supervisor/Director      | \$ | 80,894 |  |
| Psychological Personnel  |    | 52,054 |  |
| Assessment Personnel     |    | 48,569 |  |
| Clerical Personnel       |    | 65,417 |  |
| Other Salaries and Wages |    | 350    |  |
| Social Security          |    | 14,827 |  |
| Pensions                 |    | 22,265 |  |
| Life Insurance           |    | 126    |  |
| Medical Insurance        |    | 40,668 |  |

(Continued)

Exhibit I-8

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

|                                 |    |         |            |
|---------------------------------|----|---------|------------|
| Dental Insurance                | \$ | 1,374   |            |
| Unemployment Compensation       |    | 147     |            |
| Employer Medicare               |    | 3,467   |            |
| Communication                   |    | 356     |            |
| Contracts with Private Agencies |    | 217,689 |            |
| Data Processing Services        |    | 400     |            |
| Rentals                         |    | 2,484   |            |
| Travel                          |    | 26,925  |            |
| Office Supplies                 |    | 991     |            |
| Other Supplies and Materials    |    | 6,180   |            |
| In Service/Staff Development    |    | 17,534  |            |
| Other Charges                   |    | 2,783   |            |
| Total Special Education Program |    |         | \$ 605,500 |

Career and Technical Education Program

|  |    |        |         |
|--|----|--------|---------|
| Supervisor/Director                          | \$ | 78,849 |         |
| Career Ladder Program                        |    | 1,000  |         |
| Salary Supplements                           |    | 2,300  |         |
| Secretary(ies)                               |    | 28,971 |         |
| Other Salaries and Wages                     |    | 35,630 |         |
| Social Security                              |    | 8,596  |         |
| Pensions                                     |    | 14,133 |         |
| Life Insurance                               |    | 71     |         |
| Medical Insurance                            |    | 24,096 |         |
| Dental Insurance                             |    | 768    |         |
| Unemployment Compensation                    |    | 77     |         |
| Employer Medicare                            |    | 2,010  |         |
| Data Processing Services                     |    | 508    |         |
| Rentals                                      |    | 5,607  |         |
| Travel                                       |    | 2,656  |         |
| Office Supplies                              |    | 1,500  |         |
| In Service/Staff Development                 |    | 1,195  |         |
| Other Charges                                |    | 2,997  |         |
| Office Equipment                             |    | 685    |         |
| Total Career and Technical Education Program |    |        | 211,649 |

Technology

|                           |    |         |  |
|---------------------------|----|---------|--|
| Supervisor/Director       | \$ | 53,442  |  |
| Data Processing Personnel |    | 197,854 |  |
| Social Security           |    | 14,945  |  |
| Pensions                  |    | 20,104  |  |
| Life Insurance            |    | 151     |  |
| Medical Insurance         |    | 42,109  |  |
| Dental Insurance          |    | 1,648   |  |
| Unemployment Compensation |    | 103     |  |
| Employer Medicare         |    | 3,495   |  |

(Continued)

Exhibit I-8

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Technology (Cont.)

|   |    |         |            |
|---|----|---------|------------|
| Communication                               | \$ | 23,744  |            |
| Maintenance and Repair Services - Equipment |    | 19,914  |            |
| Internet Connectivity                       |    | 45,342  |            |
| Other Contracted Services                   |    | 24,071  |            |
| Data Processing Supplies                    |    | 470     |            |
| Office Supplies                             |    | 2,757   |            |
| Small Tools                                 |    | 993     |            |
| Uniforms                                    |    | 1,191   |            |
| Software                                    |    | 21,981  |            |
| Other Supplies and Materials                |    | 6,095   |            |
| Data Processing Equipment                   |    | 141,046 |            |
| Motor Vehicles                              |    | 98,116  |            |
| Office Equipment                            |    | 2,863   |            |
| Total Technology                            |    |         | \$ 722,434 |

Other Programs

|                            |    |         |         |
|----------------------------|----|---------|---------|
| On-behalf Payments to OPEB | \$ | 315,908 |         |
| Total Other Programs       |    |         | 315,908 |

Board of Education

|  |    |         |         |
|--|----|---------|---------|
| Secretary(ies)                             | \$ | 2,250   |         |
| Board and Committee Members Fees           |    | 15,350  |         |
| Social Security                            |    | 884     |         |
| Accounting Services                        |    | 1,200   |         |
| Advertising                                |    | 6,652   |         |
| Audit Services                             |    | 29,500  |         |
| Dues and Memberships                       |    | 6,829   |         |
| Legal Services                             |    | 20,207  |         |
| Travel                                     |    | 15,022  |         |
| Boiler Insurance                           |    | 5,911   |         |
| Building and Contents Insurance            |    | 238,270 |         |
| Liability Insurance                        |    | 65,794  |         |
| Premiums on Corporate Surety Bonds         |    | 35,740  |         |
| Workers' Compensation Insurance            |    | 206,652 |         |
| In Service/Staff Development               |    | 3,220   |         |
| Criminal Investigation of Applicants - TBI |    | 3,333   |         |
| Other Charges                              |    | 1,042   |         |
| Office Equipment                           |    | 518     |         |
| Total Board of Education                   |    |         | 658,374 |

Director of Schools

|  |    |        |  |
|--|----|--------|--|
| County Official/Administrative Officer | \$ | 99,840 |  |
| Secretary(ies)                         |    | 90,837 |  |
| Clerical Personnel                     |    | 40,955 |  |
| Social Security                        |    | 13,575 |  |
| Pensions                               |    | 20,827 |  |

(Continued)

Exhibit I-8

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

|                                    |    |              |            |
|------------------------------------|----|--------------|------------|
| Life Insurance                     | \$ | 126          |            |
| Medical Insurance                  |    | 51,644       |            |
| Dental Insurance                   |    | 1,374        |            |
| Unemployment Compensation          |    | 155          |            |
| Employer Medicare                  |    | 3,175        |            |
| Contracts with Government Agencies |    | 15,483       |            |
| Dues and Memberships               |    | 12,333       |            |
| Maintenance Agreements             |    | 28,951       |            |
| Postal Charges                     |    | 3,249        |            |
| Travel                             |    | 4,294        |            |
| Data Processing Supplies           |    | 373          |            |
| Office Supplies                    |    | 3,412        |            |
| In Service/Staff Development       |    | 260          |            |
| Other Charges                      |    | <u>1,673</u> |            |
| Total Director of Schools          |    |              | \$ 392,536 |

Office of the Principal

|                               |    |              |           |
|-------------------------------|----|--------------|-----------|
| Principals                    | \$ | 916,150      |           |
| Career Ladder Program         |    | 3,000        |           |
| Accountants/Bookkeepers       |    | 242,577      |           |
| Assistant Principals          |    | 635,738      |           |
| Secretary(ies)                |    | 161,199      |           |
| Educational Assistants        |    | 9,620        |           |
| Social Security               |    | 114,969      |           |
| Pensions                      |    | 190,630      |           |
| Life Insurance                |    | 1,210        |           |
| Medical Insurance             |    | 359,512      |           |
| Dental Insurance              |    | 13,187       |           |
| Unemployment Compensation     |    | 956          |           |
| Employer Medicare             |    | 27,027       |           |
| Travel                        |    | 445          |           |
| Office Supplies               |    | <u>2,232</u> |           |
| Total Office of the Principal |    |              | 2,678,452 |

Fiscal Services

|                       |    |                |         |
|-----------------------|----|----------------|---------|
| Accounting Services   | \$ | 169,400        |         |
| Fiscal Agent Charges  |    | 1,608          |         |
| Trustee's Commission  |    | <u>252,959</u> |         |
| Total Fiscal Services |    |                | 423,967 |

Operation of Plant

|                     |    |         |  |
|---------------------|----|---------|--|
| Custodial Personnel | \$ | 875,654 |  |
| Overtime Pay        |    | 1,479   |  |
| Social Security     |    | 53,194  |  |
| Pensions            |    | 46,799  |  |
| Life Insurance      |    | 789     |  |

(Continued)

Exhibit I-8

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant (Cont.)

|                                 |    |           |              |
|---------------------------------|----|-----------|--------------|
| Medical Insurance               | \$ | 201,978   |              |
| Dental Insurance                |    | 8,242     |              |
| Unemployment Compensation       |    | 289       |              |
| Employer Medicare               |    | 12,440    |              |
| Communication                   |    | 43,529    |              |
| Contracts with Private Agencies |    | 89,369    |              |
| Evaluation and Testing          |    | 11,836    |              |
| Laundry Service                 |    | 181       |              |
| Payments to Schools - Other     |    | 77,125    |              |
| Pest Control                    |    | 19,600    |              |
| Disposal Fees                   |    | 27,301    |              |
| Penalties                       |    | 9         |              |
| Other Contracted Services       |    | 5,426     |              |
| Custodial Supplies              |    | 20,868    |              |
| Electricity                     |    | 1,156,188 |              |
| Natural Gas                     |    | 294,598   |              |
| Water and Sewer                 |    | 94,870    |              |
| Total Operation of Plant        |    |           | \$ 3,041,764 |

Maintenance of Plant

|   |    |         |         |
|---|----|---------|---------|
| Supervisor/Director                         | \$ | 55,867  |         |
| Secretary(ies)                              |    | 28,810  |         |
| Maintenance Personnel                       |    | 244,011 |         |
| Social Security                             |    | 20,193  |         |
| Pensions                                    |    | 26,295  |         |
| Life Insurance                              |    | 252     |         |
| Medical Insurance                           |    | 64,188  |         |
| Dental Insurance                            |    | 2,747   |         |
| Unemployment Compensation                   |    | 119     |         |
| Employer Medicare                           |    | 4,723   |         |
| Evaluation and Testing                      |    | 86,039  |         |
| Laundry Service                             |    | 4,703   |         |
| Maintenance and Repair Services - Buildings |    | 77,594  |         |
| Maintenance and Repair Services - Equipment |    | 61,864  |         |
| Disposal Fees                               |    | 828     |         |
| Penalties                                   |    | 2       |         |
| Other Contracted Services                   |    | 6,700   |         |
| Custodial Supplies                          |    | 1,239   |         |
| Equipment and Machinery Parts               |    | 1,534   |         |
| Office Supplies                             |    | 750     |         |
| Road Signs                                  |    | 230     |         |
| Small Tools                                 |    | 1,652   |         |
| Chemicals                                   |    | 1,879   |         |
| Other Charges                               |    | 2,595   |         |
| Building Improvements                       |    | 79,095  |         |
| Heating and Air Conditioning Equipment      |    | 44,199  |         |
| Maintenance Equipment                       |    | 8,904   |         |
| Total Maintenance of Plant                  |    |         | 827,012 |

