



ANNUAL FINANCIAL REPORT

Jefferson County, Tennessee

For the Year Ended June 30, 2024

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

ANNUAL FINANCIAL REPORT
JEFFERSON COUNTY, TENNESSEE
FOR THE YEAR ENDED JUNE 30, 2024

COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

ROBERT J. ANDERSON, CPA, CGFM
Audit Manager

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

JEFFERSON COUNTY, TENNESSEE

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Summary of Audit Findings

Annual Financial Report
Jefferson County, Tennessee
For the Year Ended June 30, 2024

Scope

We have audited the basic financial statements of Jefferson County as of and for the year ended June 30, 2024.

Results

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

Our audit resulted in one finding and recommendation, which we have reviewed with Jefferson County management. The detailed finding, recommendation, and management's response are included in the Single Audit section of this report.

Finding

The following are summaries of the audit finding:

JEFFERSON COUNTY

- ◆ The Solid Waste Disposal Fund had a deficit in unrestricted net position.



INTRODUCTORY SECTION

JEFFERSON COUNTY OFFICIALS

June 30, 2024

Officials

Mark Potts, County Mayor
Charles Tipton, Road Superintendent
Dr. Tommy Arnold, Director of Schools
Jennifer Hall, Trustee
Susan Gass, Assessor of Property
Frank Herndon, County Clerk
Kevin Poe, Circuit and General Sessions Courts Clerk
Nancy Humbard, Clerk and Master
Ed Stiner, Register of Deeds
Jeff Coffey, Sheriff
Jessica Elder, Finance Director

Board of County Commissioners

Jimmy Carmichael, Chairperson
Randy Bales
Gregory Byrd
Robert Blevins
Austin Brooks
Joe Coleman
Ronny Coleman
Terry Dockery
Ransom Douglas
Katy Fox Huffaker
John Johnson

Paul Lowe
Janet Norton
Jimmy Dale Patterson
Marcus Reed
John Neal Scarlett
Tim Seals
Sammy Solomon
Jim Snodgrass
Heidi Thomas
Anthony Walker

Board of Education

Randall Bradley, Chairperson
Josh Cameron
Danny Martin
Nancy Zander

Bill Jarnigan
Doug Ibbetson
Maurice Solomon

Highway Commission

Aaron Loy, Chairperson
Wayne Elmore
Brenda Morgan

Joel Smith
John Turner
Joe Patterson

Financial Management Committee

Katy Fox Huffaker, Chairperson
Randy Bales
Gregory Byrd
Tommy Arnold, Director of Schools

Jim Snodgrass
Mark Potts, County Mayor
Charles Tipton, Road Superintendent

Audit Committee

Garry Jett, Chairperson
Dale Allen

Katy Fox Huffaker
John Neal Scarlett

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Jefferson County, Tennessee, as of and for the year ended June 30, 2024, 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 reports of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Jefferson County, Tennessee, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General, Other General Government, Other Special Revenue, 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 Jefferson County Nursing Home, a discretely presented component unit. We also did not audit the financial statements of the Internal School Fund, a special revenue fund of the discretely presented Jefferson County School Department, which represent 1.01 percent, 1.23 percent, and 3.16 percent, respectively, of the assets, net position, and revenues of the discretely presented Jefferson County School Department. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Jefferson County Nursing Home and the Internal School Fund of the Jefferson County School Department, is based solely on the reports of the other auditors. We were unable to determine Jefferson County Nursing Home's percentages of the assets, net position, and revenues of the aggregate discretely presented component units because the Jefferson County Emergency Communications District, a component unit requiring discrete presentation, was not included in the county's financial statements.

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 Jefferson County, Tennessee, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note V.B., Jefferson County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections*. GASB 100 clarifies financial and reporting requirements for changes in accounting principles, changes in accounting estimates, error corrections, and changes within the reporting entity.

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 Jefferson County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Jefferson 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 Jefferson County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require that the schedules of changes in the county's net pension liability (asset) and related ratios, schedules of county and school contributions, schedules of school's proportionate share of the net pension liability (asset), and schedules of county and school changes in the total other postemployment benefits liability and related ratios, as listed under Required Supplementary Information in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors 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 Jefferson 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 Jefferson 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 Jefferson 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 November 27, 2024, on our consideration of Jefferson 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 Jefferson 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 Jefferson County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

November 27, 2024

JEM/gc

BASIC FINANCIAL STATEMENTS SECTION

JEFFERSON COUNTY, TENNESSEE
Statement of Net Position
June 30, 2024

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Jefferson County School Department	Jefferson County Nursing Home
ASSETS					
Cash and Cash Equivalents	\$ 29,170	\$ 100	\$ 29,270	\$ 1,508,558	\$ 2,805,602
Equity in Pooled Cash and Investments	65,361,919	5,344,581	70,706,500	39,974,362	0
Inventories	0	0	0	0	35,103
Accounts Receivable	1,866,191	90,241	1,956,432	73,100	2,347,966
Allowance for Uncollectibles	(248,851)	(10,298)	(259,149)	0	(573,623)
Due from Other Governments	3,339,565	0	3,339,565	5,992,980	0
Due from Primary Government	0	0	0	787,578	0
Due from Component Units	14,025,000	0	14,025,000	0	0
Internal Balances	238,132	(238,132)	0	0	0
Property Taxes Receivable	23,888,826	0	23,888,826	12,100,409	0
Allowance for Uncollectible Property Taxes	(696,094)	0	(696,094)	(364,505)	0
Prepaid Expenses	115,934	0	115,934	0	36,021
Restricted Assets:					
Amounts Accumulated for Pension Benefits	565,775	32,169	597,944	1,150,241	333,022
Other Restricted Assets	0	0	0	0	9,816
Leases Receivable	21,707,461	0	21,707,461	0	0
Net Pension Asset - Public Employee Legacy Pension Plan	547,681	13,068	560,749	268,238	190,928
Net Pension Asset - Public Employee Hybrid Retirement Plan	31,099	1,769	32,868	20,680	12,438
Net Pension Asset - Teacher Retirement Plan	0	0	0	227,273	0
Net Pension Asset - Teacher Legacy Pension Plan	0	0	0	7,172,184	0
Capital Assets:					
Assets Not Depreciated:					
Land	1,674,077	1,370,430	3,044,507	1,619,334	303,801
Construction in Progress	5,020,789	1,826,349	6,847,138	11,895,514	211,361
Assets Net of Accumulated Depreciation/Amortization:					
Landfill Facilities and Development	0	1,013,685	1,013,685	0	0
Buildings and Improvements	14,210,855	88,173	14,299,028	59,759,264	15,307,547
Machinery and Equipment	6,385,346	1,229,959	7,615,305	807,213	1,003,950
Other Capital Assets	0	0	0	2,165,279	0
Infrastructure	76,438,615	0	76,438,615	0	0
Total Assets	\$ 234,501,490	\$ 10,762,094	\$ 245,263,584	\$ 145,157,702	\$ 22,023,932

(Continued)

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

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Jefferson County School Department	Jefferson County Nursing Home
DEFERRED OUTFLOWS OF RESOURCES					
Pension Changes in Experience	\$ 1,192,354	\$ 34,054	\$ 1,226,408	\$ 2,330,155	\$ 424,385
Pension Changes in Investment Earnings	440,133	11,235	451,368	1,521,645	154,575
Pension Changes in Assumptions	1,080,152	26,840	1,106,992	3,042,567	378,213
Pension Changes in Proportion	0	0	0	654,542	0
Pension Contributions After Measurement Date	1,074,695	31,869	1,106,564	2,240,152	377,968
OPEB Changes in Experience	0	0	0	661,860	0
OPEB Changes in Assumptions	200,695	11,496	212,191	1,346,282	50,061
OPEB Changes in Proportion	0	0	0	80,698	0
OPEB Contributions After Measurement Date	14,069	806	14,875	684,064	3,509
Total Deferred Outflows of Resources	<u>\$ 4,002,098</u>	<u>\$ 116,300</u>	<u>\$ 4,118,398</u>	<u>\$ 12,561,965</u>	<u>\$ 1,388,711</u>
LIABILITIES					
Accounts Payable	\$ 370,148	\$ 392,954	\$ 763,102	\$ 282,049	\$ 166,407
Accrued Payroll	93,464	28,233	121,697	4,975,535	287,385
Payroll Deductions Payable	256,458	0	256,458	2,724,152	145,887
Accrued Interest Payable	155,743	0	155,743	0	30,162
Accrued Leave - Current	0	0	0	0	166,650
Contracts Payable	74,916	283,516	358,432	1,107,252	0
Retainage Payable	3,943	7,522	11,465	56,698	0
Claims and Judgments Payable	67,882	0	67,882	31,705	0
Due to Primary Government	0	0	0	0	14,025,000
Due to Component Units	787,578	0	787,578	0	0
Due to the State of Tennessee	22,599	40	22,639	0	0
Other Current Liabilities	0	0	0	0	30,563
Estimated Third-party payor settlements	0	0	0	0	16,982
Noncurrent Liabilities:					
Due Within One Year - Debt	2,594,216	146,700	2,740,916	0	0
Due Within One Year - Other	344,714	144,430	489,144	384,137	0
Due in More Than One Year - Debt	51,424,317	2,053,300	53,477,617	0	0
Due in More Than One Year - Other	797,319	3,691,016	4,488,335	12,818,077	162,030
Total Liabilities	<u>\$ 56,993,297</u>	<u>\$ 6,747,711</u>	<u>\$ 63,741,008</u>	<u>\$ 22,379,605</u>	<u>\$ 15,031,066</u>

(Continued)

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

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Jefferson County School Department	Jefferson County Nursing Home
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	\$ 22,715,379	\$ 0	\$ 22,715,379	\$ 11,477,245	\$ 0
Deferred Leases Receivable	21,707,461	0	21,707,461	0	0
Deferred Credit on Refunding	115,536	0	115,536	0	0
Pension Changes in Experience	101,388	2,421	103,809	515,157	35,348
Pension Changes in Proportion	0	0	0	54,083	0
OPEB Changes in Experience	193,268	11,071	204,339	2,066,942	48,208
OPEB Changes in Assumptions	301,684	17,281	318,965	1,617,406	75,251
OPEB Changes in Proportion	0	0	0	1,166,051	0
Total Deferred Inflows of Resources	\$ 45,134,716	\$ 30,773	\$ 45,165,489	\$ 16,896,884	\$ 158,807
NET POSITION					
Net Investment in Capital Assets	\$ 103,729,682	\$ 5,646,755	\$ 109,376,437	\$ 76,142,637	\$ 2,801,659
Restricted for:					
General Government	415,391	0	415,391	0	0
Finance	92,780	0	92,780	0	0
Administration of Justice	750,371	0	750,371	0	0
Public Safety	252,691	0	252,691	0	0
Public Health and Welfare	784,949	0	784,949	0	0
Social, Cultural, and Recreational Services	96,506	0	96,506	0	0
Highway/Public Works	6,882,769	0	6,882,769	0	0
Debt Service	39,553	0	39,553	0	0
Education	0	0	0	5,017,983	0
Capital Projects	1,360,121	0	1,360,121	0	0
Other Purposes	26,685	0	26,685	0	9,816
Pensions	1,144,555	47,006	1,191,561	8,838,616	536,388
Unrestricted	20,799,522	(1,593,851)	19,205,671	28,443,942	4,874,907
Total Net Position	\$ 136,375,575	\$ 4,099,910	\$ 140,475,485	\$ 118,443,178	\$ 8,222,770

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

JEFFERSON COUNTY, TENNESSEE
Statement of Activities
For the Year Ended June 30, 2024

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Jefferson County School Department	Jefferson County Nursing Home
					Governmental Activities	Business-type Activities	Total		
Primary Government:									
Governmental Activities:									
General Government	\$ 6,600,866	\$ 1,050,646	\$ 771,676	\$ 3,555	\$ (4,774,989)	\$ 0	\$ (4,774,989)	\$ 0	\$ 0
Finance	4,084,845	2,648,252	750	0	(1,435,843)	0	(1,435,843)	0	0
Administration of Justice	2,640,639	1,054,098	57,361	0	(1,529,180)	0	(1,529,180)	0	0
Public Safety	12,174,643	1,127,006	1,328,598	2,114,512	(7,604,527)	0	(7,604,527)	0	0
Public Health and Welfare	12,504,131	5,313,119	925,763	699,522	(5,565,727)	0	(5,565,727)	0	0
Social, Cultural, and Recreational Services	1,674,974	23,235	68,934	0	(1,582,805)	0	(1,582,805)	0	0
Agriculture and Natural Resources	276,547	0	15,750	0	(260,797)	0	(260,797)	0	0
Highways	5,107,513	57,485	2,520,358	569,579	(1,960,091)	0	(1,960,091)	0	0
Education	2,094,708				(2,094,708)	0	(2,094,708)	0	0
Interest on Long-term Debt	2,531,735	0	0	0	(2,531,735)	0	(2,531,735)	0	0
Total Governmental Activities	\$ 49,690,601	\$ 11,273,841	\$ 5,689,190	\$ 3,387,168	\$ (29,340,402)	\$ 0	\$ (29,340,402)	\$ 0	\$ 0
Business-type Activities:									
Solid Waste Disposal	\$ 2,866,815	\$ 3,067,624	\$ 0	\$ 0	\$ 0	\$ 200,809	\$ 200,809	\$ 0	\$ 0
Total Primary Government	\$ 52,557,416	\$ 14,341,465	\$ 5,689,190	\$ 3,387,168	\$ (29,340,402)	\$ 200,809	\$ (29,139,593)	\$ 0	\$ 0
Component Units:									
Jefferson County School Department	\$ 88,851,304	\$ 1,121,995	\$ 16,980,071	\$ 5,018,802	\$ 0	\$ 0	\$ 0	\$ (65,730,436)	\$ 0
Jefferson County Nursing Home	17,288,302	17,978,458	0	0	0	0	0	0	690,156
Total Component Units	\$ 106,139,606	\$ 19,100,453	\$ 16,980,071	\$ 5,018,802	\$ 0	\$ 0	\$ 0	\$ (65,730,436)	\$ 690,156

(Continued)

JEFFERSON COUNTY, TENNESSEE
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Jefferson County School Department	Jefferson County Nursing Home
					Governmental Activities	Business-type Activities	Total		
General Revenues:									
Taxes:									
Property Taxes Levied for General Purposes					\$ 19,008,137	\$ 0	\$ 19,008,137	\$ 11,592,809	\$ 0
Property Taxes Levied for Debt Service					2,290,372	0	2,290,372	0	0
Local Option Sales Taxes					5,312,198	0	5,312,198	9,578,682	0
Hotel/Motel Tax					925,373	0	925,373	0	0
Wheel Tax					2,377,621	0	2,377,621	0	0
Litigation Tax - General					119,691	0	119,691	0	0
Litigation Tax - Special Purpose					14,213	0	14,213	0	0
Litigation Tax - Jail, Workhouse, or Courthouse					211,655	0	211,655	0	0
Business Tax					710,548	0	710,548	0	0
Mixed Drink Tax					0	0	0	20,036	0
Adequate Facilities Tax					967,049	0	967,049	0	0
Wholesale Beer Tax					207,321	0	207,321	0	0
Grants and Contributions Not Restricted to Specific Programs					1,538,886	0	1,538,886	53,769,433	0
Unrestricted Investment Income					4,971,013	0	4,971,013	7,754	20,623
Miscellaneous					71,339	0	71,339	22,490	0
Total General Revenues					\$ 38,725,416	\$ 0	\$ 38,725,416	\$ 74,991,204	\$ 20,623
Change in Net Position					\$ 9,385,014	\$ 200,809	\$ 9,585,823	\$ 9,260,768	\$ 710,779
Net Position, July 1, 2023					126,990,561	3,899,101	130,889,662	109,182,410	7,511,991
Net Position, June 30, 2024					\$ 136,375,575	\$ 4,099,910	\$ 140,475,485	\$ 118,443,178	\$ 8,222,770

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

Exhibit C-1

JEFFERSON COUNTY, TENNESSEE

Balance Sheet

Governmental Funds

June 30, 2024

	Major Funds					Nonmajor Funds	
	General	Other General Government Fund	Other Special Revenue	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
ASSETS							
Cash	\$ 26,110	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,060	\$ 29,170
Equity in Pooled Cash and Investments	17,437,931	491,923	11,054,536	6,522,279	27,281,006	2,457,126	65,244,801
Accounts Receivable	1,842,720	0	2,279	6,811	5,189	9,192	1,866,191
Allowance for Uncollectibles	(248,851)	0	0	0	0	0	(248,851)
Due from Other Governments	1,644,956	0	0	442,183	464,848	787,578	3,339,565
Due from Other Funds	5,510	0	0	0	333,000	0	338,510
Due from Component Units	0	0	0	0	14,025,000	0	14,025,000
Property Taxes Receivable	15,075,266	0	0	3,272,673	2,273,674	3,267,213	23,888,826
Allowance for Uncollectible Property Taxes	(434,926)	0	0	(96,622)	(70,163)	(94,383)	(696,094)
Prepaid Items	0	0	0	0	101,711	14,223	115,934
Restricted Assets	565,775	0	0	0	0	0	565,775
Leases Receivable - Long-term	0	0	21,707,461	0	0	0	21,707,461
Total Assets	\$ 35,914,491	\$ 491,923	\$ 32,764,276	\$ 10,147,324	\$ 44,414,265	\$ 6,444,009	\$ 130,176,288
LIABILITIES							
Accounts Payable	\$ 329,202	\$ 0	\$ 0	\$ 38,374	\$ 0	\$ 2,572	\$ 370,148
Accrued Payroll	7,080	0	0	60,334	0	26,050	93,464
Payroll Deductions Payable	246,645	0	0	9,813	0	0	256,458
Contracts Payable	0	0	0	0	0	74,916	74,916
Retainage Payable	0	0	0	0	0	3,943	3,943
Claims and Judgments Payable	61,524	0	0	0	0	0	61,524
Due to Other Funds	0	0	0	0	0	100,378	100,378
Due to Component Units	0	0	0	0	0	787,578	787,578
Due to State of Tennessee	22,398	0	0	139	0	62	22,599
Total Liabilities	\$ 666,849	\$ 0	\$ 0	\$ 108,660	\$ 0	\$ 995,499	\$ 1,771,008

(Continued)

JEFFERSON COUNTY, TENNESSEE**Balance Sheet**

Governmental Funds (Cont.)

	Major Funds					Nonmajor Funds	Total Governmental Funds
	General	Other General Government Fund	Other Special Revenue	Highway / Public Works	General Debt Service	Other Governmental Funds	
DEFERRED INFLOWS OF RESOURCES							
Deferred Current Property Taxes	\$ 14,346,555	\$ 0	\$ 0	\$ 3,108,420	\$ 2,151,984	\$ 3,108,420	\$ 22,715,379
Deferred Delinquent Property Taxes	227,432	0	0	51,914	39,553	49,441	368,340
Deferred Leases Receivable	0	0	21,707,461	0	0	0	21,707,461
Other Deferred/Unavailable Revenue	1,229,441	0	0	221,091	232,424	0	1,682,956
Total Deferred Inflows of Resources	\$ 15,803,428	\$ 0	\$ 21,707,461	\$ 3,381,425	\$ 2,423,961	\$ 3,157,861	\$ 46,474,136
FUND BALANCES							
Nonspendable:							
Prepaid Items	\$ 0	\$ 0	\$ 0	\$ 0	\$ 101,711	\$ 14,223	\$ 115,934
Restricted:							
Restricted for General Government	191,142	0	0	0	0	224,249	415,391
Restricted for Finance	92,780	0	0	0	0	0	92,780
Restricted for Administration of Justice	717,348	0	0	0	0	33,023	750,371
Restricted for Public Safety	198,019	0	0	0	0	54,672	252,691
Restricted for Public Health and Welfare	480,298	0	0	0	14,025,000	397,319	14,902,617
Restricted for Social, Cultural, and Recreational Services	96,506	0	0	0	0	0	96,506
Restricted for Other Operations	0	26,685	0	0	0	0	26,685
Restricted for Highways/Public Works	0	0	0	6,657,239	0	0	6,657,239
Restricted for Capital Projects	184,760	0	0	0	0	1,165,473	1,350,233
Restricted for Hybrid Retirement Stabilization Funds	565,775	0	0	0	0	0	565,775
Committed:							
Committed for General Government	2,492,537	0	0	0	0	0	2,492,537
Committed for Public Health and Welfare	0	0	0	0	0	401,690	401,690
Committed for Other Operations	0	0	11,056,815	0	0	0	11,056,815
Committed for Debt Service	0	0	0	0	27,863,593	0	27,863,593

(Continued)

JEFFERSON COUNTY, TENNESSEE**Balance Sheet**

Governmental Funds (Cont.)

	Major Funds					Nonmajor Funds	Total Governmental Funds
	General	Other General Government Fund	Other Special Revenue	Highway / Public Works	General Debt Service	Other Governmental Funds	
FUND BALANCES (Cont.)							
Committed (Cont.):							
Committed for Capital Projects	\$ 1,373,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,373,000
Committed for Other Purposes	0	465,238	0	0	0	0	465,238
Assigned:							
Assigned for General Government	103,544	0	0	0	0	0	103,544
Assigned for Finance	64,972	0	0	0	0	0	64,972
Assigned for Administration of Justice	40,727	0	0	0	0	0	40,727
Assigned for Public Safety	152,577	0	0	0	0	0	152,577
Assigned for Public Health and Welfare	1,064,636	0	0	0	0	0	1,064,636
Assigned for Social, Cultural, and Recreational Services	2,011	0	0	0	0	0	2,011
Assigned for Other Operations	36,950	0	0	0	0	0	36,950
Unassigned	11,586,632	0	0	0	0	0	11,586,632
Total Fund Balances	\$ 19,444,214	\$ 491,923	\$ 11,056,815	\$ 6,657,239	\$ 41,990,304	\$ 2,290,649	\$ 81,931,144
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 35,914,491	\$ 491,923	\$ 32,764,276	\$ 10,147,324	\$ 44,414,265	\$ 6,444,009	\$ 130,176,288

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

JEFFERSON COUNTY, TENNESSEE
Reconciliation of the Balance Sheet of Governmental
Funds to the Statement of Net Position
June 30, 2024

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)		\$ 81,931,144
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 1,674,077	
Add: construction in progress	5,020,789	
Add: buildings and improvements net of accumulated depreciation	14,210,855	
Add: machinery and equipment net of accumulated depreciation	6,385,346	
Add: infrastructure net of accumulated depreciation	<u>76,438,615</u>	103,729,682
(2) An internal service fund is used by management to charge the cost of employee dental and vision programs to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		110,760
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: bonds payable	\$ (47,405,000)	
Less: other loans payable	(4,205,445)	
Less: deferred credit on refunding	(115,536)	
Less: unamortized portion of debt premiums	(2,408,088)	
Less: accrued interest on notes, bonds, and other loans	(155,743)	
Less: net OPEB liability	(649,585)	
Less: compensated absences payable	<u>(492,448)</u>	(55,431,845)
(4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 3,787,334	
Less: deferred inflows of resources related to pensions	(101,388)	
Add: deferred outflows of resources related to OPEB	214,764	
Less: deferred inflows of resources related to OPEB	<u>(494,952)</u>	3,405,758
(5) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - public employee legacy pension plan	\$ 547,681	
Add: net pension asset - public employee hybrid retirement plan	<u>31,099</u>	578,780
(6) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		<u>2,051,296</u>
Net position of governmental activities (Exhibit A)		<u>\$ 136,375,575</u>

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

JEFFERSON COUNTY, TENNESSEE**Statement of Revenues, Expenditures,
and Changes in Fund Balances**

Governmental Funds

For the Year Ended June 30, 2024

	Major Funds					Nonmajor Funds	
	General	Other General Government Fund	Other Special Revenue	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
Revenues							
Local Taxes	\$ 17,919,186	\$ 0	\$ 0	\$ 3,006,355	\$ 8,335,227	\$ 2,934,144	\$ 32,194,912
Licenses and Permits	735,600	0	0	0	0	0	735,600
Fines, Forfeitures, and Penalties	351,706	0	0	0	0	30,870	382,576
Charges for Current Services	4,568,795	0	0	53,360	0	5,781	4,627,936
Other Local Revenues	1,105,565	26,685	863,327	134	5,686,573	151,596	7,833,880
Fees Received From County Officials	3,217,403	0	0	0	0	0	3,217,403
State of Tennessee	3,982,612	0	0	3,089,517	0	240,598	7,312,727
Federal Government	1,835,301	157,620	0	0	449,472	397,578	2,839,971
Other Governments and Citizens Groups	535,586	0	0	0	0	0	535,586
Total Revenues	\$ 34,251,754	\$ 184,305	\$ 863,327	\$ 6,149,366	\$ 14,471,272	\$ 3,760,567	\$ 59,680,591
Expenditures							
Current:							
General Government	\$ 3,584,573	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,584,573
Finance	3,956,905	0	7,921	0	0	6,383	3,971,209
Administration of Justice	2,118,950	0	0	0	0	91	2,119,041
Public Safety	12,451,182	0	0	0	0	37,095	12,488,277
Public Health and Welfare	6,473,480	0	0	0	0	2,292,372	8,765,852
Social, Cultural, and Recreational Services	950,430	0	0	0	0	0	950,430
Agriculture and Natural Resources	261,992	0	0	0	0	0	261,992
Other Operations	1,720,994	3,168,176	0	0	0	229,100	5,118,270
Highways	0	0	0	4,932,250	0	0	4,932,250
Debt Service:							
Principal on Debt	0	0	0	0	3,670,739	0	3,670,739
Interest on Debt	0	0	0	0	2,533,104	0	2,533,104
Other Debt Service	0	0	0	0	174,253	0	174,253

(Continued)

JEFFERSON COUNTY, TENNESSEE**Statement of Revenues, Expenditures,
and Changes in Fund Balances**

Governmental Funds (Cont.)

