



ANNUAL FINANCIAL REPORT

Dyer County, Tennessee

For the Year Ended June 30, 2022

Jason E. Mumpower
Comptroller of the Treasury



DIVISION OF
LOCAL GOVERNMENT AUDIT

ANNUAL FINANCIAL REPORT
DYER 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

LEE ANN WEST, CPA, CGFM
Audit Manager

This financial report is available at www.comptroller.tn.gov

DYER COUNTY, TENNESSEE

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Summary of Audit Findings

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

Scope

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

Results

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

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

Findings

The following are summaries of the audit findings:

OFFICE OF DIRECTOR OF SCHOOLS

- ◆ Dyer County School Department had deficiencies in the use of Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) Grant funds, which resulted in questioned costs.

OFFICE OF SHERIFF

- ◆ Duties were not segregated adequately.



INTRODUCTORY SECTION

Dyer County Officials

June 30, 2022

Officials

Chris Young, County Mayor
Jeff Jones, Road Supervisor
Cheryl Mathis, Director of Schools
Nancy Broadstone, Trustee
Sheila Holmes, Assessor of Property
Diane Moore, County Clerk
Tom Jones, Circuit and General Sessions Courts Clerk
Steve Walker, Clerk and Master
Danny Fowlkes, Register of Deeds
Jeff Box, Sheriff

Board of County Commissioners

John Uitendaal, Chairman	Terry McCreight
James T. Cobb	Tonya Fuller-McKellar
Brandon Dodds	Steve Moore
Bradley Gray	Pamela Newell
Debbie Bradshaw Hart	Kim Peckenpaugh
Jimmy Hester	Debra Roberson
Hunter Jackson	Steve Sartin
Dob Johnson	Larry Shawver
Robert Kirby	Doug Singleteary
Mark Korn	Greg Vestal

Board of Education

Jeremy Gatlin, Chairman	Steve Dodds
Keith Anderson	Tara Gibson
Sherrell Armstrong	William May
John Caldwell	Patricia McCreight
LeAnn Childress	Mike McLaughlin

Audit Committee

John Uitendaal, Chairman
Brandon Dodds
Debbie Bradshaw Hart
Jimmy Hester
Debra Roberson

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

Dyer County Mayor and
Board of County Commissioners
Dyer 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 Dyer 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 the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Dyer County, Tennessee, as of June 30, 2022, and the respective changes in financial position and cash flows, where applicable, 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 of the Dyer County School Department (a discretely presented component unit), which represent 1.2 percent, 1.7 percent, and 2.1 percent, respectively, of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to amounts included for the Dyer County School Department's Internal School Fund, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 Dyer 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.

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

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Dyer 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 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 Dyer County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Dyer County School Department (a discretely presented component unit), and miscellaneous schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United

States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Dyer County School Department (a discretely presented component unit), and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Requirements by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 20, 2022, on our consideration of Dyer County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Dyer 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 Dyer County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

October 20, 2022

JEM/gc

BASIC FINANCIAL STATEMENTS

Exhibit A

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

	Primary Government Governmental Activities	Component Unit Dyer County School Department
<u>ASSETS</u>		
Cash	\$ 2,670	\$ 1,033,932
Equity in Pooled Cash and Investments	39,354,350	12,466,343
Accounts Receivable	92,150	366,147
Due from Other Governments	849,109	1,367,434
Property Taxes Receivable	12,168,999	5,160,743
Allowance for Uncollectible Property Taxes	(117,978)	(50,034)
Accrued Interest Receivable	86,550	0
Restricted Assets:		
Amounts Accumulated for Pension Benefits	0	280,524
Net Pension Asset - Agent Plan	592,179	0
Net Pension Asset - Teacher Retirement Plan	0	230,681
Net Pension Asset - Teacher Legacy Pension Plan	0	14,405,829
Capital Assets:		
Assets Not Depreciated:		
Land	3,795,169	1,374,381
Construction in Progress	875,473	283,074
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	7,712,589	40,094,333
Infrastructure	6,264,772	106,212
Other Capital Assets	5,830,865	4,972,611
Total Assets	<u>\$ 77,506,897</u>	<u>\$ 82,092,210</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred Amount on Refunding	\$ 575,163	\$ 0
Pension Changes in Experience	0	52,424
Pension Changes in Assumptions	103,805	3,932,202
Pension Changes in Proportion	0	262,039
Pension Contributions After Measurement Date	66,383	1,617,304
OPEB Changes in Experience	0	324,521
OPEB Changes in Assumptions	0	643,407
OPEB Changes in Proportion	0	119,054
OPEB Contributions After Measurement Date	0	171,813
Total Deferred Outflows of Resources	<u>\$ 745,351</u>	<u>\$ 7,122,764</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 0	\$ 10,056
Accrued Payroll	0	11,943
Payroll Deductions Payable	13,325	1,009,729
Due to Other Governments	6,586,703	0
Accrued Interest Payable	46,512	0
Other Collections	5,740	0
Health Insurance Payments	571	0
Cafeteria Salaries and Benefits	0	17,294

(Continued)

Exhibit A

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

	Primary Government Governmental Activities	Component Unit Dyer County School Department
<u>LIABILITIES (continued)</u>		
Noncurrent Liabilities:		
Due Within One Year - Debt	\$ 3,033,076	\$ 0
Due Within One Year - Other	0	5,850
Due in More Than One Year - Debt	19,800,511	0
Due in More Than One Year - Other	0	7,201,689
Total Liabilities	<u>\$ 29,486,438</u>	<u>\$ 8,256,561</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Current Property Taxes	\$ 11,762,733	\$ 4,988,450
Pension Changes in Experience	109,756	1,243,703
Pension Changes in Investment Earnings	459,038	11,621,113
Pension Changes in Proportion	0	14,582
OPEB Changes in Experience	0	1,185,215
OPEB Changes in Assumptions	0	590,031
OPEB Changes in Proportion	0	201,624
Total Deferred Inflows of Resources	<u>\$ 12,331,527</u>	<u>\$ 19,844,718</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 19,724,663	\$ 46,830,611
Restricted for:		
General Government	155,873	0
Finance	161,790	0
Administration of Justice	87,926	0
Public Safety	253,402	0
Highway/Public Works	6,639,794	0
Debt Service	593,121	0
Education	0	1,042,059
Support Services	0	25,324
Operation of Non-instructional Services	0	1,971,336
Hybrid Retirement Stabilization Funds	0	280,524
Pensions	592,179	14,636,510
Unrestricted	<u>8,225,535</u>	<u>(3,672,669)</u>
Total Net Position	<u>\$ 36,434,283</u>	<u>\$ 61,113,695</u>

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

Exhibit B

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Total	Component Unit Dyer County School Department
					Governmental Activities	
Primary Government:						
Governmental Activities:						
General Government	\$ 899,906	\$ 426,323	\$ 503,525	\$ 0	\$ 29,942	\$ 0
Finance	1,332,214	1,169,449	0	0	(162,765)	0
Administration of Justice	1,872,617	530,458	28,252	480,666	(833,241)	0
Public Safety	6,807,464	272,018	497,309	0	(6,038,137)	0
Public Health and Welfare	817,362	10,682	671,094	0	(135,586)	0
Social, Cultural, and Recreational Services	955,034	70	577,917	0	(377,047)	0
Agriculture and Natural Resources	232,081	0	0	0	(232,081)	0
Other Operations	966,433	0	0	0	(966,433)	0
Highways	4,240,770	23,727	2,773,516	809,811	(633,716)	0
Education	34,054	96,226	0	0	62,172	0
Interest on Long-term Debt	1,082,669	0	564,026	0	(518,643)	0
Total Primary Government	<u>\$ 19,240,604</u>	<u>\$ 2,528,953</u>	<u>\$ 5,615,639</u>	<u>\$ 1,290,477</u>	<u>\$ (9,805,535)</u>	<u>\$ 0</u>
Component Unit:						
Dyer County School Department	<u>\$ 41,977,647</u>	<u>\$ 349,163</u>	<u>\$ 10,754,809</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (30,873,675)</u>
Total Component Unit	<u>\$ 41,977,647</u>	<u>\$ 349,163</u>	<u>\$ 10,754,809</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (30,873,675)</u>

(Continued)

Exhibit B

Dyer County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Operating Grants and Contributions	Primary	Component
					Government Total Governmental Activities	Unit Dyer County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 9,547,566	\$ 5,041,843
Property Taxes Levied for Debt Service					2,371,656	0
Local Option Sales Taxes					161,241	5,996,057
Wheel Tax					0	1,207,320
Litigation Tax					161,240	0
Business Tax					615,587	0
Wholesale Beer Tax					75,774	0
Grants and Contributions Not Restricted to Specific Programs					886,177	22,362,475
Unrestricted Investment Income					141,821	68,557
Miscellaneous					703,553	66,595
Total General Revenues					<u>\$ 14,664,615</u>	<u>\$ 34,742,847</u>
Change in Net Position					\$ 4,859,080	\$ 3,869,172
Net Position, July 1, 2021					<u>31,575,203</u>	<u>57,244,523</u>
Net Position, June 30, 2022					<u><u>\$ 36,434,283</u></u>	<u><u>\$ 61,113,695</u></u>

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

Exhibit C-1

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

	Major Funds				Nonmajor Funds	
	General	Other General Government	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmen- tal Funds
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,670	\$ 2,670
Equity in Pooled Cash and Investments	24,494,695	6,414,656	6,885,332	756,585	263,663	38,814,931
Accounts Receivable	83,693	0	0	0	28	83,721
Due from Other Governments	322,033	0	478,818	37,345	10,913	849,109
Due from Other Funds	2,670	0	0	0	0	2,670
Property Taxes Receivable	7,785,450	0	1,988,676	2,394,873	0	12,168,999
Allowance for Uncollectible Property Taxes	(75,480)	0	(19,280)	(23,218)	0	(117,978)
Accrued Interest Receivable	0	0	0	86,550	0	86,550
Total Assets	<u>\$ 32,613,061</u>	<u>\$ 6,414,656</u>	<u>\$ 9,333,546</u>	<u>\$ 3,252,135</u>	<u>\$ 277,274</u>	<u>\$ 51,890,672</u>
<u>LIABILITIES</u>						
Payroll Deductions Payable	\$ 7,056	\$ 0	\$ 6,269	\$ 0	\$ 0	\$ 13,325
Due to Other Funds	0	0	0	0	2,670	2,670
Due to Other Governments	0	6,586,703	0	0	0	6,586,703
Other Collections	571	0	0	0	0	571
Health Insurance Payments	5,740	0	0	0	0	5,740
Total Liabilities	<u>\$ 13,367</u>	<u>\$ 6,586,703</u>	<u>\$ 6,269</u>	<u>\$ 0</u>	<u>\$ 2,670</u>	<u>\$ 6,609,009</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 7,525,531	\$ 0	\$ 1,922,283	\$ 2,314,919	\$ 0	\$ 11,762,733
Deferred Delinquent Property Taxes	164,070	0	41,899	50,470	0	256,439
Other Deferred/Unavailable Revenue	15,670	0	239,409	14,000	0	269,079
Total Deferred Inflows of Resources	<u>\$ 7,705,271</u>	<u>\$ 0</u>	<u>\$ 2,203,591</u>	<u>\$ 2,379,389</u>	<u>\$ 0</u>	<u>\$ 12,288,251</u>

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor Funds	
	General	Other General Government	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<u>FUND BALANCES</u>						
Restricted:						
Restricted for General Government	\$ 113,801	\$ 0	\$ 0	\$ 0	\$ 0	\$ 113,801
Restricted for Finance	161,790	0	0	0	0	161,790
Restricted for Administration of Justice	50,304	0	0	0	37,622	87,926
Restricted for Public Safety	138,036	0	0	0	115,366	253,402
Restricted for Other Operations	22,716	0	0	0	0	22,716
Restricted for Highways/Public Works	0	0	6,167,083	0	0	6,167,083
Restricted for Highways/Public Works - American Rescue Plan Act	0	0	191,403	0	0	191,403
Committed:						
Committed for General Government	1,718,706	0	0	0	0	1,718,706
Committed for Public Health and Welfare	0	0	0	0	121,616	121,616
Committed for Highways/Public Works	0	0	765,200	0	0	765,200
Committed for Debt Service	0	0	0	872,746	0	872,746
Assigned:						
Assigned for General Government	87,114	198,126	0	0	0	285,240
Assigned for Finance	2,806	0	0	0	0	2,806
Assigned for Administration of Justice	21	0	0	0	0	21
Assigned for Public Safety	6,566	0	0	0	0	6,566
Assigned for Agriculture and Natural Resources	90	0	0	0	0	90
Unassigned	22,592,473	(370,173)	0	0	0	22,222,300
Total Fund Balances	\$ 24,894,423	\$ (172,047)	\$ 7,123,686	\$ 872,746	\$ 274,604	\$ 32,993,412
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 32,613,061	\$ 6,414,656	\$ 9,333,546	\$ 3,252,135	\$ 277,274	\$ 51,890,672

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

Exhibit C-2

Dyer 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)		\$ 32,993,412
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 3,795,169	
Add: construction in progress	875,473	
Add: buildings and improvements net of accumulated depreciation	7,712,589	
Add: infrastructure net of accumulated depreciation	6,264,772	
Add: other capital assets net of accumulated depreciation	<u>5,830,865</u>	24,478,868
(2) Internal service funds are used by management to charge the costs of workers' compensation benefits to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		547,848
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: other loans payable	\$ (4,106,172)	
Less: bonds payable	(16,730,000)	
Less: accrued interest on bonds	(46,512)	
Less: unamortized premium on debt	(1,997,415)	
Add: deferred amount on refunding	<u>575,163</u>	(22,304,936)
(4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 170,188	
Less: deferred inflows of resources related to pensions	<u>(568,794)</u>	(398,606)
(5) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.		592,179
(6) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		<u>525,518</u>
Net position of governmental activities (Exhibit A)		<u>\$ 36,434,283</u>

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

Exhibit C-3

Dyer 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	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>						
Local Taxes	\$ 8,554,637	\$ 0	\$ 1,952,522	\$ 3,033,390	\$ 141,608	\$ 13,682,157
Licenses and Permits	123,066	0	0	0	0	123,066
Fines, Forfeitures, and Penalties	92,345	0	0	0	1,704	94,049
Charges for Current Services	326,847	0	0	0	398	327,245
Other Local Revenues	(15,809)	18,516	55,697	56,815	76,366	191,585
Fees Received From County Officials	1,756,736	0	0	0	0	1,756,736
State of Tennessee	2,226,786	0	3,543,355	0	35,486	5,805,627
Federal Government	922,437	630,997	0	259,350	0	1,812,784
Other Governments and Citizens Groups	48,620	0	0	0	0	48,620
Total Revenues	\$ 14,035,665	\$ 649,513	\$ 5,551,574	\$ 3,349,555	\$ 255,562	\$ 23,841,869
<u>Expenditures</u>						
Current:						
General Government	\$ 1,736,098	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,736,098
Finance	1,331,433	0	0	0	0	1,331,433
Administration of Justice	1,619,807	0	0	0	2,077	1,621,884
Public Safety	6,645,083	0	0	0	22,118	6,667,201
Public Health and Welfare	638,551	0	0	0	139,506	778,057
Social, Cultural, and Recreational Services	932,194	0	0	0	0	932,194
Agriculture and Natural Resources	230,958	0	0	0	0	230,958
Other Operations	822,662	568,129	0	0	0	1,390,791
Highways	0	0	4,189,387	0	0	4,189,387
Debt Service:						
Principal on Debt	0	0	0	3,123,065	0	3,123,065
Interest on Debt	0	0	0	951,743	0	951,743
Other Debt Service	0	0	0	87,362	0	87,362
Total Expenditures	\$ 13,956,786	\$ 568,129	\$ 4,189,387	\$ 4,162,170	\$ 163,701	\$ 23,040,173

(Continued)

Exhibit C-3

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

	Major Funds				Nonmajor Funds		
	General	Other General Government	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds	
Excess (Deficiency) of Revenues Over Expenditures	\$ 78,879	\$ 81,384	\$ 1,362,187	\$ (812,615)	\$ 91,861	\$	801,696
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 14,821	\$ 0	\$ 39,155	\$ 0	\$ 0	\$	53,976
Transfers In	0	0	254,271	0	0		254,271
Transfers Out	0	(254,271)	0	0	0		(254,271)
Total Other Financing Sources (Uses)	\$ 14,821	\$ (254,271)	\$ 293,426	\$ 0	\$ 0	\$	53,976
Net Change in Fund Balances	\$ 93,700	\$ (172,887)	\$ 1,655,613	\$ (812,615)	\$ 91,861	\$	855,672
Fund Balance, July 1, 2021	24,800,723	840	5,468,073	1,685,361	182,743		32,137,740
Fund Balance, June 30, 2022	\$ 24,894,423	\$ (172,047)	\$ 7,123,686	\$ 872,746	\$ 274,604	\$	32,993,412

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

Exhibit C-4

Dyer 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)		\$	855,672
(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	\$	2,741,672	
Less: current-year depreciation expense		(1,888,980)	852,692
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.			
Less: proceeds received from the disposal of capital assets	\$	(70,254)	
Less: book value of capital assets disposed		(173,785)	(244,039)
(3) Internal service funds are used by management to charge the costs of workers' compensation benefits to individual funds. The net revenue (expense) of certain activities of the internal service fund is reported with governmental activities in the statement of activities.			(1,081)
(4) 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	\$	525,518	
Less: deferred delinquent property taxes and other deferred June 30, 2021		(598,351)	(72,833)
(5) The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.			
Add: principal payments on other loans	\$	913,065	
Add: principal payments on bonds		2,210,000	
Less: change in deferred amount on refunding debt		(107,396)	
Add: change in premium on debt issuances		304,676	3,320,345
(6) 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	\$	(23,530)	
Change in net pension asset - agent plan		608,557	
Change in deferred outflows related to pensions		76,676	
Change in deferred inflows related to pensions		(513,379)	148,324
Change in net position of governmental activities (Exhibit B)		\$	<u>4,859,080</u>

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

Exhibit C-5

Dyer 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 (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 8,554,637	\$ 0	\$ 0	\$ 8,554,637	\$ 8,274,001	\$ 8,274,001	\$ 280,636
Licenses and Permits	123,066	0	0	123,066	126,500	126,500	(3,434)
Fines, Forfeitures, and Penalties	92,345	0	0	92,345	160,400	160,400	(68,055)
Charges for Current Services	326,847	0	0	326,847	327,950	327,950	(1,103)
Other Local Revenues	(15,809)	0	0	(15,809)	876,548	950,368	(966,177)
Fees Received From County Officials	1,756,736	0	0	1,756,736	1,710,000	1,717,000	39,736
State of Tennessee	2,226,786	0	0	2,226,786	2,325,407	2,823,865	(597,079)
Federal Government	922,437	0	0	922,437	743,743	849,760	72,677
Other Governments and Citizens Groups	48,620	0	0	48,620	9,500	9,500	39,120
Total Revenues	\$ 14,035,665	\$ 0	\$ 0	\$ 14,035,665	\$ 14,554,049	\$ 15,239,344	\$ (1,203,679)
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 121,831	\$ 0	\$ 0	\$ 121,831	\$ 139,775	\$ 139,775	\$ 17,944
Board of Equalization	1,195	0	0	1,195	3,000	3,000	1,805
Other Boards and Committees	1,560	0	0	1,560	3,500	3,500	1,940
County Mayor/Executive	242,195	0	0	242,195	253,079	253,079	10,884
County Attorney	33,690	0	0	33,690	51,293	46,293	12,603
Election Commission	245,848	0	0	245,848	295,164	295,164	49,316
Register of Deeds	202,941	0	0	202,941	233,733	228,733	25,792
Planning	144,397	(99)	0	144,298	153,488	153,488	9,190
County Buildings	545,584	(6,722)	82,754	621,616	2,109,938	2,522,073	1,900,457
Other General Administration	180,016	0	0	180,016	145,842	190,739	10,723
Preservation of Records	16,841	0	4,360	21,201	52,745	47,592	26,391
<u>Finance</u>							
Accounting and Budgeting	191,922	(170)	0	191,752	193,945	193,945	2,193
Property Assessor's Office	335,339	(238)	0	335,101	345,878	345,878	10,777
Reappraisal Program	68,287	0	0	68,287	68,866	69,784	1,497
County Trustee's Office	256,087	(125)	0	255,962	268,089	268,089	12,127
County Clerk's Office	439,355	0	2,806	442,161	500,624	500,624	58,463

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Finance (Cont.)</u>							
Other Finance	\$ 40,443	\$ 0	\$ 0	\$ 40,443	\$ 55,260	\$ 55,260	\$ 14,817
<u>Administration of Justice</u>							
Circuit Court	521,494	0	0	521,494	559,589	565,181	43,687
General Sessions Court	238,690	0	21	238,711	240,429	240,429	1,718
Drug Court	40,108	0	0	40,108	60,000	60,000	19,892
Chancery Court	382,573	(200)	0	382,373	395,432	395,432	13,059
Juvenile Court	269,030	0	0	269,030	315,654	315,654	46,624
Other Administration of Justice	167,912	0	0	167,912	71,840	170,432	2,520
<u>Public Safety</u>							
Sheriff's Department	3,097,675	0	1,400	3,099,075	3,213,451	3,300,132	201,057
Drug Enforcement	8,444	0	0	8,444	13,016	13,016	4,572
Jail	2,544,149	0	2,500	2,546,649	2,564,539	2,621,525	74,876
Workhouse	412,527	0	0	412,527	427,785	427,785	15,258
Correctional Incentive Program Improvements	130,141	0	0	130,141	142,888	142,888	12,747
Work Release Program	172,480	0	1,766	174,246	237,055	249,070	74,824
Fire Prevention and Control	197,241	0	900	198,141	185,489	212,632	14,491
Disaster Relief	44,280	0	0	44,280	64,201	64,201	19,921
County Coroner/Medical Examiner	26,284	0	0	26,284	23,000	32,099	5,815
Other Public Safety	11,862	0	0	11,862	12,385	12,385	523
<u>Public Health and Welfare</u>							
Local Health Center	84,951	0	0	84,951	102,572	102,572	17,621
Rabies and Animal Control	94,750	0	0	94,750	94,750	94,750	0
Crippled Children Services	2,490	0	0	2,490	2,490	2,490	0
Other Local Health Services	131,218	0	0	131,218	155,100	157,500	26,282
General Welfare Assistance	88,784	0	0	88,784	93,984	93,984	5,200
Aid to Dependent Children	115,509	0	0	115,509	163,000	163,000	47,491
Other Local Welfare Services	43,781	0	0	43,781	72,000	72,000	28,219
Sanitation Education/Information	76,599	0	0	76,599	104,401	104,401	27,802
Other Public Health and Welfare	469	0	0	469	0	1,177	708

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Social, Cultural, and Recreational Services</u>							
Adult Activities	\$ 56,508	\$ 0	\$ 0	\$ 56,508	\$ 56,688	\$ 56,688	\$ 180
Senior Citizens Assistance	609,637	0	0	609,637	662,655	668,955	59,318
Libraries	158,943	0	0	158,943	158,943	158,943	0
Parks and Fair Boards	2,295	0	0	2,295	2,295	2,295	0
Other Social, Cultural, and Recreational	104,811	0	0	104,811	107,628	107,628	2,817
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	159,450	0	90	159,540	163,137	185,137	25,597
Soil Conservation	39,808	0	0	39,808	39,813	39,813	5
Flood Control	31,700	0	0	31,700	31,699	31,699	(1)
<u>Other Operations</u>							
Industrial Development	43,076	0	0	43,076	85,543	85,543	42,467
Veterans' Services	21,181	0	0	21,181	22,330	22,330	1,149
COVID-19 Grant #1	487	0	0	487	0	0	(487)
Miscellaneous	757,918	0	0	757,918	402,000	758,648	730
Total Expenditures	\$ 13,956,786	\$ (7,554)	\$ 96,597	\$ 14,045,829	\$ 15,922,000	\$ 17,049,430	\$ 3,003,601
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 78,879	\$ 7,554	\$ (96,597)	\$ (10,164)	\$ (1,367,951)	\$ (1,810,086)	\$ 1,799,922
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 14,821	\$ 0	\$ 0	\$ 14,821	\$ 0	\$ 14,821	\$ 0
Transfers In	0	0	0	0	0	394,544	(394,544)
Total Other Financing Sources	\$ 14,821	\$ 0	\$ 0	\$ 14,821	\$ 0	\$ 409,365	\$ (394,544)
Net Change in Fund Balance							
Fund Balance, July 1, 2021	\$ 93,700	\$ 7,554	\$ (96,597)	\$ 4,657	\$ (1,367,951)	\$ (1,400,721)	\$ 1,405,378
	24,800,723	(7,554)	0	24,793,169	24,142,048	24,142,048	651,121
Fund Balance, June 30, 2022							
	\$ 24,894,423	\$ 0	\$ (96,597)	\$ 24,797,826	\$ 22,774,097	\$ 22,741,327	\$ 2,056,499

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

Exhibit C-6

Dyer 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 (GAAP Basis)	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Other Local Revenues	\$ 18,516	\$ 0	\$ 18,516	\$ 0	\$ 0	\$ 18,516
Federal Government	630,997	0	630,997	0	7,218,540	(6,587,543)
Total Revenues	<u>\$ 649,513</u>	<u>\$ 0</u>	<u>\$ 649,513</u>	<u>\$ 0</u>	<u>\$ 7,218,540</u>	<u>\$ (6,569,027)</u>
<u>Expenditures</u>						
<u>Other Operations</u>						
American Rescue Plan Act Grant #1	\$ 568,129	\$ 198,126	\$ 766,255	\$ 0	\$ 6,868,893	\$ 6,102,638
Total Expenditures	<u>\$ 568,129</u>	<u>\$ 198,126</u>	<u>\$ 766,255</u>	<u>\$ 0</u>	<u>\$ 6,868,893</u>	<u>\$ 6,102,638</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 81,384</u>	<u>\$ (198,126)</u>	<u>\$ (116,742)</u>	<u>\$ 0</u>	<u>\$ 349,647</u>	<u>\$ (466,389)</u>
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ (254,271)	\$ 0	\$ (254,271)	\$ 0	\$ (349,647)	\$ 95,376
Total Other Financing Sources	<u>\$ (254,271)</u>	<u>\$ 0</u>	<u>\$ (254,271)</u>	<u>\$ 0</u>	<u>\$ (349,647)</u>	<u>\$ 95,376</u>
Net Change in Fund Balance	\$ (172,887)	\$ (198,126)	\$ (371,013)	\$ 0	\$ 0	\$ (371,013)
Fund Balance, July 1, 2021	<u>840</u>	<u>0</u>	<u>840</u>	<u>0</u>	<u>0</u>	<u>840</u>
Fund Balance, June 30, 2022	<u><u>\$ (172,047)</u></u>	<u><u>\$ (198,126)</u></u>	<u><u>\$ (370,173)</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (370,173)</u></u>