(Continued)



## Exhibit I-8

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

General Purpose School Fund (Cont.)Support Services (Cont.)Transportation

|   |    |         |              |
|---|----|---------|--------------|
| Supervisor/Director                         | \$ | 84,659  |              |
| Salary Supplements                          |    | 400     |              |
| Mechanic(s)                                 |    | 98,987  |              |
| Bus Drivers                                 |    | 785,227 |              |
| Clerical Personnel                          |    | 86,519  |              |
| Attendants                                  |    | 36,527  |              |
| Overtime Pay                                |    | 47,263  |              |
| Other Salaries and Wages                    |    | 5,994   |              |
| Social Security                             |    | 67,949  |              |
| Pensions                                    |    | 82,990  |              |
| Life Insurance                              |    | 1,162   |              |
| Medical Insurance                           |    | 313,592 |              |
| Dental Insurance                            |    | 12,689  |              |
| Unemployment Compensation                   |    | 555     |              |
| Employer Medicare                           |    | 15,981  |              |
| Dues and Memberships                        |    | 300     |              |
| Evaluation and Testing                      |    | 6,459   |              |
| Laundry Service                             |    | 2,419   |              |
| Maintenance and Repair Services - Equipment |    | 840     |              |
| Maintenance and Repair Services - Vehicles  |    | 14,281  |              |
| Rentals                                     |    | 5,903   |              |
| Travel                                      |    | 2,150   |              |
| Disposal Fees                               |    | 3,256   |              |
| Penalties                                   |    | 25      |              |
| Other Contracted Services                   |    | 16,694  |              |
| Crushed Stone                               |    | 2,386   |              |
| Custodial Supplies                          |    | 2,854   |              |
| Diesel Fuel                                 |    | 214,485 |              |
| Garage Supplies                             |    | 4,709   |              |
| Gasoline                                    |    | 91,138  |              |
| Lubricants                                  |    | 18,324  |              |
| Office Supplies                             |    | 1,551   |              |
| Small Tools                                 |    | 100     |              |
| Tires and Tubes                             |    | 25,651  |              |
| Vehicle Parts                               |    | 114,971 |              |
| Vehicle and Equipment Insurance             |    | 59,567  |              |
| In Service/Staff Development                |    | 675     |              |
| Other Charges                               |    | 2,072   |              |
| Transportation Equipment                    |    | 183,579 |              |
| Total Transportation                        |    |         | \$ 2,414,883 |

Operation of Non-Instructional ServicesFood Service

|                     |    |       |
|---------------------|----|-------|
| Supervisor/Director | \$ | 6,874 |
| Cafeteria Personnel |    | 7,925 |
| Social Security     |    | 918   |

(Continued)

## Exhibit I-8

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

|                    |    |     |           |
|--------------------|----|-----|-----------|
| Pensions           | \$ | 746 |           |
| Employer Medicare  |    | 215 |           |
| Total Food Service |    |     | \$ 16,678 |

Community Services

|                                      |    |         |         |
|--------------------------------------|----|---------|---------|
| Supervisor/Director                  | \$ | 60,136  |         |
| Teachers                             |    | 216,858 |         |
| Clerical Personnel                   |    | 34,850  |         |
| Educational Assistants               |    | 154,348 |         |
| Overtime Pay                         |    | 9,648   |         |
| Other Salaries and Wages             |    | 53,454  |         |
| Social Security                      |    | 31,361  |         |
| Pensions                             |    | 38,415  |         |
| Life Insurance                       |    | 76      |         |
| Medical Insurance                    |    | 17,450  |         |
| Dental Insurance                     |    | 558     |         |
| Unemployment Compensation            |    | 46      |         |
| Employer Medicare                    |    | 7,573   |         |
| Contracts with Government Agencies   |    | 1,417   |         |
| Travel                               |    | 1,388   |         |
| Data Processing Supplies             |    | 405     |         |
| Food Preparation Supplies            |    | 442     |         |
| Food Supplies                        |    | 47,301  |         |
| Instructional Supplies and Materials |    | 2,668   |         |
| Office Supplies                      |    | 1,257   |         |
| Other Supplies and Materials         |    | 703     |         |
| In Service/Staff Development         |    | 365     |         |
| Other Charges                        |    | 4,634   |         |
| Food Service Equipment               |    | 241     |         |
| Total Community Services             |    |         | 685,594 |

Early Childhood Education

|                                   |    |         |  |
|-----------------------------------|----|---------|--|
| Supervisor/Director               | \$ | 19,420  |  |
| Teachers                          |    | 129,650 |  |
| Clerical Personnel                |    | 9,048   |  |
| Educational Assistants            |    | 44,142  |  |
| Certified Substitute Teachers     |    | 250     |  |
| Non-certified Substitute Teachers |    | 1,400   |  |
| Social Security                   |    | 11,971  |  |
| Pensions                          |    | 16,879  |  |
| Life Insurance                    |    | 158     |  |
| Medical Insurance                 |    | 43,612  |  |
| Dental Insurance                  |    | 1,717   |  |
| Employer Medicare                 |    | 2,764   |  |
| Communication                     |    | 188     |  |
| Travel                            |    | 124     |  |

(Continued)

Exhibit I-8

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education (Cont.)

|                                      |    |       |            |
|--------------------------------------|----|-------|------------|
| Instructional Supplies and Materials | \$ | 8,109 |            |
| Other Supplies and Materials         |    | 7,536 |            |
| In Service/Staff Development         |    | 510   |            |
| Other Charges                        |    | 498   |            |
| Regular Instruction Equipment        |    | 4,073 |            |
| Total Early Childhood Education      |    |       | \$ 302,049 |

Capital Outlay

Regular Capital Outlay

|                              |    |         |                |
|------------------------------|----|---------|----------------|
| Architects                   | \$ | 3,300   |                |
| Building Improvements        |    | 226,861 |                |
| Other Capital Outlay         |    | 159,158 |                |
| Total Regular Capital Outlay |    |         | <u>389,319</u> |

Total General Purpose School Fund \$ 43,823,075

School Federal Projects Fund

Instruction

Regular Instruction Program

|                                      |    |           |              |
|--------------------------------------|----|-----------|--------------|
| Teachers                             | \$ | 1,122,299 |              |
| Educational Assistants               |    | 289,493   |              |
| Other Salaries and Wages             |    | 284,503   |              |
| Certified Substitute Teachers        |    | 500       |              |
| Social Security                      |    | 98,172    |              |
| Pensions                             |    | 129,898   |              |
| Life Insurance                       |    | 827       |              |
| Medical Insurance                    |    | 237,616   |              |
| Dental Insurance                     |    | 8,939     |              |
| Unemployment Compensation            |    | 7,739     |              |
| Employer Medicare                    |    | 23,690    |              |
| Other Fringe Benefits                |    | 720       |              |
| Instructional Supplies and Materials |    | 773,976   |              |
| Software                             |    | 247,849   |              |
| Other Supplies and Materials         |    | 127,317   |              |
| Regular Instruction Equipment        |    | 460,371   |              |
| Total Regular Instruction Program    |    |           | \$ 3,813,909 |

Special Education Program

|                        |    |         |  |
|------------------------|----|---------|--|
| Teachers               | \$ | 231,727 |  |
| Educational Assistants |    | 463,580 |  |
| Speech Pathologist     |    | 44,538  |  |
| Social Security        |    | 43,739  |  |
| Pensions               |    | 61,128  |  |
| Life Insurance         |    | 995     |  |
| Medical Insurance      |    | 271,747 |  |
| Dental Insurance       |    | 10,872  |  |

(Continued)

Exhibit I-8

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

|                                      |    |        |              |
|--------------------------------------|----|--------|--------------|
| Unemployment Compensation            | \$ | 722    |              |
| Employer Medicare                    |    | 10,228 |              |
| Contracts with Private Agencies      |    | 72     |              |
| Instructional Supplies and Materials |    | 25,981 |              |
| Other Supplies and Materials         |    | 5,807  |              |
| Special Education Equipment          |    | 58,053 |              |
| Total Special Education Program      |    |        | \$ 1,229,189 |

Career and Technical Education Program

|  |    |         |         |
|--|----|---------|---------|
| Teachers                                     | \$ | 91,541  |         |
| Other Salaries and Wages                     |    | 5,689   |         |
| Social Security                              |    | 1,578   |         |
| Pensions                                     |    | 2,346   |         |
| Employer Medicare                            |    | 369     |         |
| Instructional Supplies and Materials         |    | 79,148  |         |
| Other Supplies and Materials                 |    | 7,200   |         |
| Vocational Instruction Equipment             |    | 122,547 |         |
| Total Career and Technical Education Program |    |         | 310,418 |

Support Services

Attendance

|                          |    |        |        |
|--------------------------|----|--------|--------|
| Other Salaries and Wages | \$ | 14,000 |        |
| Social Security          |    | 868    |        |
| Employer Medicare        |    | 203    |        |
| Total Attendance         |    |        | 15,071 |

Health Services

|                          |    |        |        |
|--------------------------|----|--------|--------|
| Supervisor/Director      | \$ | 250    |        |
| Medical Personnel        |    | 29,482 |        |
| Other Salaries and Wages |    | 144    |        |
| Social Security          |    | 1,838  |        |
| Pensions                 |    | 2,304  |        |
| Life Insurance           |    | 40     |        |
| Medical Insurance        |    | 11,189 |        |
| Dental Insurance         |    | 442    |        |
| Employer Medicare        |    | 430    |        |
| Total Health Services    |    |        | 46,119 |