	Major Funds					Nonmajor Funds	
	General	Other General Government Fund	Other Special Revenue	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
Expenditures (Cont.)							
Capital Projects	\$ 45,000	\$ 3,684,094	\$ 0	\$ 0	\$ 0	\$ 1,032,272	\$ 4,761,366
Capital Projects - Donated	0	0	0	0	0	2,094,708	2,094,708
Total Expenditures	<u>\$ 31,563,506</u>	<u>\$ 6,852,270</u>	<u>\$ 7,921</u>	<u>\$ 4,932,250</u>	<u>\$ 6,378,096</u>	<u>\$ 5,692,021</u>	<u>\$ 55,426,064</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 2,688,248</u>	<u>\$ (6,667,965)</u>	<u>\$ 855,406</u>	<u>\$ 1,217,116</u>	<u>\$ 8,093,176</u>	<u>\$ (1,931,454)</u>	<u>\$ 4,254,527</u>
Other Financing Sources (Uses)							
Other Loans Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,094,708	\$ 2,094,708
Insurance Recovery	201,634	0	0	10,951	0	0	212,585
Transfers In	4,278	0	0	0	488,249	834,633	1,327,160
Transfers Out	(1,322,882)	0	0	0	0	(4,278)	(1,327,160)
Total Other Financing Sources (Uses)	<u>\$ (1,116,970)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,951</u>	<u>\$ 488,249</u>	<u>\$ 2,925,063</u>	<u>\$ 2,307,293</u>
Net Change in Fund Balances	\$ 1,571,278	\$ (6,667,965)	\$ 855,406	\$ 1,228,067	\$ 8,581,425	\$ 993,609	\$ 6,561,820
Fund Balance, July 1, 2023	<u>17,872,936</u>	<u>7,159,888</u>	<u>10,201,409</u>	<u>5,429,172</u>	<u>33,408,879</u>	<u>1,297,040</u>	<u>75,369,324</u>
Fund Balance, June 30, 2024	<u><u>\$ 19,444,214</u></u>	<u><u>\$ 491,923</u></u>	<u><u>\$ 11,056,815</u></u>	<u><u>\$ 6,657,239</u></u>	<u><u>\$ 41,990,304</u></u>	<u><u>\$ 2,290,649</u></u>	<u><u>\$ 81,931,144</u></u>

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

JEFFERSON 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, 2024**

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

Net change in fund balances - total governmental funds (Exhibit C-3)		\$	6,561,820
(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	\$	5,111,281	
Less: current-year depreciation expense		(2,870,834)	2,240,447
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.			
Less: book value of capital assets disposed			(10,753)
(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, 2024	\$	2,051,296	
Less: deferred delinquent property taxes and other deferred June 30, 2023		(2,629,802)	(578,506)
(4) The issuance of long-term debt (e.g., bonds, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items.			
Add: principal payments on bonds	\$	2,830,000	
Add: principal payments on other loans		840,739	
Less: other loans issued		(2,094,708)	
Add: change in premium on debt issuances		140,303	
Add: change in deferred amount on refunding debt		22,547	1,738,881
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in accrued interest payable	\$	12,772	
Change in compensated absences payable		7,833	
Change in net OPEB liability		(177,118)	
Change in net pension asset/liability		(577,404)	
Change in deferred outflows related to pensions		(167,363)	
Change in deferred inflows related to pensions		110,543	
Change in deferred outflows related to OPEB		115,812	
Change in deferred inflows related to OPEB		85,467	(589,458)
(6) Internal service funds are used by management to charge the cost of employee dental and vision 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.			22,583
Change in net position of governmental activities (Exhibit B)	\$		<u>9,385,014</u>

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

JEFFERSON COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund
For the Year Ended June 30, 2024

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 17,919,186	\$ 0	\$ 0	\$ 17,919,186	\$ 16,723,966	\$ 16,723,966	\$ 1,195,220
Licenses and Permits	735,600	0	0	735,600	605,000	605,000	130,600
Fines, Forfeitures, and Penalties	351,706	0	0	351,706	429,650	429,650	(77,944)
Charges for Current Services	4,568,795	0	0	4,568,795	4,094,956	4,123,662	445,133
Other Local Revenues	1,105,565	0	0	1,105,565	921,828	1,023,626	81,939
Fees Received From County Officials	3,217,403	0	0	3,217,403	2,983,000	2,983,000	234,403
State of Tennessee	3,982,612	0	0	3,982,612	1,498,987	3,488,050	494,562
Federal Government	1,835,301	0	0	1,835,301	941,906	2,155,613	(320,312)
Other Governments and Citizens Groups	535,586	0	0	535,586	161,937	304,855	230,731
Total Revenues	\$ 34,251,754	\$ 0	\$ 0	\$ 34,251,754	\$ 28,361,230	\$ 31,837,422	\$ 2,414,332
Expenditures							
General Government							
County Commission	\$ 375,371	\$ (54,620)	\$ 5,000	\$ 325,751	\$ 300,795	\$ 389,081	\$ 63,330
Board of Equalization	1,650	0	0	1,650	3,000	3,000	1,350
County Mayor/Executive	428,939	(316)	703	429,326	296,653	438,451	9,125
Election Commission	368,062	(1,007)	3,386	370,441	410,113	423,595	53,154
Register of Deeds	422,568	(22,175)	786	401,179	398,561	405,536	4,357
Codes Compliance	151,279	0	0	151,279	160,598	160,598	9,319
County Buildings	1,371,628	(153,029)	75,898	1,294,497	1,128,580	1,541,526	247,029
Other Facilities	457,970	0	17,771	475,741	544,748	566,823	91,082
Preservation of Records	7,106	0	0	7,106	10,500	10,500	3,394
Finance							
Accounting and Budgeting	1,046,549	(718)	2,342	1,048,173	1,122,100	1,126,309	78,136
Property Assessor's Office	702,126	(596)	0	701,530	727,041	744,299	42,769
County Trustee's Office	398,857	(8,187)	0	390,670	377,970	400,106	9,436
County Clerk's Office	1,010,993	(500)	17,650	1,028,143	996,931	1,039,645	11,502
Data Processing	142,378	(725)	426	142,079	126,675	164,675	22,596
Other Finance	656,002	(30)	314	656,286	654,251	681,151	24,865

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Administration of Justice							
Circuit Court	\$ 962,054	\$ 0	\$ 0	\$ 962,054	\$ 967,249	\$ 1,005,167	\$ 43,113
General Sessions Court	344,106	(6,351)	1,964	339,719	458,094	342,789	3,070
Drug Court	26,141	0	0	26,141	30,150	33,150	7,009
Chancery Court	273,839	(174)	1,701	275,366	291,526	291,526	16,160
Juvenile Court	409,456	(15,967)	19,535	413,024	322,790	452,770	39,746
Other Administration of Justice	13,950	0	0	13,950	12,500	22,500	8,550
Victim Assistance Programs	89,404	0	0	89,404	103,757	103,757	14,353
Public Safety							
Sheriff's Department	7,020,882	(70,477)	77,895	7,028,300	5,493,052	8,129,291	1,100,991
Wheel Tax Officer	18,860	0	0	18,860	20,357	20,357	1,497
Administration of the Sexual Offender Registry	9,047	0	0	9,047	15,000	15,000	5,953
Jail	4,151,152	(13,953)	67,294	4,204,493	3,475,742	4,448,513	244,020
Workhouse	43,578	0	0	43,578	160,494	58,077	14,499
Civil Defense	111,920	0	0	111,920	114,656	150,346	38,426
Inspection and Regulation	141,825	0	264	142,089	148,075	148,075	5,986
Public Safety Grants Program	16,200	0	1,956	18,156	36,000	36,000	17,844
Other Public Safety	937,718	0	0	937,718	937,718	937,718	0
Public Health and Welfare							
Local Health Center	343,457	0	0	343,457	415,595	418,448	74,991
Rabies and Animal Control	66,868	(1,926)	3,391	68,333	147,531	107,505	39,172
Ambulance/Emergency Medical Services	5,798,172	(25,116)	894,944	6,668,000	6,262,288	7,114,700	446,700
Sanitation Education/Information	76,319	(977)	2,481	77,823	81,640	81,640	3,817
Other Public Health and Welfare	188,664	0	0	188,664	187,342	201,721	13,057
Social, Cultural, and Recreational Services							
Senior Citizens Assistance	257,874	0	10	257,884	253,403	360,762	102,878
Libraries	692,556	(214)	1,787	694,129	646,438	706,784	12,655
Agriculture and Natural Resources							
Agricultural Extension Service	169,433	0	0	169,433	199,551	199,551	30,118
Soil Conservation	92,559	0	0	92,559	100,488	102,974	10,415

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Other Operations							
Tourism	\$ 448,021	\$ (600)	\$ 0	\$ 447,421	\$ 465,111	\$ 520,593	\$ 73,172
Veterans' Services	49,382	0	0	49,382	50,940	50,940	1,558
Contributions to Other Agencies	1,223,591	0	0	1,223,591	1,199,333	1,223,591	0
Capital Projects							
Other General Government Projects	45,000	(45,000)	0	0	0	0	0
Total Expenditures	\$ 31,563,506	\$ (422,658)	\$ 1,197,498	\$ 32,338,346	\$ 29,855,336	\$ 35,379,540	\$ 3,041,194
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 2,688,248	\$ 422,658	\$ (1,197,498)	\$ 1,913,408	\$ (1,494,106)	\$ (3,542,118)	\$ 5,455,526
Other Financing Sources (Uses)							
Insurance Recovery	\$ 201,634	\$ 0	\$ 0	\$ 201,634	\$ 60,000	\$ 315,037	\$ (113,403)
Transfers In	4,278	0	0	4,278	0	401,583	(397,305)
Transfers Out	(1,322,882)	0	0	(1,322,882)	(519,368)	(1,322,882)	0
Total Other Financing Sources	\$ (1,116,970)	\$ 0	\$ 0	\$ (1,116,970)	\$ (459,368)	\$ (606,262)	\$ (510,708)
Net Change in Fund Balance	\$ 1,571,278	\$ 422,658	\$ (1,197,498)	\$ 796,438	\$ (1,953,474)	\$ (4,148,380)	\$ 4,944,818
Fund Balance, July 1, 2023	17,872,936	(422,658)	0	17,450,278	14,011,435	14,011,435	3,438,843
Fund Balance, June 30, 2024	\$ 19,444,214	\$ 0	\$ (1,197,498)	\$ 18,246,716	\$ 12,057,961	\$ 9,863,055	\$ 8,383,661

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

Exhibit C-6

JEFFERSON 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, 2024

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Other Local Revenues	\$ 26,685	\$ 0	\$ 0	\$ 26,685	\$ 0	\$ 0	\$ 26,685
Federal Government	157,620	0	0	157,620	0	5,168,608	(5,010,988)
Total Revenues	<u>\$ 184,305</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 184,305</u>	<u>\$ 0</u>	<u>\$ 5,168,608</u>	<u>\$ (4,984,303)</u>
Expenditures							
Other Operations							
American Rescue Plan Act Grant #1	\$ 2,995,149	\$ 0	\$ 60,930	\$ 3,056,079	\$ 3,453,256	\$ 3,441,334	\$ 385,255
American Rescue Plan Act Grant #6	173,027	(173,500)	135,400	134,927	5,057,260	5,168,608	5,033,681
Capital Projects							
American Rescue Plan Act Grant #1	3,331,299	(3,331,581)	11,827	11,545	746,560	41,478	29,933
American Rescue Plan Act Grant #2	352,795	(352,795)	0	0	3,607,255	85,950	85,950
Total Expenditures	<u>\$ 6,852,270</u>	<u>\$ (3,857,876)</u>	<u>\$ 208,157</u>	<u>\$ 3,202,551</u>	<u>\$ 12,864,331</u>	<u>\$ 8,737,370</u>	<u>\$ 5,534,819</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (6,667,965)</u>	<u>\$ 3,857,876</u>	<u>\$ (208,157)</u>	<u>\$ (3,018,246)</u>	<u>\$ (12,864,331)</u>	<u>\$ (3,568,762)</u>	<u>\$ 550,516</u>
Net Change in Fund Balance	\$ (6,667,965)	\$ 3,857,876	\$ (208,157)	\$ (3,018,246)	\$ (12,864,331)	\$ (3,568,762)	\$ 550,516
Fund Balance, July 1, 2023	<u>7,159,888</u>	<u>(3,857,876)</u>	<u>0</u>	<u>3,302,012</u>	<u>12,864,331</u>	<u>7,771,591</u>	<u>(4,469,579)</u>
Fund Balance, June 30, 2024	<u><u>\$ 491,923</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (208,157)</u></u>	<u><u>\$ 283,766</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 4,202,829</u></u>	<u><u>\$ (3,919,063)</u></u>

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

JEFFERSON COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Other Special Revenue Fund
For the Year Ended June 30, 2024

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Other Local Revenues	\$ 863,327	\$ 856,002	\$ 856,002	\$ 7,325
Total Revenues	\$ 863,327	\$ 856,002	\$ 856,002	\$ 7,325
Expenditures				
Finance				
Other Finance	\$ 7,921	\$ 9,500	\$ 9,500	\$ 1,579
Total Expenditures	\$ 7,921	\$ 9,500	\$ 9,500	\$ 1,579
Excess (Deficiency) of Revenues Over Expenditures	\$ 855,406	\$ 846,502	\$ 846,502	\$ 8,904
Net Change in Fund Balance	\$ 855,406	\$ 846,502	\$ 846,502	\$ 8,904
Fund Balance, July 1, 2023	10,201,409	10,046,502	10,046,502	154,907
Fund Balance, June 30, 2024	\$ 11,056,815	\$ 10,893,004	\$ 10,893,004	\$ 163,811

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

JEFFERSON COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Highway/Public Works Fund
For the Year Ended June 30, 2024

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 3,006,355	\$ 0	\$ 0	\$ 3,006,355	\$ 3,009,072	\$ 3,009,072	\$ (2,717)
Charges for Current Services	53,360	0	0	53,360	55,000	55,000	(1,640)
Other Local Revenues	134	0	0	134	0	0	134
State of Tennessee	3,089,517	0	0	3,089,517	1,982,308	1,982,308	1,107,209
Total Revenues	\$ 6,149,366	\$ 0	\$ 0	\$ 6,149,366	\$ 5,046,380	\$ 5,046,380	\$ 1,102,986
Expenditures							
Highways							
Administration	\$ 319,823	\$ 0	\$ 250	\$ 320,073	\$ 329,745	\$ 343,115	\$ 23,042
Highway and Bridge Maintenance	2,263,728	(3,520)	4,102	2,264,310	2,799,297	2,787,396	523,086
Operation and Maintenance of Equipment	1,384,481	(275,246)	124,430	1,233,665	1,223,872	1,231,122	(2,543)
Quarry Operations	631,492	(5,000)	1,458	627,950	933,330	906,360	278,410
Asphalt Plant Operations	31,333	0	0	31,333	32,600	33,600	2,267
Other Charges	146,744	0	0	146,744	137,922	163,673	16,929
Employee Benefits	121,149	0	0	121,149	121,149	121,149	0
Capital Outlay	33,500	0	58,500	92,000	91,662	91,662	(338)
Total Expenditures	\$ 4,932,250	\$ (283,766)	\$ 188,740	\$ 4,837,224	\$ 5,669,577	\$ 5,678,077	\$ 840,853
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 1,217,116	\$ 283,766	\$ (188,740)	\$ 1,312,142	\$ (623,197)	\$ (631,697)	\$ 1,943,839
Other Financing Sources (Uses)							
Insurance Recovery	\$ 10,951	\$ 0	\$ 0	\$ 10,951	\$ 0	\$ 8,500	\$ 2,451
Total Other Financing Sources	\$ 10,951	\$ 0	\$ 0	\$ 10,951	\$ 0	\$ 8,500	\$ 2,451
Net Change in Fund Balance							
Fund Balance, July 1, 2023	\$ 1,228,067	\$ 283,766	\$ (188,740)	\$ 1,323,093	\$ (623,197)	\$ (623,197)	\$ 1,946,290
	5,429,172	(283,766)	0	5,145,406	4,293,689	4,293,689	851,717
Fund Balance, June 30, 2024	\$ 6,657,239	\$ 0	\$ (188,740)	\$ 6,468,499	\$ 3,670,492	\$ 3,670,492	\$ 2,798,007

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

JEFFERSON COUNTY, TENNESSEE**Statement of Net Position**

Proprietary Funds

June 30, 2024

	Business-type Activities - Major Enterprise Fund Solid Waste Disposal Fund	Governmental Activities - Internal Service Fund Employee Insurance - Dental and Vision Fund
ASSETS		
Current Assets:		
Cash	\$ 100	\$ 0
Equity in Pooled Cash and Investments	5,344,581	117,118
Accounts Receivable	90,241	0
Allowance for Uncollectibles	(10,298)	0
Due from Other Funds	94,868	0
Total Current Assets	<u>\$ 5,519,492</u>	<u>\$ 117,118</u>
Noncurrent Assets:		
Restricted Assets	\$ 32,169	\$ 0
Net Pension Asset	14,837	0
Capital Assets:		
Assets Not Depreciated:		
Land	1,370,430	0
Construction in Progress	1,826,349	0
Assets Net of Accumulated Depreciation:		
Landfill Facilities and Development	1,013,685	0
Buildings and Improvements	88,173	0
Machinery and Equipment	1,229,959	0
Total Noncurrent Assets	<u>\$ 5,575,602</u>	<u>\$ 0</u>
Total Assets	<u>\$ 11,095,094</u>	<u>\$ 117,118</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows of Resources:		
Pension Changes in Experience	\$ 34,054	\$ 0
Pension Changes in Assumptions	26,840	0
Pension Changes in Investment Earnings	11,235	0
Pension Contributions After Measurement Date	31,869	0
OPEB Changes in Assumptions	11,496	0
OPEB Contributions After Measurement Date	806	0
Total Deferred Outflows of Resources	<u>\$ 116,300</u>	<u>\$ 0</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 11,211,394</u>	<u>\$ 117,118</u>

(Continued)

JEFFERSON COUNTY, TENNESSEE**Statement of Net Position**

Proprietary Funds (Cont.)

	Business-type Activities - Major Enterprise Fund Solid Waste Disposal Fund	Governmental Activities - Internal Service Fund Employee Insurance - Dental and Vision Fund
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 392,954	\$ 0
Accrued Payroll	28,233	0
Claims and Judgments Payable	0	6,358
Due to Other Funds - Current Portion	167,000	0
Contracts Payable	283,516	0
Retainage Payable	7,522	0
Due to State of Tennessee	40	0
Capital Outlay Notes Payable	146,700	0
Accrued Liability for Landfill Closure/Postclosure Care Costs - Current	140,367	0
Accrued Leave - Current	4,063	0
Total Current Liabilities	<u>\$ 1,170,395</u>	<u>\$ 6,358</u>
Noncurrent Liabilities:		
Capital Outlay Notes Payable	\$ 2,053,300	\$ 0
Accrued Liability for Landfill Closure/Postclosure Care Costs - Long-term	3,641,976	0
Net OPEB Liability - Long-term	37,209	0
Due to Other Funds - Long-term	166,000	0
Accrued Leave - Long-term	11,831	0
Total Noncurrent Liabilities	<u>\$ 5,910,316</u>	<u>\$ 0</u>
Total Liabilities	<u>\$ 7,080,711</u>	<u>\$ 6,358</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows of Resources:		
Pension Changes in Experience	\$ 2,421	\$ 0
OPEB Changes in Experience	11,071	0
OPEB Changes in Assumptions	17,281	0
Total Deferred Inflows of Resources	<u>\$ 30,773</u>	<u>\$ 0</u>
NET POSITION		
Net Investment in Capital Assets	\$ 5,646,755	\$ 0
Net Position - Restricted for Pension	47,006	0
Unrestricted	<u>(1,593,851)</u>	<u>110,760</u>
Total Net Position	<u><u>\$ 4,099,910</u></u>	<u><u>\$ 110,760</u></u>

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

JEFFERSON COUNTY, TENNESSEE**Statement of Revenues, Expenses, and Changes in Net Position**

Proprietary Funds

For the Year Ended June 30, 2024

	Business-type Activities - Major Enterprise Fund	Governmental Activities - Internal Service Fund
	Solid Waste Disposal Fund	Employee Insurance - Dental and Vision Fund
Operating Revenues		
Tipping Fees	\$ 1,049,285	\$ 0
Commercial and Industrial Waste Collection Charges	1,504,671	0
Lease/Rental	6,012	0
Sale of Recycled Materials	180,981	0
Miscellaneous Refunds	67,785	0
State of Tennessee	25,713	0
Self-Insurance Premiums/Contributions	0	185,152
Total Operating Revenues	<u>\$ 2,834,447</u>	<u>\$ 185,152</u>
Operating Expenses		
Cost of Sales and Services		
Supervisor/Director	\$ 39,034	\$ 0
Accountants/Bookkeepers	45,781	0
Part-time Personnel	68,494	0
Longevity Pay	3,800	0
Overtime	63,163	0
Bonus Payments	18,318	0
Other Salaries and Wages	436,457	0
Board and Committee Members Fees	4,320	0
Social Security	41,288	0
Pensions	73,396	0
Life Insurance	939	0
Medical Insurance	136,157	0
Dental Insurance	1,558	0
Unemployment Compensation	640	0
Employer Medicare	9,656	0
Advertising	0	0
Engineering Services	105,902	0
Evaluation and Testing	53,000	0
Janitorial Services	1,552	0
Maintenance Agreements	1,430	0
Maintenance and Repair Services - Equipment	106,154	0
Rentals	8,281	0
Travel	1,992	0
Disposal Fees	15,874	0
Contracts for Development Costs	87,137	0
Other Contracted Services	64,452	0
Crushed Stone	24,708	0
Diesel Fuel	215,521	0
Gasoline	23,024	0
Lubricants	26,886	0

(Continued)

JEFFERSON COUNTY, TENNESSEE**Statement of Revenues, Expenses, and Changes in Net Position**

Proprietary Funds (Cont.)

	Business-type Activities - Major Enterprise Fund Solid Waste Disposal Fund	Governmental Activities - Internal Service Fund Employee Insurance - Dental and Vision Fund
Operating Expenses (Cont.)		
Cost of Sales and Services (Cont.)		
Office Supplies	\$ 3,291	\$ 0
Small Tools	2,678	0
Uniforms	12,166	0
Utilities	15,475	0
Water and Sewer	26	0
Other Supplies and Materials	14,335	0
Building and Contents Insurance	3,197	0
Liability Insurance	3,693	0
Trustee's Commission	28,348	0
Vehicle and Equipment Insurance	10,605	0
Workers' Compensation Insurance	27,914	0
Depreciation	450,500	0
Surcharge	32,037	0
Other Charges	13,366	0
Other Debt Issuance Charges	25,000	0
Landfill Closure/Postclosure Care Costs	436,511	0
In Service/Staff Development	8,595	0
Office Equipment	1,747	0
Solid Waste Equipment	23,614	0
Handling Charges and Administrative Costs	0	19,118
Other Self-Insured Claims	0	143,451
Total Operating Expenses	<u>\$ 2,792,012</u>	<u>\$ 162,569</u>
Operating Income (Loss)	<u>\$ 42,435</u>	<u>\$ 22,583</u>
Nonoperating Revenues (Expenses)		
Investment Income	\$ 78,599	\$ 0
Interest on Internal Loan	(5,417)	0
Interest on Notes	(69,386)	0
Insurance Recovery	154,578	0
Total Nonoperating Revenues (Expenses)	<u>\$ 158,374</u>	<u>\$ 0</u>
Change in Net Position	\$ 200,809	\$ 22,583
Net Position, July 1, 2023	<u>3,899,101</u>	<u>88,177</u>
Net Position, June 30, 2024	<u><u>\$ 4,099,910</u></u>	<u><u>\$ 110,760</u></u>

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

JEFFERSON COUNTY, TENNESSEE**Statement of Cash Flows**

Proprietary Funds

For the Year Ended June 30, 2024

	Business-type Activities - Major Enterprise Fund	Governmental Activities - Internal Service Fund Employee Insurance - Dental and Vision Fund
Cash Flows from Operating Activities		
Receipts from Customers and Users	\$ 2,788,568	\$ 0
Receipts from Recycled Materials	180,981	0
Receipts from Other State Revenues	25,713	0
Receipts for Self-Insurance Premiums	0	185,152
Payments to Employees and Board Members	(653,897)	0
Payments for Fringe Benefits	(237,096)	0
Payments to Suppliers	97,283	0
Payments to Others	(456,356)	0
Payments for Claims	0	(143,450)
Payments for Administrative Costs	0	(19,118)
Net Cash Provided By (Used In) Operating Activities	<u>\$ 1,745,196</u>	<u>\$ 22,584</u>
Cash Flows from Capital and Related Financing Activities		
Proceeds from Capital Debt	\$ 2,200,000	\$ 0
Acquisition and Construction of Capital Assets	(2,171,311)	0
Book Value of Disposed Assets	48,822	0
Insurance Recovery	154,578	0
Principal Paid on Internal Loan	(167,000)	0
Interest Paid on Internal Loan	(5,417)	0
Interest Paid on Notes	(69,386)	0
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>\$ (9,714)</u>	<u>\$ 0</u>
Cash Flows from Investing Activities		
Deposits to Pension Stabilization Trust	\$ (6,498)	\$ 0
Interest on Investments	75,960	0
Net Cash Provided By (Used In) Investing Activities	<u>\$ 69,462</u>	<u>\$ 0</u>
Increase (Decrease) in Cash	\$ 1,804,944	\$ 22,584
Cash, July 1, 2023	<u>3,539,737</u>	<u>94,534</u>
Cash, June 30, 2024	<u><u>\$ 5,344,681</u></u>	<u><u>\$ 117,118</u></u>

(Continued)

JEFFERSON COUNTY, TENNESSEE**Statement of Cash Flows**

Proprietary Funds (Cont.)

	Business-type Activities - Major Enterprise Fund	Governmental Activities - Internal Service Fund
	Solid Waste Disposal Fund	Employee Insurance - Dental and Vision Fund
Reconciliation of Net Operating Income (Loss) to Net Cash		
Provided By (Used In) Operating Activities		
Operating Income (Loss)	\$ 42,435	\$ 22,583
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:		
Depreciation	450,500	0
Changes in Deferred Outflows for Pensions	7,274	0
Changes in Deferred Inflows for Pensions	(3,438)	0
Changes in Deferred Outflows for OPEB	(7,269)	0
Changes in Deferred Inflows for OPEB	(1,178)	0
Changes in Assets and Liabilities:		
(Increase) Decrease in Net Pension Asset/Liability	17,978	0
(Increase) Decrease in Accounts Receivable	103,046	0
(Increase) Decrease in Due from Other Funds	(10,016)	0
Increase (Decrease) in Operating Accounts Payable	670,812	0
Increase (Decrease) in Claims Payable	0	1
Increase (Decrease) in Accrued Payroll	25,516	0
Increase (Decrease) in Due to State of Tennessee	(100)	0
Increase (Decrease) in Landfill Closure/Postclosure Care Cost	436,511	0
Increase (Decrease) in Compensated Absences	(46)	0
Increase (Decrease) in OPEB Liability	13,171	0
Net Cash Provided By (Used In) Operating Activities	<u>\$ 1,745,196</u>	<u>\$ 22,584</u>
Reconciliation of Cash With Statement of Net Position		
Cash Per Net Position	\$ 100	\$ 0
Equity in Pooled Cash and Investments Per Net Position	<u>5,344,581</u>	<u>117,118</u>
Cash, June 30, 2024	<u>\$ 5,344,681</u>	<u>\$ 117,118</u>
Schedule of Noncash Investing and Financing Activities		
Gain (Loss) on Investments of Pension Stabilization Reserve Trust	\$ 9,137	\$ 0

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

JEFFERSON COUNTY, TENNESSEE**Statement of Net Position**

Fiduciary Funds

June 30, 2024

	Custodial Funds
ASSETS	
Cash	\$ 2,097,941
Equity in Pooled Cash and Investments	7,422
Accounts Receivable	125,946
Due from Other Governments	1,457,814
Property Taxes Receivable	1,552,760
Allowance for Uncollectible Taxes	(56,551)
	<hr/>
Total Assets	\$ 5,185,332
LIABILITIES	
Due to Other Taxing Units	\$ 1,502,991
	<hr/>
Total Liabilities	\$ 1,502,991
	<hr/>
DEFERRED INFLOWS OF RESOURCES	
Deferred Current Property Taxes	\$ 1,458,454
	<hr/>
Total Deferred Inflows of Resources	\$ 1,458,454
	<hr/>
NET POSITION	
Restricted for Individuals, Organizations and Other Governments	\$ 2,223,887
	<hr/>
Total Net Position	\$ 2,223,887
	<hr/> <hr/>

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

JEFFERSON COUNTY, TENNESSEE**Statement of Changes in Net Position**

Fiduciary Funds

For the Year Ended June 30, 2024

	<u>Custodial Funds</u>
ADDITIONS	
Sales Tax Collections for Other Governments	\$ 8,532,290
Property Tax Collections for Other Governments	1,514,049
Fines/Fees and Other Collections	11,322,098
Total Additions	<u>\$ 21,368,437</u>
DEDUCTIONS	
Payment of Sales Tax Collections to Other Governments	\$ 8,532,290
Payment of Property Tax Collections to Other Governments	1,514,049
Payments to State	8,978,131
Payments to Individuals and Others	2,113,798
Total Deductions	<u>\$ 21,138,268</u>
Net Increase (Decrease) in Fiduciary Net Position	\$ 230,169
Net Position, July 1, 2023	<u>1,993,718</u>
Net Position, June 30, 2024	<u><u>\$ 2,223,887</u></u>

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

JEFFERSON COUNTY, TENNESSEE

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JEFFERSON COUNTY, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Jefferson 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 Jefferson County:

A. *Reporting Entity*

Jefferson County is a public municipal corporation governed by an elected 21-member board. As required by GAAP, these financial statements present Jefferson County (the primary government) and its component units. The financial statements of the Jefferson County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of their omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

The Jefferson County School Department operates the public school system in the county, and the voters of Jefferson 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 Jefferson County Nursing Home provides nursing care to the citizens of Jefferson County, and the Jefferson County Commission appoints its governing body. Patient charges provide the majority of the revenues for the entity. Before the issuance of debt instruments, the entity must obtain the county commission's approval.

The Jefferson County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Jefferson County, and the Jefferson 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 Jefferson County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

The Jefferson 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 Jefferson County Nursing Home and the Jefferson County Emergency Communications District can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Jefferson County Nursing Home
914 Industrial Park Road
Dandridge, TN 37725

Jefferson County Emergency
Communications District
P.O. Box 705
Jefferson City, TN 37760

Related Organization – The Jefferson County Industrial Development Board is a related organization of Jefferson County. The county mayor nominates, and the Jefferson County Commission confirms the board members, but the county's accountability for the organization does not extend beyond making these appointments.

B. Government-wide and Fund Financial Statements

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

Jefferson County issues all debt for the discretely presented Jefferson County School Department and Jefferson County Nursing Home. Net debt issues totaling \$2,094,708 were contributed by the county to the school department during the year ended June 30, 2024. There were no debt issues contributed by the county to the nursing home during the year ended June 30, 2024.

Separate financial statements are provided for governmental funds, proprietary funds (internal service and enterprise), 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 and the major enterprise fund are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds 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 Jefferson County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund balance/fund net position, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. Jefferson County reports two proprietary funds, an enterprise fund and an internal service fund.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds and the major enterprise fund are reported as separate columns in the fund financial statements. All other governmental funds are aggregated into a single column on the fund financial statements. The internal service fund and 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. Jefferson County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

Proprietary 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.

Jefferson 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.

Other Special Revenue Fund – This special revenue fund accounts for the county’s share of revenues generated under the joint venture hospital lease.

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.

Jefferson County reports the following major proprietary fund:

Solid Waste Disposal Fund – This fund accounts for the county’s solid waste landfill operations.

Additionally, Jefferson County reports the following fund types:

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

Internal Service Fund – The Employee Insurance - Dental and Vision Fund is used to account for the county’s self-insured dental and vision programs. Premiums charged to the various county funds and employee payroll deductions are placed in this fund for the payment of claims of county 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 Jefferson County, the cities property taxes collected by the county trustee and forwarded to the towns of Dandridge and New Market and the city of Baneberry.