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

Exhibit C-7

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,952,522	\$ 1,906,488	\$ 1,906,488	\$ 46,034
Other Local Revenues	55,697	53,000	53,000	2,697
State of Tennessee	3,543,355	3,237,660	3,244,041	299,314
Total Revenues	<u>\$ 5,551,574</u>	<u>\$ 5,197,148</u>	<u>\$ 5,203,529</u>	<u>\$ 348,045</u>
<u>Expenditures</u>				
<u>Highways</u>				
Administration	\$ 199,587	\$ 222,429	\$ 224,829	\$ 25,242
Highway and Bridge Maintenance	1,732,786	3,600,757	3,492,996	1,760,210
Operation and Maintenance of Equipment	587,085	729,365	734,165	147,080
Other Charges	206,846	187,500	287,500	80,654
Employee Benefits	233,627	328,750	257,750	24,123
Capital Outlay	1,229,456	1,629,845	1,766,187	536,731
Total Expenditures	<u>\$ 4,189,387</u>	<u>\$ 6,698,646</u>	<u>\$ 6,763,427</u>	<u>\$ 2,574,040</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,362,187</u>	<u>\$ (1,501,498)</u>	<u>\$ (1,559,898)</u>	<u>\$ 2,922,085</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 39,155	0	0	\$ 39,155
Transfers In	254,271	0	62,868	191,403
Total Other Financing Sources	<u>\$ 293,426</u>	<u>\$ 0</u>	<u>\$ 62,868</u>	<u>\$ 230,558</u>
Net Change in Fund Balance	\$ 1,655,613	\$ (1,501,498)	\$ (1,497,030)	\$ 3,152,643
Fund Balance, July 1, 2021	<u>5,468,073</u>	<u>4,307,401</u>	<u>4,307,401</u>	<u>1,160,672</u>
Fund Balance, June 30, 2022	<u><u>\$ 7,123,686</u></u>	<u><u>\$ 2,805,903</u></u>	<u><u>\$ 2,810,371</u></u>	<u><u>\$ 4,313,315</u></u>

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

Exhibit D-1

Dyer County, Tennessee
Statement of Net Position
Proprietary Fund
June 30, 2022

		Governmental Activities - Internal Service Fund
		<u>Workers'</u>
		Compensation
		<u>Fund</u>
	<u>ASSETS</u>	
Current Assets:		
Equity in Pooled Cash and Investments	\$	539,419
Accounts Receivable		<u>8,429</u>
Total Assets	\$	<u>547,848</u>
	<u>NET POSITION</u>	
Unrestricted	\$	<u>547,848</u>
Total Net Position	\$	<u><u>547,848</u></u>

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

Exhibit D-2

Dyer County, Tennessee
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund
For the Year Ended June 30, 2022

	Governmental Activities - Internal Service Fund Workers' Compensation Fund
<u>Operating Revenues</u>	
Self-Insurance Premiums	\$ 112,619
Miscellaneous Refunds	8,429
Total Operating Revenues	<u>\$ 121,048</u>
<u>Operating Expenses</u>	
Workers' Compensation Insurance	\$ 29,816
Other Self-Insured Claims	92,313
Total Operating Expenses	<u>\$ 122,129</u>
Operating Income (Loss)	<u>\$ (1,081)</u>
Change in Net Position	\$ (1,081)
Net Position, July 1, 2021	<u>548,929</u>
Net Position, June 30, 2022	<u><u>\$ 547,848</u></u>

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

Exhibit D-3

Dyer County, Tennessee
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2022

	Governmental Activities - Internal Service Fund Workers' Compensation Fund
<u>Cash Flows from Operating Activities</u>	
Receipts from Self-Insurance Premiums	\$ 196,912
Payments for Workers' Compensation Insurance	(29,816)
Payments for Claims	(92,313)
Net Cash Provided By (Used In) Operating Activities	<u>\$ 74,783</u>
Net Decrease in Cash	\$ 74,783
Cash, July 1, 2021	<u>464,636</u>
Cash, June 30, 2022	<u>\$ 539,419</u>
<u>Reconciliation of Operating Income (Loss)</u> <u>to Net Cash Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ (1,081)
Adjustments to Reconcile Net Operating Income to Net Cash Provided by (Used In) Operating Activities:	
(Increase) in Due from Accounts Receivable	(8,429)
(Increase) in Due from Component Units	<u>84,293</u>
Net Cash Provided By (Used In) Operating Activities	<u>\$ 74,783</u>
<u>Reconciliation of Cash With the Statement of Net Position</u>	
Cash Per Net Position	<u>\$ 539,419</u>
Cash, June 30, 2022	<u>\$ 539,419</u>

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

Exhibit E-1

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

	<u>Custodial Funds</u>
<u>ASSETS</u>	
Cash	\$ 4,918,473
Equity in Pooled Cash and Investments	286,063
Due from Other Governments	1,592,922
Property Taxes Receivable	2,726,259
Allowance for Uncollectible Property Taxes	<u>(26,432)</u>
Total Assets	<u>\$ 9,497,285</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	<u>\$ 1,790,864</u>
Total Liabilities	<u>\$ 1,790,864</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred Current Property Taxes	<u>\$ 2,635,241</u>
Total Deferred Inflows of Resources	<u>\$ 2,635,241</u>
<u>NET POSITION</u>	
Restricted For Individuals, Organizations and Other Governments	<u>\$ 5,071,180</u>
Total Net Position	<u><u>\$ 5,071,180</u></u>

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

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

	<u>Custodial Funds</u>
<u>ADDITIONS</u>	
Sales Tax Collections for Other Governments	\$ 5,453,188
Fees Collected for Watershed	8,117
ADA - Educational Funds Collected for Cities	10,563,346
Fines/Fees and Other Collections	14,826,314
District Attorney General Collections	9,786
Total Additions	<u>\$ 30,860,751</u>
<u>DEDUCTIONS</u>	
Payment of Sales Tax Collections to Other Governments	\$ 5,453,188
Payment of Watershed Expenses	2,556
Payments to City School Systems	10,563,346
Payments to State	4,530,885
Payments to Cities, Individuals, and Others	8,355,139
Payment of District Attorney General Expenses	5,645
Total Deductions	<u>\$ 28,910,759</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ 1,949,992
Net Position, July 1, 2021	<u>3,121,188</u>
Net Position, June 30, 2022	<u><u>\$ 5,071,180</u></u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Dyer 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 Dyer County:

A. Reporting Entity

Dyer County is a public municipal corporation governed by an elected 20-member board. As required by GAAP, these financial statements present Dyer County (the primary government) and its component units. The financial statements of the Dyer County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of this omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

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

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

Administrative Office:

Dyer County Emergency Communications District
P.O. Box 367
Dyersburg, TN 38024

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 Dyer 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 Dyer 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.

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

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

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

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

Fund financial statements of Dyer 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. Dyer County only reports one proprietary fund, an internal service fund. It has no enterprise funds to report.

Separate financial statements are provided for governmental funds, the proprietary fund, 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 internal service fund and the fiduciary funds in total are reported in single columns by fund type.

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. Dyer 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.

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

Dyer 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 proceeds received from the American Rescue Plan Act.

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

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

Additionally, Dyer County reports the following fund types:

Internal Service Fund – The Workers’ Compensation Fund is used to account for the self-insured workers’ compensation programs managed by the county for the primary government and the discretely presented Dyer County School Department. Premiums charged to the various funds are placed in this fund for the payment of claims of employees.

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 Dyer County, assets held in a custodial capacity for two watershed districts, the city school system’s share of educational revenues, and restricted revenues held for the benefit of the Office of District Attorney General.

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

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

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

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The current year (FY22) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior year balances (FY21) are presented in this report. We do not believe using the prior year balances will affect the independent auditor’s opinion on the Aggregate Discretely Presented Component Units. A more detailed reporting of the fund activities at each individual school may be found at <https://www.comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has one proprietary fund, an internal service fund, used to account for the workers’ compensation program. Operating revenues and expenses generally result from providing services in connection with the fund’s principal ongoing operations. The principal operating revenues of the internal service fund are charges for services. Operating expenses for the internal service fund include workers’ compensation claims and administrative charges.

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

1. Deposits and Investments

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

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Dyer 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 and the school department's General Purpose School Fund. Dyer 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. Dyer County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value.

2. Receivables and Payables

Activity between funds for unremitted current collections outstanding at the end of the fiscal year is referred to as due to/from other funds.

Property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 0.5 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.

3. Restricted Assets

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

4. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$15,000 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:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	20 - 50
Other Capital Assets	3 - 15
Infrastructure:	
Roads	5 - 10
Bridges	20 - 50

5. **Deferred Outflows/Inflows of Resources**

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

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

6. **Compensated Absences**

The general policy of Dyer County does not allow employees to accumulate vacation days beyond the employee's anniversary date. The discretely presented Dyer County School Department allows employees

to accumulate a limited amount of earned but unused vacation benefits, which will be paid to employees upon separation from service. All vacation leave is accrued when incurred in the government-wide statements for the school department. A liability for vacation benefits is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

The granting of sick leave has no guaranteed payment attached and therefore is not required to be accrued or recorded.

7. Long-term Debt, Lease Obligations, and Long-term Obligations

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

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

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

8. Net Position and Fund Balance

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

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

As of June 30, 2022, Dyer County had \$16,567,472 in outstanding debt issued for capital purposes for the discretely presented Dyer County School Department. In accordance with state statutes, certain county school debt proceeds must be shared with other public school systems in the county (City of Dyersburg School System) based on the average daily attendance proration. This debt is a liability of Dyer County, but the capital assets acquired are reported in the financial statements of the school department and the City of Dyersburg School System. Therefore, Dyer County has incurred a liability, significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

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

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

Restricted Fund Balance – includes amounts that have constraints placed on the use of the resources that are either (a) externally imposed by creditors, grantors, contributors or laws

and regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

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

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

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

9. Stabilization Arrangement

Dyer County sold its hospital in a prior year. The county commission adopted a resolution to retain the principal intact and appropriate the interest income earned on the investment of these funds annually through the budgetary process.

The principal balance in this stabilization arrangement totaled \$18,000,000 at June 30, 2022, and is included in the General Fund's unassigned fund balance account since this arrangement does not meet the criteria for restricted or committed fund balance as defined by GASB Statement No. 54.

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

Dyer 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 Dyer County School Department

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

F. Other Postemployment Benefit (OPEB) Plan

Discretely Presented Dyer 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 Dyer County School Department. For this purpose, the school department recognizes benefit payments when due and payable in accordance with benefit terms. The school department's OPEB plan is not administered through a trust.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide Statement of Net Position

Primary Government

Exhibit C-2 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Position.

Discretely Presented Dyer County School Department

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

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

Primary Government

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

Discretely Presented Dyer County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

The budgetary level of control is at the major category level established by the County Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Board of Equalization, Other Boards and Committees, County Mayor/Executive, 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, Dyer County and the Dyer County School Department reported the following outstanding encumbrances:

<u>Fund</u>	<u>Amount</u>
Primary Government:	
Major Funds:	
General	\$ 96,597
Other General Government	198,126
School Department:	
Major Funds:	
General Purpose School	853,410
School Transportation	18,596
Nonmajor Fund:	
Central Cafeteria	17,802

B. Fund Deficit

The Other General Government Fund had a fund deficit of \$172,047 due to the grant expenditure reporting prescribed by the U.S. Treasury for the State and Local Fiscal Recovery Funds Grant (FAL No. 21.027). The grant expenditures can only be reported in April of each year. Dyer County made expenditures of grant funds after the reporting period but before the end of the fiscal year which resulted in the deficit.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Dyer County and the Dyer 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 market value is equal to 105 percent of the uninsured amount of the deposits. The collateral must be placed by the depository bank in an escrow account in a second bank for the benefit of the county.

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

Sweep (ICS), which operate through IntraFi Network, LLC.

Investments

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

Investment Balances. As of June 30, 2022, Dyer County had the following investments carried at fair value within the fair value hierarchy established by generally accepted accounting principles. Separate disclosures concerning pooled investments cannot be made for Dyer County and the discretely presented Dyer County School Department since both pool their deposits and investments through the county trustee.

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Municipal Bonds	10-24-22 to 8-1-36	\$ 10,070,947

		Fair Value Measurement Using Quoted Prices in Active Markets for Identical Assets (Level 1)
Investment by Fair Value Level	Fair Value 6-30-22	
Municipal Bonds	\$ 10,070,947	\$ 10,070,947

Fair value investments classified at Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fair value investments classified as Level 2 of the fair value hierarchy are valued using the active market rates for the underlying securities. Fair value investments classified as Level 3 of the fair value hierarchy are valued using non-observable inputs.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State statutes limit the maturities of certain investments as previously disclosed. Dyer County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At June 30, 2022, the fair value of these investments had decreased by \$1,027,247 due to changes in interest rates.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments as previously explained. Dyer County has no investment policy that would further limit its investment choices. Dyer County investments in municipal bonds were rated from AAA to A2 by Moody's Investor's Service and from AAA to AA+ by Standard and Poor's ratings.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the county's investment in a single issuer. Dyer County places no limit on the amount the county may invest in one issuer. All the county's investments are in municipal bonds.

TCRS Stabilization Trust

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

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 86,963
Developed Market International Equity	N/A	N/A	39,273
Emerging Market International Equity	N/A	N/A	11,221
U.S. Fixed Income	N/A	N/A	56,105
Real Estate	N/A	N/A	28,052
Short-term Securities	N/A	N/A	2,805
NAV - Private Equity and Strategic Lending	N/A	N/A	<u>56,105</u>
Total			<u><u>\$ 280,524</u></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/2020/ag20045.pdf>.

B. Capital Assets

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

Primary Government - Governmental Activities:

	Balance 7-1-21	Increases	Decreases	Balance 6-30-22
Capital Assets Not Depreciated:				
Land	\$ 3,795,169	\$ 0	\$ 0	\$ 3,795,169
Construction in Progress	2,159,820	875,473	(2,159,820)	875,473
Total Capital Assets Not Depreciated	\$ 5,954,989	\$ 875,473	\$ (2,159,820)	\$ 4,670,642
Capital Assets Depreciated:				
Buildings and Improvements	\$ 14,167,880	\$ 0	\$ (186,400)	\$ 13,981,480
Infrastructure	27,405,536	746,700	0	28,152,236
Other Capital Assets	9,371,048	3,279,319	(371,451)	12,278,916
Total Capital Assets Depreciated	\$ 50,944,464	\$ 4,026,019	\$ (557,851)	\$ 54,412,632
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 5,986,023	\$ 342,206	\$ (59,338)	\$ 6,268,891
Infrastructure	20,931,405	956,059	0	21,887,464
Other Capital Assets	6,111,810	590,715	(254,474)	6,448,051
Total Accumulated Depreciation	\$ 33,029,238	\$ 1,888,980	\$ (313,812)	\$ 34,604,406
Total Capital Assets Depreciated, Net	\$ 17,915,226	\$ 2,137,039	\$ (244,039)	\$ 19,808,226
Governmental Activities Capital Assets, Net	\$ 23,870,215	\$ 3,012,512	\$ (2,403,859)	\$ 24,478,868

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

Governmental Activities:

General Government	\$ 146,725
Finance	11,279
Administration of Justice	3,350
Public Safety	439,271
Public Health and Welfare	32,614
Social, Cultural, and Recreational Services	14,905
Highways	1,240,836
Total Depreciation Expense - Governmental Activities	\$ 1,888,980

Net Investment in Capital Assets

Capital Assets	\$ 24,478,868
Less:	
Outstanding principal of capital debt and other capital borrowings	(4,268,700)
Unamortized balance of original issue premiums on outstanding capital-related debt	(485,505)
Net Investment in Capital Assets	<u>\$ 19,724,663</u>

Discretely Presented Dyer County School Department - Governmental Activities

	Balance 7-1-21	Increases	Decreases	Balance 6-30-22
Capital Assets Not Depreciated:				
Land	\$ 1,374,381	\$ 0	\$ 0	\$ 1,374,381
Construction in Progress	15,800	283,074	(15,800)	283,074
Total Capital Assets Not Depreciated	<u>\$ 1,390,181</u>	<u>\$ 283,074</u>	<u>\$ (15,800)</u>	<u>\$ 1,657,455</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 60,822,460	\$ 931,860	\$ (170,240)	\$ 61,584,080
Infrastructure	265,528	0	0	265,528
Other Capital Assets	10,173,876	672,716	(528,376)	10,318,216
Total Capital Assets Depreciated	<u>\$ 71,261,864</u>	<u>\$ 1,604,576</u>	<u>\$ (698,616)</u>	<u>\$ 72,167,824</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 20,242,860	\$ 1,289,823	\$ (42,936)	\$ 21,489,747
Infrastructure	132,763	26,553	0	159,316
Other Capital Assets	5,228,234	645,747	(528,376)	5,345,605
Total Accumulated Depreciation	<u>\$ 25,603,857</u>	<u>\$ 1,962,123</u>	<u>\$ (571,312)</u>	<u>\$ 26,994,668</u>
Total Capital Assets Depreciated, Net	<u>\$ 45,658,007</u>	<u>\$ (357,547)</u>	<u>\$ (127,304)</u>	<u>\$ 45,173,156</u>
Governmental Activities Capital Assets, Net	<u>\$ 47,048,188</u>	<u>\$ (74,473)</u>	<u>\$ (143,104)</u>	<u>\$ 46,830,611</u>

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

Governmental Activities:

Instruction	\$ 1,026,842
Support Services	843,009
Operation of Non-instructional Services	<u>92,272</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,962,123</u>

C. Construction Commitments

At June 30, 2022, the General Fund had uncompleted construction contracts of approximately \$82,754 for an inmate building, and the Other General Government Fund had uncompleted construction contracts of approximately \$198,126 for jail roofing.

At June 30, 2022, the school department's General Purpose School Fund had uncompleted construction contracts of approximately \$327,000 for playground equipment for multiple schools and \$37,500 for digital signs at multiple schools.

D. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Nonmajor governmental	\$ 2,670

This balance resulted from the time lag between dates that interfund goods and services are provided or reimbursable expenditures occur and payments between funds are made.

Interfund Transfers:

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

General Government

Transfers Out	<u>Transfers In</u>	
	Highway/ Public Works Fund	Purpose
Other General Government Fund	\$ 62,868	Premium pay
"	<u>191,403</u>	Paving
Total	<u><u>\$ 254,271</u></u>	

Discretely Presented Dyer County School Department

Transfers Out	<u>Transfers In</u>	
	General Purpose School Fund	Purpose
Nonmajor governmental fund	\$ 41,379	Indirect costs
"	<u>62,562</u>	COVID expenses
Total	<u><u>\$ 103,941</u></u>	

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

E. Long-term Debt

Primary Government

General Obligation Bonds and Other Loans

General Obligation Bonds - Dyer County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to ten 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 - Dyer County issues other loans to provide funds for the acquisition and construction of major capital facilities and other capital outlay purchases, such as equipment, for the primary government and the discretely presented school department. Other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Other loans outstanding were issued for original terms of up to up to 17 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. Other loans included in long-term debt as of June 30, 2022, will be retired from the General Debt Service Fund.

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

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-22
General Obligation Refunding				
Bonds	3 to 5 %	6-1-31	\$ 21,990,000	\$ 16,730,000
Direct Borrowing and Direct Placement:				
Other Loans - Fixed Rate	0 to 1.515	9-15-26	14,633,000	4,106,172

In the 2009-10 year, Dyer County entered into a loan agreement with the Tennessee State School Bond Authority. This loan agreement represents \$8,960,000 in Qualified School Construction Bonds, which were issued through the Tennessee State School Bond Authority. The county pays interest of 1.515 percent on its share of the bonds and also pays a monthly administrative fee to the Tennessee School Bond Authority. The administrative fee totals \$747 per month. The county and the other borrowers of the bond proceeds are required to comply with federal regulations established for the Qualified School Construction Bond program. Failure to comply with those requirements may result in the loss of the tax credit status on the bonds. This would result in further charges to the borrowers including the requirement to pay the tax-credit rate (5.86 percent) in addition to the 1.515 percent for a total rate of 7.375 percent.

During the 2010-11 year, Dyer County entered into a loan agreement with the Tennessee State School Bond Authority. Under this loan agreement, the authority loaned Dyer County \$5,673,000 for construction of the Newbern Grammar School. This loan earns interest monthly based upon the local government investment pool rate, which is netted against the annual principal payment. The county pays an annual administrative fee of \$378 under this agreement. The loan retirement schedule also includes equal monthly payments of interest; however, the county will semi-annually receive a federal

interest subsidy, which will offset these payments resulting in a zero percent interest rate.

The annual requirements to amortize the bonds and other loans outstanding as of June 30, 2022, including interest payments and other loan fees, are presented in the following tables:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2023	\$ 2,120,000	\$ 585,400	\$ 2,705,400
2024	2,045,000	501,700	2,546,700
2025	1,975,000	419,750	2,394,750
2026	1,890,000	339,300	2,229,300
2027	2,000,000	261,000	2,261,000
2028-2031	6,700,000	405,750	7,105,750
Total	<u>\$ 16,730,000</u>	<u>\$ 2,512,900</u>	<u>\$ 19,242,900</u>

Year Ending June 30	Other Loans - Direct Placement			
	Principal	Interest	Other Fees	Total
2023	\$ 913,076	\$ 410,771	\$ 13,498	\$ 1,337,345
2024	913,076	410,771	13,498	1,337,345
2025	913,077	410,771	13,499	1,337,347
2026	913,077	410,771	13,499	1,337,347
2027	453,866	286,340	5,285	745,491
Total	<u>\$ 4,106,172</u>	<u>\$ 1,929,424</u>	<u>\$ 59,279</u>	<u>\$ 6,094,875</u>

There is \$872,746 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$455, based on the 2020 federal census. Total debt per capita, including bonds, other loans, and unamortized debt premiums, totaled \$620, 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	Other Loans Direct Placement
Balance, July 1, 2021	\$ 18,940,000	\$ 5,019,237
Reductions	(2,210,000)	(913,065)
Balance, June 30, 2022	<u>\$ 16,730,000</u>	<u>\$ 4,106,172</u>
Balance Due Within One Year	<u>\$ 2,120,000</u>	<u>\$ 913,076</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2022	\$ 20,836,172
Add: Unamortized Premium on Debt	1,997,415
Less: Balance Due Within One Year - Debt	<u>(3,033,076)</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 19,800,511</u>

F. Long-term Obligations

Discretely Presented Dyer County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences	Net OPEB Liability
Balance, July 1, 2021	\$ 120,569	\$ 6,957,299
Additions	105,809	521,984
Reductions	(109,381)	(388,741)
Balance, June 30, 2022	<u>\$ 116,997</u>	<u>\$ 7,090,542</u>
Balance Due Within One Year	<u>\$ 5,850</u>	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2022	\$ 7,207,539
Less: Balance Due Within One Year - Other	<u>(5,850)</u>
Other Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 7,201,689</u>

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

G. On-Behalf Payments – Discretely Presented Dyer County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Dyer County School Department. These payments are made by the state to the Local Education Group Insurance Plan. The plan is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2022, were \$64,227. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. OTHER INFORMATION

A. Risk Management

Dyer County carries commercial insurance for active employee's health insurance. Pre-65 age retirees are not allowed to remain in the program. Settled claims have not exceeded this commercial insurance coverage in any of the past three fiscal years.

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

The county and the discretely presented Dyer County School Department have chosen to fund risks associated with employee on-the-job injuries through the Workers' Compensation Fund. The Workers' Compensation Fund is accounted for as an internal service fund in which assets are set aside for claim settlements. The county is self-insured to a limit of \$50,000 for a single occurrence. The county carries Occupational Accident Insurance through a

commercial insurance carrier for on-the-job injuries that exceed the single occurrence limit.

All full-time employees of the primary government and the discretely presented school department are eligible to participate in the Workers' Compensation Fund. Premium charges are allocated to the General, Highway/Public Works, and General Purpose School funds. These charges are based on the current year's commercial insurance premium prorated to the funds based on the percentage of the prior-year's claims. Liabilities of the fund are reported when losses are probable, and the amounts of the losses can be reasonably estimated. The Workers' Compensation Fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported. Claims liabilities include incremental claim adjustment expenditures/expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past three fiscal years for the Workers' Compensation Fund are as follows:

Workers' Compensation Fund

	Beginning of Fiscal Year Liability	Current Year Claims and Estimates	Payments	Balance at Fiscal Year-end
2019-20	\$ 0	\$ 233,383	\$ 233,383	\$ 0
2020-21	0	190,303	190,303	0
2021-22	0	122,129	122,129	0

The discretely presented Dyer County School Department participates in the Local Education Group Insurance Fund (LEGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local education agencies. In accordance with Section 8-27-301, *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.

The discretely presented Dyer County School Department carries commercial insurance for the risks of losses to which it is exposed. These risks include general liability, property, and casualty losses. Settled claims have not exceeded this commercial coverage in any of the past three years.

B. Accounting Changes

GASB Statement No. 84, *Fiduciary Activities* establishes additional guidance 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 and school department are involved in several pending lawsuits. Management advised that any potential claims not covered by insurance

resulting from such litigation would not materially affect the financial statements.

D. Joint Ventures

The McIver's Grant Public Library Board is a joint venture in which the county and the city of Dyersburg participate in the operation of the library facility. The board comprises 14 members, seven of whom are appointed by the Dyer County Commission and seven are appointed by the city of Dyersburg. The library generates its operating revenue from appropriations from the county and city, fines, interest, and copy fees. Dyer County contributed \$158,943 to the operations of the board during the year ended June 30, 2022. Dyer County is responsible for funding 50 percent of any deficits from operations; however, the county and city do not retain an equity interest in the library. Complete financial statements for the McIver's Grant Public Library can be obtained from its administrative office at the following address:

Administrative Office:

McIver's Grant Public Library
410 West Court Street
Dyersburg, TN 38024

Dyer County is a participant with Obion and Lake counties in a multi-county entity known as the Northwest Tennessee Regional Port Authority. This entity was created to operate and maintain a port to be located in Lake County on the Mississippi River. A board is appointed by the participating counties with the mayors of each county serving as ex-officio members. The board comprises eight members, four of whom are appointed by the Lake County Commission, two by the Obion County Commission, and two by the Dyer County Commission. Dyer County has control over budgeting and financing the joint venture only to the extent of representation by the two board members appointed. Their administrative office can be contacted at P.O. Box 267, Dyersburg, TN 38025.

Dyer County is a participant with Lake County and the cities of Tiptonville, Ridgely, and Dyersburg in an entity known as the TennKen Railroad Authority. The governing board for the authority consists of the mayors of both counties and all three cities. This entity was created to facilitate active involvement by all affected local governments in Tennessee regarding a section of railroad track commonly known as the TennKen Railroad. The TennKen Railroad is owned by the Hickman River City Development Corporation (HRCDC), a public entity chartered in Kentucky. The HRCDC had previously purchased the line from Illinois Central Railroad to ensure rail access to the river port in Hickman, Kentucky. All funding for the TennKen Railroad Authority comes from the State of Tennessee through the Tennessee Department of Transportation as grants, which are used for the maintenance and rehabilitation of the TennKen Railroad track and the necessary engineering services for said maintenance and rehabilitation. The Lake

County Mayor's Office handles the administration of these grant funds and passes them through to the HRCDC for disbursement.

E. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Certain county employees (Dyer County Judges, Executives, and Officials Plan) 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 100 percent of the 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 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	8
Inactive Employees Entitled to But Not Yet Receiving Benefits	1
Active Employees	10
Total	<u>19</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. Dyer County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2022, the employer contribution for Dyer County was \$66,383 based on a rate of 6.73 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Dyer 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)

Dyer 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 reflect more closely 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 historical market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

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

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

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

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2020	\$ 3,364,517	\$ 3,348,139	\$ 16,378
Changes for the Year:			
Service Cost	\$ 85,798	\$ 0	\$ 85,798
Interest	245,135	0	245,135
Differences Between Expected and Actual Experience	(123,072)	0	(123,072)
Changes in Assumptions	155,708	0	155,708
Contributions-Employer	0	64,672	(64,672)
Contributions-Employees	0	48,047	(48,047)
Net Investment Income	0	860,301	(860,301)
Benefit Payments, Including Refunds of Employee Contributions	(138,298)	(138,298)	0
Administrative Expense	0	(894)	894
Net Changes	\$ 225,271	\$ 833,828	\$ (608,557)
Balance, June 30, 2021	\$ 3,589,788	\$ 4,181,967	\$ (592,179)

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

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

Net Pension Liability (Asset) \$ (220,333) \$ (592,179) \$ (913,413)

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, Dyer County recognized pension expense (negative pension expense) of (\$105,470).

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 109,756
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	459,038
Changes in Assumptions	103,805	0
Contributions Subsequent to the Measurement Date of June 30, 2021 (1)	66,383	N/A
Total	<u>\$ 170,188</u>	<u>\$ 568,794</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.