Other Student Support

|                          |    |         |  |
|--------------------------|----|---------|--|
| Guidance Personnel       | \$ | 51,142  |  |
| Social Workers           |    | 195,851 |  |
| Bus Drivers              |    | 15,500  |  |
| Other Salaries and Wages |    | 102,800 |  |
| Social Security          |    | 22,219  |  |
| Pensions                 |    | 23,436  |  |
| Life Insurance           |    | 184     |  |

(Continued)

Exhibit I-8

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

|                              |    |        |            |
|------------------------------|----|--------|------------|
| Medical Insurance            | \$ | 55,995 |            |
| Dental Insurance             |    | 2,035  |            |
| Unemployment Compensation    |    | 1,347  |            |
| Employer Medicare            |    | 5,196  |            |
| Communication                |    | 470    |            |
| Evaluation and Testing       |    | 58,276 |            |
| Travel                       |    | 17,843 |            |
| Other Contracted Services    |    | 32,189 |            |
| Other Supplies and Materials |    | 36,920 |            |
| In Service/Staff Development |    | 5,754  |            |
| Other Charges                |    | 3,570  |            |
| Total Other Student Support  |    |        | \$ 630,727 |

Regular Instruction Program

|                                   |    |         |           |
|-----------------------------------|----|---------|-----------|
| Supervisor/Director               | \$ | 74,522  |           |
| Secretary(ies)                    |    | 32,175  |           |
| Other Salaries and Wages          |    | 574,863 |           |
| Social Security                   |    | 40,598  |           |
| Pensions                          |    | 66,676  |           |
| Life Insurance                    |    | 252     |           |
| Medical Insurance                 |    | 65,879  |           |
| Dental Insurance                  |    | 2,472   |           |
| Unemployment Compensation         |    | 1,169   |           |
| Employer Medicare                 |    | 9,528   |           |
| Communication                     |    | 840     |           |
| Lease Payments                    |    | 5,455   |           |
| Travel                            |    | 10,848  |           |
| Other Contracted Services         |    | 100,000 |           |
| Other Supplies and Materials      |    | 3,286   |           |
| In Service/Staff Development      |    | 89,168  |           |
| Other Equipment                   |    | 6,702   |           |
| Total Regular Instruction Program |    |         | 1,084,433 |

Special Education Program

|                                 |    |         |         |
|---------------------------------|----|---------|---------|
| Other Salaries and Wages        | \$ | 138,417 |         |
| Social Security                 |    | 8,471   |         |
| Pensions                        |    | 12,269  |         |
| Life Insurance                  |    | 76      |         |
| Medical Insurance               |    | 23,686  |         |
| Dental Insurance                |    | 824     |         |
| Unemployment Compensation       |    | 103     |         |
| Employer Medicare               |    | 1,981   |         |
| Total Special Education Program |    |         | 185,827 |

Career and Technical Education Program

|        |    |       |  |
|--------|----|-------|--|
| Travel | \$ | 1,500 |  |
|--------|----|-------|--|

(Continued)

Exhibit I-8

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program (Cont.)

|  |    |       |          |
|--|----|-------|----------|
| In Service/Staff Development                 | \$ | 1,000 |          |
| Other Charges                                |    | 6,282 |          |
| Total Career and Technical Education Program |    |       | \$ 8,782 |

Technology

|                           |    |        |        |
|---------------------------|----|--------|--------|
| Data Processing Personnel | \$ | 27,120 |        |
| Social Security           |    | 1,681  |        |
| Pensions                  |    | 2,146  |        |
| Life Insurance            |    | 25     |        |
| Medical Insurance         |    | 6,648  |        |
| Dental Insurance          |    | 275    |        |
| Unemployment Compensation |    | 15     |        |
| Employer Medicare         |    | 393    |        |
| Other Equipment           |    | 10,564 |        |
| Total Technology          |    |        | 48,867 |

Office of the Principal

|                               |    |       |       |
|-------------------------------|----|-------|-------|
| Principals                    | \$ | 5,168 |       |
| Social Security               |    | 198   |       |
| Pensions                      |    | 328   |       |
| Employer Medicare             |    | 46    |       |
| Total Office of the Principal |    |       | 5,740 |

Operation of Plant

|                           |    |        |        |
|---------------------------|----|--------|--------|
| Custodial Personnel       | \$ | 18,948 |        |
| Social Security           |    | 1,146  |        |
| Pensions                  |    | 1,507  |        |
| Life Insurance            |    | 25     |        |
| Medical Insurance         |    | 7,300  |        |
| Dental Insurance          |    | 275    |        |
| Unemployment Compensation |    | 21     |        |
| Employer Medicare         |    | 268    |        |
| Total Operation of Plant  |    |        | 29,490 |

Transportation

|                           |    |        |  |
|---------------------------|----|--------|--|
| Bus Drivers               | \$ | 14,580 |  |
| Other Salaries and Wages  |    | 27,261 |  |
| Social Security           |    | 2,513  |  |
| Pensions                  |    | 2,225  |  |
| Life Insurance            |    | 63     |  |
| Medical Insurance         |    | 16,919 |  |
| Dental Insurance          |    | 637    |  |
| Unemployment Compensation |    | 52     |  |
| Employer Medicare         |    | 576    |  |
| Communication             |    | 1,100  |  |
| Contracts with Parents    |    | 1,971  |  |

(Continued)

Exhibit I-8

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

|                              |    |         |            |
|------------------------------|----|---------|------------|
| Vehicle Parts                | \$ | 7,632   |            |
| Other Supplies and Materials |    | 988     |            |
| Other Charges                |    | 53      |            |
| Transportation Equipment     |    | 219,362 |            |
| Total Transportation         |    |         | \$ 295,932 |

Operation of Non-Instructional Services

Food Service

|                    |    |       |       |
|--------------------|----|-------|-------|
| Food Supplies      | \$ | 8,315 |       |
| Total Food Service |    |       | 8,315 |

Community Services

|                          |    |        |        |
|--------------------------|----|--------|--------|
| Supervisor/Director      | \$ | 14,098 |        |
| Social Security          |    | 858    |        |
| Pensions                 |    | 1,128  |        |
| Life Insurance           |    | 5      |        |
| Medical Insurance        |    | 1,471  |        |
| Dental Insurance         |    | 56     |        |
| Employer Medicare        |    | 201    |        |
| Total Community Services |    |        | 17,817 |

Capital Outlay

Regular Capital Outlay

|                              |    |         |         |
|------------------------------|----|---------|---------|
| Architects                   | \$ | 619,300 |         |
| Building Improvements        |    | 164,231 |         |
| Total Regular Capital Outlay |    |         | 783,531 |

Total School Federal Projects Fund \$ 8,514,167

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

|                           |    |         |  |
|---------------------------|----|---------|--|
| Supervisor/Director       | \$ | 55,669  |  |
| Salary Supplements        |    | 15,900  |  |
| Clerical Personnel        |    | 30,010  |  |
| Cafeteria Personnel       |    | 928,275 |  |
| Temporary Personnel       |    | 39,318  |  |
| Other Salaries and Wages  |    | 37,917  |  |
| Social Security           |    | 66,750  |  |
| Pensions                  |    | 61,030  |  |
| Life Insurance            |    | 1,031   |  |
| Medical Insurance         |    | 283,261 |  |
| Dental Insurance          |    | 10,992  |  |
| Unemployment Compensation |    | 1,975   |  |
| Employer Medicare         |    | 15,611  |  |
| Other Fringe Benefits     |    | 17,073  |  |

(Continued)

Exhibit I-8

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

|   |    |           |              |
|---|----|-----------|--------------|
| Accounting Services                         | \$ | 22,090    |              |
| Communication                               |    | 4,582     |              |
| Contracts with Government Agencies          |    | 11,240    |              |
| Contracts with Private Agencies             |    | 3,423     |              |
| Dues and Memberships                        |    | 270       |              |
| Maintenance Agreements                      |    | 7,260     |              |
| Maintenance and Repair Services - Equipment |    | 39,021    |              |
| Rentals                                     |    | 1,316     |              |
| Travel                                      |    | 4,687     |              |
| Disposal Fees                               |    | 33,180    |              |
| Other Contracted Services                   |    | 3,690     |              |
| Food Preparation Supplies                   |    | 124,247   |              |
| Food Supplies                               |    | 1,094,530 |              |
| Office Supplies                             |    | 2,363     |              |
| Uniforms                                    |    | 9,871     |              |
| Chemicals                                   |    | 2,028     |              |
| USDA - Commodities                          |    | 266,198   |              |
| Other Supplies and Materials                |    | 1,169     |              |
| In Service/Staff Development                |    | 945       |              |
| Other Charges                               |    | 678       |              |
| Food Service Equipment                      |    | 12,993    |              |
| Office Equipment                            |    | 650       |              |
| Total Food Service                          |    |           | \$ 3,211,243 |

Total Central Cafeteria Fund

\$ 3,211,243

Other Education Special Revenue Fund

Support Services

Operation of Plant

|                           |    |       |          |
|---------------------------|----|-------|----------|
| Custodial Personnel       | \$ | 1,337 |          |
| Social Security           |    | 83    |          |
| Unemployment Compensation |    | 2     |          |
| Employer Medicare         |    | 19    |          |
| Total Operation of Plant  |    |       | \$ 1,441 |

Operation of Non-Instructional Services

Early Childhood Education

|                                   |    |         |  |
|-----------------------------------|----|---------|--|
| Supervisor/Director               | \$ | 62,791  |  |
| Teachers                          |    | 355,569 |  |
| Clerical Personnel                |    | 21,243  |  |
| Educational Assistants            |    | 133,591 |  |
| Other Salaries and Wages          |    | 154,008 |  |
| Non-certified Substitute Teachers |    | 3,536   |  |
| Social Security                   |    | 42,716  |  |
| Pensions                          |    | 63,959  |  |
| Life Insurance                    |    | 498     |  |

(Continued)



Exhibit I-8

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

Other Education Special Revenue Fund (Cont.)  
Operation of Non-Instructional Services (Cont.)  
Early Childhood Education (Cont.)