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

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

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

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

Capital Projects Fund – The Education Capital Projects fund is used to account for financial resources to be used in the acquisition or construction of capital assets.

Internal Service Fund – The Employee Insurance - Dental and Vision Fund is used to account for the school department's self-insured dental and vision programs. Premiums charged to the various school department funds and employee payroll deductions are placed in this fund for the payment of claims of school department employees.

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The current year (FY 24) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior year balances (FY 23) 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 two proprietary funds, an enterprise fund and an internal service fund. Operating revenues and expenses generally result from providing services in connection with the funds' principal ongoing operations. The principal operating revenue of the enterprise fund is tipping fees. Operating expenses of the enterprise fund include various expenses associated with the operation of the county's landfill. The principal operating revenues of the county's and the school department's internal service funds are charges for services. Operating expenses for the internal service funds include administrative expenses and employee benefits.

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

1. Deposits and Investments

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

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

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

All other investments are reported at fair value. Other than the pension stabilization trust discussed in Note IV.A., no investments required to be reported at fair value were held at the balance sheet date.

2. Receivables and Payables

Activity between funds for unremitted current collections at the end of the fiscal year is referred to as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

All ambulance, property taxes, and solid waste receivables are shown with an allowance for uncollectible. The ambulance and solid waste receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to 1.57 percent of total taxes levied.

Property taxes receivable is 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 is 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.

Lease receivables and deferred inflow of resources are recognized in the governmental funds and government-wide financial statements. At the commencement of a lease, a lease receivable is initially measured at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable and deferred inflow are reduced by the principal portion of lease payments received. Interest received from the lessee is recognized as revenue when received.

Any accumulated interest on June 30 will result in accrued interest receivable in the governmental funds and government-wide financial statements.

Most payables are disaggregated on the face of the financial statements. Claims and Judgments Payable for the primary government includes \$61,524 discussed in Note V.C. Risk Financing Activities and \$6,358 of self-insurance claims payable. Claims and Judgments Payable in the school department represent self-insurance claims payable.

Retainage payable represents amounts withheld from payments made on construction contracts pending completion of the projects. These amounts are held by the county trustee as Equity in Pooled Cash and Investments in the applicable funds.

3. Prepaid Items

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

4. Restricted Assets

Restricted assets consist of amounts held in pension stabilization trusts by the Tennessee Consolidated Retirement System (TCRS) for the benefit of Jefferson County's Public Employee Retirement Plan and the discretely presented Jefferson County School Department's Teacher Retirement Plan. The purpose of these trusts is to accumulate funds to provide stabilization (smoothing) of retirement costs to the county and 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 Jefferson County and the Jefferson County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, Jefferson County and the Jefferson County School Department have not withdrawn any funds from the trusts to pay pension costs. Trust documents provide that the funds are not subject to the claims of general creditors of Jefferson County or the Jefferson County School Department.

5. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items) are reported in the governmental and the business-type columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$20,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

Assets	Years
Landfill Facilities and Development	5 - 40
Buildings and Improvements	15 - 40
Machinery and Equipment	3 - 15
Other Capital Assets	5 - 25
Infrastructure	99

6. Deferred Outflows/Inflows of Resources

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

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; deferred lease receivable; deferred credit on refunding; pension changes in experience and proportion; OPEB changes in experience, assumptions, and proportion; and various receivables for revenues which do not meet the availability criteria in governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

7. Compensated Absences

It is the county's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since Jefferson County does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements for the county. A

liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

It is the school department's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick pay are accrued when incurred in the government-wide financial statements. A liability for vacation and sick pay is reported in the governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements. The school department offers teachers a financial incentive for accumulated sick leave. This incentive is available to all teachers who leave the school department in good standing with at least ten consecutive years of service. The incentive amount is \$50 for each accumulated day of sick leave. During the 2023-24 year, six employees received this incentive. The financial statements of this report reflect expenditures of \$36,278 in the General Purpose School Fund for the accumulated sick leave incentive payments.

8. Long-term Debt and Long-term Obligations

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

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

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

9. Net Position and Fund Balance

In the government-wide financial statements and the proprietary funds 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, 2024, Jefferson County had \$37,585,445 in outstanding debt for capital purposes of the discretely presented Jefferson County School Department. This debt is a liability of Jefferson County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Jefferson County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets. Jefferson County also had \$14,025,000 in outstanding debt for capital purposes of the discretely presented Jefferson County Nursing Home as of June 30, 2024. The liability for that debt is offset by a receivable, Due from Component Unit since the nursing home is repaying the county for principal and interest requirements on the debt. Therefore, the nursing home debt has not reduced the net position of the primary government.

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. Restricted for Public Health and Welfare in the General Debt Service Fund includes amounts reported for a long-term receivable due from the discretely presented Jefferson County Nursing Home. That receivable resulted from Jefferson County loaning the proceeds of a general obligation bond issue to the nursing home.

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. Committed for Other Purposes in the Other General Government Fund represent American Rescue Plan Act funds committed for revenue loss. Committed for Other Operations in the Other Special Revenue Fund represent unexpended revenues generated by the hospital joint venture lease agreement discussed in Note IV.B.

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 or the finance director makes assignments for the general government. The Board of Education makes assignments for the school department. Assigned fund balance in the primary government’s General Fund consists of amounts assigned for encumbrances (\$1,197,498), sheriff’s vehicles (\$5,169), ambulance purchase (\$163,819), fund balance appropriated for use in 2024-2025 budget (\$36,350) and various assignments for smaller amounts totaling (\$62,581). Assigned fund balance in the school department’s General Purpose School Fund consists of amounts assigned for encumbrances (\$204,269), finance (\$32,434), student safety (\$40,292), the Jefferson County High School field (\$120,000), the Piedmont Elementary School Construction (\$667,380), Jefferson County High School Insurance Recovery (\$29,719) and various assignments for smaller amounts totaling (\$9,895).

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

10. Minimum Fund Balance Policy

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

General Fund – 15 percent of the subsequent year’s appropriations in unassigned fund balance.

General Debt Service Fund – 50 percent of the subsequent year’s debt service requirement.

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 Jefferson County's participation in the Public Employee Legacy Pension Plan and the Public Employee Hybrid Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Jefferson County's fiduciary net position have been determined on the same basis as they are reported by the TCRS for the Public Employee Legacy Pension Plan and the Public Employee Hybrid Retirement 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 Legacy Pension Plan and the Public Employee Hybrid Retirement Plan of TCRS. Investments are reported at fair value.

Discretely Presented Jefferson County School Department

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

F. Other Postemployment Benefit (OPEB) Plans

Primary Government

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

Discretely Presented Jefferson 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 Jefferson 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 Jefferson 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 change in net position of governmental activities reported in the government-wide Statement of Activities.

Discretely Presented Jefferson 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 for the Constitutional Officers - Fees Fund and the school department's Internal School Fund (special revenue funds), which are not budgeted, and certain capital project funds, which adopt project length budgets. All annual appropriations lapse at fiscal year-end.

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

The budgetary level of control is at the major category level established by the County Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Board of Equalization, County Mayor/Executive, Election Commission, 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.

On June 30, 2024, Jefferson County and Jefferson County School Department reported the following encumbrances:

Funds	Amount
Primary Government:	
Major Funds:	
General	\$ 1,197,498
Other General Government	208,157
Highway/Public Works	188,740
Nonmajor Governmental Funds:	
Drug Control	12,421
General Capital Projects	656,129
School Department:	
Major Fund:	
General Purpose School	204,269
Nonmajor Governmental Funds:	
Central Cafeteria	14,000

B. Net Position Deficit

The county's Solid Waste Disposal Fund had a deficit of \$1,593,851 in unrestricted net position as of June 30, 2024. Further details related to liabilities recorded in this fund are disclosed in Note V.E. Landfill Closure/Postclosure Care Costs.

C. Expenditures Exceeded Appropriations

Expenditures exceeded appropriations approved by the county commission in the Operation and Maintenance of Equipment and Capital Outlay major appropriations categories (the legal level of control) of the Highway/Public Works Fund by \$2,543 and \$338, respectively. Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by available fund balance in the Highway/Public Works Fund.

IV. DETAILED NOTES ON ALL FUNDS

A. *Deposits and Investments*

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

Deposits

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

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

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

Deposit Account Registry Service (CDARS) and the Insured Cash Sweep (ICS), which operate through IntraFi Network, LLC.

Investments

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

Investment Balances. As of June 30, 2024, Jefferson County had the following investment carried at amortized cost using a Stable Net Asset Value. All investments are in the county trustee’s investment pool. Separate disclosures concerning pooled investments cannot be made for Jefferson County and the discretely presented Jefferson County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturities	Amortized Cost
State Treasurer's Investment Pool	1 to 48 days	\$ 9,238,484

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. Jefferson County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments as previously explained. Jefferson County has no investment policy that would further limit its investment choices. As of June 30, 2024, Jefferson County's investment in the State Treasurer's Investment Pool was unrated.

Further information concerning the legal provisions, investment policies, investment types, and credit risks for the State Treasurer's Investment Pool and the State Treasurer's Intermediate Term Investment Fund can be obtained by reviewing the State of Tennessee Annual Comprehensive Financial Report at <https://www.tn.gov/finance/rd-doa/fa-accfin-ar.html>.

TCRS Stabilization Trust

Legal Provisions. Jefferson County and the Jefferson County School Department are members of the Tennessee Consolidated Retirement System (TCRS) Stabilization Reserve Trust. The county and school department have 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 county and school department.

The trust is authorized to make investments as directed by the TCRS Board of Trustees. The county and Jefferson 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, 2024, Jefferson County's Public Employee Hybrid Retirement Plan had the following investments held by the trust on its behalf. These funds are recognized as restricted assets in the General and Solid Waste Disposal funds of the county and the General Purpose School Fund of the school department.

Primary Government:

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 185,363
Developed Market International Equity	N/A	N/A	83,712
Emerging Market International Equity	N/A	N/A	23,918
U.S. Fixed Income	N/A	N/A	119,589
Real Estate	N/A	N/A	59,794
Short-term Securities	N/A	N/A	5,979
NAV - Private Equity and Strategic Lending	N/A	N/A	<u>119,589</u>
Total			<u><u>\$ 597,944</u></u>

Discretely Presented Jefferson County School Department:

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 65,113
Developed Market International Equity	N/A	N/A	29,405
Emerging Market International Equity	N/A	N/A	8,402
U.S. Fixed Income	N/A	N/A	42,008
Real Estate	N/A	N/A	21,004
Short-term Securities	N/A	N/A	2,100
NAV - Private Equity and Strategic Lending	N/A	N/A	<u>42,008</u>
Total			<u><u>\$ 210,040</u></u>

On June 30, 2024, the discretely presented Jefferson County School Department's Teacher Retirement Plan had the following investments held by the trust on its behalf.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 291,463
Developed Market International Equity	N/A	N/A	131,628
Emerging Market International Equity	N/A	N/A	37,608
U.S. Fixed Income	N/A	N/A	188,040
Real Estate	N/A	N/A	94,020
Short-term Securities	N/A	N/A	9,402
NAV - Private Equity and Strategic Lending	N/A	N/A	<u>188,040</u>
Total			<u><u>\$ 940,201</u></u>

For further information concerning the legal provisions, investment policies, investment types, and credit risks of the county and school department's investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

B. Lease Receivable

As discussed in Note V.F, Joint Ventures, Jefferson County and the city of Jefferson City, Tennessee are lessors of a noncancellable lease of ground and hospital located in Jefferson County. Jefferson County recognizes a lease receivable and a deferred inflow of resources in the governmental activities in the government-wide financial statements and in the governmental fund financial statements.

Jefferson County reports leases receivable of \$21,707,461 as of June 30, 2024. For the fiscal year ended June 30, 2024, Jefferson County reported lease revenue of \$440,501 and interest revenue of \$411,501 related to lease payments received. These leases are summarized as follows:

Lease	Lease Receivable	Lease Revenue	Lease Interest Revenue
Hospital	\$ 21,626,236	\$ 440,028	\$ 409,974
Grounds	81,225	473	1,527
Total	<u>\$ 21,707,461</u>	<u>\$ 440,501</u>	<u>\$ 411,501</u>

Hospital Lease - On February 28, 1997, Jefferson County entered into a lease agreement with an initial term of fourteen years. The lease was subsequently amended to include an additional ten years with three ten-year option periods. The current lessee is Tennova Healthcare for the lease of real property that is part of the Jefferson Memorial Hospital. Based on this agreement, Jefferson County is receiving monthly payments through 2031. There are two additional renewal option periods of ten years each through 2051 included in this lease agreement.

Grounds Lease - On February 3, 2000, Jefferson County entered into a lease agreement with an initial term of seventy-five years. The current lessee is Tennova Healthcare for the lease of real property that is part of the Jefferson Memorial Hospital. Based on this agreement, Jefferson County is receiving monthly payments through 2075. There is a renewal option period of twenty-five years through 2100 included in this lease agreement.

C. Capital Assets

Capital assets activity for the year ended June 30, 2024, was as follows:

Primary Government

Governmental Activities:

	Balance 7-1-23		Increases		Decreases		Balance 6-30-24
Capital Assets Not Depreciated:							
Land	\$	1,674,077	\$	0	\$	0	\$ 1,674,077
Construction in Progress		2,773,458		2,247,331		0	5,020,789
Total Capital Assets Not Depreciated	\$	4,447,535	\$	2,247,331	\$	0	\$ 6,694,866
Capital Assets Depreciated:							
Buildings and Improvements	\$	26,203,214	\$	0	\$	0	\$ 26,203,214
Machinery and Equipment		14,599,304		2,113,870		(305,700)	16,407,474
Infrastructure		123,700,529		750,080		0	124,450,609
Total Capital Assets Depreciated	\$	164,503,047	\$	2,863,950	\$	(305,700)	\$ 167,061,297
Less Accumulated Depreciation For:							
Buildings and Improvements	\$	11,246,544	\$	745,815	\$	0	\$ 11,992,359
Machinery and Equipment		9,457,773		859,302		(294,947)	10,022,128
Infrastructure		46,746,277		1,265,717		0	48,011,994
Total Accumulated Depreciation	\$	67,450,594	\$	2,870,834	\$	(294,947)	\$ 70,026,481
Total Capital Assets Depreciated, Net	\$	97,052,453	\$	(6,884)	\$	(10,753)	\$ 97,034,816
Governmental Activities Capital Assets, Net	\$	101,499,988	\$	2,240,447	\$	(10,753)	\$ 103,729,682

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

Governmental Activities:

General Government	\$	139,603
Finance		29,538
Administration of Justice		461,396
Public Safety		127,302
Public Health and Welfare		632,304
Social, Cultural, and Recreational Services		9,634
Agriculture and Natural Resources		4,301
Highways/Public Works		<u>1,466,756</u>
Total Depreciation Expense - Governmental Activities	\$	<u><u>2,870,834</u></u>

Business-type Activities:

	Balance 7-1-23	Increases	Decreases	Balance 6-30-24
Capital Assets Not Depreciated:				
Land	\$ 1,370,430	\$ 0	\$ 0	\$ 1,370,430
Construction in Progress	166,131	1,660,218	0	1,826,349
Total Capital Assets Not Depreciated	<u>\$ 1,536,561</u>	<u>\$ 1,660,218</u>	<u>\$ 0</u>	<u>\$ 3,196,779</u>
Capital Assets Depreciated:				
Landfill Facilities and Development	\$ 1,826,101	\$ 0	\$ 0	\$ 1,826,101
Buildings and Improvements	659,215	0	0	659,215
Machinery and Equipment	4,179,956	511,093	(209,237)	4,481,812
Total Capital Assets Depreciated	<u>\$ 6,665,272</u>	<u>\$ 511,093</u>	<u>\$ (209,237)</u>	<u>\$ 6,967,128</u>
Less Accumulated Depreciation For:				
Landfill Facilities and Development	\$ 594,741	\$ 217,675	\$ 0	\$ 812,416
Buildings and Improvements	563,823	7,219	0	571,042
Machinery and Equipment	3,186,663	225,606	(160,416)	3,251,853
Total Accumulated Depreciation	<u>\$ 4,345,227</u>	<u>\$ 450,500</u>	<u>\$ (160,416)</u>	<u>\$ 4,635,311</u>
Total Capital Assets Depreciated, Net	<u>\$ 2,320,045</u>	<u>\$ 60,593</u>	<u>\$ (48,821)</u>	<u>\$ 2,331,817</u>
Business-type Activities Capital Assets, Net	<u>\$ 3,856,606</u>	<u>\$ 1,720,811</u>	<u>\$ (48,821)</u>	<u>\$ 5,528,596</u>

Depreciation expense totaling \$450,500 was charged to the Solid Waste Disposal Fund.

Net Investment in Capital Assets

Capital Assets	\$	5,528,596
Add:		
Unspent debt proceeds		753,901
Less:		
Capital related contracts payable		(283,516)
Capital related retainage payable		(7,522)
Capital related accounts payable		(344,704)
Net Investment in Capital Assets	\$	<u>5,646,755</u>

Discretely Presented Jefferson County School Department

Governmental Activities:

	Balance 7-1-23	Increases	Decreases	Balance 6-30-24
Capital Assets Not Depreciated:				
Land	\$ 1,619,334	\$ 0	\$ 0	\$ 1,619,334
Construction in Progress	9,047,543	3,436,046	(588,075)	11,895,514
Total Capital Assets Not Depreciated	\$ 10,666,877	\$ 3,436,046	\$ (588,075)	\$ 13,514,848
Capital Assets Depreciated:				
Buildings and Improvements	\$ 104,247,477	\$ 928,778	\$ 0	\$ 105,176,255
Machinery and Equipment	3,751,819	177,081	0	3,928,900
Other Capital Assets	6,631,220	397,836	0	7,029,056
Total Capital Assets Depreciated	\$ 114,630,516	\$ 1,503,695	\$ 0	\$ 116,134,211
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 42,914,255	\$ 2,502,736	\$ 0	\$ 45,416,991
Machinery and Equipment	2,964,563	157,124	0	3,121,687
Other Capital Assets	4,423,757	440,020	0	4,863,777
Total Accumulated Depreciation	\$ 50,302,575	\$ 3,099,880	\$ 0	\$ 53,402,455
Total Capital Assets Depreciated, Net	\$ 64,327,941	\$ (1,596,185)	\$ 0	\$ 62,731,756
Governmental Activities Capital Assets, Net	\$ 74,994,818	\$ 1,839,861	\$ (588,075)	\$ 76,246,604

Depreciation expense was charged to functions of the discretely presented school department as follows:

Governmental Activities:

Instruction	\$ 2,906,982
Support Services	110,011
Operation of Non-instructional Services	<u>82,887</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 3,099,880</u></u>

Net Investment in Capital Assets

Capital Assets	\$ 76,246,604
Less:	
Capital related contracts payable	(100,268)
Capital related retainage payable	<u>(3,699)</u>
Net Investment in Capital Assets	<u><u>\$ 76,142,637</u></u>

D. Construction Commitments

As of June 30, 2024, the Jefferson County Other General Government funds had uncompleted construction contracts totaling \$10,606 for the new Jefferson County Office Building project. Funding has been received for these future expenditures.

As of June 30, 2024, the Jefferson County Solid Waste Disposal fund had uncompleted construction contracts of \$712,253 for public works projects. Funding has been received for these future expenditures.

As of June 30, 2024, the Jefferson County School Department's General Purpose School fund had uncompleted construction contracts of \$76,008 for renovations of the culinary arts classroom at Jefferson County High School. Funding has been received for these future expenditures.

As of June 30, 2024, the school department also had uncompleted contracts in the nonmajor Education Capital Projects Fund (\$1,180,102) for HVAC and other energy saving upgrades. Funding has been received for this future expenditure.

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2024, was as follows:

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	\$ 5,510
General Debt Service	Solid Waste Disposal (enterprise)	333,000
Solid Waste Disposal (enterprise)	Nonmajor governmental	94,868
Discretely Presented School Department:		
General Purpose School	Nonmajor governmental	786,961

The amount due to the General Debt Service Fund from the Solid Waste Disposal Fund represents the balance of an interfund loan. The amount of the loan not expected to be repaid within one year is \$166,000. See note IV.J. for further details about this internal loan.

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

Due to/from Primary Government and Component Unit:

Receivable Fund	Payable Fund	Amount
Primary Government:	Component Unit:	
General Debt Service	Jefferson County Nursing Home	\$ 14,025,000
Component Unit:		
School Department:	Primary Government:	
Nonmajor governmental	Nonmajor governmental	787,578

The receivable from the discretely presented Jefferson County Nursing Home represents general obligation debt issued by the county, which is being retired by the nursing home. This receivable is reported in fund balance as Restricted for Public Health and Welfare. The amount of the receivable not expected to be received within one year is \$13,465,000. See Note VI.G. for further information about this debt.

The balance the General Capital Projects Fund represents amounts due from the primary government for energy efficiency upgrades across the school system through the Energy Efficient School Initiative Loan program.

Interfund Transfers:

Interfund transfers for the year ended June 30, 2024, consisted of the following amounts:

Primary Government

Transfers Out	Transfers In		
	General Fund	General Debt Service Fund	Nonmajor governmental funds
General Fund	\$ 0	\$ 488,249	\$ 834,633
Nonmajor governmental fund	4,278	0	0
Total	\$ 4,278	\$ 488,249	\$ 834,633

Transfers to the General Debt Service Fund represent interest rebates for the QSCB bond. Transfers to the General Fund and the nonmajor governmental funds represent capital projects and operations.

Discretely Presented Jefferson County School Department

Transfers Out	Transfers In	
	General Purpose School Fund	Nonmajor governmental funds
School Federal Projects Fund	\$ 144,098	\$ 0
General Purpose School Fund	0	3,646,949
Nonmajor governmental funds	110,739	0
Total	\$ 254,837	\$ 3,646,949

Transfers from the School Federal Project Fund to the General Purpose School Fund were to cover indirect costs related to federal programs. The transfer from the General Purpose School Fund to the nonmajor funds were for capital projects. Transfers from the Nonmajor Governmental Funds to the General Purpose School Fund were for operations.

F. Long-term Debt

Primary Government

General Obligation Bonds and Other Loans

General Obligation Bonds - Jefferson County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government, the discretely presented school department, and the discretely presented

Jefferson County Nursing Home. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds outstanding were issued for original terms of up to 30 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, 2024, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements - Jefferson County issues other loans to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, other loans were issued to refund other debt. Other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Other loans outstanding were issued for original up to 17 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All other loans included in long-term debt as of June 30, 2024, will be retired from the General Debt Service Fund.

General obligation bonds and other loans outstanding as of June 30, 2024, for governmental activities are as follows:

Type	Interest Rate		Final Maturity	Original Amount of Issue	Balance 6-30-24
General Obligation Bonds	3 %		6-1-50	\$ 9,750,000	\$ 9,410,000
General Obligation Refunding Bonds	1.5 to 3		6-1-37	27,110,000	23,170,000
General Obligation - Recovery Zone Economic Development Bonds	3.69		6-1-40	16,000,000	14,825,000
Direct Borrowing and Direct Placement:					
Other Loans - Qualified School Construction Bonds	0	(1)	8-1-27	10,595,000	2,110,737
Other Loans - Energy Efficient Schools Initiative	0.5		10-1-36	2,094,708	2,094,708

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

The annual requirements to amortize all general obligation bonds and other loans outstanding as of June 30, 2024, including interest payments and other loan fees, are presented in the following tables:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2025	\$ 1,820,000	\$ 1,887,747	\$ 3,707,747
2026	1,895,000	1,819,598	3,714,598
2027	1,965,000	1,748,347	3,713,347
2028	2,040,000	1,674,298	3,714,298
2029	3,630,000	1,597,047	5,227,047
2030-2034	9,975,000	7,005,262	16,980,262
2035-2039	17,220,000	5,288,314	22,508,314
2040-2044	6,020,000	876,550	6,896,550
2045-2049	2,330,000	290,400	2,620,400
2050	510,000	15,300	525,300
Total	\$ 47,405,000	\$ 22,202,863	\$ 69,607,863

Year Ending June 30	Other Loans - Direct Placement			
	Principal	Interest	Other Fees	Total
2025	\$ 774,216	\$ 522,279	\$ 8,476	\$ 1,304,971
2026	831,476	523,089	8,476	1,363,041
2027	897,406	522,237	8,476	1,428,119
2028	234,403	58,314	2,122	294,839
2029	172,944	6,864	0	179,808
2030-2034	877,776	21,264	0	899,040
2035-2037	417,224	2,347	0	419,571
Total	\$ 4,205,445	\$ 1,656,394	\$ 27,550	\$ 5,889,389

There is \$41,990,304 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$867, based on the 2020 federal census. Total debt per capita, including bonds, other loans, and unamortized debt premiums, totaled \$988 based on the 2020 federal census.

The Jefferson County Nursing Home is currently contributing funds to service the total \$14,025,000 in debt issued on its behalf by the primary government. This debt is reflected as due to the Primary Government in the financial statements of the Jefferson County Nursing Home and as a Due from Component Units in the financial statements of the primary government.

Changes in Long-term Debt

Long-term debt activity for the year ended June 30, 2024, was as follows:

Governmental Activities:

	Bonds	Other Loans - Direct Placement
Balance, July 1, 2023	\$ 50,235,000	\$ 2,951,476
Additions	0	2,094,708
Reductions	(2,830,000)	(840,739)
Balance, June 30, 2024	<u>\$ 47,405,000</u>	<u>\$ 4,205,445</u>
Balance Due Within One Year	<u>\$ 1,820,000</u>	<u>\$ 774,216</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2024	\$ 51,610,445
Less: Balance Due Within One Year - Debt	(2,594,216)
Add: Unamortized Premium on Debt	<u>2,408,088</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 51,424,317</u>

Jefferson County Solid Waste Disposal Fund (enterprise fund)

Notes

Direct Borrowing and Direct Placements - Capital outlay notes are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes outstanding were issued for original terms of up to 13 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes and other loans included in long-term debt as of June 30, 2024, will be retired from the Solid Waste Disposal Fund.

The capital outlay note outstanding as of June 30, 2024, for business-type activities are as follows:

Type	Interest Rate		Final Maturity	Original Amount of Issue	Balance 6-30-24
Direct Borrowings and Direct Placements:					
Capital Outlay Note	3.97	%	6-1-36	\$ 2,200,000	\$ 2,200,000

The annual requirements to amortize all notes outstanding as of June 30, 2024, including interest payments, are presented in the following table(s):

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2025	\$ 146,700	\$ 87,340	\$ 234,040
2026	152,500	81,516	234,016
2027	158,500	75,462	233,962
2028	164,800	69,169	233,969
2029	171,400	62,627	234,027
2030-2034	964,500	205,511	1,170,011
2035-2036	441,600	26,468	468,068
Total	\$ 2,200,000	\$ 608,093	\$ 2,808,093

Changes in Long-term Debt

Long-term debt activity for the Solid Waste Disposal Fund (enterprise fund) for the year ended June 30, 2024, was as follows:

Business-type Activities:

	Notes - Direct Placement
Balance, July 1, 2023	\$ 0
Additions	<u>2,200,000</u>
Balance, June 30, 2024	<u>\$ 2,200,000</u>
Balance Due Within One Year	<u>\$ 146,700</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2024	\$ 2,200,000
Less: Balance Due Within One Year - Debt	<u>(146,700)</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 2,053,300</u>

G. Long-term Obligations

Primary Government

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2024, was as follows:

Governmental Activities:

	Other Postemployment Benefits	Compensated Absences
Balance, July 1, 2023	\$ 472,467	\$ 500,281
Additions	225,089	630,906
Reductions	(47,971)	(638,739)
Balance, June 30, 2024	\$ 649,585	\$ 492,448
Balance Due Within One Year	\$ 0	\$ 344,714

Analysis of Other Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2024	\$ 1,142,033
Less: Balance Due Within One Year - Other	<u>(344,714)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 797,319</u>

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

Solid Waste Disposal Fund (enterprise fund)

Changes in Long-term Obligations

Long-term obligations activity for the Solid Waste Disposal Fund (enterprise fund) for the year ended June 30, 2024, was as follows:

Business-type Activities:

	Compensated Absences	Other Post- Employment Benefits	Closure/ Postclosure Care Costs
Balance, July 1, 2023	\$ 15,940	\$ 24,038	\$ 3,345,832
Additions	21,182	16,336	566,211
Reductions	(21,228)	(3,165)	(129,700)
Balance, June 30, 2024	<u>\$ 15,894</u>	<u>\$ 37,209</u>	<u>\$ 3,782,343</u>
Balance Due Within One Year	<u>\$ 4,063</u>	<u>\$ 0</u>	<u>\$ 140,367</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2024	\$ 3,835,446
Less: Balance Due Within One Year - Other	<u>(144,430)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 3,691,016</u>

Discretely Presented Jefferson County School Department

Changes in Long-term Obligations

Long-term obligations activity for the discretely presented Jefferson County School Department for the year ended June 30, 2024, was as follows:

Governmental Activities:

	Compensated Absences	Termination Benefits
Balance, July 1, 2023	\$ 1,451,196	\$ 125,593
Additions	172,064	64,590
Reductions	(151,756)	(86,120)
	<hr/>	<hr/>
Balance, June 30, 2024	\$ 1,471,504	\$ 104,063
	<hr/> <hr/>	<hr/> <hr/>
Balance Due Within One Year	\$ 250,933	\$ 43,060
	<hr/> <hr/>	<hr/> <hr/>

	Other Postemployment Benefits
Balance, July 1, 2023	\$ 10,989,134
Additions	1,591,979
Reductions	(954,466)
	<hr/>
Balance, June 30, 2024	\$ 11,626,647
	<hr/> <hr/>
Balance Due Within One Year	\$ 90,144
	<hr/> <hr/>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2024	\$ 13,202,214
Less: Balance Due Within One Year - Other	<hr/> (384,137)
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	 \$ 12,818,077
	<hr/> <hr/>

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

H. *Pledges of Future Revenues*

In August 2008, the citizens of Jefferson County voted to increase the local option sales tax from 2.25 to 2.75 percent. The county pledged all additional sales tax collections generated from the half-cent increase in the unincorporated areas of the county and half of the

additional sales tax collections in the cities within the county to be used for the reduction and retirement of school indebtedness. Jefferson County had outstanding debt for school purposes of \$37,585,445 on June 30, 2024. That debt carries the general obligation pledge of the government in addition to the specific pledge of the one-half cent sales tax revenue. Revenues generated by the one-half cent sales tax increase amounted to \$2,689,636 for the year.