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

Year Ending June 30	Amount
2023	\$ (132,923)
2024	(99,330)
2025	(109,031)
2026	(123,705)
2027	0
Thereafter	0

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

Discretely Presented Dyer County School Department

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the Dyer 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 \$96,532, which is 2.01 percent of covered payroll. In addition, employer contributions of \$89,566, which is 1.99 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). At June 30, 2022, the school department reported a liability (asset) of (\$230,681) 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 (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2021, the school department's proportion was .21296 percent. The proportion as of June 30, 2020, was .237674 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2022, the school department recognized pension expense (negative pension expense) of \$28,161.

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 Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 4,013	\$ 42,210
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	0	132,786
Changes in Assumptions	83,205	0
Changes in Proportion of Net Pension Liability (Asset)	12,503	10,658
LEA's Contributions Subsequent to the Measurement Date of June 30, 2021	96,532	N/A
Total	<u>\$ 196,253</u>	<u>\$ 185,654</u>

The school department's employer contributions of \$96,532, 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 June 30	Amount
2023	\$ (29,019)
2024	(28,292)
2025	(28,085)
2026	(31,426)
2027	3,991
Thereafter	26,898

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

Actuarial Assumptions. The total pension liability (asset) in the June 30, 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 reflect more closely actual and expected future experience.

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

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
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Net Pension Liability (Asset) \$ 79,302 \$ (230,681) \$ (459,305)

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

Teacher Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Teachers of the Dyer 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 Dyer County School Department for the year ended June 30, 2022, to the Teacher Legacy Pension Plan were \$1,520,772, 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 (\$14,405,829) 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 .333991 percent. The proportion measured at June 30, 2020, was .382051 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2022, the school department recognized pension expense (negative pension expense) of (\$2,130,149).

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 Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 48,411	\$ 1,201,493
Changes in Assumptions	3,848,997	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	11,488,327
Changes in Proportion of Net Pension Liability (Asset)	249,536	3,924
LEA's Contributions Subsequent to the Measurement Date of June 30, 2021	<u>1,520,772</u>	<u>N/A</u>
Total	<u>\$ 5,667,716</u>	<u>\$ 12,693,744</u>

The school department's employer contributions of \$1,520,772 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) in net pension liability 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 June 30	Amount
2023	\$ (2,002,797)
2024	(1,900,182)
2025	(1,543,452)
2026	(3,100,369)
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 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 reflect more closely actual and expected future experience.

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

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

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

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

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

School Department's		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) \$ (2,563,753) \$ (14,405,829) \$ (24,260,799)

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

2. **Deferred Compensation**

The Dyer County Highway Department previously offered its employees a deferred compensation plan established pursuant to IRC Section 457. This plan is no longer available for new contributions as of July 31, 2020. Any existing balances remain in a Section 457 plan. Employees of the highway department may participate in the Section 401(k) plan discussed below. All costs of administering and funding this program are the responsibility of plan participants. The Section 457 plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Section 457 establishes participation, contribution, and withdrawal provisions for the plan.

Dyer County and the Dyer County Highway Department offer employees a deferred compensation plan, pursuant to IRC Section 401(k). The county or highway department will match respective employee contributions up to 2.5 percent of gross payroll. All costs of administering and funding these programs are the responsibility of plan participants. The Section 401(k) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Section 401(k) establishes participation, contribution, and withdrawal provisions for the plans.

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$213,999 and teachers contributed \$75,305 to this deferred compensation pension plan.

F. Other Postemployment Benefits (OPEB)

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

OPEB Provided Through State Administered Public Entity Risk Pools

The school department provides healthcare benefits to its retirees under the Local Education Plan (LEP) until they reach Medicare eligibility. The certified retirees of the school department may then join the Tennessee Plan – Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare. However, the school department does not provide any subsidy (direct or indirect) to this plan and therefore does not recognize any OPEB liability associated with the TNM.

The school department's total OPEB liability for the plan was measured as of June 30, 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 of the plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	Salary increases used in the July 1, 2021, TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	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

The discount rate was 2.16%, based on the daily rate of Bond Buyer's 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 more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-Weighted Employee mortality table for General Employees for non-disabled pre-retirement mortality, with mortality improvement projected generationally with MP-2020 from 2010. Post-retirement tables for non-teachers are Headcount-Weighted Below Median Healthy Annuitant and adjusted with a 6% to load for males and a 14% load for females, projected generationally from 2010 with MP-2020. Post-retirement tables for teachers are Headcount-Weighted Below Median Healthy Annuitant and adjusted with a 19 to load for males and a 18% 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 table published in the IRS Ruling 96-7 for disabled lives with a 10% 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.

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

Plan description. Employees of the Dyer County School Department who were hired prior to July 1, 2015, are provided with pre-65 retiree health insurance benefits through the closed Local Education Plan (LEP) administered by the Tennessee Department of Finance and Administration. All eligible pre-65 retired teachers, support staff, and disability participants of local education agencies, who choose coverage, participate in the LEP. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

Benefits provided. The Dyer County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-301 establishes

and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. During the year, Dyer County provided direct subsidies of \$260 to \$423 per month toward the cost of the insurance plan selected by the retiree. The state, as a governmental nonemployer contributing entity, provides a direct subsidy for eligible retirees' 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 or Beneficiaries Currently	
Receiving Benefits	14
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	0
Active Employees Eligible for Benefits	305
Total	<u>319</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 \$171,813 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	Share of Collective Liability		
	Dyer County School Department 74.4991%	State of TN 25.5009%	Total OPEB Liability
Balance July 1, 2020	\$ 6,957,299	\$ 2,281,786	\$ 9,239,085
Changes for the Year:			
Service Cost	\$ 363,941	\$ 124,576	\$ 488,517
Interest	158,043	54,098	212,141
Difference between Expected and Actuarial Experience	(6,446)	(2,206)	(8,652)
Change in Proportion	(74,264)	74,264	0
Changes in Assumption and Other Inputs	(115,577)	(39,562)	(155,139)
Benefit Payments	(192,454)	(65,877)	(258,331)
Net Changes	\$ 133,243	\$ 145,293	\$ 278,536
Balance June 30, 2021	\$ 7,090,542	\$ 2,427,079	\$ 9,517,621

The Dyer 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 Dyer County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$147,356 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Dyer County School Department's proportionate share of the collective OPEB Liability was 74.4991 percent and the State of Tennessee's share was 25.5009 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 \$533,236, 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 Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 324,521	\$ 1,185,215
Changes of Assumptions/Inputs	643,407	590,031
Changes in Proportion and Differences Between Amounts Paid as Benefits Came Due and Proportionate Share Amounts Paid by the Employer and Nonemployer Contributors As Benefits Came Due	119,054	201,624
Benefits Paid After the Measurement Date of June 30, 2021	171,813	0
Total	<u>\$ 1,258,795</u>	<u>\$ 1,976,870</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 June 30</u>	<u>School Department</u>
2023	\$ (136,104)
2024	(136,104)
2025	(136,104)
2026	(136,104)
2027	(136,104)
Thereafter	(209,368)

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% Decrease 1.16%	Current Discount Rate 2.16%	1% Increase 3.16%
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Proportionate Share of the Collective Total OPEB Liability	\$ 7,625,957	\$ 7,090,542	\$ 6,572,980
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Sensitivity of proportionate share of the collective total OPEB liability to changes in the healthcare cost trend rate. The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

<u>Healthcare Cost Trend Rate</u>	1% Decrease 6.36 to 3.5%	Current Rate 7.36 to 4.5%	1% Increase 8.36 to 5.5%
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Proportionate Share of the Collective Total OPEB Liability	\$ 6,244,088	\$ 7,090,542	\$ 8,085,983
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G. Purchasing Laws

Office of County Mayor

Purchasing procedures for the County Mayor's Office are governed by the County Purchasing Law of 1983, Sections 5-14-201 through 5-14-206, *Tennessee Code Annotated (TCA)*. This act provides for all purchases exceeding \$10,000 to be competitively bid through newspaper advertisement.

Office of Road Supervisor

Chapter 421, Private Acts of 1929, as amended, and the Uniform Road Law, Section 54-7-113, *TCA*, govern purchasing procedures for the highway department. These statutes provide for the road supervisor to make all purchases and for competitive bids to be solicited through public advertisement on all purchases exceeding \$25,000.

Office of Director of Schools

Purchasing procedures for the discretely presented Dyer County School Department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, *TCA*, which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. This statute also requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$10,000.

H. Subsequent Events

On June 30, 2022, Steve Walker left the Office of Clerk and Master and was succeeded by Cindy Rose effective July 1, 2022.

On August 31, 2022, Chris Young left the Office of County Mayor and was succeeded by David Quick effective September 1, 2022.

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit F-1

Dyer 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
Total Pension Liability								
Service Cost	\$ 60,604	\$ 61,587	\$ 78,562	\$ 78,890	\$ 81,742	\$ 83,324	\$ 85,993	\$ 85,798
Interest	174,769	184,221	204,052	205,183	217,374	223,998	237,706	245,135
Differences Between Actual and Expected Experience	(2,196)	130,623	(114,825)	44,981	(70,658)	15,476	(83,122)	(123,072)
Changes in Assumptions	0	0	0	93,873	0	0	0	155,708
Benefit Payments, Including Refunds of Employee Contributions	(79,914)	(136,371)	(121,608)	(184,452)	(142,129)	(135,223)	(137,554)	(138,298)
Net Change in Total Pension Liability	\$ 153,263	\$ 240,060	\$ 46,181	\$ 238,475	\$ 86,329	\$ 187,575	\$ 103,023	\$ 225,271
Total Pension Liability, Beginning	2,309,611	2,462,874	2,702,934	2,749,115	2,987,590	3,073,919	3,261,494	3,364,517
Total Pension Liability, Ending (a)	\$ 2,462,874	\$ 2,702,934	\$ 2,749,115	\$ 2,987,590	\$ 3,073,919	\$ 3,261,494	\$ 3,364,517	\$ 3,589,788
Plan Fiduciary Net Position								
Contributions - Employer	\$ 55,678	\$ 55,071	\$ 56,040	\$ 58,261	\$ 60,667	\$ 70,408	\$ 62,717	\$ 64,672
Contributions - Employee	39,942	40,854	41,573	42,218	43,962	45,779	46,595	48,047
Net Investment Income	359,343	77,309	67,757	291,385	232,521	223,722	158,910	860,301
Benefit Payments, Including Refunds of Employee Contributions	(79,914)	(136,371)	(121,608)	(184,452)	(142,129)	(135,223)	(137,554)	(138,298)
Administrative Expense	(491)	(508)	(757)	(849)	(950)	(890)	(886)	(894)
Net Change in Plan Fiduciary Net Position	\$ 374,558	\$ 36,355	\$ 43,005	\$ 206,563	\$ 194,071	\$ 203,796	\$ 129,782	\$ 833,828
Plan Fiduciary Net Position, Beginning	2,160,009	2,534,567	2,570,922	2,613,927	2,820,490	3,014,561	3,218,357	3,348,139
Plan Fiduciary Net Position, Ending (b)	\$ 2,534,567	\$ 2,570,922	\$ 2,613,927	\$ 2,820,490	\$ 3,014,561	\$ 3,218,357	\$ 3,348,139	\$ 4,181,967
Net Pension Liability (Asset), Ending (a - b)	\$ (71,693)	\$ 132,012	\$ 135,188	\$ 167,100	\$ 59,358	\$ 43,137	\$ 16,378	\$ (592,179)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	102.91%	95.12%	95.08%	94.41%	98.07%	98.68%	99.51%	116.50%
Covered Payroll	\$ 798,831	\$ 817,075	\$ 831,456	\$ 844,356	\$ 879,228	\$ 915,578	\$ 931,901	\$ 960,945
Net Pension Liability (Asset) as a Percentage of Covered Payroll	8.97%	16.16%	16.26%	19.79%	6.75%	4.71%	1.76%	(61.62)%

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

Exhibit F-2

Dyer 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	\$ 55,678	\$ 55,071	\$ 56,040	\$ 58,261	\$ 60,667	\$ 70,408	\$ 62,717	\$ 64,672	\$ 66,383
Less: Contributions in Relation to the Actuarially Determined Contribution	(55,678)	(55,071)	(56,040)	(58,261)	(60,667)	(70,408)	(62,717)	(64,672)	(66,383)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 798,831	\$ 817,075	\$ 831,456	\$ 844,356	\$ 879,228	\$ 915,578	\$ 931,901	\$ 960,945	\$ 986,384
Contributions as a Percentage of Covered Payroll	6.97%	6.74%	6.74%	6.90%	6.90%	7.69%	6.73%	6.73%	6.73%

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

Exhibit F-3

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

	2015	2016	2017	2018	2019	2020	2021	2022
Contractually Required Contribution	\$ 18,815	\$ 37,639	\$ 53,444	\$ 30,885	\$ 45,267	\$ 60,885	\$ 62,084	\$ 96,532
Less: Contributions in Relation to the Contractually Required Contribution	(18,815)	(37,639)	(53,444)	(75,757)	(45,267)	(60,885)	(62,084)	(96,532)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ (44,872)	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 470,388	\$ 940,985	\$ 1,336,088	\$ 1,893,927	\$ 2,333,347	\$ 2,999,256	\$ 3,073,483	\$ 4,799,734
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.00%	1.94%	2.03%	2.02%	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 (SRT).
2019: Pension - 1.94%, SRT - 2.02%
2020: Pension - 2.03%, SRT - 1.97%
2021: Pension - 2.02%, SRT - 1.98%
2022: Pension - 2.01%, SRT - 1.99%

Exhibit F-4

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Contractually Required Contribution	\$ 1,128,581	\$ 1,104,333	\$ 1,116,078	\$ 1,161,749	\$ 1,184,075	\$ 1,349,437	\$ 1,351,672	\$ 1,125,813	\$ 1,520,772
Less: Contributions in Relation to the Contractually Required Contribution	(1,128,581)	(1,104,333)	(1,116,078)	(1,161,749)	(1,184,075)	(1,349,437)	(1,351,672)	(1,125,813)	(1,520,772)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 12,709,247	\$ 12,216,087	\$ 12,345,998	\$ 12,851,217	\$ 13,040,447	\$ 12,900,904	\$ 12,715,624	\$ 10,962,124	\$ 14,769,821
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 F-5

Dyer County, Tennessee
Schedule of Proportionate Share of the Net Pension Asset
in the Teacher Retirement Plan of TCRS
Discretely Presented Dyer 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)	0.226391%	0.213858%	0.203568%	0.216727%	0.220500%	0.237674%	0.212960%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (9,108)	\$ (22,263)	\$ (53,707)	\$ (98,292)	\$ (124,470)	\$ (135,151)	\$ (230,681)
Covered Payroll	\$ 470,388	\$ 940,985	\$ 1,336,088	\$ 1,893,927	\$ 2,333,347	\$ 2,999,256	\$ 3,073,483
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.02)%	(5.19)%	(5.33)%	(4.51)%	(7.51)%
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 F-6

Dyer County, Tennessee
Schedule of Proportionate Share of the Net Pension Asset
in the Teacher Legacy Pension Plan of TCRS
Discretely Presented Dyer 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)	0.323803%	0.326327%	0.342013%	0.363547%	0.372407%	0.384741%	0.382051%	0.333991%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (52,617)	\$ 133,675	\$ 2,137,395	\$ (118,946)	\$ (1,310,468)	\$ (3,955,833)	\$ (2,913,419)	\$ (14,405,829)
Covered Payroll	\$ 12,709,247	\$ 12,216,087	\$ 12,345,998	\$ 12,851,217	\$ 13,040,447	\$ 12,900,904	\$ 12,715,624	\$ 10,962,124
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(.414002)%	1.094252%	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.

Exhibit F-7

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

	2017	2018	2019	2020	2021
Total OPEB Liability					
Service Cost	\$ 609,468	\$ 562,621	\$ 449,836	\$ 392,348	\$ 488,517
Interest	275,773	338,918	277,761	285,928	212,141
Changes in Benefit Terms	0	(57,637)	0	0	0
Differences Between Actual and Expected Experience	0	(2,478,265)	629,779	(18,270)	(8,652)
Changes in Assumptions or Other Inputs	(486,629)	191,089	(564,332)	942,861	(155,139)
Benefit Payments	(258,069)	(293,683)	(291,237)	(233,025)	(258,331)
Net Change in Total OPEB Liability	\$ 140,543	\$ (1,736,957)	\$ 501,807	\$ 1,369,842	\$ 278,536
Total OPEB Liability, Beginning	8,963,850	9,104,393	7,367,436	7,869,243	9,239,085
Total OPEB Liability, Ending	\$ 9,104,393	\$ 7,367,436	\$ 7,869,243	\$ 9,239,085	\$ 9,517,621
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 2,253,956	\$ 1,761,723	\$ 2,022,143	\$ 2,281,786	\$ 2,427,079
Employer Proportionate Share of the Total OPEB Liability	6,850,437	5,605,713	5,847,100	6,957,299	7,090,542
Covered Employee Payroll	\$ 13,040,447	\$ 12,770,586	\$ 12,712,117	\$ 10,903,316	\$ 14,769,821
Net OPEB Liability as a Percentage of Covered Employee Payroll	52.53%	43.90%	46.00%	63.81%	48.01%

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:

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

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

DYER 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 June 30, 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 Adjustments	2.25%

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

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

Nonmajor Governmental Funds

Special Revenue Funds

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

Law Library Fund – The Law Library Fund is used to account for a special tax levied by private act on litigation. Proceeds of the tax must be expended for the benefit of the county's law library.

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for Dyer County's convenience center operations.

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

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

Exhibit G-1

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

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Law Library	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 0	\$ 2,670	\$ 2,670
Equity in Pooled Cash and Investments	37,622	110,703	115,338	0	263,663
Accounts Receivable	0	0	28	0	28
Due from Other Governments	0	10,913	0	0	10,913
Total Assets	<u>\$ 37,622</u>	<u>\$ 121,616</u>	<u>\$ 115,366</u>	<u>\$ 2,670</u>	<u>\$ 277,274</u>
<u>LIABILITIES</u>					
Due to Other Funds	\$ 0	\$ 0	\$ 0	\$ 2,670	\$ 2,670
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,670</u>	<u>\$ 2,670</u>
<u>FUND BALANCES</u>					
Restricted:					
Restricted for Administration of Justice	\$ 37,622	\$ 0	\$ 0	\$ 0	\$ 37,622
Restricted for Public Safety	0	0	115,366	0	115,366
Committed:					
Committed for Public Health and Welfare	0	121,616	0	0	121,616
Total Fund Balances	<u>\$ 37,622</u>	<u>\$ 121,616</u>	<u>\$ 115,366</u>	<u>\$ 0</u>	<u>\$ 274,604</u>
Total Liabilities and Fund Balances	<u>\$ 37,622</u>	<u>\$ 121,616</u>	<u>\$ 115,366</u>	<u>\$ 2,670</u>	<u>\$ 277,274</u>

Exhibit G-2

Dyer 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			Total Nonmajor Governmental Funds
	Law Library	Solid Waste / Sanitation	Drug Control	
<u>Revenues</u>				
Local Taxes	\$ 1,740	\$ 139,868	\$ 0	\$ 141,608
Fines, Forfeitures, and Penalties	0	0	1,704	1,704
Charges for Current Services	0	398	0	398
Other Local Revenues	0	150	76,216	76,366
State of Tennessee	0	35,486	0	35,486
Total Revenues	<u>\$ 1,740</u>	<u>\$ 175,902</u>	<u>\$ 77,920</u>	<u>\$ 255,562</u>
<u>Expenditures</u>				
Current:				
Administration of Justice	\$ 2,077	\$ 0	\$ 0	\$ 2,077
Public Safety	0	0	22,118	22,118
Public Health and Welfare	0	139,506	0	139,506
Total Expenditures	<u>\$ 2,077</u>	<u>\$ 139,506</u>	<u>\$ 22,118</u>	<u>\$ 163,701</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (337)</u>	<u>\$ 36,396</u>	<u>\$ 55,802</u>	<u>\$ 91,861</u>
Net Change in Fund Balances	\$ (337)	\$ 36,396	\$ 55,802	\$ 91,861
Fund Balance, July 1, 2021	<u>37,959</u>	<u>85,220</u>	<u>59,564</u>	<u>182,743</u>
Fund Balance, June 30, 2022	<u>\$ 37,622</u>	<u>\$ 121,616</u>	<u>\$ 115,366</u>	<u>\$ 274,604</u>

Exhibit G-3

Dyer County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Law Library Fund
For the Year Ended June 30, 2022

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,740	\$ 2,100	\$ 2,100	\$ (360)
Total Revenues	\$ 1,740	\$ 2,100	\$ 2,100	\$ (360)
<u>Expenditures</u>				
<u>Administration of Justice</u>				
Other Administration of Justice	\$ 2,077	\$ 6,020	\$ 6,020	\$ 3,943
Total Expenditures	\$ 2,077	\$ 6,020	\$ 6,020	\$ 3,943
Excess (Deficiency) of Revenues Over Expenditures	\$ (337)	\$ (3,920)	\$ (3,920)	\$ 3,583
Net Change in Fund Balance	\$ (337)	\$ (3,920)	\$ (3,920)	\$ 3,583
Fund Balance, July 1, 2021	37,959	38,149	38,149	(190)
Fund Balance, June 30, 2022	\$ 37,622	\$ 34,229	\$ 34,229	\$ 3,393

Exhibit G-4

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 139,868	\$ 112,000	\$ 112,000	\$ 27,868
Charges for Current Services	398	500	500	(102)
Other Local Revenues	150	160	160	(10)
State of Tennessee	35,486	40,000	40,000	(4,514)
Total Revenues	<u>\$ 175,902</u>	<u>\$ 152,660</u>	<u>\$ 152,660</u>	<u>\$ 23,242</u>
<u>Expenditures</u>				
<u>Public Health and Welfare</u>				
Sanitation Management	\$ 139,506	\$ 132,675	\$ 147,675	\$ 8,169
Total Expenditures	<u>\$ 139,506</u>	<u>\$ 132,675</u>	<u>\$ 147,675</u>	<u>\$ 8,169</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 36,396</u>	<u>\$ 19,985</u>	<u>\$ 4,985</u>	<u>\$ 31,411</u>
Net Change in Fund Balance	\$ 36,396	\$ 19,985	\$ 4,985	\$ 31,411
Fund Balance, July 1, 2021	<u>85,220</u>	<u>60,861</u>	<u>60,861</u>	<u>24,359</u>
Fund Balance, June 30, 2022	<u><u>\$ 121,616</u></u>	<u><u>\$ 80,846</u></u>	<u><u>\$ 65,846</u></u>	<u><u>\$ 55,770</u></u>

Exhibit G-5

Dyer 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 with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 1,704	\$ 54,500	\$ 54,500	\$ (52,796)
Other Local Revenues	76,216	32,500	32,500	43,716
Total Revenues	<u>\$ 77,920</u>	<u>\$ 87,000</u>	<u>\$ 87,000</u>	<u>\$ (9,080)</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 22,118	\$ 84,750	\$ 84,750	\$ 62,632
Total Expenditures	<u>\$ 22,118</u>	<u>\$ 84,750</u>	<u>\$ 84,750</u>	<u>\$ 62,632</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 55,802</u>	<u>\$ 2,250</u>	<u>\$ 2,250</u>	<u>\$ 53,552</u>
Net Change in Fund Balance	\$ 55,802	\$ 2,250	\$ 2,250	\$ 53,552
Fund Balance, July 1, 2021	<u>59,564</u>	<u>73,072</u>	<u>73,072</u>	<u>(13,508)</u>
Fund Balance, June 30, 2022	<u><u>\$ 115,366</u></u>	<u><u>\$ 75,322</u></u>	<u><u>\$ 75,322</u></u>	<u><u>\$ 40,044</u></u>

Major Governmental Fund

General Debt Service Fund

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

Exhibit H

Dyer 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 with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 3,033,390	\$ 3,421,940	\$ 3,421,940	\$ (388,550)
Other Local Revenues	56,815	450,000	450,000	(393,185)
Federal Government	259,350	0	253,163	6,187
Other Governments and Citizens Groups	0	253,163	0	0
Total Revenues	\$ 3,349,555	\$ 4,125,103	\$ 4,125,103	\$ (775,548)
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 204,000	\$ 259,050	\$ 204,000	\$ 0
Education	2,919,065	3,049,028	3,030,042	110,977
<u>Interest on Debt</u>				
General Government	123,372	47,200	123,372	0
Education	828,371	795,852	828,544	173
<u>Other Debt Service</u>				
General Government	73,034	88,000	87,170	14,136
Education	14,328	13,498	14,328	0
Total Expenditures	\$ 4,162,170	\$ 4,252,628	\$ 4,287,456	\$ 125,286
Excess (Deficiency) of Revenues Over Expenditures	\$ (812,615)	\$ (127,525)	\$ (162,353)	\$ (650,262)
Net Change in Fund Balance	\$ (812,615)	\$ (127,525)	\$ (162,353)	\$ (650,262)
Fund Balance, July 1, 2021	1,685,361	1,757,982	1,757,982	(72,621)
Fund Balance, June 30, 2022	\$ 872,746	\$ 1,630,457	\$ 1,595,629	\$ (722,883)

Custodial Funds

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

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

Watershed District Fund – The Watershed District Fund is used to account for acreage assessments collected on drainage district properties, along with interest earnings, which are held in trust for the maintenance of the watershed districts.

City School ADA - Dyersburg Fund – The City School ADA - Dyersburg Fund is 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 system on a monthly basis.

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

District Attorney General Fund – The District Attorney General Fund is used to account for restricted revenue held for the benefit of the Office of District Attorney General.

Exhibit I-1

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

	Custodial Funds					
	Cities - Sales Tax	Watershed District	City School ADA - Dyersburg	Constitu - tional Officers - Custodial	District Attorney General	Total
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 0	\$ 4,918,473	\$ 0	\$ 4,918,473
Equity in Pooled Cash and Investments	0	124,742	133,356	0	27,965	286,063
Due from Other Governments	951,231	0	641,691	0	0	1,592,922
Property Taxes Receivable	0	0	2,726,259	0	0	2,726,259
Allowance for Uncollectible Property Taxes	0	0	(26,432)	0	0	(26,432)
Total Assets	\$ 951,231	\$ 124,742	\$ 3,474,874	\$ 4,918,473	\$ 27,965	\$ 9,497,285
<u>LIABILITIES</u>						
Due to Other Taxing Units	\$ 951,231	\$ 0	\$ 839,633	\$ 0	\$ 0	\$ 1,790,864
Total Liabilities	\$ 951,231	\$ 0	\$ 839,633	\$ 0	\$ 0	\$ 1,790,864
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 2,635,241	\$ 0	\$ 0	\$ 2,635,241
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 2,635,241	\$ 0	\$ 0	\$ 2,635,241
<u>NET POSITION</u>						
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 124,742	\$ 0	\$ 4,918,473	\$ 27,965	\$ 5,071,180
Total Net Position	\$ 0	\$ 124,742	\$ 0	\$ 4,918,473	\$ 27,965	\$ 5,071,180

Exhibit I-2

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

	Custodial Funds					
	Cities - Sales Tax	Watershed District	City School ADA - Dyersburg	Constitu - tional Officers - Custodial	District Attorney General	Total
<u>Additions</u>						
Sales Tax Collections for Other Governments	\$ 5,453,188	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,453,188
Fees Collected for Watershed	0	8,117	0	0	0	8,117
ADA - Educational Funds Collected for Cities	0	0	10,563,346	0	0	10,563,346
Fines/Fees and Other Collections	0	0	0	14,826,314	0	14,826,314
District Attorney General Collections	0	0	0	0	9,786	9,786
Total Additions	\$ 5,453,188	\$ 8,117	\$ 10,563,346	\$ 14,826,314	\$ 9,786	\$ 30,860,751
<u>Deductions</u>						
Payment of Sales Tax Collections for Other Governments	\$ 5,453,188	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,453,188
Payments of Watershed Expenses	0	2,556	0	0	0	2,556
Payments to City School Systems	0	0	10,563,346	0	0	10,563,346
Payments to State	0	0	0	4,530,885	0	4,530,885
Payments to Cities, Individuals, and Others	0	0	0	8,355,139	0	8,355,139
Payment of District Attorney General Expenses	0	0	0	0	5,645	5,645
Total Deductions	\$ 5,453,188	\$ 2,556	\$ 10,563,346	\$ 12,886,024	\$ 5,645	\$ 28,910,759
Change in Net Position	\$ 0	\$ 5,561	\$ 0	\$ 1,940,290	\$ 4,141	\$ 1,949,992
Net Position July 1, 2021	0	119,181	0	2,978,183	23,824	3,121,188
Net Position June 30, 2022	\$ 0	\$ 124,742	\$ 0	\$ 4,918,473	\$ 27,965	\$ 5,071,180

Dyer County School Department

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

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

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

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

School Transportation Fund – The School Transportation Fund is used to account for transportation of students in the school system.