|   |    |         |              |
|---|----|---------|--------------|
| Medical Insurance                           | \$ | 156,216 |              |
| Dental Insurance                            |    | 5,505   |              |
| Unemployment Compensation                   |    | 310     |              |
| Employer Medicare                           |    | 9,990   |              |
| Retirement - Hybrid Stabilization           |    | 2,314   |              |
| Communication                               |    | 660     |              |
| Dues and Memberships                        |    | 459     |              |
| Maintenance and Repair Services - Equipment |    | 3,323   |              |
| Rentals                                     |    | 1,518   |              |
| Travel                                      |    | 4,428   |              |
| Penalties                                   |    | 55      |              |
| Custodial Supplies                          |    | 494     |              |
| Food Supplies                               |    | 29,539  |              |
| Instructional Supplies and Materials        |    | 43,803  |              |
| Office Supplies                             |    | 1,699   |              |
| Other Supplies and Materials                |    | 8,499   |              |
| In Service/Staff Development                |    | 12,921  |              |
| Other Charges                               |    | 34,229  |              |
| Other Equipment                             |    | 7,225   |              |
| Total Early Childhood Education             |    |         | \$ 1,161,098 |

COVID-19 Expenditures

|   |    |        |                |
|---|----|--------|----------------|
| Teachers                                    | \$ | 300    |                |
| Educational Assistants                      |    | 12,114 |                |
| Certified Substitute Teachers               |    | 14,227 |                |
| Non-certified Substitute Teachers           |    | 1,066  |                |
| Social Security                             |    | 1,771  |                |
| Pensions                                    |    | 996    |                |
| Life Insurance                              |    | 20     |                |
| Medical Insurance                           |    | 5,856  |                |
| Dental Insurance                            |    | 221    |                |
| Employer Medicare                           |    | 414    |                |
| Maintenance and Repair Services - Equipment |    | 48,077 |                |
| Travel                                      |    | 147    |                |
| Custodial Supplies                          |    | 1,754  |                |
| Instructional Supplies and Materials        |    | 23,681 |                |
| Other Supplies and Materials                |    | 30,312 |                |
| In Service/Staff Development                |    | 4,990  |                |
| Other Charges                               |    | 8,817  |                |
| Total COVID-19 Expenditures                 |    |        | <u>154,763</u> |

Total Other Education Special Revenue Fund \$ 1,317,302

(Continued)

Exhibit I-8

Carter County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Carter County School Department (Cont.)

|  |    |           |               |
|--|----|-----------|---------------|
| <u>Internal School Fund</u>                                |    |           |               |
| <u>Operation of Non-Instructional Services</u>             |    |           |               |
| <u>Community Services</u>                                  |    |           |               |
| Other Charges  | \$ | 1,220,183 |               |
| Total Community Services                                   |    |           | \$ 1,220,183  |
|  |    |           |               |
| Total Internal School Fund                                 |    |           | \$ 1,220,183  |
|  |    |           |               |
| <u>Education Capital Projects Fund</u>                     |    |           |               |
| <u>Capital Projects</u>                                    |    |           |               |
| <u>Education Capital Projects</u>                          |    |           |               |
| Trustee's Commission                                       | \$ | 18,008    |               |
| Building Improvements                                      |    | 50,412    |               |
| Total Education Capital Projects                           |    |           | \$ 68,420     |
|  |    |           |               |
| Total Education Capital Projects Fund                      |    |           | 68,420        |
|  |    |           |               |
| Total Governmental Funds - Carter County School Department |    |           | \$ 58,154,390 |

Exhibit I-9

Carter County, Tennessee

Schedule of Detailed Additions, Deductions, and Changes in Net Position - City Custodial Funds

For the Year Ended June 30, 2022

|  | Cities -<br>Sales Tax<br>Fund | City<br>School<br>ADA -<br>Elizabethton<br>Fund | City<br>School<br>ADA -<br>Johnson City<br>Fund | Total                |
|--|-------------------------------|---|---|----------------------|
| <u>Additions</u>                                   |                               |   |   |                      |
| Current Property Taxes                             | \$ 0                          | \$ 3,548,228                                    | \$ 111,244                                      | \$ 3,659,472         |
| Trustee's Collections - Prior Years                | 0                             | 49,199  | 914   | 50,113               |
| Circuit/Clerk and Master Collections - Prior Years | 0                             | 19,745  | 637   | 20,382               |
| Interest and Penalty                               | 0                             | 26,622  | 840   | 27,462               |
| Payments in-Lieu-of Taxes - Local Utilities        | 0                             | 59,055  | 1,851   | 60,906               |
| Payments in-Lieu-of Taxes - Other                  | 0                             | 1,065   | 34  | 1,099                |
| Local Option Sales Tax                             | 7,278,172                     | 3,549,921                                       | 113,109   | 10,941,202           |
| Mixed Drink Tax                                    | 0                             | 744   | 23  | 767                  |
| Bank Excise Tax                                    | 0                             | 31,937  | 1,005   | 32,942               |
| Marriage Licenses                                  | 0                             | 533   | 17  | 550                  |
| Donations  | 0                             | 49  | 2   | 51                   |
| Total Additions                                    | <u>\$ 7,278,172</u>           | <u>\$ 7,287,098</u>                             | <u>\$ 229,676</u>                               | <u>\$ 14,794,946</u> |
| <u>Deductions</u>                                  |                               |   |   |                      |
| Remittance of Revenues Collected                   | \$ 7,206,136                  | \$ 7,184,467                                    | \$ 226,422                                      | \$ 14,617,025        |
| Trustee's Commission                               | 72,036                        | 102,631   | 3,254   | 177,921              |
| Total Deductions                                   | <u>\$ 7,278,172</u>           | <u>\$ 7,287,098</u>                             | <u>\$ 229,676</u>                               | <u>\$ 14,794,946</u> |
| Excess of Additions Over (Under) Deductions        | \$ 0                          | \$ 0  | \$ 0  | \$ 0                 |
| Net Position, July 1, 2021                         | <u>0</u>                      | <u>0</u>  | <u>0</u>  | <u>0</u>             |
| Net Position, June 30, 2022                        | <u>\$ 0</u>                   | <u>\$ 0</u>                                     | <u>\$ 0</u>                                     | <u>\$ 0</u>          |

# **SINGLE AUDIT SECTION**



JASON E. MUMPOWER  
*Comptroller*

**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***

Independent Auditor's Report

Carter County Mayor and  
Board of County Commissioners  
Carter 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 Carter County, Tennessee, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Carter County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated March 3, 2023. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the discretely presented Carter County School Department, as described in our report on Carter 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 Carter County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Carter County's internal control. Accordingly, we do not express an opinion on the effectiveness of Carter County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the following deficiencies, described in the accompanying Schedule of Findings and Questioned Costs, to be material weaknesses: 2022-001, 2022-004(A).

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. We consider the following deficiencies, described in the accompanying Schedule of Findings and Questioned Costs, to be significant deficiencies: 2022-002(D), 2022-003, 2022-005(B), 2022-006, 2022-008(B-D), and 2022-010.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Carter County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2022-002(A-C), 2022-004(B), 2022-005(A), 2022-007, 2022-008(A), 2022-009, and 2022-011.

## **Carter County's Responses to the Findings**

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

## Purpose of this Report

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

March 3, 2023

JEM/tg



JASON E. MUMPOWER  
*Comptroller*

**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**

**Independent Auditor's Report**

Carter County Mayor and  
Board of County Commissioners  
Carter 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 Carter County's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Carter County's major federal programs for the year ended June 30, 2022. Carter 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, Carter County complied, in all material respects, with the types of 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, 2022.

***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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*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 Carter 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 Carter 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, federal statutes, regulations, and the terms and conditions of its federal awards applicable to its 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 Carter 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 GAAS, *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 that 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 Carter County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 Carter 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 Carter 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 Carter 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 Carter County, Tennessee, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Carter County's basic financial statements. We issued our report thereon dated March 3, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted 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

March 3, 2023

JEM/tg

Carter County, Tennessee, and the Carter County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3)  
For the Year-Ended June 30, 2022