I. On-Behalf Payments – Discretely Presented Jefferson County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Jefferson 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, 2024, were \$269,724. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

J. Internal Financing

In-lieu-of issuing debt with financial institutions, Jefferson County chose to internally finance various projects with idle cash of the General and General Debt Service Funds. The balances of those internal loans are reflected as Due from Other Funds in the General, General Debt Service Fund, and General Purpose School Funds and as Due to Other Funds in the borrowing funds. The following table summarizes internal financing activity during the year.

	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	
<u>Due to General Fund</u>					
<u>from Other Capital</u>					
<u>Projects Fund</u>					
Capital Outlay					
Note - Series 2023					
(Cash Flow)	\$ 393,300	0	6-28-23	6-30-24	
<u>Due to General Debt Service</u>					
<u>Fund from Solid Waste</u>					
<u>Disposal Fund</u>					
Capital Outlay					
Note - Series 2019					
(Landfill Cell)	850,000	1	5-8-20	6-01-26	(1)
<u>Due to General Purpose School</u>					
<u>Fund from Education Capital</u>					
<u>Projects Fund</u>					
Capital Outlay					
Note - Series 2024					
(Cash Flow)	2,094,091	0.5	2-29-24	6-30-25	

(1) The original issue was scheduled to be liquidated on 6-01-23; however, the county commission issued an extension note to extend the maturity date until 6-01-26.

Internally Reported Interfund Notes Receivable/Payable

	Outstanding 7-1-23	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-24
<u>Due to General Fund</u> <u>from Other Capital</u> <u>Projects Fund</u>				
Capital Outlay Note - Series 2023 (Cash Flow)	\$ 393,300	\$ 0	\$ (393,300)	\$ 0
<u>Due to General Debt Service</u> <u>Fund from Solid Waste</u> <u>Disposal Fund</u>				
Capital Outlay Note - Series 2019 (Landfill Cell)	500,000	0	(167,000)	333,000
<u>Due to General Purpose School</u> <u>Fund from Education Capital</u> <u>Projects Fund</u>				
Capital Outlay Note - Series 2024 (Cash Flow)	0	2,094,091	(1,307,130)	786,961
Total	\$ 893,300	\$ 2,094,091	\$ (1,867,430)	\$ 1,119,961

K Short-term Debt

Jefferson County issued tax anticipation notes in advance of property tax collections and deposited the proceeds in the Solid Waste/Sanitation Fund. These notes were issued internally with the General Debt Service Fund loaning cash to the Solid Waste/Sanitation Fund. Short-term debt activity for the year ended June 30, 2024, was as follows:

	Balance 7-1-23	Issued	Paid	Balance 6-30-24
Tax Anticipation Notes	\$ 0	\$ 500,000	\$ (500,000)	\$ 0

V. OTHER INFORMATION

A. *Risk Management*

Jefferson County and the discretely presented Jefferson County School Department are exposed to risks related to general liability, property, casualty, and workers' compensation. The county and the school department decided it was more economically feasible to join public entity risk pools as opposed to purchasing commercial insurance for these risks. The county and the school department joined the Tennessee Risk Management Trust (TN-RMT), which is a public entity risk pool created under the auspices of the Tennessee Governmental Tort Liability Act to provide governmental insurance coverage. The county and the school department pay annual premiums to the TN-RMT for their general liability, property, casualty, and workers' compensation coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

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

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

Jefferson County and the discretely presented school department have chosen to establish Employee Insurance - Dental and Vision funds for risks associated with the employees' dental and vision plans. The Employee Insurance - Dental and Vision funds are accounted for as internal service funds where assets are set aside for claim settlements. The maximum liability is \$1,200 per employee per year for dental coverage only and \$1,500 per employee per year for dental and vision coverage. All full-time employees of Jefferson County and the school department are eligible to participate. A premium charge is allocated to each fund that accounts for full-time employees. This charge is based on estimates of the amounts needed to pay claims. Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. The Employee Insurance - Dental and Vision funds established claims liabilities based on estimates of claims that have been incurred but not reported. 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 two fiscal years are as follows:

	Beginning of Fiscal Year Liability	Current-Year Claims and Estimates	Payments	Balance at Fiscal Year-end
<i>Primary Government</i>				
2022-2023	\$ 6,008	\$ 143,840	\$ 143,491	\$ 6,357
2023-2024	6,357	143,451	143,450	6,358
<i>Discretely Presented School Department</i>				
2022-2023	\$ 32,402	\$ 474,963	\$ 473,873	\$ 33,492
2023-2024	33,492	431,772	433,559	31,705

B. *Accounting Change*

GASB Statement No. 100, *Accounting Changes and Error Corrections*, became effective for the fiscal year ending June 30, 2024. This statement clarifies the financial accounting and reporting requirements for changes in accounting principles, changes in accounting estimates, error corrections, and changes within the reporting entity.

C. *Risk Financing Activities*

Jefferson County and several other counties, cities, and local government entities were members of the Local Government Insurance Cooperative (LOGIC) for workers' compensation insurance for one or more policy years in 1996-97, 1997-98, and 1999-2000. LOGIC obtained excess coverage insurance from Reliance Insurance Company for claims that exceeded specific amounts. Reliance Insurance Company is now insolvent and is being liquidated in the State of Pennsylvania. The insolvency of Reliance Insurance Company has left the LOGIC members exposed to significant claim liabilities for their policy years. The LOGIC board of directors has assessed its members certain amounts for each member's share of outstanding claims unpaid by Reliance Insurance Company. As of June 30, 2024, Jefferson County has an outstanding assessment of \$61,524, which was due June 30, 2012. Jefferson County has recorded a liability for this amount in the General Fund. However, Jefferson County disputes the claim and has not yet paid the assessment.

D. *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.

Jefferson County and the discretely presented Jefferson County School Department are involved in several pending lawsuits. Management, based on estimates from their attorneys, believes that the potential claims against the county and the school department not covered by insurance, resulting from such litigation, would not materially affect the financial statements of the primary government or the school department.

E. Landfill Closure/Postclosure Care Costs

Jefferson County has active permits on file with the State Department of Environment and Conservation for two sanitary landfills and a demolition landfill. The county has provided financial assurances for estimated closure and postclosure liabilities as required by the State of Tennessee. These financial assurances are on file with the Department of Environment and Conservation.

State and federal laws and regulations require Jefferson County to place a final cover on its sanitary landfill sites when it stops accepting waste and to perform certain maintenance and monitoring functions at the sites for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the Solid Waste Disposal Fund reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$3,782,343 reported as landfill closure and postclosure care liability on June 30, 2024, represents the cumulative amount reported to date based on the use of 22.63 percent of the estimated capacity of the operating Patterson Landfill site (\$3,490,941) and postclosure care costs for the Highway 92 landfill site, which closed in 1993 (\$291,402). The amounts reported as closure/postclosure liability on June 30, 2024, are based on what it would cost to perform all closure and postclosure care costs in 2024. The county will recognize the remaining estimated costs of closure and postclosure as the remaining estimated capacity is filled. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The county expects to close the Patterson Landfill site in the year 2067.

F. Joint Ventures

Primary Government

The county, along with Jefferson City, participated in the operation of Jefferson Memorial Hospital, a health care facility. During 1997, the county and city entered into an agreement to lease the hospital, including all assets and all outstanding liabilities. The current lessee is Tennova Healthcare. The county and the city created a seven-member oversight board comprising the hospital's chief of staff, three appointees from the county, and three from the city. The board is responsible for administration of the lease and the hospital in the event of lease termination. The county reflects its share of revenues from the lease in the Other Special Revenue Fund. See Note IV.B., Lease Receivable, for further discussion of the lease.

Discretely Presented Jefferson County School Department

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

Complete financial statements for NETCO can be obtained from its administrative office at the following address:

Administrative Office:

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

G. Jointly Governed Organizations

The East Tennessee Regional Agribusiness Marketing Authority was established through Title 64 of *Tennessee Code Annotated*, and includes the counties of Claiborne, Cocke, Grainger, Greene, Hamblen, Hancock, Hawkins, Jefferson, Johnson, Sullivan, Unicoi, and Washington. The purpose of the authority is to establish and operate a market for agricultural products of the region through a food distribution center. The authority is governed by a Board of Directors consisting of the county mayors of each county or the county mayor's designee and one nonvoting member representing the Tennessee Department of Agriculture and the University of Tennessee's Agriculture Extension Service. An executive committee, consisting of the chairman, vice-chairman, secretary, and treasurer of the Board of Directors, along with the center manager, as an ex officio member, is in charge of the daily operations of the center. The county does not have any ongoing financial interest or responsibility beyond its initial investment.

In October 2012, amended and restated formation documents were filed with the Secretary of State's Office for the Jefferson Health Care Foundation (formerly the Jefferson Memorial Foundation, Inc.). Previously, St. Mary's Health System, which leased hospital operations from the county and Jefferson City, was the sole member of the foundation and provided oversight of certain funds held to benefit community health programs in the city and county. The hospital is jointly owned by the county and Jefferson City as discussed in Note V.G. With the change in the formation documents, the county and city became the sole members of the foundation. A board, with three members appointed by the county and three members appointed by the city, now oversees the foundation funds.

H. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government – Public Employee Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Employees of Jefferson County and the discretely presented Jefferson County Nursing Home with membership in the TCRS prior to July 1, 2016, as well as non-certified employees of the discretely presented Jefferson County School Department with membership in TCRS prior to July 1, 2017, are provided a defined benefit pension plan through the Public Employee Legacy Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The Public Employee Legacy Pension Plan is closed to new membership. The primary government employees comprise 54.98 percent, the non-certified employees of the discretely

presented school department comprise 26.3 percent, and employees of the discretely presented Jefferson County Nursing Home comprise 18.72 percent of the plan based on contribution data. Employees of Jefferson County and the discretely presented Jefferson County Nursing with membership in the TCRS after July 1, 2016, as well as non-certified employees of the discretely presented Jefferson County School Department with membership in TCRS after July 1, 2017, are provided with pensions through a legally separate plan, referred to as the Public Employee Hybrid Pension Plan, an agent 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 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.

Employees Covered by Benefit Terms. At the measurement date of June 30, 2023, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	574
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	554
Active Employees	365
Total	<u><u>1,493</u></u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees are noncontributory. Jefferson County elected to make employer contributions at a rate higher than the minimum rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2024, the employer contribution for Jefferson County was \$1,605,171 based on a rate of ten percent of covered payroll. The minimum rate established by the Board of Trustees was 9.35 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Jefferson 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)

Jefferson County's net pension liability (asset) was measured as of June 30, 2023, and the total pension liability 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, 2023, 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

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

The actuarial assumptions used in the June 30, 2023, 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 historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage 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 Jefferson 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, 2022	\$ 103,517,814	\$ 105,676,143	\$ (2,158,329)
Changes for the Year:			
Service Cost	\$ 1,458,313	\$ 0	\$ 1,458,313
Interest	6,934,098	0	6,934,098
Differences Between Expected and Actual Experience	1,387,205	0	1,387,205
Contributions-Employer	0	1,693,076	(1,693,076)
Net Investment Income	0	7,007,171	(7,007,171)
Benefit Payments, Including Refunds of Employee Contributions	(4,497,493)	(4,497,493)	0
Administrative Expense	0	(59,045)	59,045
Net Changes	\$ 5,282,123	\$ 4,143,709	\$ 1,138,414
Balance, June 30, 2023	\$ 108,799,937	\$ 109,819,852	\$ (1,019,915)

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

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government 54.98%	\$ 59,818,206	\$ 60,378,955	\$ (560,749)
School Department 26.30%	28,614,383	28,882,621	(268,238)
Nursing Home 18.72%	20,367,347	20,558,276	(190,928)
Total	\$ 108,799,937	\$ 109,819,852	\$ (1,019,915)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Jefferson 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
Jefferson County	5.75%	6.75%	7.75%

Net Pension Liability (Asset) \$ 13,548,041 \$ (1,019,915) \$ (13,061,065)

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, 2024, Jefferson County recognized pension expense (negative pension expense) of \$3,295,813.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, Jefferson County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,904,341	\$ 188,713
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	778,316	0
Changes in Assumptions	1,951,349	0
Contributions Subsequent to the Measurement Date of June 30, 2023 (1)	1,605,171	N/A
Total	\$ 6,239,177	\$ 188,713

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2023,” will be recognized as a reduction (increase) to net pension liability (asset) in the subsequent fiscal period.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 3,454,994	\$ 103,754
School Department	1,617,923	49,632
Nursing Home	1,166,260	35,327
Total	<u>\$ 6,239,177</u>	<u>\$ 188,713</u>

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

Year Ending June 30	Amount
2025	\$ 1,948,574
2026	(217,533)
2027	2,708,383
2028	5,865
2029	0
Thereafter	0

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

Primary Government and Discretely Presented Jefferson County Nursing Home - Public Employee Hybrid Retirement Plan

Plan Description. As previously noted, Employees of Jefferson County and the discretely presented Jefferson County Nursing Home with membership in the TCRS after July 1, 2016, as well as non-certified employees of the discretely presented Jefferson County School Department with membership in TCRS after July 1, 2017, are provided with pensions through a legally separate plan, referred to as the Public Employee Hybrid Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 49.81 percent, the non-certified employees of the discretely presented school department comprise 31.34 percent, and employees of the discretely presented Jefferson County Nursing Home comprise 18.85 percent of the hybrid plan based on contribution data.

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 in which the member's age and service credits total 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 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.

Employees Covered by Benefit Terms. At the measurement date of June 30, 2023, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	7
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	449
Active Employees	428
Total	<u><u>884</u></u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Jefferson County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation and statutory provisions. 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 Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of Jefferson County if the required employer contributions are not remitted. The actuarial determined rate of employer contributions for the year was 2.59 percent of covered payroll. Employer contributions for the year ended June 30, 2024, to the Retirement Plan were \$400,050. In addition, employer contributions of \$199,571 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.

Net Pension Liability (Asset)

Pension Liabilities (Assets). Jefferson County's net pension liability (asset) was measured as of June 30, 2023, and the total pension liability 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, 2023, 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, 2023, 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 historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage 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 Jefferson 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	Plan	Net Pension
	Pension	Fiduciary	Liability
	Liability	Net Position	(Asset)
	(a)	(b)	(a)-(b)
Balance, July 1, 2022	\$ 2,371,254	\$ 2,472,081	\$ (100,827)
Changes for the Year:			
Service Cost	\$ 773,544	\$ 0	\$ 773,544
Interest	211,433	0	211,433
Differences Between Expected and Actual Experience	264,301	0	264,301
Contributions-Employer	0	357,572	(357,572)
Contributions-Employees	0	682,765	(682,765)
Net Investment Income	0	199,447	(199,447)
Benefit Payments, Including Refunds of Employee Contributions	(24,902)	(24,902)	0
Administrative Expense	0	(25,347)	25,347
Net Changes	\$ 1,224,376	\$ 1,189,535	\$ 34,841
Balance, June 30, 2023	\$ 3,595,630	\$ 3,661,616	\$ (65,986)

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

		Total	Plan	Net
		Pension	Fiduciary	Pension
		Liability	Net	Liability
			Position	(Asset)
Primary Government	49.81%	\$ 1,790,983	\$ 1,823,851	\$ (32,868)
School Department	31.34%	1,126,870	1,147,550	(20,680)
Nursing Home	18.85%	677,777	690,215	(12,438)
Total		\$ 3,595,630	\$ 3,661,616	\$ (65,986)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Jefferson 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
Jefferson County	5.75%	6.75%	7.75%

Net Pension Liability (Asset)	\$	753,482	\$	(65,986)	\$	(681,158)
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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, 2024, Jefferson County recognized pension expense of \$214,789.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, Jefferson 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	\$ 360,172	\$ 110
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	47,078	0
Changes in Assumptions	68,542	
Contributions Subsequent to the Measurement Date of June 30, 2023 (1)	400,050	N/A
Total	\$ 875,842	\$ 110

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2023,” will be recognized as a reduction (increase) to net pension liability (asset) in the subsequent fiscal period.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 436,338	\$ 55
School Department	270,623	34
Nursing Home	168,881	21
Total	\$ 875,842	\$ 110

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
2025	\$ 87,709
2026	83,716
2027	133,787
2028	76,172
2029	56,543
Thereafter	37,757

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

Discretely Presented Jefferson County School Department - Certified Employees – Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the Jefferson 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, 2024, to the Teacher Retirement Plan were \$374,345, which is 2.95 percent of covered payroll. In addition, employer contributions of \$129,346 were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). On June 30, 2024, the school department reported a liability (asset) of (\$227,273) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2023, and the total

pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2023, the school department's proportion was .535979 percent. The proportion as of June 30, 2022, was .527966 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2024, the school department recognized pension expense of \$283,252.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, 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	\$ 7,656	\$ 132,654
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	57,783	0
Changes in Assumptions	170,987	0
Changes in Proportion of Net Pension Liability (Asset)	2,534	54,083
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	374,345	N/A
Total	<u>\$ 613,305</u>	<u>\$ 186,737</u>

The school department's employer contributions of \$374,345, 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, 2025. 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
2025	\$ (5,440)
2026	(13,850)
2027	75,289
2028	(285)
2029	68
Thereafter	(3,560)

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, 2023, 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, 2023, 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 historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage 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		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) \$ 1,045,446 \$ (227,273) \$ (1,143,526)

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

Discretely Presented Jefferson County School Department - Certified Employees – Teacher Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Teachers of the Jefferson 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 Jefferson County School Department for the year ended June 30, 2024, to the Teacher Legacy Pension Plan were \$1,345,118, which is 6.81 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). As of June 30, 2024, the school department reported a liability (asset) of (\$7,172,184) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2023, 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, 2023, the school department's proportion was .608341 percent. The proportion measured as of June 30, 2022, was .629554 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2024, the school department recognized pension expense (negative pension expense) of \$2,109,816.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, the school department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,708,779	\$ 332,837
Changes in Assumptions	2,336,894	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,244,411	0
Changes in Proportion of Net Pension Liability (Asset)	652,008	0
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	1,345,118	N/A
Total	<u>\$ 7,287,210</u>	<u>\$ 332,837</u>

The school department's employer contributions of \$1,345,118 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, 2025. 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
2025	\$ 1,976,110
2026	(727,591)
2027	4,350,988
2028	9,748
2029	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, 2023, 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, 2023, 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 historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage 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		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)	\$ 15,621,516	\$ (7,172,184)	\$ (26,130,114)
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Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

2. Deferred Compensation

Jefferson County offers its employees an optional deferred compensation plan established pursuant to IRC Section 457. The discretely presented Jefferson County School Department offers its employees an optional deferred compensation plan established pursuant to IRC Section 403(b). All costs of administering and funding these programs are the responsibility of plan participants. The Section 457 and Section 403(b) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Section 457 and 403(b) establish participation, contribution, and withdrawal provisions for the plans.

Teachers hired by the school department after July 1, 2014, employees of the primary government hired after July 1, 2016, and non-certified employees of the school department hired after July 1, 2017, are required to participate in hybrid pension plans 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 employers contribute five percent of each eligible employee's salary into their deferred compensation plan. In addition, employees are required to contribute a minimum of two percent of their salaries into these deferred compensation plans, unless they opt out of the employee portion. During the year, the primary government and its employees contributed \$369,752 and \$74,817, respectively, and the school department and its employees contributed \$236,936 and \$88,564, respectively, to the 401(k) portion of the hybrid retirement plan. The school department contributed \$628,356 and teachers contributed \$343,920 to the 401(k) portion of the teacher retirement plan.

I. Other Postemployment Benefits (OPEB)

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

OPEB Provided through State Administered Public Entity Risk Pools

Retirees of the primary government and the discretely presented Jefferson County Nursing Home are provided healthcare under the Local Government Plan (LGP) until they reach Medicare eligibility. Likewise, the school department provides healthcare benefits to its employees under the closed Local Education Plan (LEP) until they reach Medicare eligibility. The certified retirees of Jefferson County School Department may then join the Tennessee Plan – Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare. However, the school department does not provide any subsidy (direct or indirect) to this plan and therefore does not recognize any OPEB liability associated with the TNM.

The total OPEB liability for each plan was measured as of June 30, 2023, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2023, actuarial valuation of each plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	Salary increases used in the July 1, 2021 TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.65%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 10.31% for pre-65 retirees in the 2023 calendar year, and decreasing annually over a 11-year period to an ultimate trend rate of 4.5%
Retirees Share of Benefit Related Cost	Discussed under each plan

The discount rate was 3.65 percent, based on an average rating of AA/Aa as shown the Bond Buyer 20-Year Municipal GO AA index closest to but not later than the measurement date.

Mortality rates were based on the results of a statewide experience study undertaken on behalf of the Tennessee Consolidated Retirement System (TCRS). These mortality rates were used in the July 1, 2023, actuarial valuation of the TCRS.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2023, valuations were the same as those employed in the July 1, 2022, Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (TCRS). These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to reflect more closely actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-Weighted Employee mortality table for General Employees for non-disabled pre-retirement mortality, with mortality improvement projected generationally with MP-2021 from 2010. Post-retirement rates are headcount-weighted below median healthy annuitant and adjusted with a 6 percent load for males and a 14 percent load for females, projected generationally with MP-2021 from 2010. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load, projected generationally from 2018 with MP-2021.

Changes in Assumptions. The discount rate changed from 3.54 percent as of the beginning of the measurement period to 3.65 percent as of the measurement date of June 30, 2023. This change in assumption decreased the total OPEB liability. Other changes in assumptions include adjustments to initial per capita costs and health trend rates. The trend rate applicable to the 2023 plan year was revised from 8.37 percent to 10.31 percent.

Local Government OPEB Plan (Primary Government and Discretely Presented Jefferson County Nursing Home)

Plan Description. Employees of the primary government and the Jefferson County Nursing Home are provided with pre-65 retiree health insurance benefits through the Local Government Plan (LGP) administered by the Tennessee Department of Finance and Administration. All eligible pre-65 retired employees and disability participants of local governments, who choose coverage, participate in the LGP.

Benefits Provided. Jefferson County offers the LGP to provide health insurance coverage to eligible pre-65 retirees and disabled participants. With the exception of a small group of grandfathered individuals, retirees are required to discontinue coverage under the LGP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with *Tennessee Code Annotated (TCA)* 8-27-701 establishes and amends the benefit terms of the LGP. 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 LGP receive the same plan benefits as active employees, at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for the retiree premiums. The primary government and the Jefferson County Nursing Home do not provide a direct subsidy for retirees and are subject only to the implicit subsidy.

Employees Covered by Benefit Terms. At the measurement date of June 30, 2023, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	4
Inactive Employees Entitled to But Not	
Yet Receiving Benefits	0
Active Employees Eligible for Benefits	420
Total	<u><u>424</u></u>

Employees of Jefferson County primary government comprise 80.91 percent of the plan and employees of the discretely presented Jefferson County Nursing Home comprise 19.09 percent of the plan. An insurance committee, created in accordance with *TCA* 8-27-701, establishes the required payments to the LGP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2024, the county paid \$18,384 to the LGP for OPEB benefits as they came due.

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

	Primary	Jefferson County Nursing Home	Total
	80.9112%	19.0888%	
Balance July 1, 2022	\$ 496,504	\$ 130,470	\$ 626,974
Changes for the Year:			
Service Cost	\$ 44,845	\$ 10,580	\$ 55,425
Interest	19,171	4,523	23,694
Difference between Expected and Actual Experience	(37,107)	(8,755)	(45,862)
Changes in Assumption and Other Inputs	184,748	30,252	215,000
Benefit Payments	(21,366)	(5,041)	(26,407)
Net Changes	\$ 190,290	\$ 31,560	\$ 221,850
Balance June 30, 2023	\$ 686,794	\$ 162,030	\$ 848,824

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, the plan recognized OPEB expense (negative OPEB expense) of (\$32,556). As of June 30, 2024, the plan reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Primary Government

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 204,339
Changes of Assumptions	212,191	318,965
Benefits Paid After the Measurement Date of June 30, 2023	14,875	0
Total	\$ 227,066	\$ 523,304

Jefferson County Nursing Home

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 48,208
Changes of Assumptions	50,061	75,251
Benefits Paid After the Measurement Date of June 30, 2023	3,509	0
Total	<u>\$ 53,570</u>	<u>\$ 123,459</u>

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

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

Year Ending June 30	Primary Government	Jefferson County Nursing Home	Total
2025	\$ (90,356)	\$ (21,319)	\$ (111,675)
2026	(90,356)	(21,319)	(111,675)
2027	(62,883)	(14,837)	(77,720)
2028	(55,783)	(13,161)	(68,944)
2029	(22,080)	(5,209)	(27,289)
Thereafter	10,350	2,442	12,792

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

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

	<u>Discount Rate</u>		
	1%	Current	1%
	Decrease	Discount	Increase
	2.65%	Rates	4.65%
Primary Government	\$ 739,461	\$ 686,794	\$ 637,433
Jefferson County Nursing Home	174,455	162,030	150,385
Total OPEB Liability	<u>\$ 913,916</u>	<u>\$ 848,824</u>	<u>\$ 787,818</u>

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

	<u>Healthcare Cost Trend Rate</u>		
	1%	Current	1%
	Decrease	Trend	Increase
	9.31 to 3.5%	Rate	11.31 to 5.5%
Primary Government	\$ 618,155	\$ 686,794	\$ 766,602
Jefferson County Nursing Home	145,836	162,030	180,859
Total OPEB Liability	<u>\$ 763,991</u>	<u>\$ 848,824</u>	<u>\$ 947,461</u>

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

Plan Description. Employees of the Jefferson 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 Jefferson 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. Jefferson County School Department provides a direct subsidy for retirees with at least 10 consecutive years of service with Jefferson County and who also have either a minimum of 30 years of service in TCRS or are at least age 60. The subsidy ranges from \$288 to \$683 per month depending on years of service, classification, and

the coverage selected. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium.

Employees Covered by Benefit Terms. At the measurement date of June 30, 2023, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	62
Inactive Employees Entitled to But Not	
Yet Receiving Benefits	1
Active Employees Eligible for Benefits	499
Total	<u>562</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 \$684,064 to the LEP for OPEB benefits as they came due.

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

	Share of Collective Liability		Total OPEB
	Jefferson County School Department 68.8481%	State of TN 31.1519%	Liability
Balance July 1, 2022	\$ 10,989,134	\$ 4,598,909	\$ 15,588,043
Changes for the Year:			
Service Cost	\$ 428,717	\$ 193,983	\$ 622,700
Interest	382,928	173,265	556,193
Difference between			
Expected and Actuarial			
Experience	(4,114)	(1,862)	(5,976)
Changes in Assumption			
and Other Inputs	780,289	353,060	1,133,349
Change in Proportion	(257,063)	257,063	0
Benefit Payments	(693,244)	(313,674)	(1,006,918)
Net Changes	\$ 637,513	\$ 661,835	\$ 1,299,348
Balance June 30, 2023	\$ 11,626,647	\$ 5,260,744	\$ 16,887,391

The Jefferson 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 Jefferson 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 \$366,904 in revenue for subsidies provided by non-employer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Jefferson County School Department's proportionate share of the collective OPEB liability was 68.8481 percent and the State of Tennessee's share was 31.1519 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, the school department recognized OPEB expense of \$457,048, which includes expenses funded by subsidies provided by the state. As of June 30, 2024, 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	\$ 661,860	\$ 2,066,942
Changes of Assumptions	1,346,282	1,617,406
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	80,698	1,166,051
Benefits Paid After the Measurement Date of June 30, 2023	684,064	0
Total	<u>\$ 2,772,904</u>	<u>\$ 4,850,399</u>

The amount shown above for "Benefits Paid After the Measurement Date" will be recognized as a reduction to OPEB liability in the following fiscal 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>
2025	\$ (721,501)
2026	(721,501)
2027	(714,961)
2028	(531,996)
2029	(60,432)
Thereafter	(11,168)

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>		<u>Current Discount Rate</u>	
	1% Decrease		1% Increase
	2.65%	3.65%	4.65%

Proportionate Share of the				
Collective Total OPEB Liability	\$	12,442,826	\$	11,626,647
			\$	10,850,213

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>		<u>Current Rates</u>	
	1% Decrease		1% Increase
	9.31 to 3.5%	10.31 to 4.5%	11.31 to 5.5%

Proportionate Share of the				
Collective Total OPEB Liability	\$	10,524,524	\$	11,626,647
			\$	12,899,028

J. Termination Benefits

The school department offers an early retirement incentive program in accordance with contract provisions. The plan is available to employees who have earned 21 years of verified teaching experience and have a minimum of ten years employment in the Jefferson County School System. The plan gives retiring teachers who meet the above requirements \$10,000

divided into three equal payments. During the 2023-24 year, 24 employees participated in the program. The financial statements of this report reflect expenditures of \$86,120 in the General Purpose School Fund for the retirement incentive payments. A nondiscounted long-term liability of \$104,063 is reflected on the government-wide Statement of Net Position for retirement incentives. Of that amount, \$43,060 is due within one year.