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.

Exhibit J-1

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

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Total Governmental Activities
Governmental Activities:				
Instruction	\$ 22,331,431	\$ 12,221	\$ 3,878,886	\$ (18,440,324)
Support Services	15,474,721	83,298	1,514,067	(13,877,356)
Operation of Non-instructional Services	4,171,495	253,644	5,361,856	1,444,005
Total Governmental Activities	<u>\$ 41,977,647</u>	<u>\$ 349,163</u>	<u>\$ 10,754,809</u>	<u>\$ (30,873,675)</u>
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				\$ 5,041,843
Local Option Sales Taxes				5,996,057
Wheel Tax				1,207,320
Grants and Contributions Not Restricted to Specific Programs				22,362,475
Unrestricted Investment Income				68,557
Miscellaneous				66,595
Total General Revenues				<u>\$ 34,742,847</u>
Change in Net Position				\$ 3,869,172
Net Position, July 1, 2021				<u>57,244,523</u>
Net Position, June 30, 2022				<u>\$ 61,113,695</u>

Exhibit J-2

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

	<u>Major Funds</u>		<u>Nonmajor Funds</u>	
	<u>General Purpose School</u>	<u>School Transportation</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 1,033,932	\$ 1,033,932
Equity in Pooled Cash and Investments	8,793,673	1,682,685	1,989,985	12,466,343
Accounts Receivable	365,819	328	0	366,147
Due from Other Governments	1,236,351	0	131,083	1,367,434
Property Taxes Receivable	3,959,075	1,201,668	0	5,160,743
Allowance for Uncollectible Property Taxes	(38,384)	(11,650)	0	(50,034)
Restricted Assets	280,524	0	0	280,524
Total Assets	\$ 14,597,058	\$ 2,873,031	\$ 3,155,000	\$ 20,625,089
<u>LIABILITIES</u>				
Accounts Payable	\$ 9,814	\$ 0	\$ 242	\$ 10,056
Accrued Payroll	11,292	651	0	11,943
Payroll Deductions Payable	987,944	21,785	0	1,009,729
Cafeteria Salaries and Benefits	17,294	0	0	17,294
Total Liabilities	\$ 1,026,344	\$ 22,436	\$ 242	\$ 1,049,022
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 3,826,900	\$ 1,161,550	\$ 0	\$ 4,988,450
Deferred Delinquent Property Taxes	83,432	25,324	0	108,756
Other Deferred/Unavailable Revenue	500,000	0	0	500,000
Total Deferred Inflows of Resources	\$ 4,410,332	\$ 1,186,874	\$ 0	\$ 5,597,206

(Continued)

Exhibit J-2

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

	Major Funds		Nonmajor Funds	
	General Purpose School	School Transpor - tation	Other Govern- mental Funds	Total Governmental Funds
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Education	\$ 6,878	\$ 0	\$ 1,033,422	\$ 1,040,300
Restricted for Instruction	1,759	0	0	1,759
Restricted for Operation of Non-instructional Services	0	0	1,971,336	1,971,336
Restricted for Hybrid Retirement Stabilization Funds	280,524	0	0	280,524
Committed:				
Committed for Education	2,271,264	0	0	2,271,264
Committed for Support Services	0	1,663,721	0	1,663,721
Assigned:				
Assigned for Education	853,410	0	150,000	1,003,410
Unassigned	5,746,547	0	0	5,746,547
Total Fund Balances	<u>\$ 9,160,382</u>	<u>\$ 1,663,721</u>	<u>\$ 3,154,758</u>	<u>\$ 13,978,861</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 14,597,058</u>	<u>\$ 2,873,031</u>	<u>\$ 3,155,000</u>	<u>\$ 20,625,089</u>

Exhibit J-3

Dyer County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
Discretely Presented Dyer 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 J-2)		\$ 13,978,861
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 1,374,381	
Add: construction in progress	283,074	
Add: buildings and improvements net of accumulated depreciation	40,094,333	
Add: infrastructure net of accumulated depreciation	106,212	
Add: other capital assets net of accumulated depreciation	<u>4,972,611</u>	46,830,611
(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	\$ (116,997)	
Less: net OPEB liability	<u>(7,090,542)</u>	(7,207,539)
(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	\$ 5,863,969	
Less: deferred inflows of resources related to pensions	(12,879,398)	
Add: deferred outflows of resources related to OPEB	1,258,795	
Less: deferred inflows of resources related to OPEB	<u>(1,976,870)</u>	(7,733,504)
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - teacher retirement plan	\$ 230,681	
Add: net pension asset - teacher legacy pension plan	<u>14,405,829</u>	14,636,510
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		<u>608,756</u>
Net position of governmental activities (Exhibit A)		<u>\$ 61,113,695</u>

Exhibit J-4

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

	Major Funds		Nonmajor Funds	
	General Purpose School	School Transpor - tation	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>				
Local Taxes	\$ 10,763,626	\$ 1,456,324	\$ 0	\$ 12,219,950
Licenses and Permits	1,942	0	0	1,942
Charges for Current Services	124,213	35,874	189,076	349,163
Other Local Revenues	276,202	27,185	988,336	1,291,723
State of Tennessee	22,177,477	1,347,302	21,776	23,546,555
Federal Government	1,381,841	0	6,947,246	8,329,087
Total Revenues	<u>\$ 34,725,301</u>	<u>\$ 2,866,685</u>	<u>\$ 8,146,434</u>	<u>\$ 45,738,420</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 20,955,295	\$ 0	\$ 2,357,484	\$ 23,312,779
Support Services	11,511,977	2,833,072	900,283	15,245,332
Operation of Non-Instructional Services	1,010,086	0	3,466,445	4,476,531
Capital Outlay	1,842,899	0	445,126	2,288,025
Total Expenditures	<u>\$ 35,320,257</u>	<u>\$ 2,833,072</u>	<u>\$ 7,169,338</u>	<u>\$ 45,322,667</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (594,956)</u>	<u>\$ 33,613</u>	<u>\$ 977,096</u>	<u>\$ 415,753</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 130,225	\$ 0	\$ 0	\$ 130,225
Transfers In	103,941	0	0	103,941
Transfers Out	0	0	(103,941)	(103,941)
Total Other Financing Sources (Uses)	<u>\$ 234,166</u>	<u>\$ 0</u>	<u>\$ (103,941)</u>	<u>\$ 130,225</u>

(Continued)

Exhibit J-4

Dyer County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Governmental Funds
Discretely Presented Dyer County School Department (Cont.)

	Major Funds		Nonmajor Funds	
	General Purpose School	School Transpor - tation	Other Govern- mental Funds	Total Governmental Funds
Net Change in Fund Balances	\$ (360,790)	\$ 33,613	\$ 873,155	\$ 545,978
Fund Balance, July 1, 2021	9,521,172	1,630,108	2,281,603	13,432,883
Fund Balance, June 30, 2022	\$ 9,160,382	\$ 1,663,721	\$ 3,154,758	\$ 13,978,861

Exhibit J-5

Dyer County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Discretely Presented Dyer 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 J-4)		\$	545,978
(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	\$	1,871,850	
Less: current-year depreciation expense		(1,962,123)	(90,273)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net assets.			
Less: book value of capital assets disposed			(127,304)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Add: deferred delinquent property taxes and other deferred June 30, 2022	\$	608,756	
Less: deferred delinquent property taxes and other deferred June 30, 2021		(583,486)	25,270
(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 net pension asset - teacher retirement plan	\$	95,530	
Change in net pension asset - teacher legacy pension plan		11,492,410	
Change in deferred outflows related to pensions		3,565,229	
Change in deferred inflows related to pensions		(11,427,173)	
Change in net OPEB liability		(133,243)	
Change in deferred outflows related to OPEB		(180,400)	
Change in deferred inflows related to OPEB		99,576	
Change in compensated absences payable		3,572	3,515,501
Change in net position of governmental activities (Exhibit B)		\$	<u>3,869,172</u>

Exhibit J-6

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

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Internal School	
<u>ASSETS</u>				
Cash	\$ 0	\$ 880	\$ 1,033,052	\$ 1,033,932
Equity in Pooled Cash and Investments	58,932	1,931,053	0	1,989,985
Due from Other Governments	91,438	39,645	0	131,083
Total Assets	<u>\$ 150,370</u>	<u>\$ 1,971,578</u>	<u>\$ 1,033,052</u>	<u>\$ 3,155,000</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 0	\$ 242	\$ 0	\$ 242
Total Liabilities	<u>\$ 0</u>	<u>\$ 242</u>	<u>\$ 0</u>	<u>\$ 242</u>
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Education	\$ 370	\$ 0	\$ 1,033,052	\$ 1,033,422
Restricted for Operation of Non-instructional Services	0	1,971,336	0	1,971,336
Assigned:				
Assigned for Education	150,000	0	0	150,000
Total Fund Balances	<u>\$ 150,370</u>	<u>\$ 1,971,336</u>	<u>\$ 1,033,052</u>	<u>\$ 3,154,758</u>
Total Liabilities and Fund Balances	<u>\$ 150,370</u>	<u>\$ 1,971,578</u>	<u>\$ 1,033,052</u>	<u>\$ 3,155,000</u>

Exhibit J-7

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

	Special Revenue Funds			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Internal School	
<u>Revenues</u>				
Charges for Current Services	\$ 0	\$ 189,076	\$ 0	\$ 189,076
Other Local Revenues	0	8,935	979,401	988,336
State of Tennessee	0	21,776	0	21,776
Federal Government	4,256,053	2,691,193	0	6,947,246
Total Revenues	<u>\$ 4,256,053</u>	<u>\$ 2,910,980</u>	<u>\$ 979,401</u>	<u>\$ 8,146,434</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 2,357,484	\$ 0	\$ 0	\$ 2,357,484
Support Services	900,283	0	0	900,283
Operation of Non-Instructional Services	331,589	2,184,529	950,327	3,466,445
Capital Outlay	445,126	0	0	445,126
Total Expenditures	<u>\$ 4,034,482</u>	<u>\$ 2,184,529</u>	<u>\$ 950,327</u>	<u>\$ 7,169,338</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 221,571</u>	<u>\$ 726,451</u>	<u>\$ 29,074</u>	<u>\$ 977,096</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (103,941)	\$ 0	\$ 0	\$ (103,941)
Total Other Financing Sources (Uses)	<u>\$ (103,941)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (103,941)</u>

(Continued)

Exhibit J-7

Dyer County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Governmental Funds
Discretely Presented Dyer County School Department (Cont.)

	Special Revenue Funds			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Internal School	
Net Change in Fund Balances	\$ 117,630	\$ 726,451	\$ 29,074	\$ 873,155
Fund Balance, July 1, 2021	32,740	1,244,885	1,003,978	2,281,603
Fund Balance, June 30, 2022	\$ 150,370	\$ 1,971,336	\$ 1,033,052	\$ 3,154,758

Exhibit J-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 10,763,626	\$ 0	\$ 0	\$ 10,763,626	\$ 9,017,796	\$ 9,017,796	\$ 1,745,830
Licenses and Permits	1,942	0	0	1,942	1,711	1,711	231
Fines, Forfeitures, and Penalties	0	0	0	0	100	100	(100)
Charges for Current Services	124,213	0	0	124,213	89,258	89,258	34,955
Other Local Revenues	276,202	0	0	276,202	160,480	224,680	51,522
State of Tennessee	22,177,477	0	0	22,177,477	22,753,757	23,302,846	(1,125,369)
Federal Government	1,381,841	0	0	1,381,841	627,534	1,717,370	(335,529)
Total Revenues	\$ 34,725,301	\$ 0	\$ 0	\$ 34,725,301	\$ 32,650,636	\$ 34,353,761	\$ 371,540
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 17,970,382	\$ (334,171)	\$ 126,189	\$ 17,762,400	\$ 17,887,426	\$ 18,148,692	\$ 386,292
Special Education Program	2,313,995	0	0	2,313,995	2,432,725	2,439,802	125,807
Career and Technical Education Program	662,561	(35)	995	663,521	682,105	682,105	18,584
Student Body Education Program	8,357	0	956	9,313	9,800	9,800	487
<u>Support Services</u>							
Attendance	117,113	0	200	117,313	121,811	121,811	4,498
Health Services	721,042	(5,596)	1,246	716,692	557,261	726,978	10,286
Other Student Support	1,159,194	(75,930)	12,801	1,096,065	1,014,788	1,126,666	30,601
Regular Instruction Program	815,792	(110,821)	7,332	712,303	681,772	881,160	168,857
Special Education Program	213,865	0	0	213,865	216,646	216,646	2,781
Career and Technical Education Program	89,147	(1,120)	285	88,312	91,469	91,469	3,157
Technology	425,474	0	0	425,474	418,370	464,570	39,096
Other Programs	64,227	0	0	64,227	0	64,227	0
Board of Education	618,228	(75)	0	618,153	632,246	632,246	14,093
Director of Schools	295,683	0	0	295,683	308,600	308,600	12,917
Office of the Principal	2,344,829	(6,692)	3,363	2,341,500	2,370,413	2,370,413	28,913
Fiscal Services	392,267	(40)	0	392,227	449,847	402,087	9,860
Operation of Plant	2,829,851	(98,354)	34,955	2,766,452	2,763,651	2,774,180	7,728

(Continued)

Exhibit J-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Maintenance of Plant	\$ 1,389,771	\$ (90,736)	\$ 50,921	\$ 1,349,956	\$ 1,401,480	\$ 1,401,480	\$ 51,524
Transportation	35,494	0	35,255	70,749	0	104,638	33,889
<u>Operation of Non-Instructional Services</u>							
Food Service	44,197	0	0	44,197	41,565	44,761	564
Community Services	209,967	(129)	737	210,575	209,601	215,601	5,026
Early Childhood Education	755,922	(6,687)	0	749,235	714,992	779,192	29,957
<u>Capital Outlay</u>							
Regular Capital Outlay	1,842,899	(607,785)	578,175	1,813,289	1,500,000	1,855,000	41,711
Total Expenditures	<u>\$ 35,320,257</u>	<u>\$ (1,338,171)</u>	<u>\$ 853,410</u>	<u>\$ 34,835,496</u>	<u>\$ 34,506,568</u>	<u>\$ 35,862,124</u>	<u>\$ 1,026,628</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (594,956)</u>	<u>\$ 1,338,171</u>	<u>\$ (853,410)</u>	<u>\$ (110,195)</u>	<u>\$ (1,855,932)</u>	<u>\$ (1,508,363)</u>	<u>\$ 1,398,168</u>
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 130,225	\$ 0	\$ 0	\$ 130,225	\$ 0	\$ 0	\$ 130,225
Transfers In	103,941	0	0	103,941	41,580	104,142	(201)
Total Other Financing Sources	<u>\$ 234,166</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 234,166</u>	<u>\$ 41,580</u>	<u>\$ 104,142</u>	<u>\$ 130,024</u>
Net Change in Fund Balance	<u>\$ (360,790)</u>	<u>\$ 1,338,171</u>	<u>\$ (853,410)</u>	<u>\$ 123,971</u>	<u>\$ (1,814,352)</u>	<u>\$ (1,404,221)</u>	<u>\$ 1,528,192</u>
Fund Balance, July 1, 2021	<u>9,521,172</u>	<u>(1,338,171)</u>	<u>0</u>	<u>8,183,001</u>	<u>8,264,318</u>	<u>8,264,318</u>	<u>(81,317)</u>
Fund Balance, June 30, 2022	<u><u>\$ 9,160,382</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (853,410)</u></u>	<u><u>\$ 8,306,972</u></u>	<u><u>\$ 6,449,966</u></u>	<u><u>\$ 6,860,097</u></u>	<u><u>\$ 1,446,875</u></u>

Exhibit J-9

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 4,256,053	\$ 11,102,543	\$ 11,113,601	\$ (6,857,548)
Total Revenues	\$ 4,256,053	\$ 11,102,543	\$ 11,113,601	\$ (6,857,548)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 1,586,651	\$ 2,827,716	\$ 2,917,585	\$ 1,330,934
Special Education Program	722,821	817,736	817,737	94,916
Career and Technical Education Program	48,012	236,727	237,823	189,811
<u>Support Services</u>				
Attendance	9,106	122,861	122,861	113,755
Health Services	0	200	200	200
Other Student Support	143,646	468,888	451,908	308,262
Regular Instruction Program	410,221	1,170,773	1,177,863	767,642
Special Education Program	292,128	390,779	391,116	98,988
Career and Technical Education Program	3,293	4,102	3,293	0
Technology	41,664	66,986	41,664	0
Transportation	225	27,904	27,904	27,679
<u>Operation of Non-Instructional Services</u>				
Food Service	171,440	182,073	207,852	36,412
Community Services	160,149	158,233	160,233	84
<u>Capital Outlay</u>				
Regular Capital Outlay	445,126	4,639,790	4,507,228	4,062,102
Total Expenditures	\$ 4,034,482	\$ 11,114,768	\$ 11,065,267	\$ 7,030,785
Excess (Deficiency) of Revenues Over Expenditures	\$ 221,571	\$ (12,225)	\$ 48,334	\$ 173,237
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (103,941)	\$ (43,379)	\$ (103,941)	\$ 0
Total Other Financing Sources	\$ (103,941)	\$ (43,379)	\$ (103,941)	\$ 0
Net Change in Fund Balance	\$ 117,630	\$ (55,604)	\$ (55,607)	\$ 173,237
Fund Balance, July 1, 2021	32,740	150,000	150,000	(117,260)
Fund Balance, June 30, 2022	\$ 150,370	\$ 94,396	\$ 94,393	\$ 55,977

Exhibit J-10

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 189,076	\$ 0	\$ 0	\$ 189,076	\$ 252,500	\$ 261,500	\$ (72,424)
Other Local Revenues	8,935	0	0	8,935	18,000	18,000	(9,065)
State of Tennessee	21,776	0	0	21,776	20,750	20,750	1,026
Federal Government	2,691,193	0	0	2,691,193	2,249,954	2,258,148	433,045
Total Revenues	<u>\$ 2,910,980</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,910,980</u>	<u>\$ 2,541,204</u>	<u>\$ 2,558,398</u>	<u>\$ 352,582</u>
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 2,184,529	\$ (13,944)	\$ 17,802	\$ 2,188,387	\$ 2,541,204	\$ 2,558,399	\$ 370,012
Total Expenditures	<u>\$ 2,184,529</u>	<u>\$ (13,944)</u>	<u>\$ 17,802</u>	<u>\$ 2,188,387</u>	<u>\$ 2,541,204</u>	<u>\$ 2,558,399</u>	<u>\$ 370,012</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 726,451</u>	<u>\$ 13,944</u>	<u>\$ (17,802)</u>	<u>\$ 722,593</u>	<u>\$ 0</u>	<u>\$ (1)</u>	<u>\$ 722,594</u>
Net Change in Fund Balance	\$ 726,451	\$ 13,944	\$ (17,802)	\$ 722,593	\$ 0	\$ (1)	\$ 722,594
Fund Balance, July 1, 2021	<u>1,244,885</u>	<u>(13,944)</u>	<u>0</u>	<u>1,230,941</u>	<u>1,275,806</u>	<u>1,275,806</u>	<u>(44,865)</u>
Fund Balance, June 30, 2022	<u><u>\$ 1,971,336</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (17,802)</u></u>	<u><u>\$ 1,953,534</u></u>	<u><u>\$ 1,275,806</u></u>	<u><u>\$ 1,275,805</u></u>	<u><u>\$ 677,729</u></u>

Exhibit J-11

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 1,456,324	\$ 0	\$ 0	\$ 1,456,324	\$ 1,389,556	\$ 1,389,556	\$ 66,768
Charges for Current Services	35,874	0	0	35,874	37,200	37,200	(1,326)
Other Local Revenues	27,185	0	0	27,185	1,500	1,500	25,685
State of Tennessee	1,347,302	0	0	1,347,302	1,367,377	1,367,377	(20,075)
Total Revenues	<u>\$ 2,866,685</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,866,685</u>	<u>\$ 2,795,633</u>	<u>\$ 2,795,633</u>	<u>\$ 71,052</u>
<u>Expenditures</u>							
<u>Support Services</u>							
Board of Education	\$ 26,528	\$ 0	\$ 0	\$ 26,528	\$ 27,000	\$ 27,000	\$ 472
Operation of Plant	19,750	0	0	19,750	22,170	22,170	2,420
Transportation	2,786,794	(62,735)	18,596	2,742,655	2,862,247	2,862,247	119,592
Total Expenditures	<u>\$ 2,833,072</u>	<u>\$ (62,735)</u>	<u>\$ 18,596</u>	<u>\$ 2,788,933</u>	<u>\$ 2,911,417</u>	<u>\$ 2,911,417</u>	<u>\$ 122,484</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 33,613</u>	<u>\$ 62,735</u>	<u>\$ (18,596)</u>	<u>\$ 77,752</u>	<u>\$ (115,784)</u>	<u>\$ (115,784)</u>	<u>\$ 193,536</u>
Net Change in Fund Balance	\$ 33,613	\$ 62,735	\$ (18,596)	\$ 77,752	\$ (115,784)	\$ (115,784)	\$ 193,536
Fund Balance, July 1, 2021	<u>1,630,108</u>	<u>(62,735)</u>	<u>0</u>	<u>1,567,373</u>	<u>1,418,109</u>	<u>1,418,109</u>	<u>149,264</u>
Fund Balance, June 30, 2022	<u>\$ 1,663,721</u>	<u>\$ 0</u>	<u>\$ (18,596)</u>	<u>\$ 1,645,125</u>	<u>\$ 1,302,325</u>	<u>\$ 1,302,325</u>	<u>\$ 342,800</u>

MISCELLANEOUS SCHEDULES

Exhibit K-1

Dyer County, Tennessee
Schedule of Changes in Long-term Other Loans and Bonds
For the Year Ended June 30, 2022

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-21	Paid and/or Matured During Period	Outstanding 6-30-22
<u>OTHER LOANS PAYABLE</u>							
<u>Payable through General Debt Service Fund</u>							
Qualified School Construction Bonds, Series 2009	\$ 8,960,000	1.515%	12-1-09	9-15-26	\$ 2,856,602	\$ 559,083	\$ 2,297,519
Qualified School Construction Bonds, Series 2010	5,673,000	(1)	9-1-10	9-15-26	2,162,635	353,982	1,808,653
Total Other Loans Payable					<u>\$ 5,019,237</u>	<u>\$ 913,065</u>	<u>\$ 4,106,172</u>
<u>BONDS PAYABLE</u>							
<u>Payable through General Debt Service Fund</u>							
General Obligation Refunding Bonds, Series 2019	8,835,000	5	5-31-19	6-1-26	\$ 5,785,000	\$ 1,610,000	\$ 4,175,000
General Obligation Refunding Bonds, Series 2021	13,155,000	3	6-30-21	6-1-31	13,155,000	600,000	12,555,000
Total Bonds Payable					<u>\$ 18,940,000</u>	<u>\$ 2,210,000</u>	<u>\$ 16,730,000</u>

(1) Interest rate of approximately 4.85 percent is offset by a federal interest subsidy, resulting in a net interest rate of zero percent.

Exhibit K-2

Dyer County, Tennessee
Schedule of Long-term Debt Requirements by Year

Year Ending June 30	Other Loans			
	Principal	Interest (1)	Other Fees	Total
2023	\$ 913,076	\$ 410,771	\$ 13,498	\$ 1,337,345
2024	913,076	410,771	13,498	1,337,345
2025	913,077	410,771	13,499	1,337,347
2026	913,077	410,771	13,499	1,337,347
2027	453,866	286,340	5,285	745,491
Total	<u>\$ 4,106,172</u>	<u>\$ 1,929,424</u>	<u>\$ 59,279</u>	<u>\$ 6,094,875</u>

Ending June 30	Bonds		
	Principal	Interest	Total
2023	\$ 2,120,000	\$ 585,400	\$ 2,705,400
2024	2,045,000	501,700	2,546,700
2025	1,975,000	419,750	2,394,750
2026	1,890,000	339,300	2,229,300
2027	2,000,000	261,000	2,261,000
2028	2,500,000	201,000	2,701,000
2029	2,450,000	126,000	2,576,000
2030	875,000	52,500	927,500
2031	875,000	26,250	901,250
Total	<u>\$ 16,730,000</u>	<u>\$ 2,512,900</u>	<u>\$ 19,242,900</u>

(1) Includes interest requirements on Qualified School Construction Bonds,
Series 2010, before federal interest rate subsidy.

Exhibit K-3

Dyer County, Tennessee
Schedule of Transfers
Primary Government and Discretely Presented Dyer County School Department
For the Year Ended June 30, 2022

From Fund	To Fund	Purpose	Amount
<u>PRIMARY GOVERNMENT</u>			
Other General Government Fund	Highway/Public Works	Premium pay	\$ 62,868
"	"	Paving	<u>191,403</u>
Total Transfers Primary Government			<u><u>\$ 254,271</u></u>
<u>DISCRETELY PRESENTED DYER COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 41,379
"	"	COVID expenses	<u>62,562</u>
Total Transfers Discretely Presented Dyer County School Department			<u><u>\$ 103,941</u></u>

Exhibit K-4

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <i>TCA</i>	\$ 99,389	\$ 400,000	Local Government Property and Casualty Fund
Road Supervisor	Section 8-24-102, <i>TCA</i>	94,658	400,000	"
Director of Schools	State Board of Education and County Board of Education	199,828 (1)	100,000	Travelers Casualty and Surety Company of America
Trustee	Section 8-24-102, <i>TCA</i>	86,051	1,472,402	Erie Insurance Company
Assessor of Property	Section 8-24-102, <i>TCA</i>	86,051	400,000	Local Government Property and Casualty Fund
County Clerk	Section 8-24-102, <i>TCA</i>	86,051	400,000	"
Circuit and General Sessions Courts Clerk	Section 8-24-102, <i>TCA</i>	86,051	400,000	"
Clerk and Master	Section 8-24-102, <i>TCA</i>	86,051	135,000	Travelers Casualty and Surety Company of America
Register of Deeds	Section 8-24-102, <i>TCA</i>	86,051	400,000	Local Government Property and Casualty Fund
Sheriff	Section 8-24-102, <i>TCA</i>	94,657 (2)	400,000	"
General County/Highway Department Employees			400,000	Local Government Property and Casualty Fund
All School Department Employees			150,000	The Netherlands Insurance Company

(1) Includes a chief executive officer training supplement of \$1,000, summer school pay of \$1,000, differentiated pay bonus of \$1,400, and an ELC grant bonus of \$27,688. Also includes benefits for medical, dental and life insurance premiums of \$22,350, vehicle allowance of \$8,400, and retirement benefits of \$8,240.

(2) Does not include \$800 for a law enforcement training supplement.