| Federal/Pass-Through Agency/State<br>Grantor Program Title   | Federal<br>Assistance<br>Listing<br>Number | Pass-through<br>Entity Identifying<br>Number | Expenditures        |
|--|--|--|---------------------|
| U.S. Department of Agriculture:  |  |  |                     |
| Direct Award:  |  |  |                     |
| Forest Service Schools and Roads Cluster: (5)  |  |  |                     |
| Schools and Roads - Grants to States   | 10.665                                     | N/A  | \$ 126,244          |
| Passed-through State Department of Education:  |  |  |                     |
| Child Nutrition Cluster: (5)   |  |  |                     |
| School Breakfast Program   | 10.553                                     | N/A  | 698,121             |
| National School Lunch Program  | 10.555                                     | N/A  | 2,210,716 (6)       |
| National School Lunch Program (School Programs Emergency Operational<br>Costs Reimbursement Program) | 10.555                                     | N/A  | 153,145 (6)         |
| COVID-19 Pandemic EBT Administrative Costs   | 10.649                                     | N/A  | 3,063               |
| Passed-through State Department of Agriculture:  |  |  |                     |
| Child Nutrition Cluster: (5)   |  |  |                     |
| National School Lunch Program (Commodities - Noncash Assistance)                                     | 10.555                                     | N/A  | 266,198 (6)         |
| Passed-through State Department of Health:   |  |  |                     |
| Special Supplemental Nutrition Program for Women, Infants, and Children                              | 10.557                                     | GG-22-70735-00                               | 64,173 (7)          |
| Passed-through State Department of Human Services:   |  |  |                     |
| Child and Adult Care Food Program  | 10.558                                     | N/A  | 25,023              |
| Passed-through Natural Resources Conservation Service:   |  |  |                     |
| Emergency Watershed Protection Program   | 10.923                                     | N/A  | 120,780             |
| Total U.S. Department of Agriculture   |  |  | <u>\$ 3,667,463</u> |
| U.S. Department of Housing and Urban Development:  |  |  |                     |
| Passed-through State Department of Economic and Community Development:                               |  |  |                     |
| Community Development Block Grants/State's Program   | 14.228                                     | 12758  | \$ 89,278           |
| Total U.S. Department of Housing and Urban Development   |  |  | <u>\$ 89,278</u>    |
| U.S. Department of the Interior:   |  |  |                     |
| Direct Award:  |  |  |                     |
| Payments in-Lieu-of Taxes  | 15.226                                     | N/A  | \$ 251,547          |
| Total U.S. Department of the Interior  |  |  | <u>\$ 251,547</u>   |
| U.S. Department of Justice:  |  |  |                     |
| Passed-through State Office of Criminal Justice Programs:  |  |  |                     |
| COVID 19 - Coronavirus Emergency Supplemental Funding Program  | 16.034                                     | N/A  | \$ 30,368           |
| Total U.S. Department of Justice   |  |  | <u>\$ 30,368</u>    |
| U.S. Department of Treasury:   |  |  |                     |
| Direct Award:  |  |  |                     |
| COVID 19 - Coronavirus State and Local Fiscal Recovery Funds   | 21.027                                     | N/A  | \$ 514,771          |
| Total U.S. Department of Treasury  |  |  | <u>\$ 514,771</u>   |
| U.S. Department of Education:  |  |  |                     |
| Passed-through State Department of Human Services:   |  |  |                     |
| Rehabilitation Services - Vocational Rehabilitation Grants to States                                 | 84.126                                     | (4)  | \$ 113,272          |
| Passed-through State Department of Education:  |  |  |                     |
| Title 1 Grants to Local Educational Agencies   | 84.010                                     | N/A  | 2,126,158           |
| Special Education Cluster: (5)   |  |  |                     |
| Special Education - Grants to States   | 84.027                                     | N/A  | 1,024,811 (6)       |
| COVID 19 - Special Education - Grants to States (ARP)  | 84.027                                     | 84.027X                                      | 40,433 (6)          |
| Special Education - Preschool Grants   | 84.173                                     | N/A  | 67,582 (6)          |
| COVID 19 - Special Education - Preschool Grants (ARP)  | 84.173                                     | 84.173X                                      | 1,747 (6)           |
| Career and Technical Education- Basic Grants to States   | 84.048                                     | N/A  | 121,772             |
| Education for Homeless Children and Youth  | 84.196                                     | N/A  | 27,593              |
| Twenty-first Century Community Learning Centers  | 84.287                                     | N/A  | 122,863             |
| Improving Teacher Quality State Grants   | 84.367                                     | N/A  | 283,609             |

(Continued)

Carter County, Tennessee, and the Carter County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (Cont.)

| Federal/Pass-Through Agency/State<br>Grantor Program Title  | Federal<br>Assistance<br>Listing<br>Number | Pass-through<br>Entity Identifying<br>Number | Expenditures         |
|---|--|--|----------------------|
| U.S. Department of Education (Cont.):   |  |  |                      |
| Passed-through State Department of Education (Cont.):   |  |  |                      |
| COVID 19 - Education Stabilization Fund Program - Elementary and<br>Secondary School Emergency Relief Fund (ESSER I)                                      | 84.425D                                    | N/A  | \$ 78,303 (6)        |
| COVID 19 - Education Stabilization Fund Program - Elementary and<br>Secondary School Emergency Relief Fund (ESSER II)                                     | 84.425D                                    | N/A  | 2,656,371 (6)        |
| COVID 19 - Education Stabilization Fund Program - Elementary and<br>Secondary School Emergency Relief Fund (ESSER ARP)                                    | 84.425U                                    | N/A  | 1,343,817 (6)        |
| COVID 19 - Education Stabilization Fund Program - Elementary and<br>Secondary School Emergency Relief Fund - Planning (ESSER II)                          | 84.425D                                    | N/A  | 100,000 (6)          |
| COVID 19 - Education Stabilization Fund Program - Elementary and<br>Secondary School Emergency Relief Fund - Homeless Children and<br>Youth - (ESSER ARP) | 84.425W                                    | N/A  | 10,403 (6)           |
| COVID 19 - Education Stabilization Fund Program - Elementary and<br>Secondary School Emergency Relief Fund (Tennessee ALL Corps)                          | 84.425D                                    | N/A  | 186,952 (6)          |
| COVID 19 - Education Stabilization Fund Program - Elementary and<br>Secondary School Emergency Relief Fund (Best for All Districts)                       | 84.425D                                    | N/A  | 27,515 (6)           |
| COVID 19 - Education Stabilization Fund Program - Elementary and<br>Secondary School Emergency Relief Fund (Innovative High School)                       | 84.425D                                    | N/A  | 414,776 (6)          |
| Total U.S. Department of Education  |  |  | <u>\$ 8,747,977</u>  |
| U.S. Department of Health and Human Services:   |  |  |                      |
| Passed-through State Department of Health:  |  |  |                      |
| Injury Prevention and Control Research and State and Community<br>Based Programs  | 93.136                                     | GG-22-70735-00                               | \$ 843 (7)           |
| Family Planning Services  | 93.217                                     | GG-22-70735-00                               | 13,984 (7)           |
| Medicaid Cluster: (5)   |  |  |                      |
| Medical Assistance Program  | 93.778                                     | GG-22-70735-00                               | 32,650 (7)           |
| Preventative Health and Health Services Block Grant   | 93.991                                     | GG-22-70735-00                               | 35,416 (7)           |
| Maternal and Child Health Services Block Grant to States  | 93.994                                     | GG-22-70735-00                               | 28,486 (7)           |
| Passed-through State Department of Education:   |  |  |                      |
| Temporary Assistance for Needy Families   | 93.558                                     | (4)  | 182,920              |
| Passed-through Upper East Tennessee Human Development Agency:   |  |  |                      |
| Head Start Cluster: (5)   |  |  |                      |
| Head Start  | 93.600                                     | (4)  | 1,172,931 (6)        |
| COVID 19 - Head Start   | 93.600                                     | (4)  | 119,479 (6)          |
| Total U.S. Department of Health and Human Services  |  |  | <u>\$ 1,586,709</u>  |
| U.S. Department of Homeland Security:   |  |  |                      |
| Passed-through State Department of Military:  |  |  |                      |
| Disaster Grants - Public Assistance (Presidentially Declared Disasters)   | 97.036                                     | 63407-32767                                  | <u>\$ 21,577</u>     |
| Total U.S. Department of Homeland Security  |  |  | <u>\$ 21,577</u>     |
| Total Expenditures of Federal Grants  |  |  | <u>\$ 14,909,690</u> |
|   |  | Contract<br>Number                           | Expenditures         |
| State Grants  |  |  |                      |
| State Supplement Juvenile Court Improvement Funds - State<br>Commission on Children and Youth   | N/A  | (4)  | \$ 7,100             |
| Coordinated School Health - State Department of Education   | N/A  | (4)  | 99,996               |
| Driver's Education - State Department of Education  | N/A  | (4)  | 3,389                |
| Early Childhood Education Pilot Project - State Department of Education   | N/A  | (4)  | 304,370              |
| Family Resource Center - State Department of Education  | N/A  | (4)  | 29,612               |
| Lottery for Education: After School Programs - State Department<br>of Education   | N/A  | (4)  | 410,815              |
| Safe Schools Act - State Department of Education  | N/A  | (4)  | 96,320               |
| Rural Local Health Services - State Department of Health  |  | GG-22-70735-00                               | 259,678 (7)          |
| Bridge Program - State Department of Transportation   | N/A  | (4)  | 1,315,577            |

(Continued)

Carter County, Tennessee, and the Carter County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (Cont.)

|   |     | Contract<br>Number | Expenditures        |
|---|-----|--------------------|---------------------|
| <u>State Grants (Cont.)</u>   |     |                    |                     |
| Supporting Postsecondary Access in Rural Counties - State Department<br>of Education          | N/A | (4)                | \$ 124,703          |
| Litter Program - State Department of Transportation   | N/A | (4)                | 5,752               |
| State Aid Program - State Department of Transportation  | N/A | (4)                | 197,713             |
| Summer Learning Camps - State Department of Education   | N/A | (4)                | 332,560             |
| State Direct Appropriations Grant FY 2021 - State Department of<br>Finance and Administration | N/A | (4)                | 508,050             |
| Three Star Grant - State Department of Economic and<br>Community Development                  | N/A | (4)                | 50,000              |
| Total State Grants  |     |                    | <u>\$ 3,745,635</u> |

FAL = Federal Assistance Listing

N/A = Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Carter 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) Information not available.
- (5) Forest Service Schools and Roads Cluster total \$126,244; Child Nutrition Cluster total \$3,328,180; Special Education Cluster total \$1,134,573; Medicaid Cluster total \$32,650; and Head Start Cluster total \$1,292,410.
- (6) Total for FAL No. 10.555 \$2,630,059; Total for FAL No. 84.027 \$1,065,244; Total for FAL No. 84.173 \$69,329; Total for FAL No. 84.425 \$4,818,137; Total for FAL No. 93.600 \$1,292,410.
- (7) Total for federal GG-22-70735-00 is \$175,552. Total state and federal is \$435,230.

Carter County, Tennessee  
Summary Schedule of Prior-year Findings  
For the Year Ended June 30, 2022

*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 Carter County, Tennessee, for the year ended June 30, 2022.