K. Office of Central Accounting, Budgeting, and Purchasing

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

L. Purchasing Law

The County Financial Management System of 1981 provides for the finance director or a deputy appointed by him to serve as the county purchasing agent. The finance director serves as the purchasing agent for Jefferson County. All purchase orders are issued by the finance department. Purchases exceeding \$50,000 for the Office of County Mayor, Office of Road Superintendent and discretely presented school department are required to be competitively bid.

M. Subsequent Event

On August 31, 2024, Charles Tipton left the Office of Road Superintendent and was succeeded by Ronald Patterson.

VI. OTHER NOTES – DISCRETELY PRESENTED JEFFERSON COUNTY NURSING HOME

A. Summary of Significant Accounting Policies

Jefferson County Nursing Home dba Jefferson Park at Dandridge and Jefferson Park at White Pine is a component unit of Jefferson County, Tennessee. The nursing home provides long-term health care primarily for the citizens of the county. It is governed, operated, and controlled by a five-member board of commissioners who are appointed by the Board of County Commissioners of the county. The county is legally obligated to assume the nursing home's debt in the event of default and is legally obligated to provide financial support, making the county financially accountable for the nursing home. Therefore, the nursing home constitutes a component unit of the county for financial reporting purposes.

The construction of the 30 bed Jefferson Park at White Pine facility was completed during 2023 and received its first resident in May 2023.

1. Basis of Presentation

The nursing home utilizes the proprietary fund method of accounting whereby revenues and expenses are recognized on the accrual basis, which is an economic resources measurement focus approach to accounting. The Governmental Accounting Standards Board *Accounting Standards Codification* is the sole source of authoritative accounting technical literature for governmental entities in the United

States of America.

2. Inventories

Inventories are stated at the lower of cost, determined on the first-in, first-out (FIFO) basis, or market (net realizable value).

3. Cash, Cash Equivalents, and Investments

For the purpose of the Statement of Cash Flows, cash and cash equivalents are defined as cash on hand or in banks and investments with original maturities at the date of purchase of less than three months, excluding restricted assets.

Restricted cash is held in a bank account held by the county for the benefit of the nursing home.

The nursing home's policies limit deposits and investments to those instruments allowed by applicable state laws. The deposits must be collateralized by federal depository insurance of the Tennessee Bank Collateral Pool, by collateral held by the nursing home's agent in the nursing home's name or by the federal reserve banks acting as third-party agents. State statutes authorize the nursing home to invest in bonds, notes, or treasury bills of the United States government or any of its agencies; deposit accounts at state and federal chartered banks and savings and loan associations; repurchase agreements utilizing obligations of the United States or its agencies as the underlying securities; and the State Treasurer's Investment Pool. Statutes also require that securities underlying repurchase agreements must have a market value of at least equal to the amount of funds invested in the repurchase transaction.

All of the nursing home's cash and cash equivalents and certificates of deposit are insured or collateralized by the Tennessee Bank Collateral Pool or collateralized by securities held by the financial institutions' trust department in the nursing home's name.

4. Patient Account Receivable

Patient accounts receivable consists primarily of amounts due from third-party payors and residents. In evaluating the collectability of patient accounts receivable, the nursing home considers a number of factors, including age of the accounts, changes in collection patterns, the composition of the resident accounts by payor type, the status of ongoing disputes with third-party payors, and general industry conditions. Actual collections of patient accounts receivable in subsequent periods may require changes in previously recorded estimates. Changes in these estimates are charged or credited to the results of operations in the period of change.

5. Estimated Third-Party Payor Settlements

Estimated third-party payor settlements represents the excess or deficit of advances received from Medicare for bad debts on the patient responsibility portion of Medicare covered resident services over the actual related bad debts incurred to date.

6. Fair Value Measurements

Fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, fair value accounting standards establish a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity including quoted market prices in active markets for identical assets (Level 1), or significant other observable inputs (Level 2) and the reporting entity's own assumptions about market participant assumptions (Level 3). The nursing home has certificates of deposit totaling \$206,622, and net pension asset of \$203,366, as of June 30, 2024, which would be classified as Level 2 under the hierarchy above. The nursing home did not have any fair value measurements using significant unobservable inputs (Level 3) as of June 30, 2024. See note VI.H for additional specific fair value disclosures related to the Stabilization Reserve Trust.

Financial Assets

Excluding the amounts held in the stabilization reserve trust, the carrying amount of financial assets, consisting of cash and cash equivalents, certificates of deposit, patient accounts receivable, prepaid expenses, accounts payable, accrued expenses and current portion due to primary government approximate their fair value due to their relatively short maturities. Non-current due to primary government is carried at amortized cost, which approximates fair value.

Nonfinancial Assets

The nursing home's nonfinancial assets, which include property and equipment, are not required to be measured at fair value on a recurring basis. However, if certain triggering events occur, or if an annual impairment test is required and the nursing home is required to evaluate the nonfinancial instrument for impairment, a resulting asset impairment would require that the nonfinancial asset be recorded at the fair value. During the year ended June 30, 2024, the nursing home did not measure any nonfinancial assets at fair value or recognize any amounts in the Statements of Activities related to changes in fair value for nonfinancial assets.

7. Property and Equipment

Property and equipment acquisitions are recorded at cost. The nursing home generally capitalizes purchases that cost a minimum of \$5,000 and have a useful life greater than two years. Assets are depreciated on a straight-line basis over their estimated useful lives as follows: land improvements 10-12 years, buildings and improvements 10-40 years, equipment 4-20 years, and transportation equipment 5-7 years.

8. Patient Service Revenue

The nursing home has agreements with third-party payors that provide for payments to the nursing home at amounts different from its established rates. Payment arrangements include prospectively determined per-diem rates per day and discounted charges. Net patient service revenue is reported at the estimated net realizable

amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. Patient service revenue is net of contractual adjustments of approximately \$28,000 and net of estimated uncollectible amount of \$105,322 for the year ended June 30, 2024.

9. Operating Activities

The nursing home defines operating activities as reported on the Statement of Revenues, Expenses, and Changes in Net Position as those that generally result from exchange transactions, such as payments for providing services and payments for goods and services received. Non-exchange transactions, including investment income and interest expense, are considered nonoperating revenue and expenses.

10. Pension Plan

For purposes of measuring the stabilization reserve trust, net pension asset, deferred outflows of resources and deferred inflows of resources related to the pension, and pension expense, information about the fiduciary net position of the nursing home's participation in the Stabilization Reserve Trust, the Public Employee Retirement Plan and the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from the nursing home's fiduciary net position have been determined on the same basis as they are reported by the TCRS for the Stabilization Reserve Trust, the Public Employee Retirement Plan and 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 Stabilization Reserve Trust, the Public Employee Retirement Plan, and the Public Employee Retirement Plan of the TCRS. Investments are reported at fair value. See Note VI.H. for further information related to the stabilization reserve trust.

11. Other Postemployment Benefit Plan

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

12. 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 nursing home has items that qualify for reporting in this category. They are for pension changes in experience, assumptions,

and investment earnings, pension contributions after the measurement date, and OPEB contributions after the measurement date and OPEB changes in assumptions.

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 future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The nursing home has items that qualify for reporting in this category. They are for pension changes in experience and OPEB changes in experience and assumptions.

13. **Compensated Absences**

The nursing home provides its full-time employees with paid days off for holiday, vacation, sick, and bereavement absences. The vacation paid days off begin accruing after one year of service and are based on the table which follows. Such days may be taken only after the employee has earned them. Prior to January 1, 2018, there was no limit on the amount of earned days which may be carried forward if not taken in the year earned; however, effective January 1, 2018, all earned days must be taken annually, except that an employee may carry forward up to the number of days earned annually, based on years of service. Such liabilities have been accrued in the accompanying Statements of Net Position.

<u>Years of Service</u>	<u>Days Earned Per Year</u>
1 - 9	10
10 - 19	15
20 or more	20

14. **Risk Management**

The nursing home is exposed to various risks of loss from medical malpractice; torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; and natural disasters. Commercial insurance is purchased for claims arising from such matters.

15. **Net Position**

The nursing home's net position is classified in three components. The net investment in capital assets consists of capital assets net of accumulated depreciation and reduced by the remaining borrowings used to finance the purchase or construction of those assets. The restricted net position is the noncapital net position that must be used for a particular purpose, as specified by creditors, grantors, or contributors external to the nursing home. The unrestricted net position is the remaining net position that does not meet the definition of net investment in capital assets or restricted. The nursing home first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. As of June 30, 2024, the nursing home had restricted component of net position of \$203,366, relating to the net position asset as well as restricted component of net

position designated for employee scholarship as discussed in Note VI.C and restricted component of net position related to the stabilization reserve trust as discussed in Note VI.H.

16. Income Taxes

The nursing home as a political subdivision of the county is exempt from federal income taxes pursuant to Section 115 of the Internal Revenue Code.

17. Long-lived Assets

If certain triggering events occur as described in Note VI.A.6., management evaluates the recoverability of its investment in long-lived assets and recognizes any impairment in the year of determination. It is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

18. Subscription-based assets and obligations

The nursing home enters into subscription-based technology arrangements to access software and technology services over defined service periods. These arrangements involve payments made to vendors for access to software applications, and cloud computing services, and other technology resources.

The nursing home may recognize an intangible asset and a corresponding subscription-based obligation when a subscription-based technology arrangement meets the criteria for a right-of-use subscription-based asset and such amounts material. Initial measurement includes the upfront payments, implementation costs, and any directly attributable costs necessary to make the asset ready for use. The intangible asset would be amortized over the noncancellable period of the subscription term, which includes renewal periods that are reasonably certain to be exercised and is considered in the subscription-based obligation.

The nursing home monitors for events or changes in circumstances that require a reassessment of its subscription-based technology arrangements. When a reassessment results in the remeasurement of a subscription-based obligation, a corresponding adjustment is made to the carrying amount of the corresponding right of use subscription-based asset.

Management determined that the impact of subscription-based technology arrangements was not significant and accordingly, no right-of-use subscription-based assets or corresponding liabilities were recorded as of June 30, 2024.

19. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

20. Performance Indicator

Excess of revenue over expenses reflected in the accompanying Statement of Revenues, Expenses, and Changes in Net Position is a performance indicator.

B. COVID-19 Pandemic

As part of the Coronavirus Aid, Relief and Economic Security Act (the “CARES Act”) the U.S. government announced it would offer relief funding to eligible healthcare providers. The nursing home received \$137,956 of TennCare funding during 2024, which is included in patient service revenue. The additional funding originated with the federal Family First Coronavirus Response Act which provides a 6.2% increase in the regular Medicaid Federal Medical Assistance Percentage (“FMAP”) that the federal government provides to each state as part of funding the Medicaid program. The State of Tennessee in turn passed through increased funding to providers. The federal funding increase to the states began effective January 1, 2020, and has been phased out as of June 30, 2024.

The nursing home received a grant during the year ended June 30, 2024, in the amount of \$200,559 for additional staffing resource costs that were incurred during 2021 as a result of COVID-19.

C. Restricted Assets

Cash in the employee scholarship fund is available to provide scholarships to qualifying employees. Certain donations received are designated to be used for higher education of employees. Deposits to the fund come from private donations and monthly interest earned. The only withdrawals made are to award scholarships to qualifying employees. Scholarships awarded are subject to board approval. There were no scholarships awarded during the year ended June 30, 2024.

During December 2020, Jefferson County issued \$7,750,000 in general obligation bonds to fund the construction of a thirty-bed facility in White Pine, Tennessee as described in Note VI.G. The face amount of the bonds net of issuance costs (\$7,602,774) were deposited into an account held in trust by county. Additionally, the premium received on bond issuances totaling \$1,102,340 is also held in trust by the county for the White Pine project.

During February 2022, Jefferson County issued an additional \$2,000,000 in general obligation bonds to further fund construction of the White Pine project. The face amount of the bonds net of issuance costs (\$1,904,080) were deposited into an account held in trust by the county. As construction progresses, draws are requested and the county finance officer forwards the funds to either the nursing home or directly to the vendor, as applicable. Additionally, the premium received on this bond issuance totaling \$105,407 is also held in trust by the county for the White Pine project. Total expenditures made out of the account held in trust by the county totaled \$87,972 during 2024. As of June 30, 2024, all funds held by the county for the White Pine project had been disbursed.

Investments held in the stabilization reserve trust will be utilized for employees benefits to be paid in the future. The stabilization reserve trust is a separate legal trust outside the nursing home’s control which is more fully described in Note VI.H.

D. Third-party Reimbursement Programs

The nursing home receives revenue under various third-party reimbursement programs, which include Medicare, Medicaid, and other third-party payors. Contractual adjustments under third-party reimbursement programs represent the difference between the nursing home's billings at its established rates and the amounts reimbursed by third-party payors. They also include any differences between estimated third-party reimbursement settlements for prior years and subsequent tentative or final settlements. There were no adjustments to revenue resulting from tentative or final settlements to estimated reimbursement amounts for the year ended June 30, 2024.

1. Medicare

Medicare rates determined by the federal government for skilled nursing care are based on a Patient-Driven Payment Model ("PDPM"). The PDPM focuses on the unique, individual needs, characteristics, and goals of each patient. Each patient is classified into a group based on criteria for each of five case-mix adjusted components (1) physical therapy (2) occupational therapy (3) speech language pathology (4) nursing care (5) non-therapy ancillary.

The patient is often responsible for a portion of the fee. For the patient portion of fees not collected after normal collection efforts with the filing of an annual cost report, the nursing home was reimbursed 65 percent for such uncollected fees.

2. Medicaid/TennCare

The Medicaid/TennCare program reimbursed the nursing home at a single prospective rate (per diem) for both skilled nursing and routine nursing care services rendered to Medicaid/TennCare beneficiaries. The single prospective rate considers the facility specific direct costs, fair rental value of the physical assets, quality, and case mix.

3. Medicare Advantage - Commercial Payors

The nursing home has entered into payment agreements with certain Medicare Advantage Part C commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the nursing home under these agreements includes contractually determined rates per day and discounts from established rates.

4. Credit Concentrations

The nursing home grants credit to patients and generally does not require collateral or other security in extending credit; however, it routinely obtains assignment of (or is otherwise entitled to receive) patients' benefits payable under their health insurance programs, plans or policies. At June 30, 2024, the nursing home had net receivables from the federal government (Medicare Part A and B) of approximately \$733,000 and from Medicaid of approximately \$1,137,000. Medicare Part A comprised nine percent of patient service revenue (excluding Provider Relief Funds) for the year ended June 30, 2024. Medicaid comprised 53 percent of patient service revenue (excluding Provider Relief Funds) for the year ended June 30, 2024. Medicare Advantage Part C

comprised 13 percent of patient service revenue (excluding Provider Relief Funds) for the year ended June 30, 2024.

E. Inventories

A summary of inventories as of June 30, 2024, was as follows:

Food	\$ 8,181
Medical Supplies	13,168
Housekeeping Supplies	4,058
Maintenance Supplies	<u>9,696</u>
Total	<u><u>\$ 35,103</u></u>

F. Property and Equipment

The net investment in capital assets as of June 30, 2024, is as follows:

Property and Equipment, Net	\$ 16,826,659
Current portion of Due to Primary Government	(560,000)
Due to Primary Government, Excluding Current Portion	<u>(13,465,000)</u>
Total	<u><u>\$ 2,801,659</u></u>

The major classifications and changes in property and equipment as of and for the year ended June 30, 2024, are as follows:

	Balance 7-1-23	Additions/ Transfers	Balance 6-30-24
Land	\$ 303,801	\$ 0	\$ 303,801
Land Improvements	828,385	0	828,385
Building and Improvements	20,330,351	0	20,330,351
Machinery and Equipment	2,442,174	42,136	2,484,310
Transportation Equipment	197,538	53,218	250,756
Construction in Progress	0	211,361	211,361
Total	<u>\$ 24,102,249</u>	<u>\$ 306,715</u>	<u>\$ 24,408,964</u>
Less Allowance for Depreciation and Amortization:			
Land Improvements	\$ (221,152)	\$ (39,105)	\$ (260,257)
Buildings and Improvements	(5,000,779)	(590,153)	(5,590,932)
Machinery and Equipment	(1,519,880)	(122,271)	(1,642,151)
Transportation Equipment	(68,167)	(20,798)	(88,965)
Total	<u>\$ (6,809,978)</u>	<u>\$ (772,327)</u>	<u>\$ (7,582,305)</u>
Total	<u>\$ 17,292,271</u>	<u>\$ (465,612)</u>	<u>\$ 16,826,659</u>

G. Due to Primary Government

A schedule of changes in the nursing home's long-term debt to the government of Jefferson County, Tennessee, related to bond issues as of and for the year ended June 30, 2024, is as follows:

	Balance 7-1-23	Reductions	Balance 6-30-24	Amounts Due Within One Year
General Obligation Bonds - 2020B	\$ 7,650,000	\$ (190,000)	\$ 7,460,000	\$ 195,000
General Obligation Refunding Bonds - 2021B	4,925,000	(310,000)	4,615,000	315,000
General Obligation Refunding Bonds - 2022	2,000,000	(50,000)	1,950,000	50,000
Total	<u>\$ 14,575,000</u>	<u>\$ (550,000)</u>	<u>\$ 14,025,000</u>	<u>\$ 560,000</u>

Jefferson County, Tennessee, issued \$7,750,000 General Obligation Bonds, Series 2020B dated December 15, 2020, to be used to fund the construction of a thirty-bed facility in White Pine, Tennessee. The Series 2020B are direct general obligations of Jefferson County, Tennessee, payable from ad valorem taxes levied upon all taxable property within Jefferson County without limitation as to rate or amount. The full faith and credit of Jefferson County, Tennessee is irrevocable pledged to pay principal, redemption premiums, if any, and interest on the bonds. However, because the debt was incurred specifically for the nursing home's use

and the nursing home has a legal obligation to repay the debt in full to the county, the bond transactions will be reported on the nursing home's financial statements as obligations to the county. The proceeds are being held in trust by Jefferson County and are used to fund construction costs on the White Pine project.

The Series 2020B coupon rate is set at three percent with interest payable in semi-annual payments on June 1 and December 1 and annual principal installments ranging from \$100,000 to \$405,000 each June 1, beginning June 1, 2023. The final principal installment is due June 1, 2050.

Jefferson County, Tennessee issued \$5,535,000 General Obligation Refunding Bonds, Series 2021B dated June 25, 2021, to be used to call the remaining outstanding balances of the 2014 Series and 2016 Series bond obligations. The Series 2021B are direct general obligations of Jefferson County, Tennessee, payable from ad valorem taxes levied upon all taxable property within Jefferson County without limitation as to rate or amount. The full faith and credit of Jefferson County, Tennessee, is irrevocable pledged to pay principal, redemption premiums, if any, and interest on the bonds. However, because the debt was incurred specifically for the nursing home's use and the nursing home has a legal obligation to repay the debt in full to the county, the bond transactions will be reported on the nursing home's financial statements as obligations to the county.

The Series 2021B coupon rate range is set at two percent with interest payable in semi-annual payments on June 30 and December 1 and annual principal installments ranging from \$305,000 to \$395,000 each June 1. The final principal installment is due June 1, 2037.

Jefferson County, Tennessee, issued \$2,000,000 General Obligation Bonds, Series 2022 ("Series 2022"), dated February 25, 2022, to be used to further fund the construction of the White Pine project. The Series 2022 are direct general obligations of Jefferson County, Tennessee payable from ad valorem taxes levied upon all taxable property within Jefferson County without limitation as to rate or amount. The full faith and credit of Jefferson County, Tennessee, is irrevocable pledged to pay principal, redemption premiums, if any, and interest on the bonds. However, because the debt was incurred specifically for the nursing home's use and the nursing home has a legal obligation to repay the debt in full to the county, the bond transactions are reported on the nursing home's financial statements as obligations to the county. The proceeds are being held in trust by Jefferson County and are used to fund construction costs on the White Pine project.

The Series 2022 coupon rate is set at three percent with interest payable in semi-annual payments on June 1 and December 1 and annual principal installments ranging from \$50,000 to \$105,000 each June 1, beginning June 1, 2024. The final principal installment is due June 1, 2050.

A summary of future maturities and interest of long-term debt due to the county related to Series 2020B, 2021B, and Series 2022 bond obligations as of June 30, 2024, is as follows:

Fiscal Year	Series	Series	Series		
Ending	2020B	2021B	2022	Estimated	Total
June 30	Principal	Principal	Principal	Interest	Payments
2025	\$ 195,000	\$ 315,000	\$ 50,000	\$ 367,975	\$ 927,975
2026	200,000	320,000	55,000	354,325	929,325
2027	205,000	330,000	55,000	340,275	930,275
2028	210,000	335,000	55,000	325,875	925,875
2029	220,000	340,000	60,000	311,225	931,225
2030-2034	1,190,000	1,815,000	315,000	1,322,775	4,642,775
2035-2039	1,380,000	1,160,000	360,000	929,163	3,829,163
2040-2044	1,600,000	0	420,000	611,550	2,631,550
2045-2049	1,855,000	0	475,000	290,400	2,620,400
2050-2052	405,000	0	105,000	15,300	525,300
Total	\$ 7,460,000	\$ 4,615,000	\$ 1,950,000	\$ 4,868,863	\$ 18,893,863

H. Pension Plans

1. Public Employee Retirement Plan

General information about the pension plan

Plan Description. Employees of the nursing home, as a component unit of Jefferson County, with membership in the TCRS after July 1, 2016, are provided with a pension through a legally separate plan, referred to as the Public Employee Retirement Plan (the "Hybrid Plan"), an agent 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 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. Tennessee Code Annotated Title 8, Chapters 34-37, establishes 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 65 with 5 years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Members of the hybrid plan's 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 at age 60 and vested or pursuant to the rule of 80 in which the member's age and service credit total 80. Members of the hybrid plan 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 by 10 percent and include projected service credits. A variety of death benefits are 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. Moreover, there are defined cost controls and unfunded liability controls for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for employees 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 by law. Employees in the hybrid plan contribute five percent of their salary. In addition, the component units of Jefferson County make employer contributions at the contribution rate set by the Board of Trustees as determined by actuarial valuation. Per the statutory provisions governing the TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, as established by the TCRS Board of Trustees, is reached. For the year ended June 30, 2024, employer contributions by the nursing home for the hybrid plan were \$79,195 and contributions to the stabilization reserve trust of \$43,114 based on a rate of 1.1 percent of covered payroll. An additional 2.9 percent of covered payroll is submitted to the stabilization reserve trust discussed later in this note. By law, employer contributions are required to be paid. The TCRS may intercept Jefferson County's state shared taxes if required employer contributions are not remitted. 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.

In addition, the nursing home is required to contribute five percent of covered payroll to the defined contribution portion of the hybrid plan to an individual employee account held by TCRS. Benefit terms, including contribution requirements, are established and may be amended by TCRS. Employees are enrolled upon eligibility to make a two percent contribution to the defined contribution portion of the hybrid plan. Employees are permitted to make changes to the defined contribution portion of the hybrid plan by filing a form with TCRS and are permitted to make contributions up to applicable Internal Revenue Code limits. For the year ended June 30, 2024, employee contributions totaled approximately \$151,000. Employees are immediately vested in their own contributions and earnings on those contributions.

Pension liabilities (assets), pension expense, and deferred outflows of resources and deferred inflows of resources to pensions

Pension liabilities. As of June 30, 2024, the hybrid plan reported a net pension asset of \$12,438 for its proportionate share of the net pension asset. The net pension assets were measured as of June 30, 2023, and the total pension liability used to calculate the net pension assets was determined by an actuarial valuation as of the measurement dates. As of June 30, 2024, the nursing home's proportion of the net pension asset in

the hybrid plan was based on the nursing home's active participants as of June 30, 2022, relative to the active participants of all component units of Jefferson County as of June 30, 2023. On the June 30, 2023, measurement date, the nursing home's proportion in the hybrid plan was 18.85 percent.

Actuarial Assumptions. The total hybrid plan pension asset as of the June 30, 2023, 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, 2023, actuarial valuation were based on the results of an actuarial experience study performed for the period of 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 weighting the expected future real rate of return by the target asset allocation percentage and by adding inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target 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		<u>100 %</u>

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

Discount rate. The discount rate that was used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from all component units of Jefferson County will be made at the actuarially determined contribution rate pursuant to the actuarial valuation 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 Nursing Home's Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the nursing home's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75 percent, as well as what the nursing home's proportionate share of the net position liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (5.75%) or one-percentage-point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Nursing Home's Proportionate Share of the Net Position			
Liability (Asset)	\$ 142,031	\$ (12,438)	\$ (128,398)

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

Pension expense. For the year ended June 30, 2024, the nursing home recognized pension expense of \$79,290 related to the hybrid plan.

Deferred outflows of resources and deferred inflows of resources. For the year ended June 30, 2024, the nursing home reported deferred outflows of resources related to the hybrid plan pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 67,892	\$ 21
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	8,874	0
Changes in Assumptions	12,920	0
Nursing Home's Contributions Subsequent to the Measurement Date of June 30, 2023 (1)	79,195	0
Total	\$ 168,881	\$ 21

(1) The amount shown above for "Contributions Subsequent to the Measurement Date of June 30, 2023," will be recognized as a reduction (increase) to net pension liability (asset) in the subsequent fiscal period.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the hybrid plan will be recognized in pension expense as follows:

Year Ending June 30	Amount
2025	\$ 16,533
2026	15,780
2027	25,219
2028	14,358
2029	10,658
Thereafter	7,117

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

Payable to the Hybrid Plan

The nursing home reported a payable of \$20,181 for the outstanding amount of contributions to the hybrid plan required at the year ended June 30, 2024.

2. Public Employee Legacy Pension Plan

General information about the pension plan

Plan Description. Employees of the nursing home with membership in the TCRS before July 1, 2016, were provided a defined benefit pension plan ("Legacy Plan"), an agent multiple-employer pension plan administered by the TCRS. The legacy plan closed to new membership on June 30, 2016, but will continue to provide benefits to existing members and retirees. The TCRS was created by state statute under 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. Tennessee Code Annotated (TCA) Title 8, Chapters 34-37, establishes 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 at age 55 and vested. 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 are available under various eligibility criteria.

Member and beneficiary annuitants are entitled to automatic 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 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.

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees covered under the Legacy Plan do not make contributions to their account; instead, the component units of Jefferson County make employer contributions at the contribution rate set by the Board of Trustees as determined by actuarial valuation. For the year ended June 30, 2024, employer contributions for the nursing home related to the legacy plan were \$298,773 based on a rate of ten percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Jefferson County's state shared taxes if required employer contributions are not remitted. The employer's actuarially defined contribution 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 Asset

As of June 30, 2024, the nursing home reported an asset of \$190,928 for its proportionate share of the net pension asset. The net pension assets were measured as of June 30, 2023, and the total pension liability used to calculate the net pension assets was determined by an actuarial valuation as of the measurement date. As of June 30, 2024, the nursing home's proportion of the net pension asset in the legacy plan was based on the nursing home's active participants as of June 30, 2023, relative to the active participants of all component units of Jefferson County as of June 30, 2023. At the June 30, 2023, measurement date, the nursing home's proportion in the legacy plan was 18.72 percent.