Exhibit K-5

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

	Special Revenue Funds					
	General	Law Library	Solid Waste / Sanitation	Drug Control	Other General Government	Highway / Public Works
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 7,359,830	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,879,955
Current Property Tax - Tax Increment Financing	0	0	0	0	0	0
Trustee's Collections - Prior Year	145,975	0	0	0	0	37,289
Trustee's Collections - Bankruptcy	56,621	0	0	0	0	15,288
Circuit Clerk/Clerk and Master Collections - Prior Years	40,271	0	0	0	0	10,729
Interest and Penalty	35,408	0	0	0	0	9,261
Payments in-Lieu-of Taxes - Local Utilities	51,666	0	139,868	0	0	0
Payments in-Lieu-of Taxes - Other	0	0	0	0	0	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	0	0	0	0	0
Litigation Tax - General	92,835	0	0	0	0	0
Litigation Tax - Special Purpose	0	1,740	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	0
Business Tax	615,488	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	80,769	0	0	0	0	0
Wholesale Beer Tax	75,774	0	0	0	0	0
Total Local Taxes	\$ 8,554,637	\$ 1,740	\$ 139,868	\$ 0	\$ 0	\$ 1,952,522
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Animal Registration	\$ 10,034	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Cable TV Franchise	57,535	0	0	0	0	0
<u>Permits</u>						
Beer Permits	950	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Law Library	Solid Waste / Sanitation	Drug Control	Other General Government	Highway / Public Works
<u>Licenses and Permits (Cont.)</u>						
<u>Permits (Cont.)</u>						
Building Permits	\$ 27,405	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Permits	27,142	0	0	0	0	0
Total Licenses and Permits	\$ 123,066	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 3,938	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	4,449	0	0	0	0	0
Drug Control Fines	0	0	0	1,704	0	0
Drug Court Fees	3,108	0	0	0	0	0
DUI Treatment Fines	142	0	0	0	0	0
Data Entry Fee - Circuit Court	1,778	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	14,321	0	0	0	0	0
Officers Costs	6,634	0	0	0	0	0
Game and Fish Fines	360	0	0	0	0	0
Drug Control Fines	1,878	0	0	0	0	0
Drug Court Fees	1,263	0	0	0	0	0
Jail Fees	3,587	0	0	0	0	0
DUI Treatment Fines	2,909	0	0	0	0	0
Data Entry Fee - General Sessions Court	9,672	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	765	0	0	0	0	0
Data Entry Fee - Juvenile Court	994	0	0	0	0	0
Courtroom Security Fee	15	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Law Library	Solid Waste / Sanitation	Drug Control	Other General Government	Highway / Public Works
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>Chancery Court</u>						
Officers Costs	\$ 2,183	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Data Entry Fee - Chancery Court	4,016	0	0	0	0	0
<u>Other Courts - In-county</u>						
Drug Court Fees	5,033	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	67,899	0	0
Other Fines, Forfeitures, and Penalties	25,300	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 92,345	\$ 0	\$ 0	\$ 69,603	\$ 0	\$ 0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Surcharge - General	\$ 100	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Solid Waste Disposal Fee	0	0	398	0	0	0
Work Release Charges for Board	153,788	0	0	0	0	0
Other General Service Charges	682	0	0	0	0	0
<u>Fees</u>						
Copy Fees	70	0	0	0	0	0
Archives and Records Management Fee	13,460	0	0	0	0	0
Greenbelt Late Application Fee	50	0	0	0	0	0
Telephone Commissions	133,713	0	0	0	0	0
Vending Machine Collections	13	0	0	0	0	0
Data Processing Fee - Register	13,314	0	0	0	0	0
Data Processing Fee - Sheriff	1,583	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	1,150	0	0	0	0	0
Data Processing Fee - County Clerk	5,154	0	0	0	0	0
Vehicle Registration Reinstatement Fees	3,770	0	0	0	0	0
Total Charges for Current Services	\$ 326,847	\$ 0	\$ 398	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Law Library	Solid Waste / Sanitation	Drug Control	Other General Government	Highway / Public Works
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 35,176	\$ 0	\$ 0	\$ 0	\$ 18,516	\$ 31,314
Lease/Rentals	77,565	0	150	0	0	18,000
Sale of Materials and Supplies	0	0	0	0	0	5,727
Commissary Sales	132,633	0	0	0	0	0
Net Increases/Decreases in Fair Value of Investments	(1,027,247)	0	0	0	0	0
Miscellaneous Refunds	688,534	0	0	0	0	656
<u>Nonrecurring Items</u>						
Sale of Equipment	294	0	0	8,317	0	0
Sale of Property	73,244	0	0	0	0	0
Contributions and Gifts	1,230	0	0	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	2,762	0	0	0	0	0
Total Other Local Revenues	\$ (15,809)	\$ 0	\$ 150	\$ 8,317	\$ 18,516	\$ 55,697
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 414,821	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	100,918	0	0	0	0	0
General Sessions Court Clerk	145,981	0	0	0	0	0
Clerk and Master	165,963	0	0	0	0	0
Juvenile Court Clerk	17,307	0	0	0	0	0
Register	188,455	0	0	0	0	0
Sheriff	10,237	0	0	0	0	0
Trustee	713,054	0	0	0	0	0
Total Fees Received From County Officials	\$ 1,756,736	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Law Library	Solid Waste / Sanitation	Drug Control	Other General Government	Highway / Public Works
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Aging Programs	532,785	0	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	28,800	0	0	0	0	0
Drug Control Grants	39,252	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	61,307	0	0	0	0	0
<u>Public Works Grants</u>						
Bridge Program	0	0	0	0	0	809,811
Litter Program	45,212	0	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	3,015	0	0	0	0	0
Vehicle Certificate of Title Fees	9,272	0	0	0	0	0
Alcoholic Beverage Tax	107,932	0	0	0	0	0
State Revenue Sharing - Telecommunications	59,714	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	16,344	0	0	0	0	0
Child Support Collections	6,362	0	0	0	0	0
Prisoner Transportation	38,534	0	0	0	0	0
Contracted Prisoner Boarding	795,639	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	2,708,614
Petroleum Special Tax	0	0	0	0	0	24,930
Registrar's Salary Supplement	16,082	0	0	0	0	0
Other State Grants	457,177	0	0	0	0	0
Other State Revenues	359	0	35,486	0	0	0
Total State of Tennessee	\$ 2,226,786	\$ 0	\$ 35,486	\$ 0	\$ 0	\$ 3,543,355

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Law Library	Solid Waste / Sanitation	Drug Control	Other General Government	Highway / Public Works
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA - Other	\$ 72,618	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Vocational Education - Basic Grants to States	200,944	0	0	0	0	0
Disaster Relief	19,082	0	0	0	0	0
Homeland Security Grants	16,488	0	0	0	0	0
Law Enforcement Grants	127,987	0	0	0	0	0
American Rescue Plan Act Grant #1	0	0	0	0	630,997	0
Other Federal through State	483,518	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Tax Credit Bond Rebate	0	0	0	0	0	0
Other Direct Federal Revenue	1,800	0	0	0	0	0
Total Federal Government	<u>\$ 922,437</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 630,997</u>	<u>\$ 0</u>
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 1,676	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contracted Services	46,944	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 48,620</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total	<u>\$ 14,035,665</u>	<u>\$ 1,740</u>	<u>\$ 175,902</u>	<u>\$ 77,920</u>	<u>\$ 649,513</u>	<u>\$ 5,551,574</u>

(Continued)

Exhibit K-5

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

	Debt Service Fund		
	General Debt Service	Total	
<u>Local Taxes</u>			
<u>County Property Taxes</u>			
Current Property Tax	\$ 2,245,595	\$ 11,485,380	
Current Property Tax - Tax Increment Financing	49,078	49,078	
Trustee's Collections - Prior Year	44,905	228,169	
Trustee's Collections - Bankruptcy	18,517	90,426	
Circuit Clerk/Clerk and Master Collections - Prior Years	12,944	63,944	
Interest and Penalty	11,165	55,834	
Payments in-Lieu-of Taxes - Local Utilities	0	191,534	
Payments in-Lieu-of Taxes - Other	425,280	425,280	
<u>County Local Option Taxes</u>			
Local Option Sales Tax	159,241	159,241	
Litigation Tax - General	0	92,835	
Litigation Tax - Special Purpose	0	1,740	
Litigation Tax - Jail, Workhouse, or Courthouse	66,665	66,665	
Business Tax	0	615,488	
<u>Statutory Local Taxes</u>			
Bank Excise Tax	0	80,769	
Wholesale Beer Tax	0	75,774	
Total Local Taxes	\$ 3,033,390	\$ 13,682,157	
<u>Licenses and Permits</u>			
<u>Licenses</u>			
Animal Registration	\$ 0	\$ 10,034	
Cable TV Franchise	0	57,535	
<u>Permits</u>			
Beer Permits	0	950	

(Continued)

Exhibit K-5

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

	Debt Service Fund	
	General Debt Service	Total
<hr/>		
<u>Licenses and Permits (Cont.)</u>		
<u>Permits (Cont.)</u>		
Building Permits	\$ 0	\$ 27,405
Other Permits	0	27,142
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 123,066</u>
<u>Fines, Forfeitures, and Penalties</u>		
<u>Circuit Court</u>		
Fines	\$ 0	\$ 3,938
Officers Costs	0	4,449
Drug Control Fines	0	1,704
Drug Court Fees	0	3,108
DUI Treatment Fines	0	142
Data Entry Fee - Circuit Court	0	1,778
<u>General Sessions Court</u>		
Fines	0	14,321
Officers Costs	0	6,634
Game and Fish Fines	0	360
Drug Control Fines	0	1,878
Drug Court Fees	0	1,263
Jail Fees	0	3,587
DUI Treatment Fines	0	2,909
Data Entry Fee - General Sessions Court	0	9,672
<u>Juvenile Court</u>		
Fines	0	765
Data Entry Fee - Juvenile Court	0	994
Courtroom Security Fee	0	15

(Continued)

Exhibit K-5

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

	Debt Service Fund		
	General Debt Service		Total
<hr/>			
<u>Fines, Forfeitures, and Penalties (Cont.)</u>			
<u>Chancery Court</u>			
Officers Costs	\$	0	\$ 2,183
Data Entry Fee - Chancery Court		0	4,016
<u>Other Courts - In-county</u>			
Drug Court Fees		0	5,033
<u>Other Fines, Forfeitures, and Penalties</u>			
Proceeds from Confiscated Property		0	67,899
Other Fines, Forfeitures, and Penalties		0	25,300
Total Fines, Forfeitures, and Penalties	<u>\$</u>	<u>0</u>	<u>\$ 161,948</u>
<hr/>			
<u>Charges for Current Services</u>			
<u>General Service Charges</u>			
Surcharge - General	\$	0	\$ 100
Solid Waste Disposal Fee		0	398
Work Release Charges for Board		0	153,788
Other General Service Charges		0	682
<u>Fees</u>			
Copy Fees		0	70
Archives and Records Management Fee		0	13,460
Greenbelt Late Application Fee		0	50
Telephone Commissions		0	133,713
Vending Machine Collections		0	13
Data Processing Fee - Register		0	13,314
Data Processing Fee - Sheriff		0	1,583
Sexual Offender Registration Fee - Sheriff		0	1,150
Data Processing Fee - County Clerk		0	5,154
Vehicle Registration Reinstatement Fees		0	3,770
Total Charges for Current Services	<u>\$</u>	<u>0</u>	<u>\$ 327,245</u>

(Continued)

Exhibit K-5

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

	Debt Service Fund	
	General Debt Service	Total
<u>Other Local Revenues</u>		
<u>Recurring Items</u>		
Investment Income	\$ 56,815	\$ 141,821
Lease/Rentals	0	95,715
Sale of Materials and Supplies	0	5,727
Commissary Sales	0	132,633
Net Increases/Decreases in Fair Value of Investments	0	(1,027,247)
Miscellaneous Refunds	0	689,190
<u>Nonrecurring Items</u>		
Sale of Equipment	0	8,611
Sale of Property	0	73,244
Contributions and Gifts	0	1,230
<u>Other Local Revenues</u>		
Other Local Revenues	0	2,762
Total Other Local Revenues	\$ 56,815	\$ 123,686
<u>Fees Received From County Officials</u>		
<u>Fees In-Lieu-of Salary</u>		
County Clerk	\$ 0	\$ 414,821
Circuit Court Clerk	0	100,918
General Sessions Court Clerk	0	145,981
Clerk and Master	0	165,963
Juvenile Court Clerk	0	17,307
Register	0	188,455
Sheriff	0	10,237
Trustee	0	713,054
Total Fees Received From County Officials	\$ 0	\$ 1,756,736

(Continued)

Exhibit K-5

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

	<u>Debt Service Fund</u>		
	General Debt Service		Total
<u>State of Tennessee</u>			
<u>General Government Grants</u>			
Juvenile Services Program	\$ 0	\$	9,000
Aging Programs	0		532,785
<u>Public Safety Grants</u>			
Law Enforcement Training Programs	0		28,800
Drug Control Grants	0		39,252
<u>Health and Welfare Grants</u>			
Health Department Programs	0		61,307
<u>Public Works Grants</u>			
Bridge Program	0		809,811
Litter Program	0		45,212
<u>Other State Revenues</u>			
Income Tax	0		3,015
Vehicle Certificate of Title Fees	0		9,272
Alcoholic Beverage Tax	0		107,932
State Revenue Sharing - Telecommunications	0		59,714
State Shared Sports Gaming Privilege Tax	0		16,344
Child Support Collections	0		6,362
Prisoner Transportation	0		38,534
Contracted Prisoner Boarding	0		795,639
Gasoline and Motor Fuel Tax	0		2,708,614
Petroleum Special Tax	0		24,930
Registrar's Salary Supplement	0		16,082
Other State Grants	0		457,177
Other State Revenues	0		35,845
Total State of Tennessee	\$ 0	\$	5,805,627

(Continued)

Exhibit K-5

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

	Debt Service Fund		
	General Debt Service		Total
<hr/>			
Federal Government			
Federal Through State			
USDA - Other	\$	0	\$ 72,618
Vocational Education - Basic Grants to States		0	200,944
Disaster Relief		0	19,082
Homeland Security Grants		0	16,488
Law Enforcement Grants		0	127,987
American Rescue Plan Act Grant #1		0	630,997
Other Federal through State		0	483,518
Direct Federal Revenue			
Tax Credit Bond Rebate		259,350	259,350
Other Direct Federal Revenue		0	1,800
Total Federal Government	\$	259,350	\$ 1,812,784
<hr/>			
Other Governments and Citizens Groups			
Other Governments			
Prisoner Board	\$	0	\$ 1,676
Contracted Services		0	46,944
Total Other Governments and Citizens Groups	\$	0	\$ 48,620
<hr/>			
Total	\$	3,349,555	\$ 23,841,869

Exhibit K-6

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

	Special Revenue Funds						
	General Purpose School	School Federal Projects	Central Cafeteria	School Transpor - tation	Internal School	Total	
<u>Local Taxes</u>							
<u>County Property Taxes</u>							
Current Property Tax	\$ 3,742,627	\$ 0	\$ 0	\$ 1,135,984	\$ 0	\$ 4,878,611	
Trustee's Collections - Prior Year	73,411	0	0	22,532	0	95,943	
Trustee's Collections - Bankruptcy	30,480	0	0	9,306	0	39,786	
Circuit Clerk/Clerk and Master Collections - Prior Years	21,526	0	0	6,504	0	28,030	
Interest and Penalty	18,391	0	0	5,605	0	23,996	
Payments in-Lieu-of Taxes - T.V.A.	207	0	0	0	0	207	
<u>County Local Option Taxes</u>							
Local Option Sales Tax	5,946,057	0	0	0	0	5,946,057	
Wheel Tax	930,927	0	0	276,393	0	1,207,320	
Total Local Taxes	\$ 10,763,626	\$ 0	\$ 0	\$ 1,456,324	\$ 0	\$ 12,219,950	
<u>Licenses and Permits</u>							
<u>Licenses</u>							
Marriage Licenses	\$ 1,573	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,573	
<u>Permits</u>							
Other Permits	369	0	0	0	0	369	
Total Licenses and Permits	\$ 1,942	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,942	
<u>Charges for Current Services</u>							
<u>Fees</u>							
Vending Machine Collections	\$ 0	\$ 0	\$ 0	\$ 294	\$ 0	\$ 294	
<u>Education Charges</u>							
Tuition - Regular Day Students	11,927	0	0	0	0	11,927	
Lunch Payments - Adults	0	0	33,756	0	0	33,756	

(Continued)

Exhibit K-6

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

	Special Revenue Funds						
	General Purpose School	School Federal Projects	Central Cafeteria	School Transpor - tation	Internal School	Total	
<u>Charges for Current Services (Cont.)</u>							
<u>Education Charges (Cont.)</u>							
A la Carte Sales	\$ 0	\$ 0	\$ 138,210	\$ 0	\$ 0	\$ 138,210	
Contract for Administrative Services with Other LEA's	28,886	0	0	0	0	28,886	
Receipts from Individual Schools	28,988	0	17,110	35,580	0	81,678	
Community Service Fees - Children	54,412	0	0	0	0	54,412	
Total Charges for Current Services	\$ 124,213	\$ 0	\$ 189,076	\$ 35,874	\$ 0	\$ 349,163	
<u>Other Local Revenues</u>							
<u>Recurring Items</u>							
Investment Income	\$ 60,941	\$ 0	\$ 7,616	\$ 0	\$ 0	\$ 68,557	
Sale of Materials and Supplies	4,498	0	0	0	0	4,498	
Miscellaneous Refunds	23,519	0	1,319	0	0	24,838	
<u>Nonrecurring Items</u>							
Sale of Equipment	0	0	0	27,085	0	27,085	
Damages Recovered from Individuals	10,074	0	0	100	0	10,174	
Contributions and Gifts	177,170	0	0	0	0	177,170	
<u>Other Local Revenues</u>							
Other Local Revenues	0	0	0	0	979,401	979,401	
Total Other Local Revenues	\$ 276,202	\$ 0	\$ 8,935	\$ 27,185	\$ 979,401	\$ 1,291,723	
<u>State of Tennessee</u>							
<u>General Government Grants</u>							
On-behalf Contributions for OPEB	\$ 64,227	\$ 0	\$ 0	\$ 0	\$ 0	\$ 64,227	
<u>Health and Welfare Grants</u>							
Other Health and Welfare Grants	67,130	0	0	0	0	67,130	

(Continued)

Exhibit K-6

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

	Special Revenue Funds					
	General Purpose School	School Federal Projects	Central Cafeteria	School Transpor - tation	Internal School	Total
<u>State of Tennessee (Cont.)</u>						
<u>State Education Funds</u>						
Basic Education Program	\$ 20,106,198	\$ 0	\$ 0	\$ 1,332,224	\$ 0	\$ 21,438,422
Early Childhood Education	686,332	0	0	0	0	686,332
School Food Service	0	0	21,776	0	0	21,776
Driver Education	23,113	0	0	0	0	23,113
Other State Education Funds	217,440	0	0	15,078	0	232,518
Coordinated School Health	114,999	0	0	0	0	114,999
Family Resource Centers	59,223	0	0	0	0	59,223
Career Ladder Program	43,103	0	0	0	0	43,103
<u>Other State Revenues</u>						
State Revenue Sharing - T.V.A.	744,941	0	0	0	0	744,941
Other State Grants	50,771	0	0	0	0	50,771
Total State of Tennessee	\$ 22,177,477	\$ 0	\$ 21,776	\$ 1,347,302	\$ 0	\$ 23,546,555
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,957,001	\$ 0	\$ 0	\$ 1,957,001
USDA - Commodities	0	0	153,610	0	0	153,610
Breakfast	0	0	562,388	0	0	562,388
USDA - Other	0	0	18,194	0	0	18,194
Vocational Education - Basic Grants to States	0	53,915	0	0	0	53,915
Title I Grants to Local Education Agencies	0	815,284	0	0	0	815,284
Special Education - Grants to States	4,547	895,711	0	0	0	900,258
Special Education Preschool Grants	53,995	36,699	0	0	0	90,694
21st Century Community Learning Centers	0	160,137	0	0	0	160,137

(Continued)

Exhibit K-6

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

	Special Revenue Funds						
	General Purpose School	School Federal Projects	Central Cafeteria	School Transpor - tation	Internal School	Total	
<u>Federal Government (Cont.)</u>							
<u>Federal Through State (Cont.)</u>							
Eisenhower Professional Development State Grants	\$ 0	\$ 133,272	\$ 0	\$ 0	\$ 0	\$ 133,272	
COVID-19 Grant #1	0	66,957	0	0	0	66,957	
COVID-19 Grant #2	0	1,587,009	0	0	0	1,587,009	
COVID-19 Grant #3	129,214	232,643	0	0	0	361,857	
COVID-19 Grant #4	0	135,469	0	0	0	135,469	
COVID-19 Grant D	190,800	0	0	0	0	190,800	
American Rescue Plan Act Grant #2	0	92,661	0	0	0	92,661	
American Rescue Plan Act Grant #3	0	9,986	0	0	0	9,986	
American Rescue Plan Act Grant #4	0	1,400	0	0	0	1,400	
Other Federal through State	938,324	34,910	0	0	0	973,234	
<u>Direct Federal Revenue</u>							
ROTC Reimbursement	64,961	0	0	0	0	64,961	
Total Federal Government	\$ 1,381,841	\$ 4,256,053	\$ 2,691,193	\$ 0	\$ 0	\$ 8,329,087	
Total	\$ 34,725,301	\$ 4,256,053	\$ 2,910,980	\$ 2,866,685	\$ 979,401	\$ 45,738,420	

Exhibit K-7

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

General FundGeneral GovernmentCounty Commission

Other Per Diem and Fees	\$	91,875	
Social Security		5,614	
Employer Medicare		1,313	
Audit Services		15,088	
Travel		7,941	
Total County Commission			\$ 121,831

Board of Equalization

Board and Committee Members Fees	\$	1,195	
Total Board of Equalization			1,195

Other Boards and Committees

Board and Committee Members Fees	\$	1,560	
Total Other Boards and Committees			1,560

County Mayor/Executive

County Official/Administrative Officer	\$	99,389	
Secretary(ies)		69,426	
Other Per Diem and Fees		8,400	
Social Security		10,193	
Medical Insurance		15,541	
Local Retirement		8,832	
Employer Medicare		2,384	
Advertising		3,167	
Maintenance and Repair Services - Office Equipment		3,710	
Postal Charges		3,077	
Printing, Stationery, and Forms		1,855	
Travel		3,466	
Office Supplies		5,340	
Other Charges		7,415	
Total County Mayor/Executive			242,195

County Attorney

Other Salaries and Wages	\$	1,200	
Social Security		74	
Employer Medicare		17	
Legal Services		32,399	
Total County Attorney			33,690

Election Commission

Supervisor/Director	\$	79,918	
Deputy(ies)		78,052	
Part-time Personnel		22,352	
Election Commission		2,575	
Election Workers		63	
Social Security		10,807	
Medical Insurance		12,212	

(Continued)

Exhibit K-7

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

General Fund (Cont.)General Government (Cont.)Election Commission (Cont.)

Local Retirement	\$	3,877	
Employer Medicare		2,527	
Legal Notices, Recording, and Court Costs		1,593	
Maintenance and Repair Services - Equipment		19,652	
Postal Charges		2,748	
Printing, Stationery, and Forms		2,394	
Office Supplies		833	
Liability Insurance		5,585	
Other Charges		660	
Total Election Commission			\$ 245,848

Register of Deeds

County Official/Administrative Officer	\$	86,051	
Deputy(ies)		56,211	
Social Security		8,097	
Medical Insurance		18,881	
Local Retirement		6,733	
Employer Medicare		1,894	
Dues and Memberships		843	
Printing, Stationery, and Forms		2,395	
Rentals		1,797	
Travel		517	
Other Contracted Services		574	
Data Processing Supplies		15,536	
Office Supplies		657	
In Service/Staff Development		180	
Office Equipment		2,575	
Total Register of Deeds			202,941

Planning

Supervisor/Director	\$	58,499	
Secretary(ies)		39,454	
Other Per Diem and Fees		8,400	
Social Security		6,363	
Medical Insurance		10,417	
Local Retirement		2,659	
Employer Medicare		1,488	
Legal Notices, Recording, and Court Costs		233	
Postal Charges		228	
Other Contracted Services		10,000	
Data Processing Supplies		2,439	
Office Supplies		1,949	
In Service/Staff Development		2,019	
Other Charges		99	
Office Equipment		150	
Total Planning			144,397

(Continued)

Exhibit K-7

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

General Fund (Cont.)General Government (Cont.)County Buildings

Custodial Personnel	\$	47,620	
Social Security		2,706	
Medical Insurance		10,500	
Local Retirement		384	
Employer Medicare		633	
Janitorial Services		13,780	
Maintenance and Repair Services - Buildings		9,377	
Pest Control		2,110	
Custodial Supplies		9,415	
Liability Insurance		156,554	
Other Charges		27	
Office Equipment		7,228	
Other Capital Outlay		285,250	
Total County Buildings			\$ 545,584

Other General Administration

Communication	\$	18,092	
Contracts with Other Public Agencies		18,000	
Dues and Memberships		5,218	
Maintenance Agreements		5,211	
Maintenance and Repair Services - Buildings		7,630	
Maintenance and Repair Services - Office Equipment		840	
Disposal Fees		990	
Electricity		24,600	
Utilities		6,151	
Premiums on Corporate Surety Bonds		387	
Workers' Compensation Insurance		89,897	
Liability Claims		3,000	
Total Other General Administration			180,016

Preservation of Records

Clerical Personnel	\$	6,793	
Social Security		421	
Employer Medicare		98	
Maintenance and Repair Services - Office Equipment		2,917	
Printing, Stationery, and Forms		72	
Travel		1,885	
Office Supplies		720	
Other Supplies and Materials		193	
Office Equipment		3,742	
Total Preservation of Records			16,841

FinanceAccounting and Budgeting

Supervisor/Director	\$	141,573	
Social Security		8,422	
Medical Insurance		13,751	

(Continued)

Exhibit K-7

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

General Fund (Cont.)Finance (Cont.)Accounting and Budgeting (Cont.)

Local Retirement	\$	3,265	
Employer Medicare		1,970	
Dues and Memberships		170	
Legal Notices, Recording, and Court Costs		219	
Printing, Stationery, and Forms		420	
Travel		175	
Other Contracted Services		17,643	
Office Supplies		152	
In Service/Staff Development		392	
Office Equipment		3,770	
Total Accounting and Budgeting			\$ 191,922

Property Assessor's Office

County Official/Administrative Officer	\$	86,051	
Deputy(ies)		148,767	
Other Per Diem and Fees		4,800	
Social Security		14,372	
Medical Insurance		13,791	
Local Retirement		8,180	
Employer Medicare		3,361	
Contracts with Private Agencies		27,000	
Data Processing Services		11,431	
Dues and Memberships		1,815	
Legal Notices, Recording, and Court Costs		48	
Postal Charges		3,288	
Rentals		3,360	
Travel		614	
Data Processing Supplies		3,030	
Office Supplies		4,226	
Premiums on Corporate Surety Bonds		88	
In Service/Staff Development		375	
Other Charges		612	
Office Equipment		130	
Total Property Assessor's Office			335,339

Reappraisal Program

Deputy(ies)	\$	41,989	
Other Per Diem and Fees		8,400	
Social Security		2,873	
Medical Insurance		8,600	
Employer Medicare		672	
Data Processing Services		4,103	
Postal Charges		1,584	
Office Supplies		66	
Total Reappraisal Program			68,287

(Continued)

Exhibit K-7

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

General Fund (Cont.)Finance (Cont.)County Trustee's Office

County Official/Administrative Officer	\$	86,051	
Deputy(ies)		93,373	
Social Security		10,575	
Medical Insurance		10,417	
Local Retirement		8,030	
Employer Medicare		2,473	
Dues and Memberships		1,433	
Legal Notices, Recording, and Court Costs		98	
Maintenance and Repair Services - Office Equipment		385	
Postal Charges		10,390	
Printing, Stationery, and Forms		1,084	
Travel		808	
Other Contracted Services		24,672	
Data Processing Supplies		927	
Office Supplies		1,442	
In Service/Staff Development		230	
Office Equipment		3,699	
Total County Trustee's Office			\$ 256,087

County Clerk's Office

County Official/Administrative Officer	\$	86,051	
Deputy(ies)		213,054	
Social Security		16,993	
Medical Insurance		46,214	
Local Retirement		8,842	
Employer Medicare		3,974	
Dues and Memberships		1,058	
Postal Charges		10,500	
Printing, Stationery, and Forms		1,982	
Rentals		1,236	
Data Processing Supplies		38,105	
Other Supplies and Materials		5,689	
Other Charges		4,408	
Office Equipment		1,249	
Total County Clerk's Office			439,355

Other Finance

Guards	\$	11,848	
Social Security		695	
Medical Insurance		1,534	
Local Retirement		240	
Employer Medicare		163	
Communication		9,874	
Maintenance and Repair Services - Buildings		5,300	
Maintenance and Repair Services - Office Equipment		1,437	
Pest Control		1,022	
Electricity		6,887	

(Continued)

Exhibit K-7

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

General Fund (Cont.)Finance (Cont.)Other Finance (Cont.)