***Prior-year Financial Statement Findings***

| Fiscal Year | Page Number | Finding Number | Title of Finding | FAL Number | Current Status |
|-------------|-------------|----------------|------------------|------------|----------------|
|-------------|-------------|----------------|------------------|------------|----------------|

**CARTER COUNTY**

|      |     |          |  |     |           |
|------|-----|----------|--|-----|-----------|
| 2021 | 225 | 2021-001 | County officials were not paid in compliance with state statute. | N/A | Corrected |
|------|-----|----------|--|-----|-----------|

**OFFICES OF COUNTY MAYOR, DIRECTOR OF SCHOOLS, HIGHWAY SUPERINTENDENT, AND FINANCE DIRECTOR**

|      |     |          |  |     |           |
|------|-----|----------|--|-----|-----------|
| 2021 | 226 | 2021-002 | Carter County did not obtain a current actuarial valuation for other postemployment benefits timely. | N/A | Corrected |
|------|-----|----------|--|-----|-----------|

**OFFICES OF COUNTY MAYOR, DIRECTOR OF SCHOOLS, HIGHWAY SUPERINTENDENT, SOLID WASTE DEPARTMENT, AND FINANCE DIRECTOR**

|      |     |          |   |     |   |
|------|-----|----------|---|-----|---|
| 2021 | 227 | 2021-003 | The county had deficiencies in budget operations. | N/A | Not Corrected - See Explanation on Corrective Action Plan |
|------|-----|----------|---|-----|---|

|      |     |          |                                     |     |           |
|------|-----|----------|-------------------------------------|-----|-----------|
| 2021 | 228 | 2021-004 | Some invoices were not paid timely. | N/A | Corrected |
|------|-----|----------|-------------------------------------|-----|-----------|

**OFFICES OF DIRECTOR OF SCHOOLS AND FINANCE DIRECTOR**

|      |     |          |  |     |           |
|------|-----|----------|--|-----|-----------|
| 2021 | 229 | 2021-005 | An investigation of the Carter County Head Start Program disclosed misappropriation of funds and questionable disbursements. | N/A | Corrected |
|------|-----|----------|--|-----|-----------|

|      |     |          |   |     |           |
|------|-----|----------|---|-----|-----------|
| 2021 | 229 | 2021-006 | Fund balance reserve amounts were not calculated in the General Purpose School and School Federal Projects Funds. | N/A | Corrected |
|------|-----|----------|---|-----|-----------|

**OFFICE OF SHERIFF**

|      |     |          |   |     |   |
|------|-----|----------|---|-----|---|
| 2021 | 230 | 2021-007 | The sheriff did not obtain a letter of agreement or court decree to authorize deputy hires. | N/A | Not Corrected - See Explanation on Corrective Action Plan |
|------|-----|----------|---|-----|---|

***Prior-year Federal Award Findings***

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

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**CARTER COUNTY, TENNESSEE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2022**

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

**Financial Statements:**

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

**Federal Awards:**

4. Internal Control Over Major Federal Programs:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of major federal programs:
  - \* Assistance Listing Number: 21.027      COVID 19 - Coronavirus State and Local Fiscal Recovery Funds
  - \* Assistance Listing Number: 84.425      COVID 19 - Education Stabilization Fund
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **YES**



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

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

### **OFFICE OF FINANCE DIRECTOR**

#### **FINDING 2022-001**

#### **THE ACCOUNTING RECORDS FOR VARIOUS FUNDS HAD NOT BEEN PROPERLY MAINTAINED**

(Internal Control – Material Weakness Under *Government Auditing Standards*)

Our audit revealed deficiencies related to the administration and maintenance of the fund accounting records. These deficiencies can be attributed to a lack of management oversight and the failure of management to take proper responsibility for the accounting records.

- A. At June 30, 2022, certain general ledger account balances in the General, Solid Waste/Sanitation, Highway/Public Works, Cities – Sales Tax, City School ADA – Elizabethton, General Purpose School, and School Federal Projects funds were not materially correct, and audit adjustments totaling \$768,578; \$614,790; \$1,268,049; \$1,878,940; \$1,018,796; \$606,688; and \$960,722, respectively, were required for the financial statements to be materially correct at year-end. Generally accepted accounting principles require the county to have adequate internal controls over the maintenance of its accounting records. Material audit adjustments were required because the department's financial reporting system did not prevent, detect, or correct potential misstatements in the accounting records. It is a strong indicator of a material weakness in internal controls if the department has ineffective controls over the maintenance of its accounting records, which are used to prepare the financial statements, including the related notes to the financial statements.
- B. Accounts receivables and payables were not properly recorded in the accounting records of various funds of the county and school department at June 30, 2022. Subsidiary records provided by the county were incomplete, did not reconcile to the general ledger, reflected negative balances, or were not provided for various funds. Sound business practices dictate that all receivables and payables should be determined and posted to the accounting records prior to closing the records at year-end.
- C. Interfund receivable and payable account balances in various county and school department funds, as well as balances due between component units and primary government, were not reconciled as of June 30, 2022. As a result, a net difference

of \$160,762 existed between the various interfund receivables (\$1,069,096) and payables (\$908,334) in the funds. These differences were the result of posting errors related to the reimbursement of expenditures, allocation of grant revenue to different funds, and an interfund capital outlay note between the Solid Waste/Sanitation and General Debt Service funds. Additionally, management did not liquidate interfund balances in a timely manner. Interfund balances at June 30, 2022, included amounts dating back to October 5, 2020, and have not been liquidated as of the date of this report.

- D. Several general ledger payroll liability accounts were not reconciled adequately with subsidiary payroll records, monthly billings, and payments from the various department funds. As a result, balances in the payroll liability accounts ranged from (\$32,794) to \$647,040. A total of 27 accounts had deficit (negative) balances.
- E. The bank accounts for HOME Grant funds, Roan Mountain Convenience Center collections, and school department employee health insurance deductions and payments had not been adequately reconciled with the general ledger. Additionally, no activity was posted to the general ledger during the fiscal year for these accounts.

Additional audit procedures were performed to properly present financial statements as of June 30, 2022. Management reviewed and took responsibility for the audited financial statements.

Sound business practices dictate that financial records and accounts should be reviewed for accuracy and completeness, and all general ledger accounts should be reconciled timely. The failure to properly maintain accounting records on a current basis diminishes the usefulness of the financial records as a management tool and results in a loss of budgetary and accounting control and increases the risk that errors will not be discovered and corrected in a timely manner.

### RECOMMENDATION

Management should have appropriate processes in place to ensure its general ledgers and budgetary accounts are materially correct. Management should post accounting entries on a current basis. All general ledger accounts should be reconciled accurately each month with subsidiary records, monthly billings, receipts, and payments, and any errors identified should be corrected promptly. Accounting records should be maintained on a current basis, and financial statements should be reviewed for accuracy and completeness.

### MANAGEMENT'S RESPONSE

No formal management's response was submitted. However, explanation to the findings is included in the Corrective Action Plan.

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FINDING 2022-002

**THE COUNTY HAD DEFICIENCIES IN BUDGET OPERATIONS**

(A. through C. - Noncompliance Under *Government Auditing Standards*; D. – Internal Control – Significant Deficiency Under *Government Auditing Standards*)

Our examination revealed the following deficiencies in budget operations. The deficiencies existed due to a lack of management oversight, management's failure to hold spending to the limits authorized by the county commission, management's failure to correct the finding noted in the prior-year audit report, and management's failure to implement their corrective action plan.

- A. Expenditures exceeded total appropriations approved by the county commission in the Other Education Special Revenue Fund by \$56,988.
- B. Expenditures exceeded appropriations approved by the county commission in four of 51 major appropriation categories (the legal level of control) in the General Fund as reflected in the following table:

| <u>Major Appropriation Category</u>                      | <u>Amount<br/>Overspent</u> |
|--|-----------------------------|
| Administration of Justice - Drug Court                   | \$ 3,253                    |
| Public Health and Welfare - Other Local Welfare Services | 5,658                       |
| Other Operations - Tourism                               | 5,880                       |
| Other Operations - COVID-19 Grant #2                     | 4,385                       |

- C. Salaries exceeded appropriations in 43 of 276 salary line-items of the General, Solid Waste/Sanitation, Highway/Public Works, General Purpose School, School Federal Projects, and Other Education Special Revenue funds by amounts ranging from \$52 to \$61,708 for a total of \$363,113. The budget resolution approved by the county commission states that the salary, wages, or remuneration of each official, employee or agent of the county will not exceed appropriations that accompany this resolution. Therefore, the salaries that exceeded line-item appropriations were expenditures not approved by the county commission.
- D. One budget amendment approved by the county commission was not posted to the accounting system, numerous amendments were not posted as approved by the county commission, and amendments were posted that had not been approved by county commission. Accurate budgetary statements are necessary to provide county officials and departments with available spending limits. We have recognized the amendments as approved by the county commission in the financial statements of this report.

## RECOMMENDATION

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

## MANAGEMENT'S RESPONSE

No formal management's response was submitted. However, explanation to the findings is included in the Corrective Action Plan.

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### FINDING 2022-003

### **DEFICIENCIES WERE NOTED IN THE POSTING OF JOURNAL ENTRIES**

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

During our examination, we observed the following deficiencies related to journal entries. These deficiencies are the result of a lack of management oversight and a lack of understanding of internal controls.

- A. Numerous journal entries in various funds were posted to correct or reverse previous journal entries. For all funds, journal entries posted during the year totaled 1,060. All journal entries included in our review were entered or approved by the deputy finance director.
- B. Included in the above count are journal entries for cash receipts. Instead of posting monthly revenues as cash receipts, they were posted as journal entries, further inflating the above count.
- C. Journal entries were not numbered sequentially. We noted that there were instances in which multiple entries used the same number. Some entries were numbered using the initials of the employee posting the entry followed by the month and day. Without a system in place to track journal entries, the possibility of duplicated entries increases and errors may not be discovered and corrected timely.

Sound business practices dictate that financial transactions should be accurately posted in accordance with generally accepted accounting principles. The significant number of general journal entries indicates weaknesses in internal controls related to recording financial transactions.

## RECOMMENDATION

Internal controls over the accounting process for journal entries should be strengthened to identify who has authority to prepare, approve and post entries in order to accurately reflect financial transactions. Monthly revenues should be posted as cash receipts. Additionally, a

system should be implemented to identify journal entries by type and number to reduce the risk of duplicate entries.

#### MANAGEMENT'S RESPONSE

No formal management's response was submitted. However, explanation to the findings is included in the Corrective Action Plan.

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#### FINDING 2022-004

#### **DEFICIENCIES WERE NOTED IN THE MAINTENANCE OF CAPITAL ASSET RECORDS**

(A. – Internal Control – Material Weakness Under *Government Auditing Standards*; B. – Noncompliance Under *Government Auditing Standards*)

The finance department maintains capital asset records for both the county and the school department in accordance with county policies. Our examination revealed the following deficiencies in the maintenance of capital assets records.