Actuarial Assumptions

The total legacy plan pension asset as of the June 30, 2023, 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, 2023, actuarial valuation were based on the results of an actuarial experience study performed for the period of 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 weighting the expected future real rate of return by the target asset allocation percentage and by adding inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target 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		<u>100 %</u>

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

Discount Rate. The discount rate that was used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from all component units of Jefferson County will be made at the actuarially determined contribution rate pursuant to the actuarial valuation accordance with the pension 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 and to cover administrative expenses. 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 Nursing Home's Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the nursing home's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75 percent, as well as what the nursing home's proportionate share of the net position liability (asset) would be if it was calculated using a discount rate that is one-percentage-point lower (5.75%) or one-percentage-point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Nursing Home's Proportionate Share of the Net Position Liability (Asset)	\$ 2,536,193	\$ (190,928)	\$ (2,445,031)

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

Pension Expense (Negative Pension Expense). For the year ended June 30, 2024, the nursing home recognized negative pension expense of \$828,292.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, the nursing home reported deferred outflows of resources and deferred inflows of resources related to the legacy plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 356,493	\$ 35,327
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	145,701	0
Changes in assumptions	365,293	0
Nursing Home's Contributions Subsequent to the Measurement Date of June 30, 2023 (1)	298,773	0
Total	\$ 1,166,260	\$ 35,327

- (1) The amount shown above for "Contributions Subsequent to the Measurement Date of June 30, 2023," will be recognized as a reduction (increase) to net pension liability (asset) in the subsequent fiscal period.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the legacy plan will be recognized in pension expense as follows:

Year Ending June 30	Amount
2025	\$ 364,773
2026	(40,722)
2027	507,009
2028	1,100

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

Payable to the Legacy Plan

The nursing home reported a payable of \$34,078 for the outstanding amount of contributions to the legacy plan required at the year ended June 30, 2024.

TCRS Stabilization Trust

Legal Provisions. The nursing home is a member of the TCRS Stabilization Trust. The nursing home has placed funds into the irrevocable trust as authorized by statute under 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 nursing home.

The trust is authorized to make investments as directed by the TCRS Board of Trustees. The nursing home may not impose any restrictions on investments placed by the trust on their behalf.

Investment Balances. Assets of the TCRS, including the Stabilization Reserve Trust, are invested in the Tennessee Retiree Group Trust (TRGT). The TRGT is not registered with the Securities and Exchange Commission (SEC) as an investment company. The State of Tennessee has not obtained a credit quality rating for the TRGT from a nationally recognized credit ratings agency. The fair value of investment positions in the TRGT is determined daily based on the fair value of the pool's underlying portfolio. Furthermore, TCRS had not obtained or provided any legally binding guarantees to support the value of participant shares during the fiscal year. There are no restrictions on the sale or redemption of shares.

Investments in the Stabilization Reserve Trust are reported at fair value or amortized cost, which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income consists of realized and unrealized appreciation (depreciation) in the fair value. Securities and securities transactions are recorded in the financial statements on a trade-date basis. The fair value of assets of the TRGT held on June 30, 2024, represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Assets held are categorized for fair value measurement within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

- Level 1 - Unadjusted quoted prices for identical assets or liabilities in active markets that can be accessed at the measurement date.
- Level 2 - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; assets or liabilities that have a bid-ask spread price in an inactive dealer market, brokered market and principal-to-principal market; and Level 1 assets or liabilities that are adjusted.
- Level 3 - Valuations derived from valuation techniques in which significant inputs are unobservable.

Investments using the Net Asset Value ("NAV") per share have no readily determinable fair value and have been determined using amortized cost, which approximates fair value.

Where inputs used in the measurement of fair value fall into different levels of the hierarchy, fair value of the instrument in its entirety is categorized based on the lowest level input that is significant to the valuation. This assessment requires professional judgement and as such management of the TRGT developed a fair value committee that worked in conjunction with the plan's custodian and investment professionals to make these valuations. All assets held were valued individually and aggregated into classes to be represented in the table below.

Short-term securities generally include investments in money market-type securities reported at cost plus accrued interest.

Equity and equity derivative securities classified in Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Equity and equity derivative securities classified in Level 2 are securities whose values are derived daily from associated traded securities. Equity securities classified in Level 3 are valued with last trade data having limited trading volume.

U.S. Treasury Bills, Bonds, Notes and Futures classified in Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Debt and debt derivative securities classified in Level 2 are valued using a bid-ask spread price from multiple independent brokers, dealers, or market principals, which are known to be actively involved in the market. Level 3 debt securities are valued using proprietary information, a single pricing source, or other unobservable inputs related to similar assets or liabilities.

Real estate investments classified in Level 3 are valued using the last valuations provided by external investment advisors or independent external appraisers. Generally, all direct real estate investments are appraised by a qualified independent appraiser(s) with the professional designation of Member of the Appraisal Institute (“MAI”), or its equivalent, every three (3) years beginning from the acquisition date of the property. The appraisals are performed using generally accepted valuation approaches applicable to the property type.

Investments in private mutual funds, traditional private equity funds, strategic lending funds and real estate funds that report using GAAP, the fair value, as well as the unfunded commitments, were determined using the prior quarter’s NAV, as reported by the fund managers, plus the current cash flows. These assets were then categorized by investment strategy. In instances where the fund investment reported using non-GAAP standards, the investment was valued using the same method but was classified in Level 3.

On June 30, 2024, the nursing home had the following investments held by the trust on its behalf.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 103,237
Developed Market International Equity	N/A	N/A	46,623
Emerging Market International Equity	N/A	N/A	13,321
U.S. Fixed Income	N/A	N/A	66,604
Real Estate	N/A	N/A	66,604
Short-term Securities	N/A	N/A	33,302
NAV - Private Equity and Strategic Lending	N/A	N/A	3,331
Total			<u>\$ 333,022</u>

The following table summarizes the fair value disclosures and measurements for the nursing home's investments held by the TRGT on its behalf on June 30, 2024.

	June 30, 2024, using the following inputs				
	(Level 1)	(Level 2)	(Level 3)*	NAV	Total
U.S. Equity	\$ 103,237	\$ 0	\$ 0	\$ 0	\$ 103,237
Developed Market					
International Equity	46,623	0	0	0	46,623
Emerging Market					
International Equity	13,321	0	0	0	13,321
U.S. Fixed Income	0	66,604	0	0	66,604
Real Estate	0	0	66,604	0	66,604
Short-term Securities	0	33,302	0	0	33,302
NAV - Private Equity and Strategic Lending	0	0	0	3,331	3,331
Total Assets in the fair value hierarchy	\$ 163,181	\$ 99,906	\$ 66,604	\$ 3,331	\$ 333,022

* Due to the small amount of the Level 3 investments held in the Stabilization Reserve Trust and the fact that the nursing home may not impose restrictions or influence on the types of investment held in the trust and the fact the trust financial statements are publicly available, the nursing home has not presented a rollforward of Level 3 investments in these financial statements.

Risks and Uncertainties. The trust's investments include various types of investment funds, which in turn invest in any combination of stock, bonds and other investments exposed to various risks, such as interest rate, credit, and market risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported for trust investments.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The nursing home does not have the ability to limit trust investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The nursing home does not have the ability to limit the credit ratings of individual investments made by the trust.

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. The nursing home places no limit on the amount invested in one issuer.

Custodial Credit Risk. Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the county will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Pursuant to the trust agreement, investments are held in the name of the trust for the benefit of the nursing home to pay retirement benefits of employees.

For further information concerning the nursing home's investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

I. Other Postemployment Benefits

The nursing home provides OPEB benefits to their retirees through state administered public entity risk pools. For reporting purposes, the plans are considered single employer defined benefit OPEB plans based on criteria in Statement No. 75 of the Governmental Accounting Standards Board ("GASB"). The plans are funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

OPEB Provided through State Administered Public Entity Risk Pools

General retirees of the nursing home are provided healthcare under the Local Government Plan ("LGP") until they reach Medicare eligibility.

The nursing home's OPEB liability was measured as of June 30, 2023, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2023, 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	Graded salary increases from 3.44 to 8.72 cased on age, including inflation averaging 4%
Discount Rate	3.65%
Healthcare Cost Trend Rates	10.31 percent for pre-65 in 2023, decreasing annually over a 8 year period to an in the 2023 calendar year, and decreasing annually over a 11 year period to an ultimate rate of 4.5%. 12.44 percent for post-65 in the 2023 calendar year, and decreasing annually over a 11 year period to an ultimate rate of 4.5%
Retirees Share of Benefit Related Cost	Members are required to make monthly contributions in order to maintain their coverage. For the purposes of this valuation, a weighted average has been used with weights derived from the current distribution of members among plans offered.

The discount rate used to measure the total OPEB liability was 3.65 percent. This rate reflects the interest rate derived from yields on 20-year, tax-exempt general obligation municipal bonds, prevailing on the measurement date, with an average rating of AA/Aa as shown on the Bond Buyer 20-Year Municipal GO AA index.

Mortality rates were based on the results of a statewide experience study undertaken on behalf of the TCRS. These mortality rates were used in the July 1, 2022, actuarial valuation of the TCRS.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2023, valuations were the same as those employed in the July 1, 2022, Pension Actuarial Valuation of the TCRS. These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to reflect more closely actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-Weighted Employee mortality table for non-disabled post-retirement mortality, with mortality improvement projected generationally with MP-2020 from 2010. Post-retirement tables are Headcount-Weighted Below Median Healthy Annuitant and adjusted with a 6% load for males and a 14% 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-2021.

Changes in assumptions. The discount rate was changed from 3.54 percent as of the beginning of the measurement period to 3.65 percent as of June 30, 2023. This change in assumption increased the total OPEB liability. While other changes in assumptions include adjustments to initial per capita costs and health trend rates increased the total OPEB liability.

Plan Description. Employees of the nursing home are provided with pre-65 retiree health insurance benefits through the LGP administered by the Tennessee Department of Finance and Administration. All eligible pre-65 retired employees and disability participants of local governments, who chose coverage, participate in the LGP.

Benefits Provided. The nursing home offers the LGP to provide health insurance coverage to eligible pre-65 retirees and disabled participants. With the exception of a small group of grandfathered individuals, retirees are required to discontinue coverage under the LGP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with *TCA 8-27-701* establishes and amends the benefit terms of the LGP. 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 LGP receive the same plan benefits as active employees, at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for the retiree premiums. The nursing home does not provide a direct subsidy for retirees and are subject only to the implicit subsidy.

Employees Covered by Benefit Terms. Employees of the nursing home comprise 19.09 percent of the plan and Jefferson County government employees comprise the remaining percentage. An insurance committee, created in accordance with *TCA 8-27-701*, establishes the required payments of the LGP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2024, the nursing home paid \$5,041 to the LGP for OPEB benefits as they came due.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, the nursing home recognized negative OPEB expense of (\$31,506). On June 30, 2024, the nursing home reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 0	\$ 48,208
Changes in assumptions	50,061	75,251
Nursing home's Contributions Subsequent to the Measurement Date of June 30, 2023 (1)	3,509	0
Total	\$ 53,570	\$ 123,459

- (1) The amounts shown above for "benefits paid subsequent to the measurement date of June 30, 2023" will be recognized as a reduction (increase) to OPEB liability (asset) in the subsequent fiscal period.

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

Year Ending June 30	Amount
2025	\$ (21,317)
2026	(21,317)
2027	(14,836)
2028	(13,161)
2029	(5,209)
Thereafter	2,442

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

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the nursing home's proportionate share of the OPEB liability of the plan calculated using the current discount rate of 3.65 percent, as well as what the nursing home's proportionate share of the OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (2.65 percent) or one percentage point higher (4.65 percent) than the current rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Nursing Home's Proportionate Share of the OPEB Liability	\$ 174,456	\$ 162,030	\$ 150,385

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the nursing home's proportionate share of the OPEB liability of the plan calculated using the current healthcare cost trend rate 10.31 percent up to 12.44 percent, as well as what the nursing home's proportionate share of the OPEB liability would be if it was calculated using a trend rate that is one percentage point lower (9.31 percent up to 11.44 percent) or one percentage point higher (11.31 percent up to 13.44 percent) than the current rate:

	1% Decrease 9.31 to 11.44%	Curent Rate 10.31 to 12.44%	1% Increase 11.31 to 13.44%
Proportionate Share of the Collective Total OPEB Liability	\$ 145,837	\$ 162,030	\$ 180,859

J. Commitments and Contingencies

The nursing home has elected the accounting policy to not recognize lease assets and lease liabilities for leases with an initial term of 12 months or less. In thoroughly reviewing the lease commitments of the nursing home, it was determined that when calculating the present value of future cash inflows and outflows from leases, the overall impact to the financial statements was immaterial.

The nursing home leases various equipment under short-term operating lease agreements. Rent expense totaled \$5,860 in 2024.

Gain Contingency

The CARES Act and subsequent COVID-19 related legislation created the Employee Retention Credit ("ERC") program. The nursing home amended certain 2021 payroll tax returns under the ERC program during year ended June 30, 2023, to claim refunds from the Internal Revenue Service ("IRS") totaling \$3,115,104. The nursing home has not received the ERC refunds as of the issuance date of these financial statements. The nursing home based its eligibility on government protocols which required reserved isolation and quarantine beds for residents who were or were possibly contagious, which reduced the overall bed capacity at the Dandridge facility during 2021 as beds were required to be held for those purposes. The nursing home continues to believe it is eligible for the ERC due to this census limiting government requirement; however, due to recent IRS guidance slowing the processing and payment of ERC claims and continued IRS issued interpretations of ERC qualifications, the nursing home has not recorded the ERC claim as a receivable as of June 30, 2024 due to the uncertainty surrounding the IRS positions and ultimate payment of refunds under the ERC program.

Health Care Industry

The delivery of personal and health care services entails an inherent risk of liability. Participants in the health care services industry have become subject to an increasing number of lawsuits alleging negligence or related legal theories, many of which involve large claims and result in the incurrence of significant exposure and defense costs. The nursing home maintains commercial insurance on an occurrence basis for medical malpractice liabilities. Insurance coverages are \$1,000,000 individually and \$3,000,000 in the aggregate annually. The State of Tennessee maintains litigation settlement limitations for governmental entities, which are less than the nursing home's insurance coverages. The nursing home is currently involved in a litigation case in which management expects any ultimate outcome to be covered by insurance coverage limits described above. Management intends to maintain insurance coverages in the future. The nursing home could be involved in litigation arising in the ordinary course of business; however, management is of the opinion that insurance coverages are adequate to

cover any future potential losses on asserted claims. Management is unaware of any incidents which would ultimately result in a loss in excess of the nursing home's insurance coverages. The nursing home also maintains insurance for general liability, director and officer liability and property.

The health care industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Recently, government activity has increased with respect to investigations and/or allegations concerning possible violations of fraud and abuse statutes and/or regulations by health care providers. Violations of these laws and regulations could result in expulsion from government care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Management believes the nursing home is in compliance with fraud and abuse statutes, as well as other applicable government laws and regulations. Changes to health care laws and regulations may materially impact the nursing home's future operations.

Management continues to implement policies, procedures, and compliance overview organizational structure to enforce and monitor compliance with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and other government statutes and regulations. The nursing home's compliance with such laws and regulations is subject to future government review and interpretations, as well as regulatory actions, which are unknown or unasserted at this time.

The Centers for Medicare and Medicaid Services ("CMS") have implemented a Recovery Audit Contractors ("RAC") program. The purpose of the program is to reduce improper Medicare and Medicaid/TennCare payments through the detection and recovery of overpayments. CMS has engaged subcontractors to perform these audits and they are being compensated on a contingency basis based on the amount of overpayments that are recovered. While management believes that all Medicare and Medicaid billings are proper and adequate support is maintained, certain aspects of Medicare and Medicaid billing, coding and support are subject to interpretation and may be viewed differently by the RAC auditors. As the amount of any recovery is unknown, management has not recorded any reserves related to any RAC audits at this time.

Health Care Reform

The health care industry is subject to changing political, regulatory and other influences, along with various scientific and technological initiatives. In recent years, the U.S. Congress and certain state legislatures have passed a large number of laws and regulations intended to affect major change within the U.S. health care system, including the Affordable Care Act. The Affordable Care Act affects how health care services are covered, delivered and reimbursed through expanded health care coverage, reduced growth in Medicare program spending, reductions in Medicare and Medicaid Disproportionate Share Hospital payments, and the establishment of programs that tie reimbursement to quality and integration. However, there is uncertainty regarding the future of the Affordable Care Act. The law has been subject to legislative and regulatory changes and court challenges.

As currently structured, the Affordable Care Act expands coverage through a combination of private sector health insurance requirements, public program expansion and other reforms.

Expansion of coverage through the private sector has been driven by requirements applicable to health insurers, employers, and individuals. Expansion in public program coverage has been driven primarily by expanding the categories of individuals eligible for Medicaid coverage and permitting individuals with relatively higher income to qualify.

There is uncertainty regarding the ongoing effect of the Affordable Care Act due to efforts to change, repeal or replace the Affordable Care Act, and the development of agency guidance, among other factors. There is also uncertainty regarding the potential impact of other reform efforts at the federal and state levels. For example, some members of Congress have proposed measures that would expand government-sponsored coverage, including proposals to expand coverage of federally funded insurance programs as an alternative to private insurance or establish a single-payor system (such reforms often referred to as “Medicare for All”), and some states are considering similar measures. Other initiatives and proposals, including those aimed at price transparency and out-of-network charges, may impact prices and the relationships between health care providers and insurers.

As a result of the nursing home's participation in the Medicare and TennCare programs, the nursing home is subject to various government reviews, audits and investigations to verify compliance with these programs and applicable laws and regulations. Private pay sources also reserve the right to conduct audits. An adverse review, audit or investigation could result in:

- Refunding amounts that have been paid pursuant to the Medicare or TennCare programs from private payers
- State or federal agencies imposing fines, penalties and other sanctions on the nursing home
- Loss of right to participate in the Medicare or TennCare programs or one or more private payor networks
- Damage to reputation in various markets

Both federal and state government agencies have heightened and coordinated civil and criminal enforcement efforts as part of numerous ongoing investigations of health care companies. The investigations include:

- Cost report and billing practices
- Quality of care
- Financial relationships with referral sources
- Medical necessity of services provided

Management is aware of all the above issues and has developed strategies to minimize the risks and limit the impact of the changing environment to ensure the ongoing success of the nursing home.

General Economic and Demographic Factors

The health care industry is impacted by the overall United States economy. The COVID-19 pandemic has led, and may continue to contribute, to a general worsening of economic conditions. Budget deficits at federal, state, and local government entities have had a negative impact on spending for many health and human services programs, including Medicare, Medicaid, and similar programs, which represent significant payor sources for the nursing home. It is anticipated that the federal deficit, the growing magnitude of Medicare and

Medicaid expenditures, and the aging of the United States population will continue to place pressure on government health care programs.

K Functional Expenses

The following is a summary of management’s functional classification of operating expenses:

	<u>2024</u>
Healthcare Services	\$ 13,615,717
General and Administrative	<u>3,292,309</u>
Total	<u><u>\$ 16,908,026</u></u>

All employee health and life insurance and pension related benefits are included in the general and administrative category above. These expenses totaled \$1,629,733 for 2024.

REQUIRED SUPPLEMENTARY INFORMATION SECTION

JEFFERSON COUNTY, TENNESSEE**Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on
Participation in the Public Employee Legacy Pension Plan of TCRS**

Primary Government

For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Pension Liability										
Service Cost	\$ 1,554,834	\$ 1,614,607	\$ 1,695,967	\$ 1,721,279	\$ 1,750,833	\$ 1,622,160	\$ 1,496,045	\$ 1,417,202	\$ 1,569,890	\$ 1,458,313
Interest	4,567,501	4,844,096	5,033,759	5,305,216	5,450,972	5,774,338	6,023,348	6,258,001	6,571,148	6,934,098
Differences Between Actual and Expected Experience	118,884	(1,189,172)	(204,390)	(1,215,221)	774,712	(175,002)	(334,154)	(487,535)	1,727,875	1,387,205
Changes in Assumptions	0	0	0	1,747,186	0	0	0	7,805,396	0	0
Benefit Payments, Including Refunds of Employee Contributions	(2,398,853)	(2,827,268)	(2,816,811)	(3,045,640)	(3,231,190)	(3,544,047)	(3,777,434)	(3,962,208)	(4,263,112)	(4,497,493)
Net Change in Total Pension Liability	\$ 3,842,366	\$ 2,442,263	\$ 3,708,525	\$ 4,512,820	\$ 4,745,327	\$ 3,677,449	\$ 3,407,805	\$ 11,030,856	\$ 5,605,801	\$ 5,282,123
Total Pension Liability, Beginning	60,544,602	64,386,968	66,829,231	70,537,756	75,050,576	79,795,903	83,473,352	86,881,157	97,912,013	103,517,814
Total Pension Liability, Ending (a)	\$ 64,386,968	\$ 66,829,231	\$ 70,537,756	\$ 75,050,576	\$ 79,795,903	\$ 83,473,352	\$ 86,881,157	\$ 97,912,013	\$ 103,517,814	\$ 108,799,937
Plan Fiduciary Net Position										
Contributions - Employer	\$ 3,039,363	\$ 3,246,821	\$ 3,350,948	\$ 2,725,637	\$ 2,601,406	\$ 2,160,542	\$ 2,064,452	\$ 1,877,926	\$ 1,428,946	\$ 1,693,076
Contributions - Employee	0	0	92	0	0	(1,557)	0	0	0	0
Net Investment Income	9,346,723	2,041,119	1,824,088	8,002,705	6,479,765	6,215,906	4,369,738	23,352,429	(4,260,779)	7,007,171
Benefit Payments, Including Refunds of Employee Contributions	(2,398,853)	(2,827,268)	(2,816,811)	(3,045,640)	(3,231,190)	(3,544,047)	(3,777,434)	(3,962,208)	(4,263,112)	(4,497,493)
Administrative Expense	(28,821)	(37,241)	(54,813)	(58,595)	(60,448)	(51,716)	(46,554)	(43,287)	(41,764)	(59,045)
Other	0	0	0	0	0	0	100	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 9,958,412	\$ 2,423,431	\$ 2,303,504	\$ 7,624,107	\$ 5,789,533	\$ 4,779,128	\$ 2,610,302	\$ 21,224,860	\$ (7,136,709)	\$ 4,143,709
Plan Fiduciary Net Position, Beginning	56,099,575	66,057,987	68,481,418	70,784,922	78,409,029	84,198,562	88,977,690	91,587,992	112,812,852	105,676,143
Plan Fiduciary Net Position, Ending (b)	\$ 66,057,987	\$ 68,481,418	\$ 70,784,922	\$ 78,409,029	\$ 84,198,562	\$ 88,977,690	\$ 91,587,992	\$ 112,812,852	\$ 105,676,143	\$ 109,819,852
Net Pension Liability (Asset), Ending (a - b)	\$ (1,671,019)	\$ (1,652,187)	\$ (247,166)	\$ (3,358,453)	\$ (4,402,659)	\$ (5,504,338)	\$ (4,706,835)	\$ (14,900,839)	\$ (2,158,329)	\$ (1,019,915)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	102.60%	102.47%	100.35%	104.47%	105.52%	106.59%	105.42%	115.22%	102.08%	100.94%
Covered Payroll	\$ 20,577,990	\$ 20,773,012	\$ 21,439,198	\$ 21,580,655	\$ 20,597,038	\$ 19,461,275	\$ 18,749,718	\$ 18,155,069	\$ 17,218,462	\$ 16,937,393
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(8.12%)	(7.95%)	(1.15%)	(15.56%)	(21.38%)	(28.02%)	(25.10%)	(82.08%)	(12.53%)	(6.02%)

Note: Data presented includes employees of the primary government and the discretely presented Jefferson County Nursing Home hired prior to July 1, 2016, along with non-certified employees of the discretely presented Jefferson County School Department hired prior to July 1, 2017.

JEFFERSON COUNTY, TENNESSEE**Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on
Participation in the Public Employee Hybrid Retirement Plan of TCRS**

Primary Government

For the Fiscal Year Ended June 30

	2017	2018	2019	2020	2021	2022	2023
Total Pension Liability							
Service Cost	\$ 0	\$ 139,363	\$ 263,258	\$ 344,085	\$ 424,344	\$ 565,562	\$ 773,544
Interest	0	12,830	37,911	65,447	100,600	143,633	211,433
Changes in Benefit Terms	39,240	0	0	0	0	0	0
Differences Between Actual and Expected Experience	0	76,487	12,762	18,835	(194)	131,501	264,301
Changes in Assumptions	0	0	0	0	119,950	0	0
Benefit Payments, Including Refunds of Employee Contributions	0	(3,275)	(9,994)	(19,890)	(27,637)	(63,564)	(24,902)
Net Change in Total Pension Liability	\$ 39,240	\$ 225,405	\$ 303,937	\$ 408,477	\$ 617,063	\$ 777,132	\$ 1,224,376
Total Pension Liability, Beginning	0	39,240	264,645	568,582	977,059	1,594,122	2,371,254
Total Pension Liability, Ending (a)	\$ 39,240	\$ 264,645	\$ 568,582	\$ 977,059	\$ 1,594,122	\$ 2,371,254	\$ 3,595,630
Plan Fiduciary Net Position							
Contributions - Employer	\$ 30,158	\$ 135,124	\$ 52,168	\$ 119,927	\$ 151,691	\$ 212,373	\$ 357,572
Contributions - Employee	37,698	168,905	237,131	316,162	374,635	508,070	682,765
Net Investment Income	3,592	17,532	37,595	43,245	348,220	(85,951)	199,447
Benefit Payments, Including Refunds of Employee Contributions	0	(3,275)	(9,994)	(19,890)	(27,637)	(63,564)	(24,902)
Administrative Expense	(4,448)	(12,304)	(15,480)	(21,288)	(24,103)	(34,211)	(25,347)
Net Change in Plan Fiduciary Net Position	\$ 67,000	\$ 305,982	\$ 301,420	\$ 438,156	\$ 822,806	\$ 536,717	\$ 1,189,535
Plan Fiduciary Net Position, Beginning	0	67,000	372,982	674,402	1,112,558	1,935,364	2,472,081
Plan Fiduciary Net Position, Ending (b)	\$ 67,000	\$ 372,982	\$ 674,402	\$ 1,112,558	\$ 1,935,364	\$ 2,472,081	\$ 3,661,616
Net Pension Liability (Asset), Ending (a - b)	\$ (27,760)	\$ (108,337)	\$ (105,820)	\$ (135,499)	\$ (341,242)	\$ (100,827)	\$ (65,986)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	170.74%	140.94%	118.61%	113.87%	121.41%	104.25%	101.84%
Covered Payroll	\$ 768,974	\$ 3,378,091	\$ 4,742,592	\$ 6,347,699	\$ 7,541,838	\$ 10,161,337	\$ 13,647,800
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(3.61%)	(3.21%)	(2.23%)	(2.13%)	(4.52%)	(0.99%)	(0.48%)

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

Note 2: Data presented includes employees of the primary government and the discretely presented Jefferson County Nursing Home hired after to July 1, 2016, along with non-certified employees of the discretely presented Jefferson County School Department hired after to July 1, 2017.

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

Primary Government

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially Determined Contribution	\$ 3,246,821	\$ 3,350,948	\$ 1,855,936	\$ 1,758,987	\$ 1,677,366	\$ 1,576,490	\$ 1,451,873	\$ 946,892	\$ 1,583,026	\$ 1,500,835
Less: Contributions in Relation to the Actuarially Determined Contribution	(3,246,821)	(3,350,948)	(2,725,637)	(2,601,406)	(2,160,542)	(2,064,452)	(1,877,926)	(1,428,946)	(1,693,076)	(1,605,171)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ (869,701)	\$ (842,419)	\$ (483,176)	\$ (487,962)	\$ (426,053)	\$ (482,054)	\$ (110,050)	\$ (104,336)
Covered Payroll	\$ 20,773,012	\$ 21,439,198	\$ 21,580,655	\$ 20,597,038	\$ 19,641,275	\$ 18,749,718	\$ 18,155,069	\$ 17,218,462	\$ 16,937,393	\$ 16,051,711
Contributions as a Percentage of Covered Payroll	15.63%	15.63%	12.63%	12.63%	11.00%	11.01%	10.34%	8.30%	10.00%	10.00%

Note: Data presented includes employees of the primary government and the discretely presented Jefferson County Nursing Home hired prior to July 1, 2016, along with non-certified employees of the discretely presented Jefferson County School Department hired prior to July 1, 2017.

JEFFERSON COUNTY, TENNESSEE**Schedule of Contributions Based on Participation in the Public Employee****Hybrid Retirement Plan of TCRS**

Primary Government

For the Fiscal Year Ended June 30

	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially Determined Contribution	\$ 8,689	\$ 43,578	\$ 52,168	\$ 119,927	\$ 151,691	\$ 212,373	\$ 357,572	\$ 400,050
Less: Contributions in Relation to the Actuarially Determined Contribution	(30,158)	(135,124)	(52,168)	(119,927)	(151,691)	(212,373)	(357,572)	(400,050)
Contribution Deficiency (Excess)	<u>\$ (21,469)</u>	<u>\$ (91,546)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered Payroll	\$ 768,974	\$ 3,378,091	\$ 4,742,592	\$ 6,347,699	\$ 7,541,838	\$ 10,161,337	\$ 13,647,800	\$ 15,401,939
Contributions as a Percentage of Covered Payroll	3.92%	4.00%	1.10%	1.89%	2.01%	2.09%	2.62%	2.60%

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

Note 2: Data presented includes employees of the primary government and the discretely presented Jefferson County Nursing Home hired after to July 1, 2016, along with non-certified employees of the discretely presented Jefferson County School Department hired after to July 1, 2017.