Utilities	\$	1,167	
Refunds		276	
Total Other Finance			\$ 40,443

Administration of JusticeCircuit Court

County Official/Administrative Officer	\$	86,051	
Deputy(ies)		270,264	
Other Salaries and Wages		15,274	
Jury and Witness Expense		8,760	
Other Per Diem and Fees		2,560	
Social Security		20,824	
Medical Insurance		42,565	
Local Retirement		10,767	
Employer Medicare		4,870	
Dues and Memberships		908	
Maintenance and Repair Services - Office Equipment		8,595	
Postal Charges		5,777	
Printing, Stationery, and Forms		4,411	
Travel		2,874	
Data Processing Supplies		31,015	
Office Supplies		5,979	
Total Circuit Court			521,494

General Sessions Court

Judge(s)	\$	167,372	
Clerical Personnel		33,372	
Social Security		10,844	
Medical Insurance		5,208	
Local Retirement		11,960	
Employer Medicare		2,874	
Dues and Memberships		2,679	
Travel		848	
Other Contracted Services		1,172	
Office Supplies		353	
Furniture and Fixtures		2,008	
Total General Sessions Court			238,690

Drug Court

Supervisor/Director	\$	12,000	
Probation Officer(s)		7,200	
Social Security		1,180	
Employer Medicare		276	
Travel		2,253	
Drug Treatment		16,773	
Other Supplies and Materials		426	
Total Drug Court			40,108

(Continued)

Exhibit K-7

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

General Fund (Cont.)Administration of Justice (Cont.)Chancery Court

County Official/Administrative Officer	\$	86,051	
Deputy(ies)		187,155	
Social Security		15,306	
Medical Insurance		44,392	
Local Retirement		9,141	
Employer Medicare		3,580	
Advertising		970	
Dues and Memberships		928	
Maintenance and Repair Services - Office Equipment		976	
Postal Charges		1,867	
Printing, Stationery, and Forms		5,140	
Rentals		2,048	
Travel		216	
Other Contracted Services		4,270	
Data Processing Supplies		17,203	
Office Supplies		2,499	
In Service/Staff Development		831	
Total Chancery Court			\$ 382,573

Juvenile Court

Probation Officer(s)	\$	110,194	
Youth Service Officer(s)		46,179	
Social Security		9,653	
Local Retirement		3,827	
Employer Medicare		2,258	
Communication		2,160	
Contracts with Government Agencies		83,519	
Contracts with Private Agencies		5,075	
Maintenance and Repair Services - Office Equipment		394	
Travel		92	
Office Supplies		2,320	
In Service/Staff Development		77	
Office Equipment		3,282	
Total Juvenile Court			269,030

Other Administration of Justice

Other Salaries and Wages	\$	15,080	
Social Security		935	
Employer Medicare		219	
Communication		11,012	
Maintenance and Repair Services - Buildings		2,567	
Maintenance and Repair Services - Office Equipment		1,055	
Pest Control		879	
Electricity		31,008	
Office Supplies		640	
Utilities		7,267	
Office Equipment		50	
Other Equipment		97,200	
Total Other Administration of Justice			167,912

(Continued)

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

General Fund (Cont.)

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	94,657	
Assistant(s)		54,469	
Deputy(ies)		491,790	
Investigator(s)		260,980	
Lieutenant(s)		47,971	
Sergeant(s)		224,821	
Accountants/Bookkeepers		75,957	
Salary Supplements		25,300	
Dispatchers/Radio Operators		386,199	
School Resource Officer		394,136	
Other Salaries and Wages		122,363	
Social Security		127,100	
Medical Insurance		268,474	
Local Retirement		19,622	
Employer Medicare		29,725	
Communication		72,504	
Contracts with Government Agencies		13,551	
Contracts with Private Agencies		23,075	
Dues and Memberships		1,794	
Maintenance and Repair Services - Vehicles		33,062	
Pest Control		870	
Postal Charges		3,829	
Printing, Stationery, and Forms		1,211	
Rentals		357	
Transportation - Other than Students		13	
Travel		2,360	
Data Processing Supplies		22,468	
Gasoline		157,418	
Law Enforcement Supplies		30,102	
Lubricants		4,313	
Office Supplies		18,335	
Tires and Tubes		7,766	
Uniforms		15,140	
Vehicle and Equipment Insurance		20,000	
In Service/Staff Development		21,720	
Motor Vehicles		24,223	
Total Sheriff's Department			\$ 3,097,675

Drug Enforcement

Temporary Personnel	\$	6,051	
Social Security		375	
Employer Medicare		88	
Drug Treatment		1,140	
Other Supplies and Materials		790	
Total Drug Enforcement			8,444

(Continued)

Exhibit K-7

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

General Fund (Cont.)Public Safety (Cont.)Jail

Assistant(s)	\$	46,541	
Deputy(ies)		209,997	
Lieutenant(s)		51,126	
Sergeant(s)		107,587	
Accountants/Bookkeepers		95,533	
Medical Personnel		43,898	
Salary Supplements		4,000	
Attendants		687,584	
Cafeteria Personnel		87,006	
Other Salaries and Wages		75,439	
Social Security		81,724	
Medical Insurance		152,570	
Unemployment Compensation		1,118	
Local Retirement		10,781	
Employer Medicare		19,113	
Laundry Service		2,029	
Maintenance and Repair Services - Buildings		52,839	
Maintenance and Repair Services - Equipment		23,698	
Medical and Dental Services		68,709	
Transportation - Other than Students		15,918	
Drug Treatment		48,993	
Other Contracted Services		35,000	
Custodial Supplies		28,088	
Drugs and Medical Supplies		36,267	
Electricity		80,636	
Food Preparation Supplies		22,881	
Food Supplies		185,100	
Prisoners Clothing		14,864	
Uniforms		5,695	
Utilities		52,954	
Building and Contents Insurance		113,500	
Liability Insurance		45,000	
In Service/Staff Development		4,865	
Furniture and Fixtures		12,682	
Law Enforcement Equipment		20,414	
Total Jail			\$ 2,544,149

Workhouse

Assistant(s)	\$	40,788
Attendants		254,757
Other Salaries and Wages		3,103
Social Security		17,837
Medical Insurance		21,921
Local Retirement		1,427
Employer Medicare		4,172
Maintenance and Repair Services - Buildings		5,773
Maintenance and Repair Services - Vehicles		4,178

(Continued)

Exhibit K-7

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

General Fund (Cont.)Public Safety (Cont.)Workhouse (Cont.)

Custodial Supplies	\$	1,782	
Drugs and Medical Supplies		1,387	
Electricity		12,159	
Food Supplies		5,720	
Gasoline		932	
Prisoners Clothing		6,328	
Utilities		7,263	
Motor Vehicles		23,000	
Total Workhouse			\$ 412,527

Correctional Incentive Program Improvements

Assistant(s)	\$	66,497	
Social Security		3,916	
Medical Insurance		7,810	
Employer Medicare		916	
Other Contracted Services		50,391	
Office Supplies		611	
Total Correctional Incentive Program Improvements			130,141

Work Release Program

Assistant(s)	\$	104,227	
Social Security		6,218	
Medical Insurance		6,054	
Local Retirement		571	
Employer Medicare		1,454	
Contributions		5,481	
Travel		1,629	
Other Contracted Services		45,300	
Office Supplies		1,546	
Total Work Release Program			172,480

Fire Prevention and Control

Supervisor/Director	\$	47,333	
Part-time Personnel		17,661	
Social Security		3,690	
Medical Insurance		6,538	
Disability Insurance		6,300	
Local Retirement		1,172	
Employer Medicare		863	
Communication		2,664	
Contracts with Other Public Agencies		25,608	
Dues and Memberships		280	
Maintenance and Repair Services - Equipment		19,203	
Maintenance and Repair Services - Vehicles		3,913	
Electricity		774	
Uniforms		176	
Utilities		1,364	

(Continued)

Exhibit K-7

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

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

Other Supplies and Materials	\$	150	
Vehicle and Equipment Insurance		11,000	
Workers' Compensation Insurance		4,293	
Other Charges		1,315	
Motor Vehicles		27,143	
Other Equipment		15,801	
Total Fire Prevention and Control			\$ 197,241

Disaster Relief

Supervisor/Director	\$	8,047	
Other Salaries and Wages		8,048	
In-service Training		1,409	
Social Security		916	
Medical Insurance		2,308	
Local Retirement		414	
Employer Medicare		214	
Communication		2,434	
Postal Charges		101	
Travel		110	
Office Supplies		732	
In Service/Staff Development		508	
Other Charges		825	
State Aid Projects		18,214	
Total Disaster Relief			44,280

County Coroner/Medical Examiner

Contracts with Private Agencies	\$	25,259	
Other Contracted Services		1,025	
Total County Coroner/Medical Examiner			26,284

Other Public Safety

Contributions	\$	10,320	
Electricity		1,542	
Total Other Public Safety			11,862

Public Health and WelfareLocal Health Center

Salary Supplements	\$	42,902	
Communication		3,895	
Janitorial Services		8,940	
Maintenance Agreements		4,450	
Maintenance and Repair Services - Buildings		946	
Maintenance and Repair Services - Office Equipment		325	
Pest Control		443	
Electricity		12,070	
Office Supplies		6,197	
Utilities		3,752	

(Continued)

Exhibit K-7

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

General Fund (Cont.)Public Health and Welfare (Cont.)Local Health Center (Cont.)

Other Supplies and Materials	\$	971	
Office Equipment		60	
Total Local Health Center			\$ 84,951

Rabies and Animal Control

Contracts with Other Public Agencies	\$	94,750	
Total Rabies and Animal Control			94,750

Crippled Children Services

Contributions	\$	2,490	
Total Crippled Children Services			2,490

Other Local Health Services

Medical Personnel	\$	111,062	
Social Security		6,514	
Medical Insurance		8,846	
Local Retirement		2,259	
Employer Medicare		1,524	
Travel		1,013	
Total Other Local Health Services			131,218

General Welfare Assistance

Supervisor/Director	\$	31,341	
Equipment Operators		27,403	
Social Security		3,285	
Medical Insurance		12,424	
Local Retirement		577	
Employer Medicare		768	
Communication		2,283	
Maintenance and Repair Services - Buildings		484	
Maintenance and Repair Services - Vehicles		320	
Electricity		3,384	
Gasoline		1,967	
Office Supplies		1,487	
Utilities		3,061	
Total General Welfare Assistance			88,784

Aid to Dependent Children

Educational Assistants	\$	42,461	
Communication		227	
Rentals		3,000	
Travel		2,368	
Electricity		542	
Food Supplies		63,947	
Office Supplies		540	
Utilities		102	
Other Supplies and Materials		2,322	
Total Aid to Dependent Children			115,509

(Continued)

Exhibit K-7

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

General Fund (Cont.)Public Health and Welfare (Cont.)Other Local Welfare Services

Part-time Personnel	\$	18,215	
Travel		682	
Electricity		542	
Food Supplies		24,060	
Office Supplies		180	
Utilities		102	
Total Other Local Welfare Services			\$ 43,781

Sanitation Education/Information

Guards	\$	41,517	
Social Security		2,865	
Medical Insurance		5,408	
Local Retirement		700	
Employer Medicare		670	
Consultants		11,216	
Gasoline		4,223	
Motor Vehicles		10,000	
Total Sanitation Education/Information			76,599

Other Public Health and Welfare

Other Supplies and Materials	\$	469	
Total Other Public Health and Welfare			469

Social, Cultural, and Recreational ServicesAdult Activities

Supervisor/Director	\$	36,210	
Clerical Personnel		12,139	
Social Security		2,961	
Employer Medicare		692	
Dues and Memberships		150	
Maintenance and Repair Services - Vehicles		1,298	
Postal Charges		200	
Travel		1,131	
Gasoline		122	
Office Supplies		292	
Liability Insurance		608	
Other Charges		705	
Total Adult Activities			56,508

Senior Citizens Assistance

Assistant(s)	\$	33,990	
Supervisor/Director		38,110	
Social Workers		12,770	
Other Salaries and Wages		342,717	
Social Security		25,449	
Medical Insurance		40,421	
Local Retirement		1,484	

(Continued)

Exhibit K-7

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

General Fund (Cont.)Social, Cultural, and Recreational Services (Cont.)Senior Citizens Assistance (Cont.)

Employer Medicare	\$	5,952	
Dues and Memberships		1,623	
Maintenance and Repair Services - Office Equipment		1,303	
Maintenance and Repair Services - Vehicles		402	
Postal Charges		11	
Travel		2,294	
Other Contracted Services		3,300	
Gasoline		301	
Office Supplies		2,027	
Other Supplies and Materials		963	
Tax Relief Program		95,808	
Office Equipment		712	
Total Senior Citizens Assistance			\$ 609,637

Libraries

Contracts with Other Public Agencies	\$	158,943	
Total Libraries			158,943

Parks and Fair Boards

Contributions	\$	2,295	
Total Parks and Fair Boards			2,295

Other Social, Cultural, and Recreational

Communication	\$	4,584	
Contributions		55,717	
Dues and Memberships		14,836	
Maintenance and Repair Services - Buildings		3,908	
Maintenance and Repair Services - Office Equipment		1,216	
Pest Control		701	
Electricity		18,390	
Utilities		5,459	
Total Other Social, Cultural, and Recreational			104,811

Agriculture and Natural ResourcesAgricultural Extension Service

Salary Supplements	\$	147,009	
Communication		3,754	
Maintenance and Repair Services - Buildings		138	
Pest Control		641	
Travel		236	
Electricity		2,329	
Office Supplies		1,520	
Utilities		2,843	
Office Equipment		980	
Total Agricultural Extension Service			159,450

(Continued)

Exhibit K-7

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

General Fund (Cont.)Agriculture and Natural Resources (Cont.)Soil Conservation

Secretary(ies)	\$	31,518	
Social Security		1,859	
Medical Insurance		5,208	
Local Retirement		788	
Employer Medicare		435	
Total Soil Conservation			\$ 39,808

Flood Control

Contracts with Other Public Agencies	\$	31,700	
Total Flood Control			31,700

Other OperationsIndustrial Development

Site Development	\$	43,076	
Total Industrial Development			43,076

Veterans' Services

Other Salaries and Wages	\$	17,872	
Social Security		1,108	
Employer Medicare		259	
Communication		1,049	
Travel		338	
Other Contracted Services		449	
Office Supplies		106	
Total Veterans' Services			21,181

COVID-19 Grant #1

Other Supplies and Materials	\$	487	
Total COVID-19 Grant #1			487

Miscellaneous

Other Salaries and Wages	\$	324,800	
Social Security		20,138	
Medical Insurance		224,530	
Employer Medicare		4,710	
Trustee's Commission		176,929	
Other Charges		6,811	
Total Miscellaneous			<u>757,918</u>

Total General Fund \$ 13,956,786

Law Library FundAdministration of JusticeOther Administration of Justice

Library Books/Media	\$	2,060	
Trustee's Commission		17	
Total Other Administration of Justice			<u>\$ 2,077</u>

Total Law Library Fund 2,077

(Continued)

Exhibit K-7

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

Solid Waste/Sanitation FundPublic Health and WelfareSanitation Management

Attendants	\$	19,825	
Social Security		1,229	
Employer Medicare		287	
Communication		815	
Contracts with Government Agencies		6,000	
Contracts with Private Agencies		108,875	
Utilities		430	
Trustee's Commission		1,650	
Other Charges		395	
Total Sanitation Management			\$ 139,506

Total Solid Waste/Sanitation Fund \$ 139,506

Drug Control FundPublic SafetyDrug Enforcement

Veterinary Services	\$	256	
Animal Food and Supplies		158	
Trustee's Commission		17	
Other Charges		1,787	
Motor Vehicles		19,900	
Total Drug Enforcement			\$ 22,118

Total Drug Control Fund 22,118

Other General Government FundOther OperationsAmerican Rescue Plan Act Grant #1

Other Supplies and Materials	\$	568,129	
Total American Rescue Plan Act Grant #1			\$ 568,129

Total Other General Government Fund 568,129

Highway/Public Works FundHighwaysAdministration

County Official/Administrative Officer	\$	94,658	
Accountants/Bookkeepers		53,659	
Other Salaries and Wages		2,400	
Communication		7,166	
Data Processing Services		10,565	
Dues and Memberships		4,807	
Evaluation and Testing		964	
Legal Notices, Recording, and Court Costs		1,065	
Maintenance Agreements		281	
Printing, Stationery, and Forms		980	
Travel		1,766	

(Continued)

Exhibit K-7

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

Highway/Public Works Fund (Cont.)Highways (Cont.)Administration (Cont.)

Electricity	\$	7,192	
Natural Gas		381	
Office Supplies		2,534	
Uniforms		4,078	
Water and Sewer		3,182	
Other Supplies and Materials		3,909	
Total Administration			\$ 199,587

Highway and Bridge Maintenance

Equipment Operators	\$	311,383	
Equipment Operators - Light		138,401	
Truck Drivers		207,218	
Laborers		163,574	
Overtime Pay		31,006	
Other Salaries and Wages		51,200	
Contracts with Private Agencies		213,908	
Rentals		665	
Asphalt - Cold Mix		18,014	
Asphalt - Hot Mix		78,060	
Asphalt - Liquid		81,222	
Concrete		2,745	
Crushed Stone		186,878	
Other Road Materials		124,363	
Pipe - Metal		60,094	
Road Signs		4,619	
Sand		14,844	
Wood Products		270	
Gravel and Chert		44,164	
Other Supplies and Materials		158	
Total Highway and Bridge Maintenance			1,732,786

Operation and Maintenance of Equipment

Mechanic(s)	\$	91,338	
Laborers		29,888	
Other Salaries and Wages		4,800	
Diesel Fuel		217,757	
Equipment and Machinery Parts		138,260	
Garage Supplies		13,251	
Gasoline		24,569	
Lubricants		18,938	
Small Tools		4,448	
Tires and Tubes		41,488	
Other Supplies and Materials		2,348	
Total Operation and Maintenance of Equipment			587,085

Other Charges

Liability Insurance	\$	2,591	
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(Continued)

Exhibit K-7

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

Highway/Public Works Fund (Cont.)Highways (Cont.)Other Charges (Cont.)

Trustee's Commission	\$	67,121	
Vehicle and Equipment Insurance		41,216	
Workers' Compensation Insurance		95,918	
Total Other Charges			\$ 206,846

Employee Benefits

Social Security	\$	69,624	
Employee and Dependent Insurance		129,876	
Local Retirement		17,844	
Employer Medicare		16,283	
Total Employee Benefits			233,627

Capital Outlay

Engineering Services	\$	11,925	
Bridge Construction		746,699	
Highway Equipment		434,658	
Office Equipment		3,509	
Other Equipment		32,665	
Total Capital Outlay			1,229,456

Total Highway/Public Works Fund \$ 4,189,387

General Debt Service FundPrincipal on DebtGeneral Government

Principal on Bonds	\$	204,000	
Total General Government			\$ 204,000

Education

Principal on Bonds	\$	2,006,000	
Principal on Other Loans		913,065	
Total Education			2,919,065

Interest on DebtGeneral Government

Interest on Bonds	\$	123,372	
Total General Government			123,372

Education

Interest on Bonds	\$	528,737	
Interest on Other Loans		299,634	
Total Education			828,371

Other Debt ServiceGeneral Government

Financial Advisory Services	\$	15,000	
Trustee's Commission		57,864	
Other Debt Service		170	
Total General Government			73,034

(Continued)

Exhibit K-7

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

<u>General Debt Service Fund (Cont.)</u>			
<u>Other Debt Service (Cont.)</u>			
<u>Education</u>			
Other Debt Service	\$	14,328	
Total Education			\$ 14,328
Total General Debt Service Fund			\$ 4,162,170
Total Governmental Funds - Primary Government			\$ 23,040,173

Exhibit K-8

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

General Purpose School FundInstructionRegular Instruction Program

Teachers	\$ 11,443,574	
Career Ladder Program	20,666	
Educational Assistants	472,146	
Other Salaries and Wages	154,737	
Certified Substitute Teachers	61,797	
Non-certified Substitute Teachers	90,817	
Social Security	715,015	
Pensions	1,070,407	
Life Insurance	13,926	
Medical Insurance	1,785,612	
Dental Insurance	6,400	
Local Retirement	7,854	
Employer Medicare	172,680	
Other Fringe Benefits	100,000	
Contracts with Other School Systems	238,617	
Contracts with Private Agencies	81,578	
Maintenance and Repair Services - Equipment	2,401	
Instructional Supplies and Materials	638,688	
Textbooks - Bound	195,651	
Software	316,016	
Other Supplies and Materials	7,700	
Regular Instruction Equipment	374,100	
Total Regular Instruction Program		\$ 17,970,382

Special Education Program

Teachers	\$ 1,302,029	
Career Ladder Program	2,583	
Educational Assistants	287,721	
Speech Pathologist	113,125	
Other Salaries and Wages	14,100	
Certified Substitute Teachers	1,994	
Non-certified Substitute Teachers	6,440	
Social Security	100,638	
Pensions	137,174	
Life Insurance	1,958	
Medical Insurance	297,735	
Local Retirement	946	
Employer Medicare	23,566	
Other Fringe Benefits	20,000	
Contracts with Private Agencies	3,749	
Maintenance and Repair Services - Equipment	196	
Other Supplies and Materials	41	
Total Special Education Program		2,313,995

Career and Technical Education Program

Teachers	\$ 425,732	
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(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)Instruction (Cont.)Career and Technical Education Program (Cont.)

Career Ladder Program	\$	2,000	
Educational Assistants		18,487	
Other Salaries and Wages		3,850	
Social Security		26,534	
Pensions		39,250	
Life Insurance		380	
Medical Insurance		68,429	
Employer Medicare		6,206	
Other Fringe Benefits		5,000	
Other Contracted Services		6,869	
Instructional Supplies and Materials		58,618	
Vocational Instruction Equipment		1,206	
Total Career and Technical Education Program			\$ 662,561

Student Body Education Program

Instructional Supplies and Materials	\$	2,952	
Other Supplies and Materials		5,405	
Total Student Body Education Program			8,357

Support ServicesAttendance

Supervisor/Director	\$	67,512	
Career Ladder Program		1,000	
Other Salaries and Wages		10,021	
Social Security		4,559	
Pensions		7,057	
Life Insurance		51	
Medical Insurance		9,477	
Local Retirement		251	
Employer Medicare		1,066	
Communication		1,740	
Maintenance and Repair Services - Equipment		74	
Travel		2,980	
Other Contracted Services		10,944	
Other Supplies and Materials		381	
Total Attendance			117,113

Health Services

Medical Personnel	\$	176,876	
Paraprofessionals		229,946	
Bonus Payments		49,500	
Social Security		27,023	
Pensions		32,643	
Life Insurance		531	
Medical Insurance		71,523	
Local Retirement		638	

(Continued)

Exhibit K-8

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

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

Employer Medicare	\$	6,320	
Other Fringe Benefits		5,000	
Communication		1,025	
Postal Charges		12	
Travel		2,764	
Other Contracted Services		11,636	
Drugs and Medical Supplies		26,392	
Other Supplies and Materials		35,306	
In Service/Staff Development		340	
Health Equipment		43,567	
Total Health Services			\$ 721,042

Other Student Support

Guidance Personnel	\$	229,852	
Clerical Personnel		26,497	
School Resource Officer		18,000	
Bonus Payments		63,589	
Social Security		19,260	
Pensions		22,746	
Life Insurance		255	
Medical Insurance		47,109	
Employer Medicare		4,504	
Other Fringe Benefits		4,000	
Contracts with Government Agencies		484,102	
Evaluation and Testing		26,669	
Maintenance and Repair Services - Equipment		5,831	
Travel		13,328	
Software		20,854	
Other Supplies and Materials		69,562	
Other Equipment		103,036	
Total Other Student Support			1,159,194

Regular Instruction Program

Supervisor/Director	\$	101,785	
Career Ladder Program		3,000	
Librarians		58,443	
Materials Supervisor		41,841	
Secretary(ies)		28,016	
Other Salaries and Wages		105,523	
Social Security		19,761	
Pensions		25,469	
Life Insurance		193	
Medical Insurance		37,113	
Local Retirement		1,902	
Employer Medicare		4,622	
Other Fringe Benefits		1,000	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)Support Services (Cont.)Regular Instruction Program (Cont.)

Communication	\$	3,167	
Consultants		5,416	
Maintenance and Repair Services - Equipment		38	
Travel		76,526	
Other Contracted Services		53,877	
Instructional Supplies and Materials		38,312	
Library Books/Media		31,723	
Other Supplies and Materials		77,179	
In Service/Staff Development		22,152	
Other Equipment		78,734	
Total Regular Instruction Program			\$ 815,792

Special Education Program

Supervisor/Director	\$	96,446	
Career Ladder Program		1,000	
Secretary(ies)		63,476	
Social Security		9,191	
Pensions		10,037	
Life Insurance		122	
Medical Insurance		24,940	
Local Retirement		1,587	
Employer Medicare		2,149	
Communication		975	
Maintenance and Repair Services - Equipment		30	
Travel		543	
Other Supplies and Materials		188	
In Service/Staff Development		225	
Other Equipment		2,956	
Total Special Education Program			213,865

Career and Technical Education Program

Supervisor/Director	\$	10,223	
Career Ladder Program		100	
Accountants/Bookkeepers		4,162	
Clerical Personnel		20,458	
Educational Assistants		19,890	
Social Security		3,159	
Pensions		1,079	
Life Insurance		87	
Medical Insurance		329	
Local Retirement		678	
Employer Medicare		834	
Communication		325	
Maintenance and Repair Services - Equipment		253	
Travel		16,478	
Other Contracted Services		7,278	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)Support Services (Cont.)Career and Technical Education Program (Cont.)