- A. The capital assets records included additions and disposals of land and various other assets during the fiscal year; however, the reports were incomplete. Auditors performed additional procedures and determined capital asset additions and deletions required audit adjustments of \$1,692,995 and \$102,366, respectively, for the records to be correct at year-end. We provided management with audit adjustments, which they accepted to properly present capital assets in the financial statements of this report. Without accurate capital assets records, the department cannot adequately control its assets.
- B. Some assets were not disposed of in compliance with county policy. Carter County's capital assets policy requires that a department representative shall complete and submit a *Request for Disposition of County Assets Form* and a *Request to Declare County Property as Surplus Form* to the finance director. The policy further provides for the finance director to review and forward the completed forms to the budget committee and county commission for approval. We could not determine that the budget committee and county commission approved the disposal of the property in all applicable instances.

Generally accepted accounting principles require accountability for all assets owned by the county, such as equipment, vehicles, buildings, and infrastructure. These deficiencies resulted from a lack of management oversight and failure to follow county policies and procedures.

#### RECOMMENDATION

The finance department should maintain accurate capital asset records for all county and school department owned assets as required by generally accepted accounting principles. All county owned property should be disposed of in compliance with state statutes and established policies and procedures.

## MANAGEMENT'S RESPONSE

No formal management's response was submitted. However, explanation to the findings is included in the Corrective Action Plan.

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### FINDING 2022-005

#### **THE OFFICE HAD PURCHASING DEFICIENCIES**

(A. – Noncompliance Under *Government Auditing Standards*; B. – Internal Control – Significant Deficiency Under *Government Auditing Standards*)

Our examination revealed the following purchasing deficiencies, which resulted from a lack of management oversight.

- A. A sheriff's department vehicle was purchased from a vendor from a state contract. However, it appears that this state contract had expired at the time the purchase was initiated. Furthermore, the county paid \$3,690 more than the state contract price.
- B. Purchase orders were not issued for the awarded bid or contract amounts for highway department road and bridge projects during the year. As a result, liabilities related to these purchase orders were overstated by \$504,493 at June 30, 2022. These liabilities have been properly recorded at total remaining contract balances per audit.

## RECOMMENDATION

Purchases made from a state contract vendor should comply with provisions of the contract. Purchase orders should be issued in the amount of the awarded bid or contract amounts.

## MANAGEMENT'S RESPONSE

No formal management's response was submitted. However, explanation to the findings is included in the Corrective Action Plan.

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### FINDING 2022-006

#### **THE SCHOOL FEDERAL PROJECTS AND OTHER EDUCATION SPECIAL REVENUE FUNDS HAD DEFICITS IN UNASSIGNED FUND BALANCES AT JUNE 30, 2022**

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

The School Federal Projects and Other Education Special Revenue Funds had deficits of \$269,154 and \$5,747, respectively, in unassigned fund balances at June 30, 2022. The deficit in the School Federal Projects Fund occurred because school department personnel had not

requested the reimbursement of grant funds on a timely basis, and due to the recognition of liabilities and encumbrances totaling \$258,407 and \$444,700, respectively, related to the uncompleted portion of a contract. The deficit in the Other Education Special Revenue Fund occurred because reimbursement requests for the Head Start Program were not adequately reconciled with the general ledger to ensure that reimbursement was requested for all expenditures. Sound business practices dictate that expenditures should be held within available funds and requests for grant reimbursements be made on a current basis. Grant funds were requested and received subsequent to June 30, 2022, liquidating the deficits.

### RECOMMENDATION

Requests for reimbursements from grant funds should be made on a timely basis. Officials should ensure that adequate funding is provided to prevent the recurrence of a fund deficit.

### MANAGEMENT'S RESPONSE

No formal management's response was submitted. However, explanation to the findings is included in the Corrective Action Plan.

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## OFFICES OF SOLID WASTE DEPARTMENT AND DIRECTOR OF SCHOOLS

### FINDING 2022-007

#### **THE CARTER COUNTY SOLID WASTE AND SCHOOL TRANSPORTATION DEPARTMENTS ARE CURRENTLY BEING INVESTIGATED**

(Noncompliance Under *Government Auditing Standards*)

Investigations of the Carter County Solid Waste and School Transportation departments by the Comptroller's Division of Investigations are ongoing. Findings, if any, resulting from these investigations will be included in a subsequent report.

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## OFFICE OF SOLID WASTE DEPARTMENT

### FINDING 2022-008

#### **THE DEPARTMENT HAD ACCOUNTING DEFICIENCIES**

(A. – Noncompliance Under *Government Auditing Standards*; B. through D. – Internal Control – Significant Deficiency Under *Government Auditing Standards*)

As part of our audit procedures for obtaining reasonable assurance that funds collected at the landfill and the Roan Mountain and Little Milligan convenience centers were receipted and deposited properly, we judgmentally selected receipts for the month of May 2022 to trace to deposits. Our examination revealed the following deficiencies.

- A. Due to inconsistencies in reporting receipts as cash or check transactions at the landfill and gaps in receipts for the convenience centers, we could not determine compliance with Section 5-8-207, *Tennessee Code Annotated*, which requires county officials to deposit public funds within three days of collection.
- B. The landfill allows certain commercial customers to establish charge accounts with the county. Invoices are accumulated and sent out monthly. However, these accounts are not properly maintained or reconciled. Additionally, independent reconciliations of the monthly invoices with collections remitted to the county trustee were not performed. The county did not provide a current listing of charge account receivables at June 30, 2022. While auditors were provided copies of the bills sent out for June 2022 transactions, there was no record of prior months' charges outstanding. Auditors performed additional procedures to estimate receivable balances of \$83,247 for charge customers, as reflected in the financial statements of this report.
- C. Collections at the Roan Mountain Convenience Center are deposited in a bank account maintained by the county. At the end of each month, the finance department transfers the month's collections to the trustee for receipt into fund revenue. Per review of bank statements and discussions with landfill and finance department personnel, no verification of receipts to deposits is performed for these funds.
- D. While commercial customers are allowed to establish charge accounts with the solid waste department, no formal written policies and procedures concerning the criteria for establishing, collection, and write-off of customers' accounts has been prepared or approved. Sound business practices dictate that policies and procedures should be adopted to provide for management oversight of the establishment, collection, and write-off process for charge customers.

These deficiencies are a result of a lack of management oversight. Management's failure to maintain accurate lists of accounts receivable, failure to verify receipts to deposits, and failure to adopt policies and procedures related to charge accounts weakens internal controls over cash collections and increases the risk of fraud, waste, and abuse.

### RECOMMENDATION

All funds should be deposited to the office bank account or remitted to the county trustee within three days of collection as required by state statute. The listing of charge customer account balances should be prepared and maintained. Collections should be verified to deposits. Policies and procedures related to charge customers should be prepared and approved to provide written guidance for the establishment of accounts, collections, and write-offs.



## MANAGEMENT'S RESPONSE

No formal management's response was submitted. However, explanation to the findings is included in the Corrective Action Plan.

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### FINDING 2022-009

#### **THE SOLID WASTE OFFICE HAD DEFICIENCIES IN COMPUTER SYSTEM BACKUP PROCEDURES** (Noncompliance Under *Government Auditing Standards*)

System backups were not performed daily. Section 10-7-121, *Tennessee Code Annotated*, provides that records required to be retained by any government official may be maintained on a computer or removable storage media as long as certain standards are met. One of these standards requires that all data generated and stored within the computer system be copied to storage media daily, and media more than one week old be stored at an off-site location. This deficiency is the result of management's failure to implement adequate disaster recovery planning procedures. In the event of a disaster, all backup data could be destroyed, resulting in costly delays in generating and recording information accounted for through the automated process.

### RECOMMENDATION

System backups should be performed daily.

## MANAGEMENT'S RESPONSE – SOLID WASTE MANAGER

I concur with this finding.

---

### FINDING 2022-010

#### **THE SOLID WASTE OFFICE DID NOT REVIEW ITS SOFTWARE AUDIT LOGS** (Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The software application used by the office generated logs that displayed changes and deletions made by users. Because these logs provided the only audit trail of these changes, they should be routinely reviewed for inappropriate activity. Although the official was aware of the importance of these logs, they were not reviewed. This deficiency was the result of a lack of management oversight.

### RECOMMENDATION

Management should implement a routine, documented review of the software audit logs as a means of strengthening internal controls. Any unusual transactions should be investigated.

## MANAGEMENT'S RESPONSE – SOLID WASTE MANAGER

I concur with this finding.

---

## OFFICE OF SHERIFF - FORMER SHERIFF DEXTER LUNCEFORD

### FINDING 2022-011

### **THE SHERIFF DID NOT OBTAIN A LETTER OF AGREEMENT OR COURT DECREE TO AUTHORIZE DEPUTY HIRES**

(Noncompliance Under *Government Auditing Standards*)

The sheriff did not obtain a letter of agreement or file suit in circuit court to authorize the number and salaries of his deputies. Section 8-20-101, *Tennessee Code Annotated*, requires the sheriff to enter into a letter of agreement with the county mayor concerning the number and the salaries of deputies or to file suit in circuit court. This noncompliance is the result of management's decision based on the sheriff's interpretation that the statute does not require him to obtain a letter of agreement or file suit in circuit court and failure to correct the finding noted in the prior-year audit report.

It should be noted that the current sheriff, Mike Fraley, obtained a letter of agreement for the ensuing fiscal year after taking office in September 2022.

### RECOMMENDATION

The sheriff should obtain a letter of agreement with the county mayor or petition circuit court for the number and salaries of deputies as required by state statute.

## MANAGEMENT'S RESPONSE – FORMER SHERIFF DEXTER LUNCEFORD

No formal management's response was submitted.

## MANAGEMENT'S RESPONSE – CURRENT SHERIFF MIKE FRALEY

No formal management's response was submitted. However, explanation to the findings is included in the Corrective Action Plan.