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 41,727	\$ 66,355	\$ 99,201	\$ 152,701	\$ 95,741	\$ 118,524	\$ 140,484	\$ 181,223	\$ 305,966	\$ 374,345
Less: Contributions in Relation to the Contractually Required Contribution	(41,727)	(66,355)	(99,201)	(152,701)	(95,741)	(118,524)	(140,484)	(181,223)	(305,966)	(374,345)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 1,043,164	\$ 1,658,879	\$ 2,480,011	\$ 3,817,542	\$ 4,935,126	\$ 5,834,700	\$ 6,962,612	\$ 9,016,027	\$ 10,644,876	\$ 12,689,649
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.00%	1.94%	2.03%	2.02%	2.01%	2.87%	2.95%

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

2019: Pension - 1.94%, SRT - 2.02%
2020: Pension - 2.03%, SRT - 1.97%
2021: Pension - 2.02%, SRT - 1.98%
2022: Pension - 2.01%, SRT - 1.99%
2023: Pension - 2.87%, SRT - 1.13%
2024: Pension - 2.95%, SRT - 1.05%

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 2,221,444	\$ 2,203,806	\$ 2,196,360	\$ 2,166,973	\$ 2,458,579	\$ 2,389,927	\$ 2,250,002	\$ 2,133,979	\$ 1,715,489	\$ 1,345,118
Less: Contributions in Relation to the Contractually Required Contribution	(2,221,444)	(2,203,806)	(2,196,360)	(2,166,973)	(2,458,579)	(2,389,927)	(2,250,002)	(2,133,979)	(1,715,489)	(1,345,118)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 24,573,523	\$ 24,378,346	\$ 24,296,000	\$ 23,865,314	\$ 23,504,594	\$ 22,482,875	\$ 21,908,461	\$ 20,718,220	\$ 19,747,723	\$ 19,752,078
Contributions as a Percentage of Covered Payroll	9.04%	9.04%	9.04%	9.08%	10.46%	10.63%	10.27%	10.30%	8.69%	6.81%

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

Discretely Presented Jefferson County School Department

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023
School Department's Proportion of the Net Pension Liability (Asset)	0.502068%	0.377012%	0.377859%	0.436848%	0.466367%	0.462677%	0.481883%	0.527966%	0.535979%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (20,198)	\$ (39,248)	\$ (99,692)	\$ (198,123)	\$ (263,258)	\$ (263,098)	\$ (521,981)	\$ (159,934)	\$ (227,273)
Covered Payroll	\$ 1,043,164	\$ 1,658,879	\$ 2,480,011	\$ 3,817,542	\$ 4,935,126	\$ 5,834,700	\$ 6,963,612	\$ 9,016,027	\$ 10,644,876
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%)	(7.50%)	(1.77%)	(2.14%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	127.46%	121.88%	126.81%	126.97%	123.07%	116.52%	121.53%	104.55%	104.97%

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

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
School Department's Proportion of the Net Pension Liability (Asset)	0.646459%	0.656431%	0.675339%	0.687309%	0.681540%	0.700971%	0.675514%	0.667500%	0.629554%	0.608341%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (105,047)	\$ 268,896	\$ 4,220,496	\$ (224,876)	\$ (2,398,281)	\$ (7,207,249)	\$ (5,151,291)	\$ (28,790,883)	\$ (7,720,887)	\$ (7,172,184)
Covered Payroll	\$ 25,373,475	\$ 24,573,523	\$ 24,378,346	\$ 24,296,000	\$ 23,865,314	\$ 23,504,594	\$ 22,482,875	\$ 21,908,461	\$ 20,718,220	\$ 19,747,723
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41%)	1.09%	17.31%	(0.93%)	(10.05%)	(30.66%)	(22.91%)	(131.41%)	(37.27%)	(36.32%)
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%	104.42%	104.11%

JEFFERSON COUNTY, TENNESSEE
Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Government Plan
Primary Government
For the Fiscal Year Ended June 30

	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability							
Service Cost	\$ 81,150	\$ 76,490	\$ 95,551	\$ 91,083	\$ 114,646	\$ 91,934	\$ 55,425
Interest	31,577	39,756	42,382	35,923	26,089	20,389	23,694
Differences Between Actual and Expected Experience	0	(128,030)	(297,291)	(58,336)	(50,203)	(35,684)	(45,862)
Changes in Assumptions or Other Inputs	(54,640)	71,054	47,236	91,226	(288,699)	(295,511)	215,000
Benefit Payments	(15,261)	(20,886)	(27,962)	(33,568)	(19,077)	(12,240)	(26,407)
Net Change in Total OPEB Liability	\$ 42,826	\$ 38,384	\$ (140,084)	\$ 126,328	\$ (217,244)	\$ (231,112)	\$ 221,850
Total OPEB Liability, Beginning	1,007,876	1,050,702	1,089,086	949,002	1,075,330	858,086	626,974
Total OPEB Liability, Ending	\$ 1,050,702	\$ 1,089,086	\$ 949,002	\$ 1,075,330	\$ 858,086	\$ 626,974	\$ 848,824
Nursing Home Share of the Total OPEB Liability	\$ 266,668	\$ 346,639	\$ 201,171	\$ 236,237	\$ 180,092	\$ 130,470	\$ 162,030
Primary Government Share of the Total OPEB Liability	784,034	742,447	747,831	839,093	677,994	496,504	686,794
Primary Government Covered Employee Payroll	\$ 11,220,139	\$ 11,693,014	\$ 11,704,504	\$ 12,140,487	\$ 12,545,518	\$ 12,936,906	\$ 14,184,695
Primary Government OPEB Liability as a Percentage of Covered Employee Payroll	6.99%	6.35%	6.39%	6.91%	5.40%	3.84%	4.84%
Nursing Home Covered Employee Payroll				\$ 3,288,552	\$ 3,392,574	\$ 3,201,396	\$ 2,979,147
Nursing Home OPEB Liability as a Percentage of Covered Employee Payroll				7.18%	5.31%	4.08%	5.44%

Note 1: The plan includes employees of the primary government and the discretely presented Jefferson County Nursing Home.

Note 2: Ten years of data will be presented when available.

Note 3: Changes in assumptions.

(a) The following are the discount rates used in each period:

2016	2.92%
2017	3.56%
2018	3.62%
2019	3.51%
2020	2.21%
2021	2.16%
2022	3.54%
2023	3.65%

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

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

Note 4: Covered employee payroll for the discretely presented nursing home for 2017 through 2019 was not available.

Note 5: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

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

	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability							
Service Cost	\$ 1,224,010	\$ 1,139,357	\$ 1,106,392	\$ 631,129	\$ 835,112	\$ 845,476	\$ 622,700
Interest	625,299	758,746	729,645	495,370	367,168	363,711	556,193
Changes in Benefit Terms	0	0	(790,704)	0	0	0	0
Differences Between Actual and Expected Experience	0	(2,457,397)	(4,712,713)	457,618	783,095	302,850	(5,976)
Changes in Assumptions or Other Inputs	(940,958)	412,102	(1,026,735)	1,555,322	(859,067)	(1,459,967)	1,133,349
Benefit Payments	(863,451)	(986,443)	(976,217)	(768,678)	(914,882)	(909,203)	(1,006,918)
Net Change in Total OPEB Liability	\$ 44,900	\$ (1,133,635)	\$ (5,670,332)	\$ 2,370,761	\$ 211,426	\$ (857,133)	\$ 1,299,348
Total OPEB Liability, Beginning	20,622,056	20,666,956	19,533,321	13,862,989	16,233,750	16,445,176	15,588,043
 Total OPEB Liability, Ending	 \$ 20,666,956	 \$ 19,533,321	 \$ 13,862,989	 \$ 16,233,750	 \$ 16,445,176	 \$ 15,588,043	 \$ 16,887,391
 Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	 \$ 4,527,696	 \$ 4,231,718	 \$ 3,680,374	 \$ 4,197,269	 \$ 4,672,174	 \$ 4,598,909	 \$ 5,260,744
Employer Proportionate Share of the Total OPEB Liability	16,139,260	15,301,603	10,182,615	12,036,481	11,773,002	10,989,134	11,626,647
 Covered Employee Payroll	 \$ 30,941,444	 \$ 30,811,826	 \$ 32,956,348	 \$ 37,153,429	 \$ 38,142,887	 \$ 40,858,791	 \$ 42,585,104
Net OPEB Liability as a Percentage of Covered Employee Payroll	52.16%	49.66%	30.90%	32.40%	30.87%	26.90%	27.30%

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

Note 2: Changes in assumptions.

- (a) The following are the discount rates used in each period:
- | | |
|------|-------|
| 2016 | 2.92% |
| 2017 | 3.56% |
| 2018 | 3.62% |
| 2019 | 3.51% |
| 2020 | 2.21% |
| 2021 | 2.16% |
| 2022 | 3.54% |
| 2023 | 3.65% |
- (b) The assumed initial trend rate applicable to plan years was revised as follows:
- For the 2019 plan year - from 5.4% to 6.75%.
- For the 2020 plan year - from 6.75% to 6.03%.
- For the 2021 plan year - from 6.03% to 9.02%.
- For the 2022 plan year - from 9.02% to 7.36%.
- For the 2023 plan year - from 7.36% to 8.37%.
- For the 2023 plan year - from 8.37% to 10.31%.

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

JEFFERSON COUNTY, TENNESSEE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2024

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for fiscal year 2024 were calculated based on the June 30, 2022, 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	2.25%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, averaging 4%
Investment Rate of Return	6.75%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience Including an Adjustment for Some Anticipated Improvement
Cost of Living Adjustment	2.125%

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

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Courthouse and Jail Maintenance Fund – The Courthouse and Jail Maintenance Fund is used to account for a special tax levied by private act on litigation. The proceeds of the tax must be used to pay for improvements or maintenance on the courthouse and jail.

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 transactions involving solid waste collection.

Special Purpose Fund – The Special Purpose Fund is used to account for opioid settlement funds.

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.

CAPITAL PROJECTS FUNDS

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

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

Other Capital Projects Fund – This capital projects fund is used to account for a federal grant used to purchase ambulances.

JEFFERSON COUNTY, TENNESSEE**Combining Balance Sheet**

Nonmajor Governmental Funds

June 30, 2024**ASSETS**

	Special Revenue Funds				
	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
Cash	\$ 0	\$ 0	\$ 0	\$ 0	0
Equity in Pooled Cash and Investments	224,249	33,023	662,283	242,858	54,672
Accounts Receivable	0	0	5,189	256	0
Due from Other Governments	0	0	0	0	0
Property Taxes Receivable	0	0	2,516,600	0	0
Allowance for Uncollectible Property Taxes	0	0	(73,980)	0	0
Prepaid Items	0	0	0	14,223	0
Total Assets	\$ 224,249	\$ 33,023	\$ 3,110,092	\$ 257,337	\$ 54,672

LIABILITIES

Accounts Payable	\$ 0	\$ 0	\$ 2,572	\$ 0	0
Accrued Payroll	0	0	26,050	0	0
Contracts Payable	0	0	0	0	0
Retainage Payable	0	0	0	0	0
Due to Other Funds	0	0	94,868	0	0
Due to Component Units	0	0	0	0	0
Due to State of Tennessee	0	0	62	0	0
Total Liabilities	\$ 0	\$ 0	\$ 123,552	\$ 0	0

(Continued)

JEFFERSON COUNTY, TENNESSEE**Combining Balance Sheet**

Nonmajor Governmental Funds (Cont.)

Special Revenue Funds					
Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control	
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 2,391,092	\$ 0	\$ 0
Deferred Delinquent Property Taxes	0	0	39,553	0	0
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 2,430,645	\$ 0	\$ 0
FUND BALANCES					
Nonspendable:					
Prepaid Items	\$ 0	\$ 0	\$ 0	\$ 14,223	\$ 0
Restricted:					
Restricted for General Government	224,249	0	0	0	0
Restricted for Administration of Justice	0	33,023	0	0	0
Restricted for Public Safety	0	0	0	0	54,672
Restricted for Public Health and Welfare	0	0	154,205	243,114	0
Restricted for Capital Projects	0	0	0	0	0
Committed:					
Committed for Public Health and Welfare	0	0	401,690	0	0
Total Fund Balances	\$ 224,249	\$ 33,023	\$ 555,895	\$ 257,337	\$ 54,672
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 224,249	\$ 33,023	\$ 3,110,092	\$ 257,337	\$ 54,672

(Continued)

JEFFERSON COUNTY, TENNESSEE**Combining Balance Sheet**

Nonmajor Governmental Funds (Cont.)

ASSETS

Cash
Equity in Pooled Cash and Investments
Accounts Receivable
Due from Other Governments
Property Taxes Receivable
Allowance for Uncollectible Property Taxes
Prepaid Items

Total Assets

LIABILITIES

Accounts Payable
Accrued Payroll
Contracts Payable
Retainage Payable
Due to Other Funds
Due to Component Units
Due to State of Tennessee
Total Liabilities

Special Revenue Funds (Cont.)		Capital Projects Fund	Total Nonmajor Governmental Funds	
Constitu - tional Officers - Fees	Total	General Capital Projects		
\$ 3,060	\$ 3,060	\$ 0	\$	3,060
0	1,217,085	1,240,041		2,457,126
2,450	7,895	1,297		9,192
0	0	787,578		787,578
0	2,516,600	750,613		3,267,213
0	(73,980)	(20,403)		(94,383)
0	14,223	0		14,223
\$ 5,510	\$ 3,684,883	\$ 2,759,126	\$	6,444,009

(Continued)

JEFFERSON COUNTY, TENNESSEE**Combining Balance Sheet**

Nonmajor Governmental Funds (Cont.)

	Special Revenue Funds (Cont.)		Capital Projects Fund	Total Nonmajor Governmental Funds
	Constitu - tional Officers - Fees	Total	General Capital Projects	
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	\$ 0	\$ 2,391,092	\$ 717,328	\$ 3,108,420
Deferred Delinquent Property Taxes	0	39,553	9,888	49,441
Total Deferred Inflows of Resources	\$ 0	\$ 2,430,645	\$ 727,216	\$ 3,157,861
FUND BALANCES				
Nonspendable:				
Prepaid Items	\$ 0	\$ 14,223	\$ 0	\$ 14,223
Restricted:				
Restricted for General Government	0	224,249	0	224,249
Restricted for Administration of Justice	0	33,023	0	33,023
Restricted for Public Safety	0	54,672	0	54,672
Restricted for Public Health and Welfare	0	397,319	0	397,319
Restricted for Capital Projects	0	0	1,165,473	1,165,473
Committed:				
Committed for Public Health and Welfare	0	401,690	0	401,690
Total Fund Balances	\$ 0	\$ 1,125,176	\$ 1,165,473	\$ 2,290,649
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 5,510	\$ 3,684,883	\$ 2,759,126	\$ 6,444,009

JEFFERSON COUNTY, TENNESSEE
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Funds				
	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
Revenues					
Local Taxes	\$ 57,386	\$ 14,213	\$ 2,287,320	\$ 0	\$ 0
Fines, Forfeitures, and Penalties	0	0	0	0	30,870
Charges for Current Services	0	0	0	0	0
Other Local Revenues	0	0	151,340	256	0
State of Tennessee	0	0	0	240,598	0
Federal Government	0	0	0	0	0
Total Revenues	\$ 57,386	\$ 14,213	\$ 2,438,660	\$ 240,854	\$ 30,870
Expenditures					
Current:					
Finance	\$ 566	\$ 127	\$ 0	\$ 0	\$ 0
Administration of Justice	0	0	0	0	0
Public Safety	0	12,946	0	0	24,149
Public Health and Welfare	0	0	2,292,372	0	0
Other Operations	0	0	0	229,100	0
Capital Projects	0	0	0	0	0
Capital Projects - Donated	0	0	0	0	0
Total Expenditures	\$ 566	\$ 13,073	\$ 2,292,372	\$ 229,100	\$ 24,149
Excess (Deficiency) of Revenues Over Expenditures	\$ 56,820	\$ 1,140	\$ 146,288	\$ 11,754	\$ 6,721

(Continued)

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

	Special Revenue Funds				
	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
Other Financing Sources (Uses)					
Other Loans Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Transfers In	0	20,000	166,000	245,583	0
Transfers Out	0	0	0	0	0
Total Other Financing Sources (Uses)	\$ 0	\$ 20,000	\$ 166,000	\$ 245,583	\$ 0
Net Change in Fund Balances	\$ 56,820	\$ 21,140	\$ 312,288	\$ 257,337	\$ 6,721
Fund Balance, July 1, 2023	167,429	11,883	243,607	0	47,951
Fund Balance, June 30, 2024	\$ 224,249	\$ 33,023	\$ 555,895	\$ 257,337	\$ 54,672

(Continued)

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

	Special Revenue Funds (Cont.)		Capital Projects Funds			Total Nonmajor Governmental Funds
	Constitu - tional Officers - Fees	Total	General Capital Projects	Other Capital Projects	Total	
Revenues						
Local Taxes	\$ 0	\$ 2,358,919	\$ 575,225	\$ 0	\$ 575,225	\$ 2,934,144
Fines, Forfeitures, and Penalties	0	30,870	0	0	0	30,870
Charges for Current Services	5,781	5,781	0	0	0	5,781
Other Local Revenues	0	151,596	0	0	0	151,596
State of Tennessee	0	240,598	0	0	0	240,598
Federal Government	0	0	0	397,578	397,578	397,578
Total Revenues	\$ 5,781	\$ 2,787,764	\$ 575,225	\$ 397,578	\$ 972,803	\$ 3,760,567
Expenditures						
Current:						
Finance	\$ 5,690	\$ 6,383	\$ 0	\$ 0	\$ 0	\$ 6,383
Administration of Justice	91	91	0	0	0	91
Public Safety	0	37,095	0	0	0	37,095
Public Health and Welfare	0	2,292,372	0	0	0	2,292,372
Other Operations	0	229,100	0	0	0	229,100
Capital Projects	0	0	1,032,272	0	1,032,272	1,032,272
Capital Projects - Donated	0	0	2,094,708	0	2,094,708	2,094,708
Total Expenditures	\$ 5,781	\$ 2,565,041	\$ 3,126,980	\$ 0	\$ 3,126,980	\$ 5,692,021
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ 222,723	\$ (2,551,755)	\$ 397,578	\$ (2,154,177)	\$ (1,931,454)

(Continued)

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

	Special Revenue Funds (Cont.)		Capital Projects Funds			Total Nonmajor Governmental Funds
	Constitu - tional Officers - Fees	Total	General Capital Projects	Other Capital Projects	Total	
Other Financing Sources (Uses)						
Other Loans Issued	\$ 0	\$ 0	\$ 2,094,708	\$ 0	\$ 2,094,708	\$ 2,094,708
Transfers In	0	431,583	403,050	0	403,050	834,633
Transfers Out	0	0	0	(4,278)	(4,278)	(4,278)
Total Other Financing Sources (Uses)	\$ 0	\$ 431,583	\$ 2,497,758	\$ (4,278)	\$ 2,493,480	\$ 2,925,063
Net Change in Fund Balances	\$ 0	\$ 654,306	\$ (53,997)	\$ 393,300	\$ 339,303	\$ 993,609
Fund Balance, July 1, 2023	0	470,870	1,219,470	(393,300)	826,170	1,297,040
Fund Balance, June 30, 2024	\$ 0	\$ 1,125,176	\$ 1,165,473	\$ 0	\$ 1,165,473	\$ 2,290,649

JEFFERSON COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Courthouse and Jail Maintenance Fund
For the Year Ended June 30, 2024

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 57,386	\$ 40,000	\$ 40,000	\$ 17,386
Total Revenues	\$ 57,386	\$ 40,000	\$ 40,000	\$ 17,386
Expenditures				
Finance				
Other Finance	\$ 566	\$ 1,000	\$ 1,000	\$ 434
Total Expenditures	\$ 566	\$ 1,000	\$ 1,000	\$ 434
Excess (Deficiency) of Revenues Over Expenditures	\$ 56,820	\$ 39,000	\$ 39,000	\$ 17,820
Net Change in Fund Balance	\$ 56,820	\$ 39,000	\$ 39,000	\$ 17,820
Fund Balance, July 1, 2023	167,429	139,000	139,000	28,429
Fund Balance, June 30, 2024	\$ 224,249	\$ 178,000	\$ 178,000	\$ 46,249

JEFFERSON COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Law Library Fund
For the Year Ended June 30, 2024

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 14,213	\$ 11,868	\$ 11,868	\$ 2,345
Total Revenues	\$ 14,213	\$ 11,868	\$ 11,868	\$ 2,345
Expenditures				
Finance				
Other Finance	\$ 127	\$ 138	\$ 138	\$ 11
Public Safety				
Jail	12,946	11,730	13,200	254
Total Expenditures	\$ 13,073	\$ 11,868	\$ 13,338	\$ 265
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,140	\$ 0	\$ (1,470)	\$ 2,610
Other Financing Sources (Uses)				
Transfers In	\$ 20,000	\$ 0	\$ 20,000	\$ 0
Total Other Financing Sources	\$ 20,000	\$ 0	\$ 20,000	\$ 0
Net Change in Fund Balance	\$ 21,140	\$ 0	\$ 18,530	\$ 2,610
Fund Balance, July 1, 2023	11,883	10,000	10,000	1,883
Fund Balance, June 30, 2024	\$ 33,023	\$ 10,000	\$ 28,530	\$ 4,493

JEFFERSON COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Solid Waste/Sanitation Fund
For the Year Ended June 30, 2024

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 2,287,320	\$ 2,286,238	\$ 2,286,238	\$ 1,082
Other Local Revenues	151,340	140,000	140,000	11,340
Total Revenues	<u>\$ 2,438,660</u>	<u>\$ 2,426,238</u>	<u>\$ 2,426,238</u>	<u>\$ 12,422</u>
Expenditures				
Public Health and Welfare				
Waste Pickup	\$ 2,292,372	\$ 2,422,539	\$ 2,527,317	\$ 234,945
Total Expenditures	<u>\$ 2,292,372</u>	<u>\$ 2,422,539</u>	<u>\$ 2,527,317</u>	<u>\$ 234,945</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 146,288</u>	<u>\$ 3,699</u>	<u>\$ (101,079)</u>	<u>\$ 247,367</u>
Other Financing Sources (Uses)				
Transfers In	<u>\$ 166,000</u>	<u>\$ 0</u>	<u>\$ 166,000</u>	<u>\$ 0</u>
Total Other Financing Sources	<u>\$ 166,000</u>	<u>\$ 0</u>	<u>\$ 166,000</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 312,288	\$ 3,699	\$ 64,921	\$ 247,367
Fund Balance, July 1, 2023	<u>243,607</u>	<u>131,100</u>	<u>131,100</u>	<u>112,507</u>
Fund Balance, June 30, 2024	<u><u>\$ 555,895</u></u>	<u><u>\$ 134,799</u></u>	<u><u>\$ 196,021</u></u>	<u><u>\$ 359,874</u></u>

JEFFERSON COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Special Purpose Fund
For the Year Ended June 30, 2024

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Other Local Revenues	\$ 256	\$ 0	\$ 0	\$ 256
State of Tennessee	240,598	0	240,598	0
Total Revenues	<u>\$ 240,854</u>	<u>\$ 0</u>	<u>\$ 240,598</u>	<u>\$ 256</u>
Expenditures				
Other Operations				
Other Charges	\$ 229,100	\$ 0	\$ 483,921	\$ 254,821
Total Expenditures	<u>\$ 229,100</u>	<u>\$ 0</u>	<u>\$ 483,921</u>	<u>\$ 254,821</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 11,754</u>	<u>\$ 0</u>	<u>\$ (243,323)</u>	<u>\$ 255,077</u>
Other Financing Sources (Uses)				
Transfers In	\$ 245,583	\$ 0	\$ 245,583	\$ 0
Total Other Financing Sources	<u>\$ 245,583</u>	<u>\$ 0</u>	<u>\$ 245,583</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 257,337	\$ 0	\$ 2,260	\$ 255,077
Fund Balance, July 1, 2023	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30, 2024	<u><u>\$ 257,337</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 2,260</u></u>	<u><u>\$ 255,077</u></u>

JEFFERSON COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Drug Control Fund
For the Year Ended June 30, 2024

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Fines, Forfeitures, and Penalties	\$ 30,870	\$ 0	\$ 0	\$ 30,870	\$ 27,000	\$ 42,816	\$ (11,946)
Total Revenues	\$ 30,870	\$ 0	\$ 0	\$ 30,870	\$ 27,000	\$ 42,816	\$ (11,946)
Expenditures							
Public Safety							
Drug Enforcement	\$ 24,149	\$ (4,425)	\$ 12,421	\$ 32,145	\$ 38,400	\$ 54,216	\$ 22,071
Total Expenditures	\$ 24,149	\$ (4,425)	\$ 12,421	\$ 32,145	\$ 38,400	\$ 54,216	\$ 22,071
Excess (Deficiency) of Revenues Over Expenditures	\$ 6,721	\$ 4,425	\$ (12,421)	\$ (1,275)	\$ (11,400)	\$ (11,400)	\$ 10,125
Net Change in Fund Balance	\$ 6,721	\$ 4,425	\$ (12,421)	\$ (1,275)	\$ (11,400)	\$ (11,400)	\$ 10,125
Fund Balance, July 1, 2023	47,951	(4,425)	0	43,526	46,000	46,000	(2,474)
Fund Balance, June 30, 2024	\$ 54,672	\$ 0	\$ (12,421)	\$ 42,251	\$ 34,600	\$ 34,600	\$ 7,651

Exhibit G-8

JEFFERSON COUNTY, TENNESSEE

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

General Capital Projects Fund

For the Year Ended June 30, 2024

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 575,225	\$ 0	\$ 0	\$ 575,225	\$ 571,254	\$ 571,254	\$ 3,971
Federal Government	0	0	0	0	201,500	440,500	(440,500)
Total Revenues	<u>\$ 575,225</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 575,225</u>	<u>\$ 772,754</u>	<u>\$ 1,011,754</u>	<u>\$ (436,529)</u>
Expenditures							
Capital Projects							
Public Safety Projects	\$ 196,355	\$ (334,433)	\$ 138,078	\$ 0	\$ 0	\$ 0	\$ 0
Public Health and Welfare Projects	48,244	(5,000)	212,395	255,639	201,500	475,500	219,861
Other General Government Projects	549,266	(311,315)	305,656	543,607	30,000	615,776	72,169
Highway and Street Capital Projects	238,407	0	0	238,407	262,020	262,020	23,613
Capital Projects - Donated							
Capital Projects Donated to School Department	2,094,708	0	0	2,094,708	0	2,094,708	0
Total Expenditures	<u>\$ 3,126,980</u>	<u>\$ (650,748)</u>	<u>\$ 656,129</u>	<u>\$ 3,132,361</u>	<u>\$ 493,520</u>	<u>\$ 3,448,004</u>	<u>\$ 315,643</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (2,551,755)</u>	<u>\$ 650,748</u>	<u>\$ (656,129)</u>	<u>\$ (2,557,136)</u>	<u>\$ 279,234</u>	<u>\$ (2,436,250)</u>	<u>\$ (120,886)</u>
Other Financing Sources (Uses)							
Other Loans Issued	\$ 2,094,708	\$ 0	\$ 0	\$ 2,094,708	\$ 0	\$ 2,094,708	\$ 0
Transfers In	403,050	0	0	403,050	0	403,050	0
Total Other Financing Sources	<u>\$ 2,497,758</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,497,758</u>	<u>\$ 0</u>	<u>\$ 2,497,758</u>	<u>\$ 0</u>
Net Change in Fund Balance	<u>\$ (53,997)</u>	<u>\$ 650,748</u>	<u>\$ (656,129)</u>	<u>\$ (59,378)</u>	<u>\$ 279,234</u>	<u>\$ 61,508</u>	<u>\$ (120,886)</u>
Fund Balance, July 1, 2023	<u>1,219,470</u>	<u>(650,748)</u>	<u>0</u>	<u>568,722</u>	<u>1,210,300</u>	<u>1,210,300</u>	<u>(641,578)</u>
Fund Balance, June 30, 2024	<u><u>\$ 1,165,473</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (656,129)</u></u>	<u><u>\$ 509,344</u></u>	<u><u>\$ 1,489,534</u></u>	<u><u>\$ 1,271,808</u></u>	<u><u>\$ (762,464)</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.