Other Supplies and Materials	\$	2,969	
In Service/Staff Development		558	
Other Equipment		287	
Total Career and Technical Education Program			\$ 89,147

Technology

Data Processing Personnel	\$	194,971	
Social Security		11,355	
Life Insurance		188	
Medical Insurance		14,543	
Local Retirement		2,630	
Employer Medicare		2,655	
Communication		599	
Internet Connectivity		64,539	
Travel		3,175	
Other Contracted Services		12,080	
Software		60,749	
Other Supplies and Materials		18,029	
Other Equipment		39,961	
Total Technology			425,474

Other Programs

On-behalf Payments to OPEB	\$	64,227	
Total Other Programs			64,227

Board of Education

Secretary to Board	\$	2,957	
Board and Committee Members Fees		25,338	
Social Security		1,761	
Life Insurance		3	
Local Retirement		74	
Employer Medicare		412	
Audit Services		17,017	
Dues and Memberships		10,025	
Legal Services		33,494	
Travel		4,021	
Other Contracted Services		27,925	
Liability Insurance		138,486	
Premiums on Corporate Surety Bonds		315	
Trustee's Commission		193,620	
Workers' Compensation Insurance		140,090	
In Service/Staff Development		9,498	
Criminal Investigation of Applicants - TBI		13,192	
Total Board of Education			618,228

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)Support Services (Cont.)Director of Schools

County Official/Administrative Officer	\$	129,750	
Career Ladder Program		1,000	
Secretary(ies)		46,483	
Other Salaries and Wages		4,000	
Social Security		10,398	
Pensions		17,895	
Life Insurance		49	
Local Retirement		1,162	
Employer Medicare		3,181	
Other Fringe Benefits		38,448	
Communication		15,956	
Dues and Memberships		3,228	
Maintenance and Repair Services - Equipment		36	
Postal Charges		122	
Travel		11,411	
Other Contracted Services		8,024	
Office Supplies		1,112	
Administration Equipment		3,428	
Total Director of Schools			\$ 295,683

Office of the Principal

Principals	\$	716,773	
Career Ladder Program		5,000	
Accountants/Bookkeepers		246,932	
Assistant Principals		549,673	
Clerical Personnel		178,329	
Other Salaries and Wages		11,515	
Social Security		100,855	
Pensions		133,350	
Life Insurance		1,184	
Medical Insurance		245,043	
Local Retirement		6,984	
Employer Medicare		23,596	
Other Fringe Benefits		3,000	
Communication		46,719	
Maintenance and Repair Services - Equipment		1,101	
Travel		12,776	
Other Contracted Services		20,044	
Office Supplies		13,767	
Other Equipment		28,188	
Total Office of the Principal			2,344,829

Fiscal Services

Accountants/Bookkeepers	\$	109,505	
Purchasing Personnel		71,317	
Clerical Personnel		62,114	

(Continued)

Exhibit K-8

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

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

Other Salaries and Wages	\$	29,372	
Social Security		16,560	
Life Insurance		262	
Medical Insurance		38,062	
Local Retirement		5,619	
Employer Medicare		3,778	
Maintenance and Repair Services - Equipment		6,858	
Travel		3,731	
Other Contracted Services		32,018	
Office Supplies		7,850	
Administration Equipment		5,221	
Total Fiscal Services			\$ 392,267

Operation of Plant

Custodial Personnel	\$	629,337	
Maintenance Personnel		23,709	
Bonus Payments		5,565	
Other Salaries and Wages		5,319	
Social Security		37,917	
Life Insurance		1,068	
Medical Insurance		145,959	
Local Retirement		1,654	
Employer Medicare		8,868	
Other Fringe Benefits		3,000	
Pest Control		12,133	
Disposal Fees		69,602	
Other Contracted Services		106,726	
Custodial Supplies		225,882	
Electricity		816,108	
Natural Gas		110,768	
Water and Sewer		70,471	
Other Supplies and Materials		6,378	
Building and Contents Insurance		546,768	
Plant Operation Equipment		2,619	
Total Operation of Plant			2,829,851

Maintenance of Plant

Supervisor/Director	\$	66,781	
Secretary(ies)		41,056	
Other Salaries and Wages		377,823	
Social Security		28,285	
Pensions		4,681	
Life Insurance		477	
Medical Insurance		93,570	
Local Retirement		9,006	
Employer Medicare		6,615	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)Support Services (Cont.)Maintenance of Plant (Cont.)

Communication	\$	5,161	
Maintenance and Repair Services - Buildings		129,737	
Maintenance and Repair Services - Equipment		50,519	
Other Contracted Services		223,673	
Equipment and Machinery Parts		34,298	
Gasoline		28,073	
Other Supplies and Materials		228,217	
Maintenance Equipment		61,799	
Total Maintenance of Plant			\$ 1,389,771

Transportation

Bonus Payments	\$	18,384	
Social Security		1,144	
Employer Medicare		268	
Maintenance and Repair Services - Vehicles		1,600	
Diesel Fuel		1,951	
Lubricants		4,146	
Tires and Tubes		4,994	
Vehicle Parts		3,007	
Total Transportation			35,494

Operation of Non-Instructional ServicesFood Service

Career Ladder Program	\$	900	
Other Salaries and Wages		29,324	
Social Security		1,880	
Pensions		721	
Employer Medicare		440	
Food Supplies		10,932	
Total Food Service			44,197

Community Services

Teachers	\$	38,556	
Educational Assistants		3,405	
Other Salaries and Wages		64,523	
Social Security		6,073	
Pensions		3,613	
Life Insurance		117	
Medical Insurance		15,318	
Local Retirement		1,633	
Employer Medicare		1,521	
Other Fringe Benefits		500	
Advertising		11,974	
Communication		1,603	
Consultants		41,485	
Dues and Memberships		65	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)Operation of Non-Instructional Services (Cont.)Community Services (Cont.)

Maintenance and Repair Services - Equipment	\$	86	
Printing, Stationery, and Forms		600	
Rentals		3,600	
Travel		5,672	
Other Supplies and Materials		9,623	
Total Community Services			\$ 209,967

Early Childhood Education

Supervisor/Director	\$	28,934	
Teachers		418,506	
Educational Assistants		73,468	
Other Salaries and Wages		3,300	
Certified Substitute Teachers		210	
Non-certified Substitute Teachers		3,070	
Social Security		30,885	
Pensions		44,072	
Life Insurance		576	
Medical Insurance		84,252	
Local Retirement		465	
Employer Medicare		7,223	
Other Fringe Benefits		6,000	
Instructional Supplies and Materials		21,294	
Other Supplies and Materials		30,793	
In Service/Staff Development		150	
Other Equipment		2,724	
Total Early Childhood Education			755,922

Capital OutlayRegular Capital Outlay

Architects	\$	9,275	
Other Contracted Services		3,696	
Building Construction		54,007	
Building Improvements		1,246,852	
Motor Vehicles		73,125	
Site Development		354,494	
Building Purchases		101,450	
Total Regular Capital Outlay			1,842,899

Total General Purpose School Fund \$ 35,320,257

School Federal Projects FundInstructionRegular Instruction Program

Teachers	\$	92,891	
Educational Assistants		424,307	
Other Salaries and Wages		158,781	

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)Instruction (Cont.)Regular Instruction Program (Cont.)

Social Security	\$	32,558	
Pensions		7,011	
Life Insurance		875	
Medical Insurance		130,308	
Unemployment Compensation		806	
Local Retirement		983	
Employer Medicare		8,308	
Instructional Supplies and Materials		67,261	
Software		123,830	
Other Supplies and Materials		10,602	
Other Charges		366	
Regular Instruction Equipment		527,764	
Total Regular Instruction Program			\$ 1,586,651

Special Education Program

Teachers	\$	153,407	
Educational Assistants		237,367	
Speech Pathologist		64,781	
Certified Substitute Teachers		291	
Non-certified Substitute Teachers		7,598	
Social Security		26,406	
Pensions		20,680	
Life Insurance		803	
Medical Insurance		94,114	
Unemployment Compensation		434	
Local Retirement		2,069	
Employer Medicare		6,179	
Maintenance and Repair Services - Equipment		555	
Instructional Supplies and Materials		16,392	
Other Supplies and Materials		7,427	
Special Education Equipment		84,318	
Total Special Education Program			722,821

Career and Technical Education Program

Instructional Supplies and Materials	\$	6,194	
Software		10,560	
Other Supplies and Materials		10,103	
Vocational Instruction Equipment		21,155	
Total Career and Technical Education Program			48,012

Support ServicesAttendance

Other Salaries and Wages	\$	7,287	
Social Security		409	
Life Insurance		17	
Medical Insurance		1,276	

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)Support Services (Cont.)Attendance (Cont.)

Unemployment Compensation	\$	21	
Employer Medicare		96	
Total Attendance			\$ 9,106

Other Student Support

Part-time Personnel	\$	11,509	
Other Salaries and Wages		78,799	
Social Security		5,192	
Pensions		9,242	
Life Insurance		51	
Medical Insurance		13,591	
Unemployment Compensation		67	
Employer Medicare		1,214	
Evaluation and Testing		2,600	
Travel		10,782	
In Service/Staff Development		7,097	
Other Charges		3,502	
Total Other Student Support			143,646

Regular Instruction Program

Supervisor/Director	\$	61,778	
Other Salaries and Wages		148,148	
Social Security		12,125	
Pensions		16,873	
Life Insurance		125	
Medical Insurance		26,120	
Unemployment Compensation		149	
Employer Medicare		2,836	
Contracts with Private Agencies		95,952	
Travel		1,136	
Other Supplies and Materials		16,633	
In Service/Staff Development		28,346	
Total Regular Instruction Program			410,221

Special Education Program

Supervisor/Director	\$	8,037	
Psychological Personnel		81,000	
Other Salaries and Wages		64,287	
Social Security		9,051	
Pensions		15,792	
Life Insurance		103	
Medical Insurance		12,755	
Unemployment Compensation		63	
Employer Medicare		2,117	
Communication		516	
Travel		7,174	

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)Support Services (Cont.)Special Education Program (Cont.)

Other Contracted Services	\$	88,264	
Other Supplies and Materials		501	
In Service/Staff Development		2,468	
Total Special Education Program			\$ 292,128

Career and Technical Education Program

Travel	\$	1,135	
In Service/Staff Development		2,158	
Total Career and Technical Education Program			3,293

Technology

Internet Connectivity	\$	41,664	
Total Technology			41,664

Transportation

Gasoline	\$	225	
Total Transportation			225

Operation of Non-Instructional ServicesFood Service

Food Service Equipment	\$	171,440	
Total Food Service			171,440

Community Services

Supervisor/Director	\$	12,330	
Teachers		62,330	
Educational Assistants		23,574	
Other Salaries and Wages		32,949	
Social Security		8,138	
Pensions		10,485	
Unemployment Compensation		333	
Local Retirement		127	
Employer Medicare		1,903	
Travel		546	
Food Supplies		6,828	
Other Supplies and Materials		606	
Total Community Services			160,149

Capital OutlayRegular Capital Outlay

Architects	\$	116,444	
Building Improvements		328,682	
Total Regular Capital Outlay			445,126

Total School Federal Projects Fund \$ 4,034,482

(Continued)

Exhibit K-8

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

Central Cafeteria FundOperation of Non-Instructional ServicesFood Service

Supervisor/Director	\$	92,007	
Accountants/Bookkeepers		41,821	
Cafeteria Personnel		702,937	
Other Salaries and Wages		28,325	
Social Security		50,877	
Pensions		9,477	
Life Insurance		1,710	
Medical Insurance		137,171	
Local Retirement		4,253	
Employer Medicare		11,899	
Other Fringe Benefits		21,115	
Communication		3,840	
Data Processing Services		23,285	
Dues and Memberships		521	
Printing, Stationery, and Forms		3,275	
Transportation - Other than Students		5,835	
Travel		3,651	
Disposal Fees		2,947	
Permits		640	
Custodial Supplies		6,155	
Food Supplies		802,063	
Uniforms		142	
USDA - Commodities		153,610	
Other Supplies and Materials		70,667	
Food Service Equipment		6,306	
Total Food Service			\$ 2,184,529

Total Central Cafeteria Fund

\$ 2,184,529

School Transportation FundSupport ServicesBoard of Education

Trustee's Commission	\$	26,528	
Total Board of Education			\$ 26,528

Operation of Plant

Disposal Fees	\$	2,662	
Electricity		14,080	
Natural Gas		2,374	
Water and Sewer		634	
Total Operation of Plant			19,750

Transportation

Supervisor/Director	\$	66,781	
Mechanic(s)		208,067	
Bus Drivers		861,498	

(Continued)

Exhibit K-8

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

<u>School Transportation Fund (Cont.)</u>			
<u>Support Services (Cont.)</u>			
<u>Transportation (Cont.)</u>			
Clerical Personnel	\$	41,841	
Attendants		77,960	
Other Salaries and Wages		14,071	
Social Security		77,569	
Life Insurance		2,818	
Medical Insurance		79,547	
Local Retirement		8,584	
Employer Medicare		18,141	
Other Fringe Benefits		32,571	
Communication		5,874	
Maintenance and Repair Services - Equipment		2,084	
Maintenance and Repair Services - Vehicles		10,243	
Other Contracted Services		46,926	
Diesel Fuel		321,715	
Food Supplies		714	
Lubricants		24,032	
Tires and Tubes		46,522	
Vehicle Parts		107,625	
Other Supplies and Materials		45,804	
Vehicle and Equipment Insurance		187,679	
In Service/Staff Development		3,039	
Transportation Equipment		495,089	
Total Transportation			\$ 2,786,794
Total School Transportation Fund			\$ 2,833,072
<u>Internal School Fund</u>			
<u>Operation of Non-Instructional Services</u>			
<u>Community Services</u>			
Other Charges	\$	950,327	
Total Community Services			\$ 950,327
Total Internal School Fund			950,327
Total Governmental Funds - Dyer County School Department			\$ 45,322,667

Exhibit K-9

Dyer County, Tennessee
Schedule of Detailed Additions, Deductions,
and Changes in Net Position - City Custodial Funds
For the Year Ended June 30, 2022

	Cities - Sales Tax Fund	City School ADA - Dyersburg Fund	Total
<u>Additions</u>			
Current Property Taxes	\$ 0	\$ 2,570,658	\$ 2,570,658
Trustee's Collections - Prior Years	0	46,989	46,989
Trustee's Collections - Bankruptcy	0	20,925	20,925
Circuit/Clerk and Master Collections - Prior Years	0	14,609	14,609
Interest and Penalty	0	14,311	14,311
Local Option Sales Tax	5,453,188	7,259,361	12,712,549
Wheel Tax	0	635,301	635,301
Marriage Licenses	0	1,078	1,078
Other Permits	0	114	114
Total Additions	<u>\$ 5,453,188</u>	<u>\$ 10,563,346</u>	<u>\$ 16,016,534</u>
<u>Deductions</u>			
Remittance of Revenues Collected	\$ 5,398,986	\$ 10,430,970	\$ 15,829,956
Trustee's Commission	54,202	132,376	186,578
Total Deductions	<u>\$ 5,453,188</u>	<u>\$ 10,563,346</u>	<u>\$ 16,016,534</u>
Excess of Additions Over (Under) Deductions	\$ 0	\$ 0	\$ 0
Net Position, July 1, 2021	0	0	0
Net Position, June 30, 2022	<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

Dyer County Mayor and
Board of County Commissioners
Dyer 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 Dyer County, Tennessee, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Dyer County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated October 20, 2022. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the Dyer County School Department (a discretely presented component unit), as described in our report on Dyer 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.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Dyer County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Dyer County's internal control. Accordingly, we do not express an opinion on the effectiveness of Dyer County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be significant deficiencies: 2022-001(B) and 2022-002.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Dyer County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and is described in the accompanying Schedule of Findings and Questioned Costs as item: 2022-001(A).

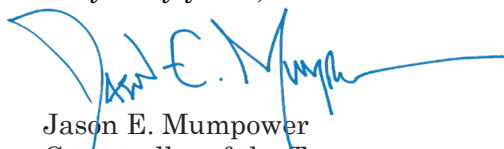
Dyer County's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Dyer County's responses to the findings identified in our audit, which are described in the accompanying Schedule of Findings and Questioned Costs. Dyer 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 result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Dyer County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

October 20, 2022

JEM/gc



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

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited Dyer 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 Dyer County's major federal programs for the year ended June 30, 2022. Dyer County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Qualified Opinion on Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) – Federal Assistance Listings (FAL) No. 93.323

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, Dyer County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on FAL No. 93.323 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) major program for the year ended June 30, 2022.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, Dyer County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs for the year ended June 30, 2022.

Basis for Qualified and Unmodified Opinions

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 Dyer 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 qualified and unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of Dyer County's compliance with the compliance requirements referred to above.

Matter Giving Rise to Qualified Opinion on Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) – Federal Assistance Listings (FAL) No. 93.323

As described in the accompanying Schedule of Findings and Questioned Costs as Findings 2022-001 and 2022-003, Dyer County did not comply with requirements regarding FAL No. 93.323 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) for compliance with Allowable Costs/Cost Principles. Compliance with such requirements is necessary, in our opinion, for Dyer County to comply with the requirements applicable to that program.

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 Dyer 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 Dyer 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 Dyer 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 Dyer 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 Dyer 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.

Other Matters

Government Auditing Standards requires the auditor to perform limited procedures on Dyer County's response to the noncompliance findings identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. Dyer County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Dyer County is responsible for preparing a corrective action plan to address each noncompliance audit finding included in our auditor's report in accordance with the Uniform Guidance. Dyer County's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the corrective action plan.

Report on Internal Control Over Compliance

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 and therefore, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control that we consider to be significant deficiencies.

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. We

consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2022-001(B) and 2022-003(B).

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.

Government Auditing Standards requires the auditor to perform limited procedures on Dyer County's response to the internal control over compliance findings identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. Dyer County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response

Dyer County's is responsible for preparing a corrective action plan to address each internal control audit finding included in our auditor's report in accordance with the Uniform Guidance. Dyer County's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the corrective action plan.

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 Dyer County, Tennessee, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Dyer County's basic financial statements. We issued our report thereon dated October 20, 2022, 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

October 20, 2022

JEM/gc

Dyer County, Tennessee, and the Dyer 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 Grantor Program Title	Federal Assistance Listings Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	\$ 153,610 (6)
Passed-through State Department of Education:			
Child Nutrition Cluster: (4)			
School Breakfast Program	10.553	N/A	562,388
National School Lunch Program	10.555	N/A	1,966,759 (6)
Child and Adult Care Food Program	10.558	N/A	53,061
COVID-19 - Pandemic EBT Administrative Costs Grant	10.649	N/A	3,063
Passed-through State Department of Human Services:			
Child Nutrition Cluster: (4)			
Summer Food Service Program for Children	10.559	N/A	204,835
Passed-through State Department of Health:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-22-70892-01	43,953
Food Distribution Cluster: (4)			
Commodity Supplemental Food Program	10.565	GG-2064415	72,618
Total U.S. Department of Agriculture			<u>\$ 3,060,287</u>
U. S. Department of Justice:			
Passed through State Office of Criminal Justice Programs:			
Crime Victim Assistance	16.575	(5)	\$ 200,944
Edward Byrne Memorial Justice Assistance Grant	16.738	(5)	127,987
Direct Program:			
COVID-19 - Coronavirus Emergency Supplemental Funding	16.034	N/A	97,200
Total U. S. Department of Justice			<u>\$ 426,131</u>
U. S. Department of the Treasury:			
Direct Program:			
COVID 19 - Coronavirus State and Local Recovery Funds (ARP)	21.027	N/A	\$ 630,997
Total U. S. Department of the Treasury			<u>\$ 630,997</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 816,264
Special Education Cluster: (4)			
Special Education - Grants to States	84.027	N/A	900,258 (6)
COVID 19 - Special Education - Grants to States (ARP)	84.027	N/A	92,661 (6)
Special Education - Preschool Grants	84.173	N/A	90,694 (6)
COVID 19 - Special Education - Preschool Grants (ARP)	84.173	N/A	9,986 (6)
Career and Technical Education - Basic Grants to States	84.048	N/A	53,915
Twenty-first Century Community Learning Centers	84.287	N/A	160,149
Supporting Effective Instruction State Grant	84.367	N/A	133,272
Comprehensive Literacy Development	84.371	N/A	72,800
Student Support and Academic Enrichment Program	84.424	N/A	34,910
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary			
School Emergency Relief Fund (ESSER I)	84.425D	N/A	184,957 (6)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary			
School Emergency Relief Fund (ESSER II)	84.425D	N/A	1,603,856 (6)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary			
School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	361,857 (6)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary			
School Emergency Relief Fund - Homeless Children and Youth (ESSER ARP)	84.425W	N/A	1,400 (6)
Total U.S. Department of Education			<u>\$ 4,516,979</u>

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Federal Assistance Listings Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Health and Human Services:			
Passed-through Northwest Tennessee Development District:			
Special Programs for the Aging, Title VII, Chapter 3, Programs for			
Prevention of Elder Abuse, Neglect, and Exploitation	93.041	NW11013	\$ 150
Special Programs for the Aging, Title III, Part D,			
Disease Prevention and Health Promotion Services	93.043	NW11013	1,900
Aging Cluster: (4)			
Special Programs for the Aging, Title III, Part B, Grants for			
Supportive Services and Senior Centers	93.044	NW11013	38,700
Passed-through State Department of Health:			
Injury Prevention and Control Research and State and Community Based Programs	93.136	GG-22-70892-01	1,978
Family Planning Services	93.217	GG-22-70892-01	2,922
Preventative Health and Health Services Block Grant	93.991	GG-22-70892-01	15,688
Maternal and Child Health Services Block Grant to the States	93.994	GG-22-70892-01	504
Passed-through State Department of Education:			
COVID 19 - Epidemiology and Laboratory Capacity for Infectious			
Diseases (ELC) (ARP)	93.323	(5)	913,583
COVID 19 - Temporary Assistance for Needy Families	93.558	(5)	24,741 (6)
Passed-through Save the Children:			
Temporary Assistance for Needy Families	93.558	(5)	28,000 (6)
Passed-through State Department of Mental Health and Substance Abuse Services:			
Block Grants for Prevention and Treatment of Substance Abuse	93.959	(5)	67,130
Total U.S. Department of Health and Human Services			<u>\$ 1,095,296</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Emergency Management Performance Grants	97.042	(5)	19,082
Homeland Security Grant Program	97.067	(5)	16,488
Total U.S. Department of Homeland Security			<u>\$ 35,570</u>
Total Expenditures of Federal Awards			<u>\$ 9,765,260</u>
			Contract
			Number
<u>State Grants:</u>			
Juvenile Court Improvement Funds - State Department of Children's			
Services	N/A	35910-10121	\$ 9,000
Home and Community Based Services - Northwest Tennessee Development			
District	N/A	NW11014	30,000
State Senior Center - Northwest Tennessee Development District	N/A	NW11014	5,000
Drug Court Treatment Resources Grant - State Department of Mental Health			
and Substance Abuse Services	N/A	(5)	39,252
Preventive Health and Human Services - State Department of Health	N/A	GG-22-70892-01	61,307
Litter Program - State Department of Transportation	N/A	40100-00320	45,212
Emergency Mental Health Transportation Program - State Office of Criminal			
Justice Programs	N/A	(5)	24,244
State Direct Appropriations Grant FY 2021 - State Department of Finance			
and Administration	N/A	(5)	420,043
Evidence Based Jail Program - State Department of Finance and Administration	N/A	(5)	12,890
Early Childhood Education - State Department of Education	N/A	(5)	686,332
Family Resource Center - State Department of Education	N/A	(5)	59,223
Coordinated School Health - State Department of Education	N/A	(5)	114,999
Safe Schools - State Department of Education	N/A	(5)	36,684
ConnecTenn - State Department of Education	N/A	(5)	5,757
School Resource Officer Grant - State Department of Education	N/A	(5)	175,000
Civics Seal Grant - State Department of Education	N/A	(5)	4,823
COVID 19 - STREAM Mini Camp - State Department of Education	N/A	(5)	45,948
Learning Camp Transportation - State Department of Education	N/A	(5)	15,078
Total State Grants			<u>\$ 1,790,792</u>

(Continued)

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

N/A = Not Applicable

FAL = Federal Assistance Listings

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Dyer County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) No amounts (\$0) were passed-through to subrecipients.
- (4) Child Nutrition Cluster total \$2,887,592; Food Distribution Cluster total \$72,618; Special Education Cluster total \$1,093,599; Aging Cluster total \$38,700.
- (5) Information not available.
- (6) Total for FAL No. 10.555 is \$2,120,369; Total for FAL No. 84.027 is \$992,919; Total for FAL No. 84.173 is \$100,680; Total for FAL No. 84.425 is \$2,152,070; Total for FAL No. 93.558 is \$52,741.

Dyer 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 uncorrected. Presented below are financial statement findings along with their current status from the Annual Financial Report for Dyer 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
<u>OFFICE OF DIRECTOR OF SCHOOLS</u>					
2021	196	2021-001	The General Purpose School Fund required material audit adjustments for proper financial statement presentation.	N/A	Corrected
2021	197	2021-002	The office had deficiencies in budget operations.	N/A	Corrected
<u>OFFICE OF SHERIFF</u>					
2021	197	2021-003	The office did not review a list of voided transactions.	N/A	Corrected
2021	198	2021-004	The office had accounting deficiencies.	N/A	Corrected
2021	199	2021-005	Some funds were not deposited within three days of collection.	N/A	Corrected
<u>OFFICES OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK AND SHERIFF</u>					
2021	199	2021-006	Duties were not segregated adequately.	N/A	Circuit and General Sessions Courts Clerk - Sheriff - Not Corrected - See Explanation on Corrective Action Plan

Prior-year Federal Awards Findings

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

DYER COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2022

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

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

Federal Awards:

4. Internal Control Over Major Federal Programs:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **YES**
5. Type of report auditor issued on compliance for major programs. **QUALIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **YES**
7. Identification of Major Federal Programs:
 - * Assistance Listings Numbers: 10.553, 10.555, and 10.559 Child Nutrition Cluster: School Breakfast Program, National School Lunch Program, and Summer Food Service Program for Children
 - * Assistance Listings Number: 84.425 COVID 19 - Education Stabilization Fund
 - * Assistance Listings Number: 93.323 COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) (ARP)
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **NO**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

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

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 2022-001

DYER COUNTY SCHOOL DEPARTMENT HAD DEFICIENCIES IN THE USE OF EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC) GRANT FUNDS, WHICH RESULTED IN QUESTIONED COSTS

(A. – Noncompliance Under *Government Auditing Standards* and OMB Uniform Guidance; B. - Internal Control – Significant Deficiency Under *Government Auditing Standards* and OMB Uniform Guidance)

The school department was awarded an Epidemiology and Laboratory Capacity for Infectious Diseases Grant (ELC) (FAL No. 93.323) totaling \$1,021,467, made available from the American Rescue Plan Act of 2021, passed through the Tennessee Department of Education.

We audited the ELC grant as a major federal program in compliance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). As part of our audit procedures, we tested a sample of 32 disbursement items for the period July 1, 2021, through June 30, 2022. Based on our test work, we noted the following deficiencies, which are the result of a lack of management oversight:

- A. On July 26, 2021, the following administrative staff received bonuses paid with ELC funds as direct grant costs:

<u>Title</u>	<u>Amount</u>
Director of Schools	\$ 27,688
Business and Finance Manager	11,886
Special Education Director	8,037
Federal Projects Bookkeeper	4,126
Federal Projects Bookkeeper (former)	4,126
Payroll Bookkeeper	3,863
Accounts Payable/Receivable Bookkeeper	<u>3,863</u>
Total	<u>\$ 63,589</u>

Section 200.413 of the Uniform Guidance provides that administrative and clerical staff should normally be treated as indirect costs; however, direct charging of these costs may be appropriate only if all of the following conditions are met:

1. Administrative or clerical services are integral to a project or activity;
2. Individuals involved can be specifically identified with the project or activity;
3. Such costs are explicitly included in the budget or have prior written approval of the federal awarding agency; and
4. The costs are not recovered as indirect costs.

We were not provided with adequate documentation to support these payments as direct costs. The services provided by the administrative staff do not appear to be integral to the ELC grant; the individuals were not specifically identified to the project; and the bonuses were not explicitly included in the budget, nor did they have prior written approval of the federal awarding agency.

At the time the bonuses were paid, the ELC grant documentation listed the following as allowable direct uses of funds: salaries, benefits, and contract costs of nurses; travel reimbursed at .47 per mile; contracts with academic institutions, private laboratories, or other healthcare entities to process test kits; supplies and equipment for testing; minor construction for safer testing locations; costs associated with operating alternate/pop-up sites; costs for running mass testing programs; and shipping, postage, printing, and duplicating costs. Updated guidance for the ELC grant was issued on August 2, 2021. Per the updated guidance, when determining allowable costs, grant recipients were referred to the cost principles regulation found in *45 CFR Part 75 Subpart E – Cost Principles* which states that allowable costs should be necessary and reasonable for the performance of the federal award, be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the entity, and be adequately documented. It further states that costs are reasonable if they do not exceed that which would be incurred by a prudent person under the circumstance.