### **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, 2022.

**Carter County, Tennessee**  
**Management's Corrective Action Plan**  
**For the Year Ended June 30, 2022**

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

| Finding<br>Number | Title of Finding | Corrective Action<br>Plan Page Number |
|-------------------|------------------|---------------------------------------|
|-------------------|------------------|---------------------------------------|

**OFFICE OF FINANCE DIRECTOR**

|          |   |     |
|----------|---|-----|
| 2022-001 | The accounting records for various funds had not been properly maintained.                                | 245 |
| 2022-002 | The county had deficiencies in budget operations.   | 246 |
| 2022-003 | Deficiencies were noted in the posting of journal entries.  | 246 |
| 2022-004 | Deficiencies were noted in the maintenance of capital asset records.                                      | 247 |
| 2022-005 | The office had purchasing deficiencies.   | 248 |
| 2022-006 | The School Federal Projects and Other Education Special Revenue funds had fund deficits at June 30, 2022. | 248 |

**OFFICE OF SOLID WASTE DEPARTMENT**

|          |   |     |
|----------|---|-----|
| 2022-008 | The department had accounting deficiencies.                                   | 250 |
| 2022-009 | The Solid Waste Office had deficiencies in computer system backup procedures. | 251 |
| 2022-010 | The Solid Waste Office did not review its software audit logs.                | 251 |

**OFFICE OF SHERIFF - CURRENT SHERIFF MIKE FRALEY**

|          |   |     |
|----------|---|-----|
| 2022-011 | The sheriff did not obtain a letter of agreement or court decree to authorize deputy hires. | 253 |
|----------|---|-----|



# Carter County, Tennessee

## Finance Department

Carolyn Watson, Finance Director  
[watsonc@cartercountyttn.gov](mailto:watsonc@cartercountyttn.gov)

801 E. Elk Ave., Suite 203  
Elizabethton, TN 37643

Phone 423.547.4005  
Fax 423.542.3844

### Corrective Action Plan

**FINDING:** THE ACCOUNTING RECORDS FOR VARIOUS FUNDS HAD NOT BEEN PROPERLY MAINTAINED

**Response and Corrective Action Plan Prepared by:**  
Carolyn Watson Finance Director

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

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

**Repeat Finding:**  
No

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

#### **Planned Corrective Action:**

- A. Additional review of fund balance entries will be completed as part of the year-end close procedures. The correction for the Landfill and Highway Departments is in progress. The sales tax item has already been corrected.
  - B. Additional review of year-end accounts receivable and payable balances and entries will be added to the year-end close procedure.
  - C. Interfund receivable and payable accounts reconciliations will be added as an ongoing process.
  - D. Additional review and reconciliation of year-end payroll liabilities and entries will be added to the year-end close procedure.
  - E. Additional review of the bank account reconciliations will be added as an ongoing process.
-

**FINDING: THE COUNTY HAD DEFICENCIES IN BUDGT OPERATIONS**

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

Carolyn Watson Finance Director

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

Carolyn Watson Finance Director

**Anticipated Completion Date of Corrective Action:**

June 2023

**Repeat Finding:**

Yes

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

The process of adding year-end review of all departments at year end has taken longer than anticipated due to staff turnover.

**Planned Corrective Action:**

Carter County Finance Department will review and monitor purchase orders and check requests, as well as departmental expense reports, on a quarterly basis to identify and to communicate issues with department directors and elected officials to correct any overages or budgetary concerns that have not been addressed previously.

---

**FINDING: DEFICIENCIES WERE NOTED IN THE POSTING OF JOURNAL ENTRIES**

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

Carolyn Watson Finance Director

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

Carolyn Watson Finance Director

**Anticipated Completion Date of Corrective Action:**

March 2023

**Repeat Finding:**

No

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

N/A

**Planned Corrective Action:**

Carter County Finance Department is implementing additional internal controls over the journal entries process by reviewing the procedures on who has authority to prepare, approve and post entries. In addition a system will be added to identify journal entries by type and number to reduce the risk of duplicate entries.

---

**FINDING:**

**DEFICIENCIES WERE NOTED IN THE MAINTENANCE OF  
CAPITAL ASSET RECORDS**

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

Carolyn Watson Finance Director

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

Carolyn Watson Finance Director

**Anticipated Completion Date of Corrective Action:**

June 2023

**Repeat Finding:**

No

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

N/A

**Planned Corrective Action:**

Carter County Finance Department will put in additional review procedures to assure that accurate capital asset records for all county and school department assets are maintained accordance with generally accepted accounting principles and that all county owned property is disposed of in compliance with state statues and established policies and procedures.

---

**FINDING: THE OFFICE HAD PURCHASING DEFICIENCIES**

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

Carolyn Watson Finance Director

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

Carolyn Watson Finance Director

**Anticipated Completion Date of Corrective Action:**

Spring 2023

**Repeat Finding:**

No

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

N/A

**Planned Corrective Action:**

Carter County Finance Department will put in additional review procedures to assure that purchases made from state contract vendors comply with the provisions of the contract. Additional review procedures will be implemented to assure that purchase orders are issued for the amount of the awarded bid or contract amount.

---

**FINDING: THE SCHOOL FEDERAL PROJECTS AND OTHER EDUCATION SPECIAL REVENUE FUNDS HAD FUND DEFICITS AT JUNE 30, 2022**

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

Carolyn Watson Finance Director

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

Carolyn Watson Finance Director

**Anticipated Completion Date of Corrective Action:**

June 2023



**Repeat Finding:**

No

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

N/A

**Planned Corrective Action:**

Carter County Finance Department will work with the school department to put additional procedures in place to assure that reimbursements from grant funds are made on a timely basis. Actions has already put in place with both county and school officials to take additional measures to ensure that adequate funding is provided to prevent the recurrence of a fund deficit.

---

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

A handwritten signature in blue ink, appearing to read "Carolyn Watson", is written over a horizontal line.

# Carter County Solid Waste

BENNY LYONS - MANAGER  
(423) 543-6626  
Fax: (423) 543-2543



169 Landfill Road  
Elizabethton, TN 37643

CARTER COUNTY  
STATE OF TENNESSEE  
ELIZABETHTON

## Corrective Action Plan

**FINDING:** THE DEPARTMENT HAD ACCOUNTING DEFICIENCIES

**Response and Corrective Action Plan Prepared and Approved by:**  
Benny Lyons - Manager

**Person Responsible for Implementing the Corrective Action:**  
Benny Lyons - Manager

**Anticipate Completion Date of Corrective Action:**  
As soon as possible

**Repeat Finding:**  
No

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

### **Planned Corrective Action:**

- A We will make sure the deposits are taken to the trustee's office within 3 days of collection. However, the satellite locations may take longer.
- B. The Landfill Board will develop a policy for charge accounts. (This was not requested in June it was requested in December)
- C. The person that works at the Roan Mountain Convenience Center deposits funds at the bank within the community. It is a one-man operation.
- D. We will adopt a policy for commercial charges.

# Carter County Solid Waste

BENNY LYONS - MANAGER  
(423) 543-6626  
Fax: (423) 543-2543



169 Landfill Road  
Elizabethton, TN 37643

CARTER COUNTY  
STATE OF TENNESSEE  
ELIZABETHTON

## Corrective Action Plan

**FINDING:** THE OFFICE HAD DEFICIENCIES IN COMPUTER  
SYSTEM BACKUP PROCEDURES

**Response and Corrective Action Plan Prepared by:**  
Carrie Hinshaw, Office Manager

**Person Responsible for Implementing the Corrective Action:**  
Anthony Lawrence IT Tec.

**Anticipated Completion Date of Corrective Action:**  
Week after Thanksgiving is what Mr. Anthony Lawrence stated.

**Repeat Finding:**  
No

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

**Planned Corrective Action:**  
We assumed it was already being backed up on cloud. Back up will be performed daily.

---

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

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

**Person Responsible for Implementing the Corrective Action:**  
Benny Lyons, Director

# Carter County Solid Waste

BENNY LYONS - MANAGER  
(423) 543-6626  
Fax: (423) 543-2543



169 Landfill Road  
Elizabethton, TN 37643

CARTER COUNTY  
STATE OF TENNESSEE  
ELIZABETHTON

**Anticipated Completion Date of Corrective Action:**  
The end of each month

**Repeat Finding:**  
No

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

**Planned Corrective Action:**  
It will be printed off and signed by Management monthly and put in a specified location,.

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

A handwritten signature in blue ink, appearing to read "Benny Lyons", is written over a horizontal line.



***Carter County, Tennessee***  
**OFFICE OF THE SHERIFF**

**Corrective Action Plan**

**FINDING:** **THE SHERIFF DID NOT OBTAIN A LETTER OF AGREEMENT OR COURT DECREE TO AUTHORIZE DEPUTY HIRES**

**Response and Corrective Action Plan Prepared by:**  
Mike Fraley, Sheriff

**Person Responsible for Implementing the Corrective Action:**  
Mike Fraley, Sheriff

**Anticipated Completion Date of Corrective Action:**  
02-24-2023

**Repeat Finding:**  
Yes

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

The previous Sheriff Dexter Lunceford did not obtain a letter of agreement or court decree to authorize deputy hires. Sheriff Lunceford left office on August 31, 2022, with Sheriff Mike Fraley assuming the duties of Sheriff on September 1, 2022. Management has no insight as to the reason previous administration did not take corrective action in the prior year.

**Planned Corrective Action:**

A letter of agreement between Sheriff Mike Fraley and Carter County Mayor Patty Woodby has been obtained for Fiscal Year 2022-23 and was filed with the Carter County Circuit Court Clerk on February 24, 2023. A copy was also provided to auditors and the Finance Director. Going forward, this office will comply with state statute by either obtaining a letter of agreement with the County Mayor or petition Circuit Court for the number and salaries of deputies.

A handwritten signature in black ink, appearing to read "Mike Fraley".

Mike Fraley  
Carter County Sheriff

**Carter County Sheriff Mike Fraley**  
900 E. Elk Ave. • Elizabethton, TN 37643 • office. 423.542.1846  
[www.sheriff.cc](http://www.sheriff.cc) • email. [fraleym@cartercountysos.org](mailto:fraleym@cartercountysos.org)