These bonuses do not appear to be reasonable and necessary for the performance of the award, are not consistent with other grants and programs of the school system and were not properly documented.

- B. Duties were not adequately segregated concerning the bonus payments associated with ELC grant funds. The bonuses paid to the administrative staff were not specifically approved by the grantor or the board of education. The board of education did approve a budget amendment on February 1, 2022, allowing bonuses under this grant program totaling \$141,519, which included \$62,295 for nurses and transportation and maintenance staff; however, the board of education was not given a breakdown of who received a bonus and the individual amounts. It should be noted that the current chairman of the board of education advised that he was unaware the director of schools received

amounts in excess of her contract. As a result, the director of schools authorized a bonus payment to herself without prior approval of the board of education.

As a result of the deficiencies noted above, we have questioned the cost of the bonuses for administrative staff totaling \$63,589 for the period July 1, 2021, through June 30, 2022.

RECOMMENDATION

The board of education should determine the propriety and reasonableness of the bonus payments paid to the administrative staff from ELC funds. The board should take steps to resolve the questioned costs. Duties should be properly segregated. The director of schools should not approve her own bonus payments.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

We disagree with this finding.

With regard to the matters referenced in section A of the draft finding, we take issue with the allegations that the bonuses paid to the administrative staff were not explicitly included in the grant budget, the individuals receiving the bonuses were not identified to the grantor and the grantor did not approve of the bonus payments, all of which are absolutely false.

Section 200.407 of the Uniform Guidance provides: "*Under any given Federal award, the reasonableness and allocability of certain items of costs may be difficult to determine. In order to avoid subsequent disallowance or dispute based on unreasonableness or nonallocability, the non-Federal entity may seek the prior written approval of the cognizant agency for indirect costs or the Federal awarding agency in advance of the incurrence of special or unusual costs.*"

On June 14, 2021, the Dyer County School's ELC grant application was approved by the grantor in the amount of \$1,021,466.91. The approved budget for the grant expressly included bonus payments in the amount of \$63,589.14 to the Administrators, Director, and other related personnel for duties and responsibilities related to the implementation and administration of the COVID Testing program. See Exhibit A, approved grant budget for Account Number: 72130-Other Student Support, Line-Item Number: 188-Bonus Payments in the amount of \$63,589.14. Not only were the administrative bonus payments specifically approved by the grantor in the budget, but the grantor was also provided with the names and exact amounts paid to each member of the administrative staff when the system requested and thereafter received reimbursement from the grantor for those payments. See Exhibit B, Statement of Expenditures and Encumbrances dated August 30, 2021, which was submitted to the grantor.

When your office first raised this issue, we immediately confirmed that it was proper for ELC grant funds to be used to pay bonuses to the administrative staff for duties and responsibilities related to the implementation and administration of the program. See Exhibit C, email to Wendy Smith, Business and Finance Manager for the school system,

dated August 29, 2022, from Kristi Steele, Director of Mental Health, Tennessee Department of Education, which provides: “ELC funding can be used to pay stipends/salaries for individuals such as coordinated school health coordinators, district level administrators, etc. who manage the grant and who have been handling COVID response to their districts.” Your staff auditor, who was copied on the email from Ms. Steel, then asserted that the administrative staff was required under the grant to keep timesheets documenting the time spent related to the implementation and administration of COVID response for the school system. Exhibit D is an email dated August 30, 2022, from Jennifer Sanchez, Public Health Administrator II (Project Manager), Tennessee Department of Health, confirming the timesheets were not, in fact, a requirement for the payment of bonuses under the grant. Moreover, Maryanne Durksi, Executive Director, Office of Local Finance, Tennessee Department of Education has advised: “the approved application in ePlan, with the stipends clearly in the narrative, should be documentation that these were approved by the state.”

As a result of the foregoing, we believe the allegations in section A of the draft audit finding are without merit and should be removed from your final audit.

With regards to the matters in section B of the draft finding, we take issue with the allegations that the bonuses paid to the administrative staff for the extra duties and responsibilities related to the implementation and administration of the ELC grant were not approved by the grantor or the board of education. The grantor's approval of the payments to the administrative staff in connection with the grant was discussed above and such will not be repeated again.

We agree with you that Mr. Jeremy Gatlin, the current chairman of the board of education, has advised that he was not aware that the Director was one of the individuals who received bonus payments under the grant, but we find it curious that your draft finding does not also mention the very relevant additional information provided to your office by Mr. Keith Anderson, who was the chairman of the board of education at the time the ELC application was submitted, approved by the state and payments made to the administrative staff. See Exhibit E, statement of Keith Anderson, confirming that in May of 2021 he had a telephone conversation with Mrs. Wendy Smith regarding the grant application, that he was aware of and gave his approval regarding the employees eligible to receive a stipend due to extra duties associated with the COVID response program, including, but not limited to, the administrative, financial staff and the Director of Schools, the amounts of stipend each would receive in each group, and the percentages of salaries the stipend would equal.

As you noted, the board of education approved the budget amendment regarding the ELC Grant on February 1, 2022. The budget amendment accurately reflects that the stipends paid under the grant to the administrative staff was transferred to the proper accounts, as approved in the grant budget, account 72130, line item 188 – Other Student Support. We agree with you that the board of education was not provided a breakdown of who received a bonus and the individual amounts at the time the budget amendment was adopted. Any future bonus payments to members of the administrative staff will be approved by the board prior to disbursement to ensure that duties are adequately segregated.

We believe the methodology used for determining the amount of bonus payments to each group of employees/SROs involved with the implementation and management of the COVID response program and the allocation of such funds among the various individuals based on their program responsibilities was reasonable, but we defer to the board of education's response, set forth below, to address your recommendation that the board determine the propriety and reasonableness of the bonus payments paid to the administrative staff from ELC funds.

MANAGEMENT'S RESPONSE – DR. JEREMY GATLIN, BOARD OF EDUCATION CHAIRMAN

The board disagrees with this finding.

The board agrees with the response provided by the Director, as set forth above.

The board believes it was appropriate to utilize a portion of the ELC grant funds to provide bonus payments to the administrative staff for the additional duties and responsibilities required to manage and administer the COVID response program for the benefit of approximately 4,000 students and employees of the school system over the term of the grant.

Section 200.430(b) of the Uniform Guidelines provides: *Reasonableness. Compensation for employees engaged in work on Federal awards will be considered reasonable to the extent that it is consistent with that paid for similar work in other activities of the non-Federal entity.* The bonus payments provided to the members of the administrative staff to manage the COVID response program were reasonable because the payments were determined based on the additional program responsibilities required of each of them in a manner that is consistent with the amounts paid to them for similar work in other activities on behalf of the school system.

Going forward, any bonus payments provided to members of the administrative staff will be approved by the board before the funds are disbursed to ensure that duties are adequately segregated.

AUDITOR'S COMMENT

The budget for the ELC grant submitted to the Tennessee Department of Education did include \$63,589 budgeted to Other Student Support – Bonus Payments; however, the narrative description stated that it included “SRO’s, Administrators, Director, and other related personnel.” There were no SRO’s paid from this line-item, and the director of schools was not specifically mentioned. Director in this instance could have implied the director of the program administering the grant. The only personnel paid from this budget line were the director of schools and six other administrative staff members. The narrative appears misleading and would not be sufficient to give prior explicit approval for these types of bonuses. The response of the director of schools’ quotes Section 200.407 of the Uniform Guidance which provides: “ ... *the non-Federal entity may seek the prior written approval of the cognizant agency for indirect costs or the Federal awarding agency in advance of the*

incurrence of special or unusual costs." It should be noted the budget submitted for bonus payments was made to the Tennessee Department of Education which is a non-federal entity. The Federal awarding agency for this award is the U.S. Department of Health and Human Services. Regardless of whether there was proper approval to pay bonuses, there still must be proper documentation to support that the person was actually entitled to receive the bonus. Uniform Guidance Section 200.430(i) states "*Standards of Documentation of Personnel Expenses. (1) charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must include: ... (vii) Support the distribution of the employee's salary or wage among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and a non-federal award, an indirect cost activity and a direct cost activity, two or more indirect activities...*". The school department has not provided us with any documented evidence to support that these individuals performed any work on this federal award. Without any supporting documentation of actual work performed on the grant by these individuals, we cannot attest these individuals were entitled to receive a bonus.

Auditors were told by the former chairman of the Board of Education that he gave verbal approval of the bonuses; however, without any written documentation, we cannot attest that this happened. Furthermore, the former chairman has no authority on his own to approve bonus payments. The Board of Education, as a whole, would need to vote in order to grant such approval. As mentioned in the finding, the board of education did approve a budget amendment on February 1, 2022. However, it is important to note that this amendment occurred approximately seven months **after** the bonuses were paid and makes no mention of bonuses being paid to anyone or the amounts these individuals received. The explanation of the amendment states, "these funds will be used to reimburse a portion of General Purpose funds already budgeted for line items for... Administrative Financial Staff for **salary** associated with the responsibilities related to duties under the ELC Grant..." Therefore, from the evidence presented to us, it is not clear that the Board of Education, as a whole, even knew these bonuses were paid until reported in our finding and the budget amendment itself does not provide adequate support for the proper approval of these payments as bonuses.

The response of the Board of Education references Section 200.430(b) of the Uniform Guidelines provides: *Reasonableness. Compensation for employees engaged in work on Federal awards will be considered reasonable to the extent that it is consistent with that paid for similar work in other activities of the non-Federal entity.* While bonuses paid with local funds typically do not require a timesheet, Section 200.430(i) states "*Standards of Documentation of Personnel Expenses. (1) charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed...*". In order for us to determine if these bonuses were reasonable and allowable, there must be documented proof that the administrative personnel receiving the bonuses actually devoted their time to administering the grant. We have not been presented with any documented evidence that the administrative staff spent any time on this grant. Furthermore, these administrative staff members were not paid bonuses for any of the hours they devoted to the other federal grants received by the school department. Therefore, the paying of bonuses associated with the ELC grant was inconsistent with the other grants received by the Board of Education.

Additionally, the director of schools is employed through a contract between the director of schools and the board of education for the period January 5, 2021, through June 30, 2023, which states that the duties of the director of schools will generally be performed during normal business hours, but it is expressly agreed that the duties will require her to work during times other than normal business hours. The contract makes no mention of bonuses, and it appears anything beyond normal business hours is already included in her contract amount. Therefore, it is questionable if the director's contract allows for the payment of a bonus.

OFFICE OF SHERIFF

FINDING 2022-002

DUTIES WERE NOT SEGREGATED ADEQUATELY

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

Duties were not segregated adequately among the officials and employees in the Offices of Sheriff. The employees responsible for maintaining accounting records were also involved in receipting, depositing, and/or disbursing funds. Sound business practices dictate that management is responsible for designing internal controls to give reasonable assurance of the reliability of financial reporting and of the effectiveness and efficiency of operations. This lack of segregation of duties is the result of managements' decisions based on the availability of financial resources and is a significant deficiency in internal controls that increases the risks of unauthorized transactions. Also, this deficiency is the result of managements' failure to correct the finding noted in the prior-year audit report.

RECOMMENDATION

Officials should segregate duties to the extent possible using available resources.

MANAGEMENT'S RESPONSE – SHERIFF

I agree with this finding.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

Findings and recommendations, as a result of our audit of federal awards of Dyer County, Tennessee, for the year ended June 30, 2022, are presented below. Our audit followed 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).

We reviewed these findings and recommendations with federal program management to provide an opportunity for their response. Responses and/or corrective action plans for all findings, whether related to the financial statements or federal awards, are presented separately in the Management's Corrective Action Plan section of this report.

Findings relating specifically to the audit of the financial statements of Dyer County, Tennessee, are separately presented under Part II, Findings Relating to the Financial Statements.

FINDING 2022-003

DYER COUNTY SCHOOL DEPARTMENT HAD DEFICIENCIES IN THE USE OF EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC) GRANT FUNDS, WHICH RESULTED IN QUESTIONED COSTS

(A. – Noncompliance Under *Government Auditing Standards* and OMB Uniform Guidance; B. - Internal Control – Significant Deficiency Under *Government Auditing Standards* and OMB Uniform Guidance)

Entity	Dyer County, Tennessee – School Department
Repeat Finding Number	N/A
Assistance Listings #	93.323
Assistance Listings Title	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)
Federal Agency	Department of Health and Human Services
State Pass-Through Agency	Department of Education
Grant/Contract No.	N/A
Federal Award Year	2022
Finding Type	Noncompliance and Internal Control – 93.323
Compliance Requirement	Allowable Cost/Cost Principles
Known Questioned Costs	\$63,589

The school department was awarded an Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) (FAL No. 93.323) made available from the American Rescue Plan Act of 2021, passed through the Tennessee Department of Education.

We audited the ELC grant as a major federal program in compliance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). As part of our audit procedures, we tested a sample of 32 disbursement items for the period July 1, 2021, through June 30,

2022. Based on our test work, we noted the following deficiencies, which are the result of a lack of management oversight:

- A. On July 26, 2021, the following administrative staff received bonuses paid with ELC funds as direct grant costs:

<u>Title</u>	<u>Amount</u>
Director of Schools	\$ 27,688
Business and Finance Manager	11,886
Special Education Director	8,037
Federal Projects Bookkeeper	4,126
Federal Projects Bookkeeper (former)	4,126
Payroll Bookkeeper	3,863
Accounts Payable/Receivable Bookkeeper	<u>3,863</u>
Total	<u>\$ 63,589</u>

Section 200.413 of the Uniform Guidance provides that administrative and clerical staff should normally be treated as indirect costs; however, direct charging of these costs may be appropriate only if all of the following conditions are met:

1. Administrative or clerical services are integral to a project or activity;
2. Individuals involved can be specifically identified with the project or activity;
3. Such costs are explicitly included in the budget or have prior written approval of the federal awarding agency; and
4. The costs are not recovered as indirect costs.

We were not provided with adequate documentation to support these payments as direct costs. The services provided by the administrative staff do not appear to be integral to the ELC grant; the individuals were not specifically identified to the project; and the bonuses were not explicitly included in the budget, nor did they have prior written approval of the federal awarding agency.

At the time the bonuses were paid, the ELC grant documentation listed the following as allowable direct uses of funds: salaries, benefits, and contract costs of nurses; travel reimbursed at .47 per mile; contracts with academic institutions, private laboratories, or other healthcare entities to process test kits; supplies and equipment for testing; minor construction for safer testing locations; costs associated with operating alternate/pop-up sites; costs for running mass testing programs; and shipping, postage, printing, and duplicating costs. Updated guidance for the ELC grant was issued on August 2, 2021. Per the updated guidance, when determining allowable costs, grant recipients were referred to the cost principles regulation found in *45 CFR Part 75 Subpart E – Cost Principles* which states that allowable costs should be

necessary and reasonable for the performance of the federal award, be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the entity, and be adequately documented. It further states that costs are reasonable if they do not exceed that which would be incurred by a prudent person under the circumstance.

These bonuses do not appear to be reasonable and necessary for the performance of the award, are not consistent with other grants and programs of the school system and were not properly documented.

- B. Duties were not adequately segregated concerning the bonus payments associated with ELC grant funds. The bonuses paid to the administrative staff were not specifically approved by the grantor or the board of education. The board of education did approve a budget amendment on February 1, 2022, allowing bonuses under this grant program totaling \$141,519, which included \$62,295 for nurses and transportation and maintenance staff; however, the board of education was not given a breakdown of who received a bonus and the individual amounts. It should be noted that the current chairman of the board of education advised that he was unaware the director of schools received amounts in excess of her contract. As a result, the director of schools authorized a bonus payment to herself without prior approval of the board of education.

As a result of the deficiencies noted above, we have questioned the cost of the bonuses for administrative staff totaling \$63,589 for the period July 1, 2021, through June 30, 2022.

RECOMMENDATION

The board of education should determine the propriety and reasonableness of the bonus payments paid to the administrative staff from ELC funds. The board should take steps to resolve the questioned costs. Duties should be properly segregated. The director of schools should not approve her own bonus payments.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

We disagree with this finding.

With regard to the matters referenced in section A of the draft finding, we take issue with the allegations that the bonuses paid to the administrative staff were not explicitly included in the grant budget, the individuals receiving the bonuses were not identified to the grantor and the grantor did not approve of the bonus payments, all of which are absolutely false.

Section 200.407 of the Uniform Guidance provides: "*Under any given Federal award, the reasonableness and allocability of certain items of costs may be difficult to determine. In order to avoid subsequent disallowance or dispute based on unreasonableness or nonallocability, the non-Federal entity may seek the prior written approval of the cognizant agency for indirect costs or the Federal awarding agency in advance of the incurrence of special or unusual costs.*"

On June 14, 2021, the Dyer County School's ELC grant application was approved by the grantor in the amount of \$1,021,466.91. The approved budget for the grant expressly included bonus payments in the amount of \$63,589.14 to the Administrators, Director, and other related personnel for duties and responsibilities related to the implementation and administration of the COVID Testing program. See Exhibit A, approved grant budget for Account Number: 72130-Other Student Support, Line-Item Number: 188-Bonus Payments in the amount of \$63,589.14. Not only were the administrative bonus payments specifically approved by the grantor in the budget, but the grantor was also provided with the names and exact amounts paid to each member of the administrative staff when the system requested and thereafter received reimbursement from the grantor for those payments. See Exhibit B, Statement of Expenditures and Encumbrances dated August 30, 2021, which was submitted to the grantor.

When your office first raised this issue, we immediately confirmed that it was proper for ELC grant funds to be used to pay bonuses to the administrative staff for duties and responsibilities related to the implementation and administration of the program. See Exhibit C, email to Wendy Smith, Business and Finance Manager for the school system, dated August 29, 2022, from Kristi Steele, Director of Mental Health, Tennessee Department of Education, which provides: "ELC funding can be used to pay stipends/salaries for individuals such as coordinated school health coordinators, district level administrators, etc. who manage the grant and who have been handling COVID response to their districts." Your staff auditor, who was copied on the email from Ms. Steel, then asserted that the administrative staff was required under the grant to keep timesheets documenting the time spent related to the implementation and administration of COVID response for the school system. Exhibit D is an email dated August 30, 2022, from Jennifer Sanchez, Public Health Administrator II (Project Manager), Tennessee Department of Health, confirming the timesheets were not, in fact, a requirement for the payment of bonuses under the grant. Moreover, Maryanne Durksi, Executive Director, Office of Local Finance, Tennessee Department of Education has advised: "the approved application in ePlan, with the stipends clearly in the narrative, should be documentation that these were approved by the state."

As a result of the foregoing, we believe the allegations in section A of the draft audit finding are without merit and should be removed from your final audit.

With regards to the matters in section B of the draft finding, we take issue with the allegations that the bonuses paid to the administrative staff for the extra duties and responsibilities related to the implementation and administration of the ELC grant were not approved by the grantor or the board of education. The grantor's approval of the payments to the administrative staff in connection with the grant was discussed above and such will not be repeated again.

We agree with you that Mr. Jeremy Gatlin, the current chairman of the board of education, has advised that he was not aware that the Director was one of the individuals who received bonus payments under the grant, but we find it curious that your draft finding does not also mention the very relevant additional information provided to your office by Mr. Keith

Anderson, who was the chairman of the board of education at the time the ELC application was submitted, approved by the state and payments made to the administrative staff. See Exhibit E, statement of Keith Anderson, confirming that in May of 2021 he had a telephone conversation with Mrs. Wendy Smith regarding the grant application, that he was aware of and gave his approval regarding the employees eligible to receive a stipend due to extra duties associated with the COVID response program, including, but not limited to, the administrative, financial staff and the Director of Schools, the amounts of stipend each would receive in each group, and the percentages of salaries the stipend would equal.

As you noted, the board of education approved the budget amendment regarding the ELC Grant on February 1, 2022. The budget amendment accurately reflects that the stipends paid under the grant to the administrative staff was transferred to the proper accounts, as approved in the grant budget, account 72130, line item 188 – Other Student Support. We agree with you that the board of education was not provided a breakdown of who received a bonus and the individual amounts at the time the budget amendment was adopted. Any future bonus payments to members of the administrative staff will be approved by the board prior to disbursement to ensure that duties are adequately segregated.

We believe the methodology used for determining the amount of bonus payments to each group of employees/SROs involved with the implementation and management of the COVID response program and the allocation of such funds among the various individuals based on their program responsibilities was reasonable, but we defer to the board of education's response, set forth below, to address your recommendation that the board determine the propriety and reasonableness of the bonus payments paid to the administrative staff from ELC funds.

MANAGEMENT'S RESPONSE – DR. JEREMY GATLIN, BOARD OF EDUCATION CHAIRMAN

The board disagrees with this finding.

The board agrees with the response provided by the Director, as set forth above.

The board believes it was appropriate to utilize a portion of the ELC grant funds to provide bonus payments to the administrative staff for the additional duties and responsibilities required to manage and administer the COVID response program for the benefit of approximately 4,000 students and employees of the school system over the term of the grant.

Section 200.430(6) of the Uniform Guidelines provides: *Reasonableness. Compensation for employees engaged in work on Federal awards will be considered reasonable to the extent that it is consistent with that paid for similar work in other activities of the non-Federal entity.* The bonus payments provided to the members of the administrative staff to manage the COVID response program were reasonable because the payments were determined based on the additional program responsibilities required of each of them in a manner that is consistent with the amounts paid to them for similar work in other activities on behalf of the school system.

Going forward, any bonus payments provided to members of the administrative staff will be approved by the board before the funds are disbursed to ensure that duties are adequately segregated.

AUDITOR'S COMMENT

The budget for the ELC grant submitted to the Tennessee Department of Education did include \$63,589 budgeted to Other Student Support – Bonus Payments; however, the narrative description stated that it included “SRO’s, Administrators, Director, and other related personnel.” There were no SRO’s paid from this line-item, and the director of schools was not specifically mentioned. Director in this instance could have implied the director of the program administering the grant. The only personnel paid from this budget line were the director of schools and six other administrative staff members. The narrative appears misleading and would not be sufficient to give prior explicit approval for these types of bonuses. The response of the director of schools’ quotes Section 200.407 of the Uniform Guidance which provides: “... *the non-Federal entity may seek the prior written approval of the cognizant agency for indirect costs or the Federal awarding agency in advance of the incurrence of special or unusual costs.*” It should be noted the budget submitted for bonus payments was made to the Tennessee Department of Education which is a non-federal entity. The Federal awarding agency for this award is the U.S. Department of Education. Regardless of the matter of whether or was not there was proper approval to pay bonuses, there still must be proper documentation to support that the person was actually entitled to receive the bonus. Uniform Guidance Section 200.430(i) states “*Standards of Documentation of Personnel Expenses. (1) charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must include: ... (vii) Support the distribution of the employee’s salary or wage among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and a non-federal award, an indirect cost activity and a direct cost activity, two or more indirect activities...*”. The school department has not provided us with any documented evidence to support that these individuals performed any work on this federal award. Without any supporting documentation of actual work performed on the grant by these individuals, we cannot attest these individuals were entitled to receive a bonus.

Auditors were told by the former chairman of the Board of Education that he gave verbal approval of the bonuses; however, without any written documentation, we cannot attest that this happened. Furthermore, the former chairman has no authority on his own to approve bonus payments. The Board of Education, as a whole, would need to vote in order to grant such approval. As mentioned in the finding, the board of education did approve a budget amendment on February 1, 2022. However, it is important to note that this amendment occurred approximately seven months **after** the bonuses were paid and makes no mention of bonuses being paid to anyone or the amounts these individuals received. The explanation of the amendment states, “these funds will be used to reimburse a portion of General Purpose funds already budgeted for line items for... Administrative Financial Staff for **salary** associated with the responsibilities related to duties under the ELC Grant...” Therefore, from the evidence presented to us, it is not clear that the Board of Education, as a whole, even knew these bonuses were paid until reported in our finding and the budget

amendment itself does not provide adequate support for the proper approval of these payments as bonuses.

The response of the Board of Education references Section 200.430(b) of the Uniform Guidelines provides: *Reasonableness. Compensation for employees engaged in work on Federal awards will be considered reasonable to the extent that it is consistent with that paid for similar work in other activities of the non-Federal entity.* While bonuses paid with local funds typically do not require a timesheet, Section 200.430(i) states “*Standards of Documentation of Personnel Expenses. (1) charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed...*”, In order for us to determine if these bonuses were reasonable and allowable, there must be documented proof that the administrative personnel receiving the bonuses actually devoted their time to administering the grant. We have not been presented with any documented evidence that the administrative staff spent any time on this grant. Furthermore, these administrative staff members were not paid bonuses for any of the hours they devoted to the other federal grants received by the school department. Therefore, the paying of bonuses associated with the ELC grant was inconsistent with the other grants received by the Board of Education.

Additionally, the director of schools is employed through a contract between the director of schools and the board of education for the period January 5, 2021, through June 30, 2023, which states that the duties of the director of schools will generally be performed during normal business hours, but it is expressly agreed that the duties will require her to work during times other than normal business hours. The contract makes no mention of bonuses, and it appears anything beyond normal business hours is already included in her contract amount. Therefore, it is questionable if the director’s contract allows for the payment of a bonus.

Dyer 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 Number	Title of Finding	Corrective Action Plan Page Number
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OFFICE OF DIRECTOR OF SCHOOLS

2022-001	Dyer County School Department had deficiencies in the use of Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) Grant funds, which resulted in questioned costs.	211
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OFFICE OF SHERIFF

2022-002	Duties were not segregated adequately.	212
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FEDERAL AWARD FINDING - OFFICE OF DIRECTOR OF SCHOOLS

2022-003	Dyer County School Department had deficiencies in the use of Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) Grant funds, which resulted in questioned costs.	211
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DYER COUNTY SCHOOLS
Achieving Academic Excellence

159 Everett Avenue
Owensboro, KY 40246-5196
731.285.6712 • fax 731.286.6721
www.dycs.net

Corrective Action Plan

FINDING: DYER COUNTY SCHOOL DEPARTMENT HAD DEFICIENCIES IN THE USE OF EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC) GRANT FUNDS, WHICH RESULTED IN QUESTIONED COSTS

Response and Corrective Action Plan Prepared by:

Cheryl Mathis, Director of Schools & Jeremy Gatlin, School Board Chairman

Person Responsible for Implementing the Corrective Action:

Cheryl Mathis, Director of Schools & Jeremy Gatlin, School Board Chairman

Anticipated Completion Date of Corrective Action:

October 11, 2022

Repeat Finding: No

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

Planned Corrective Action:

The school system will strengthen its internal controls by requiring that any future bonus paid to any member of the administrative staff be approved by the school board before the funds are disbursed to ensure that duties are adequately segregated.


Cheryl Mathis, Director of Schools

Date

10/11/2022


Jeremy Gatlin, Board Chairman

Date

10/11/22



Dyer County Sheriff's Office

Jeff Box, Sheriff
401 East Cedar Street
Dyersburg, Tennessee 38024
Phone: 731-285-2802 Fax: 731-286-7828
www.dyercountysheriff.com



Corrective Action Plan

FINDING: DUTIES WERE NOT SEGREGATED ADEQUATELY

Response and Corrective Action Plan Prepared by:
Jeff Box, Dyer County Sheriff

Person Responsible for Implementing the Corrective Action:
Jeff Box, Dyer County Sheriff

Anticipated Completion Date of Corrective Action:
07/01/2023


Repeat Finding: Yes

Reason Corrective Action was Not Taken in the Prior Year:
Lack additional personnel have continued to delay the correction.

Planned Corrective Action:
Discuss this audit finding and the need for additional personnel with Audit/Budget Committee.



Jeff Box, Sheriff



Date

BEST PRACTICE

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

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

DYER COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING

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