JEFFERSON COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Debt Service Fund
For the Year Ended June 30, 2024

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 8,335,227	\$ 7,029,488	\$ 7,029,488	\$ 1,305,739
Other Local Revenues	5,686,573	1,156,375	1,156,375	4,530,198
Federal Government	449,472	442,656	442,656	6,816
Total Revenues	\$ 14,471,272	\$ 8,628,519	\$ 8,628,519	\$ 5,842,753
Expenditures				
Principal on Debt				
General Government	\$ 550,000	\$ 550,000	\$ 550,000	\$ 0
Education	3,120,739	1,945,740	3,120,740	1
Interest on Debt				
General Government	381,375	381,375	381,375	0
Education	2,151,729	2,646,552	2,616,552	464,823
Other Debt Service				
General Government	174,253	151,009	184,890	10,637
Total Expenditures	\$ 6,378,096	\$ 5,674,676	\$ 6,853,557	\$ 475,461
Excess (Deficiency) of Revenues Over Expenditures	\$ 8,093,176	\$ 2,953,843	\$ 1,774,962	\$ 6,318,214
Other Financing Sources (Uses)				
Transfers In	\$ 488,249	\$ 484,368	\$ 488,249	\$ 0
Total Other Financing Sources	\$ 488,249	\$ 484,368	\$ 488,249	\$ 0
Net Change in Fund Balance	\$ 8,581,425	\$ 3,438,211	\$ 2,263,211	\$ 6,318,214
Fund Balance, July 1, 2023	33,408,879	14,712,173	14,712,173	18,696,706
Fund Balance, June 30, 2024	\$ 41,990,304	\$ 18,150,384	\$ 16,975,384	\$ 25,014,920

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, and other governments. Custodial Funds are reported using the economic resources measurement focus and the accrual basis of accounting. Custodial fund reporting focuses on net position and changes in net position. Custodial funds are distinguished from trust funds by the absence of a trust agreement or equivalent arrangement.

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.

Cities - Property Tax Fund – The Cities - Property Tax Fund is used to account for city property taxes levied by the towns of Dandridge and New Market and the city of Baneberry and collected by the county trustee for the benefit of these entities. The county trustee forwards these revenues to the towns of Dandridge and New Market and the city of Baneberry monthly.

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

JEFFERSON COUNTY, TENNESSEE
Combining Statement of Net Position
Custodial Funds
June 30, 2024

	Custodial Funds			
	Cities - Sales Tax	Cities - Property Tax	Constitu - tional Officers - Custodial	Total
ASSETS				
Cash	\$ 0	\$ 0	\$ 2,097,941	\$ 2,097,941
Equity in Pooled Cash and Investments	0	7,422	0	7,422
Accounts Receivable	0	0	125,946	125,946
Due from Other Governments	1,457,814	0	0	1,457,814
Property Taxes Receivable	0	1,552,760	0	1,552,760
Allowance for Uncollectible Property Taxes	0	(56,551)	0	(56,551)
Total Assets	\$ 1,457,814	\$ 1,503,631	\$ 2,223,887	\$ 5,185,332
LIABILITIES				
Due to Other Taxing Units	\$ 1,457,814	\$ 45,177	\$ 0	\$ 1,502,991
Total Liabilities	\$ 1,457,814	\$ 45,177	\$ 0	\$ 1,502,991
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	\$ 0	\$ 1,458,454	\$ 0	\$ 1,458,454
Total Deferred Inflows of Resources	\$ 0	\$ 1,458,454	\$ 0	\$ 1,458,454
NET POSITION				
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 0	\$ 2,223,887	\$ 2,223,887
Total Net Position	\$ 0	\$ 0	\$ 2,223,887	\$ 2,223,887

JEFFERSON COUNTY, TENNESSEE**Combining Statement of Net Position**

Custodial Funds

For the Year Ended June 30, 2024

	Custodial Funds			
	Cities - Sales Tax	Cities - Property Tax	Constitu - tional Officers - Custodial	Total
Additions				
Sales Tax Collections for Other Governments	\$ 8,532,290	\$ 0	\$ 0	\$ 8,532,290
Property Tax Collections for Other Governments	0	1,514,049	0	1,514,049
Fines/Fees and Other Collections	0	0	11,322,098	11,322,098
Total Additions	\$ 8,532,290	\$ 1,514,049	\$ 11,322,098	\$ 21,368,437
Deductions				
Payment of Sales Tax Collections for Other Governments	\$ 8,532,290	\$ 0	\$ 0	\$ 8,532,290
Payment of Property Tax Collections for Other Governments	0	1,514,049	0	1,514,049
Payments to State	0	0	8,978,131	8,978,131
Payments to Individuals and Others	0	0	2,113,798	2,113,798
Total Deductions	\$ 8,532,290	\$ 1,514,049	\$ 11,091,929	\$ 21,138,268
Change in Net Position	\$ 0	\$ 0	\$ 230,169	\$ 230,169
Net Position July 1, 2023	0	0	1,993,718	1,993,718
Net Position June 30, 2024	\$ 0	\$ 0	\$ 2,223,887	\$ 2,223,887

JEFFERSON COUNTY SCHOOL DEPARTMENT

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

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

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

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

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

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

Employee Insurance - Dental and Vision Fund – The Employee Insurance - Dental and Vision Fund is an internal service fund, which is used to account for transactions pertaining to the school department's self-insured group dental and vision plans.

Exhibit J-1

JEFFERSON COUNTY, TENNESSEE

Statement of Activities

Discretely Presented Jefferson County School Department

For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental Activities:					
Instruction	\$ 53,304,035	\$ 0	\$ 5,235,770	\$ 5,018,802	\$ (43,049,463)
Support Services	26,274,020	89,826	3,728,786	0	(22,455,408)
Operation of Non-instructional Services	9,273,249	1,032,169	8,015,515	0	(225,565)
Total Governmental Activities	<u>\$ 88,851,304</u>	<u>\$ 1,121,995</u>	<u>\$ 16,980,071</u>	<u>\$ 5,018,802</u>	<u>\$ (65,730,436)</u>
General Revenues:					
Taxes:					
Property taxes levied for general purposes					\$ 11,592,809
Local option sales tax					9,578,682
Mixed Drink Tax					20,036
Grants & Contributions not restricted for specific programs					53,769,433
Unrestricted Investment Earnings					7,754
Miscellaneous					22,490
Total General Revenues					<u>\$ 74,991,204</u>
Change in Net Position					\$ 9,260,768
Net Position, July 1, 2023					<u>109,182,410</u>
Net Position, June 30, 2024					<u>\$ 118,443,178</u>

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

Discretely Presented Jefferson County School Department

June 30, 2024

	Major Funds		Nonmajor Funds	
	General Purpose School	School Federal Projects	Other Govern-mental Funds	Total Governmental Funds
ASSETS				
Cash	\$ 0	\$ 0	\$ 1,461,474	\$ 1,461,474
Equity in Pooled Cash and Investments	31,409,257	2,057,436	6,306,391	39,773,084
Accounts Receivable	73,100	0	0	73,100
Due from Other Governments	4,340,292	1,585,389	67,299	5,992,980
Due from Other Funds	786,961	0	0	786,961
Due from Primary Government	0	0	787,578	787,578
Property Taxes Receivable	12,100,409	0	0	12,100,409
Allowance for Uncollectible Property Taxes	(364,505)	0	0	(364,505)
Restricted Assets	1,150,241	0	0	1,150,241
Total Assets	<u>\$ 49,495,755</u>	<u>\$ 3,642,825</u>	<u>\$ 8,622,742</u>	<u>\$ 61,761,322</u>
LIABILITIES				
Accounts Payable	\$ 259,447	\$ 20,357	\$ 2,245	\$ 282,049
Accrued Payroll	4,523,460	304,444	147,631	4,975,535
Payroll Deductions Payable	2,315,964	317,202	90,986	2,724,152
Contracts Payable	0	0	1,107,252	1,107,252
Retainage Payable	0	0	56,698	56,698
Due to Other Funds	0	0	786,961	786,961
Total Liabilities	<u>\$ 7,098,871</u>	<u>\$ 642,003</u>	<u>\$ 2,191,773</u>	<u>\$ 9,932,647</u>

(Continued)

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

Discretely Presented Jefferson County School Department (Cont.)

	Major Funds		Nonmajor Funds	
	General	School	Other	Total
	Purpose	Federal	Govern-	Governmental
	School	Projects	mental	Funds
			Funds	
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	\$ 11,477,245	\$ 0	\$ 0	\$ 11,477,245
Deferred Delinquent Property Taxes	200,239	0	0	200,239
Other Deferred/Unavailable Revenue	980,285	0	0	980,285
Total Deferred Inflows of Resources	<u>\$ 12,657,769</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 12,657,769</u>
FUND BALANCES				
Restricted:				
Restricted for Education	\$ 393,041	\$ 822	\$ 4,624,120	\$ 5,017,983
Restricted for Hybrid Retirement Stabilization Funds	1,150,241	0	0	1,150,241
Committed:				
Committed for Education	1,402,701	3,000,000	0	4,402,701
Committed for Capital Projects	3,971,408	0	1,806,849	5,778,257
Assigned:				
Assigned for Education	436,609	0	0	436,609
Assigned for Capital Projects	667,380	0	0	667,380
Unassigned	21,717,735	0	0	21,717,735
Total Fund Balances	<u>\$ 29,739,115</u>	<u>\$ 3,000,822</u>	<u>\$ 6,430,969</u>	<u>\$ 39,170,906</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 49,495,755</u>	<u>\$ 3,642,825</u>	<u>\$ 8,622,742</u>	<u>\$ 61,761,322</u>

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

Discretely Presented Jefferson County School Department

June 30, 2024

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)		\$	39,170,906
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	1,619,334	
Add: construction in progress		11,895,514	
Add: buildings and improvements net of accumulated depreciation		59,759,264	
Add: machinery and equipment net of accumulated depreciation		807,213	
Add: other capital assets net of accumulated depreciation		<u>2,165,279</u>	76,246,604
(2) An internal service fund is used by management to charge the cost of employee dental and vision benefits to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.			216,657
(3) 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	\$	(1,471,504)	
Less: termination benefits payable		(104,063)	
Less: net OPEB liability		<u>(11,626,647)</u>	(13,202,214)
(4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$	9,789,061	
Less: deferred inflows of resources related to pensions		(569,240)	
Add: deferred outflows of resources related to OPEB		2,772,904	
Less: deferred inflows of resources related to OPEB		<u>(4,850,399)</u>	7,142,326
(5) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - public employee legacy pension plan	\$	268,238	
Add: net pension asset - public employee hybrid retirement plan		20,680	
Add: net pension asset - teacher retirement plan		227,273	
Add: net pension asset - teacher legacy pension plan		<u>7,172,184</u>	7,688,375
(6) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>1,180,524</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>118,443,178</u></u>

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

Discretely Presented Jefferson County School Department

For the Year Ended June 30, 2024

	Major Funds		Nonmajor Funds	
	General Purpose School	School Federal Projects	Other Govern- mental Funds	Total Governmental Funds
Revenues				
Local Taxes	\$ 21,188,641	\$ 0	\$ 0	\$ 21,188,641
Licenses and Permits	1,715	0	0	1,715
Charges for Current Services	340,002	0	781,993	1,121,995
Other Local Revenues	122,357	0	3,107,117	3,229,474
State of Tennessee	55,439,006	0	35,627	55,474,633
Federal Government	182,082	9,498,178	4,059,766	13,740,026
Other Governments and Citizens Groups	687,598	0	2,094,708	2,782,306
Total Revenues	<u>\$ 77,961,401</u>	<u>\$ 9,498,178</u>	<u>\$ 10,079,211</u>	<u>\$ 97,538,790</u>
Expenditures				
Current:				
Instruction	\$ 39,737,067	\$ 4,891,362	\$ 0	\$ 44,628,429
Support Services	23,709,217	1,908,028	0	25,617,245
Operation of Non-Instructional Services	1,198,255	0	8,001,365	9,199,620
Capital Outlay	947,281	2,556,086	1,333,552	4,836,919
Capital Projects	0	0	5,077,152	5,077,152
Total Expenditures	<u>\$ 65,591,820</u>	<u>\$ 9,355,476</u>	<u>\$ 14,412,069</u>	<u>\$ 89,359,365</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 12,369,581</u>	<u>\$ 142,702</u>	<u>\$ (4,332,858)</u>	<u>\$ 8,179,425</u>
Other Financing Sources (Uses)				
Insurance Recovery	\$ 99,180	\$ 0	\$ 7,830	\$ 107,010
Transfers In	254,837	0	3,646,949	3,901,786
Transfers Out	(3,646,949)	(144,098)	(110,739)	(3,901,786)
Total Other Financing Sources (Uses)	<u>\$ (3,292,932)</u>	<u>\$ (144,098)</u>	<u>\$ 3,544,040</u>	<u>\$ 107,010</u>
Net Change in Fund Balances	\$ 9,076,649	\$ (1,396)	\$ (788,818)	\$ 8,286,435
Fund Balance, July 1, 2023	<u>20,662,466</u>	<u>3,002,218</u>	<u>7,219,787</u>	<u>30,884,471</u>
Fund Balance, June 30, 2024	<u><u>\$ 29,739,115</u></u>	<u><u>\$ 3,000,822</u></u>	<u><u>\$ 6,430,969</u></u>	<u><u>\$ 39,170,906</u></u>

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

Discretely Presented Jefferson County School Department

For the Year Ended June 30, 2024

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)		\$ 8,286,435
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 4,351,666	
Less: current-year depreciation expense	<u>(3,099,880)</u>	1,251,786
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2024	\$ 1,180,524	
Less: deferred delinquent property taxes and other deferred June 30, 2023	<u>(974,149)</u>	206,375
(3) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in compensated absences payable	\$ (20,308)	
Change in termination benefits	21,530	
Change in net pension asset/liability	(807,611)	
Change in deferred outflows related to pensions	(1,330,664)	
Change in deferred inflows related to pensions	1,003,281	
Change in OPEB liability	(637,513)	
Change in deferred outflows related to OPEB	268,648	
Change in deferred inflows related to OPEB	<u>962,786</u>	(539,851)
(4) Internal service funds are used by management to charge the cost of employee dental and vision 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.		<u>56,023</u>
Change in net position of governmental activities (Exhibit B)		<u><u>\$ 9,260,768</u></u>

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

Discretely Presented Jefferson County School Department

June 30, 2024

	Special Revenue Funds			Capital Projects Fund	Total Nonmajor Governmental Funds
	Central Cafeteria	Internal School	Total	Education Capital Projects	
ASSETS					
Cash	\$ 1,100	\$ 1,460,374	\$ 1,461,474	\$ 0	\$ 1,461,474
Equity in Pooled Cash and Investments	3,336,209	0	3,336,209	2,970,182	6,306,391
Due from Other Governments	67,299	0	67,299	0	67,299
Due from Primary Government	0	0	0	787,578	787,578
Total Assets	<u>\$ 3,404,608</u>	<u>\$ 1,460,374</u>	<u>\$ 4,864,982</u>	<u>\$ 3,757,760</u>	<u>\$ 8,622,742</u>
LIABILITIES					
Accounts Payable	\$ 349	\$ 1,896	\$ 2,245	\$ 0	\$ 2,245
Accrued Payroll	147,631	0	147,631	0	147,631
Payroll Deductions Payable	90,986	0	90,986	0	90,986
Contracts Payable	0	0	0	1,107,252	1,107,252
Retainage Payable	0	0	0	56,698	56,698
Due to Other Funds	0	0	0	786,961	786,961
Total Liabilities	<u>\$ 238,966</u>	<u>\$ 1,896</u>	<u>\$ 240,862</u>	<u>\$ 1,950,911</u>	<u>\$ 2,191,773</u>
FUND BALANCES					
Restricted:					
Restricted for Education	\$ 3,165,642	\$ 1,458,478	\$ 4,624,120	\$ 0	\$ 4,624,120
Committed:					
Committed for Capital Projects	0	0	0	1,806,849	1,806,849
Total Fund Balances	<u>\$ 3,165,642</u>	<u>\$ 1,458,478</u>	<u>\$ 4,624,120</u>	<u>\$ 1,806,849</u>	<u>\$ 6,430,969</u>
Total Liabilities and Fund Balances	<u>\$ 3,404,608</u>	<u>\$ 1,460,374</u>	<u>\$ 4,864,982</u>	<u>\$ 3,757,760</u>	<u>\$ 8,622,742</u>

JEFFERSON COUNTY, TENNESSEE
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - Nonmajor Governmental Funds
Discretely Presented Jefferson County School Department
For the Year Ended June 30, 2024

	Special Revenue Funds			Capital Projects Fund	Total Nonmajor Governmental Funds
	Central Cafeteria	Internal School	Total	Education Capital Projects	
Revenues					
Charges for Current Services	\$ 781,993	\$ 0	\$ 781,993	\$ 0	\$ 781,993
Other Local Revenues	7,754	3,099,363	3,107,117	0	3,107,117
State of Tennessee	35,627	0	35,627	0	35,627
Federal Government	4,059,766	0	4,059,766	0	4,059,766
Other Governments and Citizens Groups	0	0	0	2,094,708	2,094,708
Total Revenues	\$ 4,885,140	\$ 3,099,363	\$ 7,984,503	\$ 2,094,708	\$ 10,079,211
Expenditures					
Current:					
Operation of Non-Instructional Services	\$ 4,852,532	\$ 3,148,833	\$ 8,001,365	\$ 0	\$ 8,001,365
Capital Outlay	0	0	0	1,333,552	1,333,552
Capital Projects	0	0	0	5,077,152	5,077,152
Total Expenditures	\$ 4,852,532	\$ 3,148,833	\$ 8,001,365	\$ 6,410,704	\$ 14,412,069
Excess (Deficiency) of Revenues Over Expenditures	\$ 32,608	\$ (49,470)	\$ (16,862)	\$ (4,315,996)	\$ (4,332,858)
Other Financing Sources (Uses)					
Insurance Recovery	\$ 7,830	\$ 0	\$ 7,830	\$ 0	\$ 7,830
Transfers In	0	0	0	3,646,949	3,646,949
Transfers Out	(110,739)	0	(110,739)	0	(110,739)
Total Other Financing Sources (Uses)	\$ (102,909)	\$ 0	\$ (102,909)	\$ 3,646,949	\$ 3,544,040
Net Change in Fund Balances	\$ (70,301)	\$ (49,470)	\$ (119,771)	\$ (669,047)	\$ (788,818)
Fund Balance, July 1, 2023	3,235,943	1,507,948	4,743,891	2,475,896	7,219,787
Fund Balance, June 30, 2024	\$ 3,165,642	\$ 1,458,478	\$ 4,624,120	\$ 1,806,849	\$ 6,430,969

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

Discretely Presented Jefferson County School Department

General Purpose School Fund

For the Year Ended June 30, 2024

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 21,188,641	\$ 0	\$ 0	\$ 21,188,641	\$ 19,586,440	\$ 19,586,440	\$ 1,602,201
Licenses and Permits	1,715	0	0	1,715	2,400	2,400	(685)
Charges for Current Services	340,002	0	0	340,002	225,000	258,039	81,963
Other Local Revenues	122,357	0	0	122,357	500	1,040	121,317
State of Tennessee	55,439,006	0	0	55,439,006	47,871,805	54,061,726	1,377,280
Federal Government	182,082	0	0	182,082	93,000	93,000	89,082
Other Governments and Citizens Groups	687,598	0	0	687,598	190,739	653,415	34,183
Total Revenues	\$ 77,961,401	\$ 0	\$ 0	\$ 77,961,401	\$ 67,969,884	\$ 74,656,060	\$ 3,305,341
Expenditures							
Instruction							
Regular Instruction Program	\$ 32,447,122	\$ 0	\$ 3,887	\$ 32,451,009	\$ 33,555,168	\$ 34,872,327	\$ 2,421,318
Alternative Instruction Program	131,828	0	0	131,828	136,054	137,054	5,226
Special Education Program	3,934,845	0	0	3,934,845	3,977,802	4,106,560	171,715
Career and Technical Education Program	3,223,272	(1,065)	82,734	3,304,941	2,445,816	5,080,145	1,775,204
Support Services							
Attendance	336,875	0	94	336,969	369,958	369,958	32,989
Health Services	807,264	0	0	807,264	1,026,297	1,042,397	235,133
Other Student Support	2,615,868	(18,500)	17,827	2,615,195	2,511,223	2,919,463	304,268
Regular Instruction Program	1,801,736	0	3,000	1,804,736	2,304,667	2,349,517	544,781
Alternative Instruction Program	38,278	0	0	38,278	43,651	43,651	5,373
Special Education Program	682,416	0	1,878	684,294	721,467	828,597	144,303
Career and Technical Education Program	351,311	(1,707)	678	350,282	335,639	375,822	25,540
Technology	1,277,112	(10,502)	6,124	1,272,734	1,525,893	1,496,189	223,455
Other Programs	269,724	0	0	269,724	0	269,724	0
Board of Education	798,489	(22,868)	3,911	779,532	913,886	900,825	121,293
Director of Schools	311,966	0	0	311,966	337,909	339,009	27,043
Office of the Principal	4,031,128	0	0	4,031,128	4,342,877	4,354,877	323,749
Fiscal Services	648,339	0	0	648,339	648,339	648,339	0

(Continued)

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

Discretely Presented Jefferson County School Department

General Purpose School Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Support Services (Cont.)							
Human Services/Personnel	\$ 168,188	\$ 0	\$ 2,303	\$ 170,491	\$ 185,311	\$ 185,311	\$ 14,820
Operation of Plant	4,946,103	(251)	0	4,945,852	5,258,516	5,379,196	433,344
Maintenance of Plant	1,705,300	(17,014)	11,691	1,699,977	1,910,393	2,245,493	545,516
Transportation	2,919,120	(6,191)	58,884	2,971,813	3,427,707	3,583,620	611,807
Operation of Non-Instructional Services							
Food Service	36,687	0	0	36,687	0	38,601	1,914
Community Services	345,196	0	2,258	347,454	422,033	422,128	74,674
Early Childhood Education	816,372	0	0	816,372	879,344	832,460	16,088
Capital Outlay							
Regular Capital Outlay	947,281	(79,274)	9,000	877,007	812,570	5,393,939	4,516,932
Total Expenditures	\$ 65,591,820	\$ (157,372)	\$ 204,269	\$ 65,638,717	\$ 68,092,520	\$ 78,215,202	\$ 12,576,485
Excess (Deficiency) of Revenues Over Expenditures	\$ 12,369,581	\$ 157,372	\$ (204,269)	\$ 12,322,684	\$ (122,636)	\$ (3,559,142)	\$ 15,881,826
Other Financing Sources (Uses)							
Insurance Recovery	\$ 99,180	\$ 0	\$ 0	\$ 99,180	\$ 0	\$ 98,310	\$ 870
Transfers In	254,837	0	0	254,837	101,100	211,839	42,998
Transfers Out	(3,646,949)	0	0	(3,646,949)	(98,464)	(3,705,413)	58,464
Total Other Financing Sources	\$ (3,292,932)	\$ 0	\$ 0	\$ (3,292,932)	\$ 2,636	\$ (3,395,264)	\$ 102,332
Net Change in Fund Balance	\$ 9,076,649	\$ 157,372	\$ (204,269)	\$ 9,029,752	\$ (120,000)	\$ (6,954,406)	\$ 15,984,158
Fund Balance, July 1, 2023	20,662,466	(157,372)	0	20,505,094	22,848,474	22,848,474	(2,343,380)
Fund Balance, June 30, 2024	\$ 29,739,115	\$ 0	\$ (204,269)	\$ 29,534,846	\$ 22,728,474	\$ 15,894,068	\$ 13,640,778

JEFFERSON COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Jefferson County School Department
School Federal Projects Fund
For the Year Ended June 30, 2024

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Revenues						
Federal Government	\$ 9,498,178	\$ 0	\$ 9,498,178	\$ 4,258,301	\$ 10,093,063	\$ (594,885)
Total Revenues	\$ 9,498,178	\$ 0	\$ 9,498,178	\$ 4,258,301	\$ 10,093,063	\$ (594,885)
Expenditures						
Instruction						
Regular Instruction Program	\$ 3,427,277	\$ 0	\$ 3,427,277	\$ 1,455,196	\$ 3,553,036	\$ 125,759
Special Education Program	1,357,384	0	1,357,384	1,191,155	1,537,231	179,847
Career and Technical Education Program	106,701	0	106,701	99,194	107,980	1,279
Support Services						
Health Services	0	0	0	94,514	0	0
Other Student Support	873,983	0	873,983	643,179	925,932	51,949
Regular Instruction Program	581,809	0	581,809	216,474	614,227	32,418
Special Education Program	369,062	0	369,062	451,418	550,985	181,923
Career and Technical Education Program	2,709	0	2,709	2,500	4,000	1,291
Transportation	80,465	0	80,465	79,284	91,879	11,414
Capital Outlay						
Regular Capital Outlay	2,556,086	(2,239,037)	317,049	0	2,556,086	2,239,037
Total Expenditures	\$ 9,355,476	\$ (2,239,037)	\$ 7,116,439	\$ 4,232,914	\$ 9,941,356	\$ 2,824,917
Excess (Deficiency) of Revenues Over Expenditures	\$ 142,702	\$ 2,239,037	\$ 2,381,739	\$ 25,387	\$ 151,707	\$ 2,230,032
Other Financing Sources (Uses)						
Transfers Out	\$ (144,098)	\$ 0	\$ (144,098)	\$ (25,387)	\$ (151,707)	\$ 7,609
Total Other Financing Sources	\$ (144,098)	\$ 0	\$ (144,098)	\$ (25,387)	\$ (151,707)	\$ 7,609
Net Change in Fund Balance	\$ (1,396)	\$ 2,239,037	\$ 2,237,641	\$ 0	\$ 0	\$ 2,237,641
Fund Balance, July 1, 2023	3,002,218	(2,239,037)	763,181	3,000,000	3,000,000	(2,236,819)
Fund Balance, June 30, 2024	\$ 3,000,822	\$ 0	\$ 3,000,822	\$ 3,000,000	\$ 3,000,000	\$ 822

JEFFERSON COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Jefferson County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2024

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Charges for Current Services	\$ 781,993	\$ 0	\$ 0	\$ 781,993	\$ 1,205,600	\$ 1,205,600	\$ (423,607)
Other Local Revenues	7,754	0	0	7,754	6,700	6,700	1,054
State of Tennessee	35,627	0	0	35,627	38,500	38,500	(2,873)
Federal Government	4,059,766	0	0	4,059,766	3,633,903	3,834,811	224,955
Total Revenues	<u>\$ 4,885,140</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,885,140</u>	<u>\$ 4,884,703</u>	<u>\$ 5,085,611</u>	<u>\$ (200,471)</u>
Expenditures							
Operation of Non-Instructional Services							
Food Service	\$ 4,852,532	\$ (400)	\$ 14,000	\$ 4,866,132	\$ 5,584,939	\$ 5,785,846	\$ 919,714
Total Expenditures	<u>\$ 4,852,532</u>	<u>\$ (400)</u>	<u>\$ 14,000</u>	<u>\$ 4,866,132</u>	<u>\$ 5,584,939</u>	<u>\$ 5,785,846</u>	<u>\$ 919,714</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 32,608</u>	<u>\$ 400</u>	<u>\$ (14,000)</u>	<u>\$ 19,008</u>	<u>\$ (700,236)</u>	<u>\$ (700,235)</u>	<u>\$ 719,243</u>
Other Financing Sources (Uses)							
Insurance Recovery	\$ 7,830	\$ 0	\$ 0	\$ 7,830	\$ 0	\$ 0	\$ 7,830
Transfers Out	(110,739)	0	0	(110,739)	(110,739)	(110,739)	0
Total Other Financing Sources	<u>\$ (102,909)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (102,909)</u>	<u>\$ (110,739)</u>	<u>\$ (110,739)</u>	<u>\$ 7,830</u>
Net Change in Fund Balance	\$ (70,301)	\$ 400	\$ (14,000)	\$ (83,901)	\$ (810,975)	\$ (810,974)	\$ 727,073
Fund Balance, July 1, 2023	<u>3,235,943</u>	<u>(400)</u>	<u>0</u>	<u>3,235,543</u>	<u>1,800,000</u>	<u>1,800,000</u>	<u>1,435,543</u>
Fund Balance, June 30, 2024	<u><u>\$ 3,165,642</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (14,000)</u></u>	<u><u>\$ 3,151,642</u></u>	<u><u>\$ 989,025</u></u>	<u><u>\$ 989,026</u></u>	<u><u>\$ 2,162,616</u></u>

JEFFERSON COUNTY, TENNESSEE**Statement of Net Position - Proprietary Fund**

Discretely Presented Jefferson County School Department

June 30, 2024**Governmental
Activities -****Internal
Service Fund**Employee
Insurance -
Dental and
Vision
Fund**ASSETS**

Current Assets:

Cash	\$	47,084
Equity in Pooled Cash and Investments		201,278
Total Assets	\$	248,362

LIABILITIES

Current Liabilities:

Claims and Judgments Payable	\$	31,705
Total Liabilities	\$	31,705

NET POSITION

Unrestricted	\$	216,657
Total Net Position	\$	216,657

JEFFERSON COUNTY, TENNESSEE**Statement of Revenues, Expenses, and Changes in Net Position -
Proprietary Fund**

Discretely Presented Jefferson County School Department

For the Year Ended June 30, 2024

	Governmental Activities - <hr/> Internal Service Fund <hr/> Employee Insurance - Dental and Vision Fund <hr/>
Operating Revenues	
Self-Insurance Premiums/Contributions	\$ 521,099
Total Operating Revenues	<hr/> \$ 521,099 <hr/>
Operating Expenses	
Handling Charges and Administrative Costs	\$ 33,304
Other Self-Insured Claims	431,772
Total Operating Expenses	<hr/> \$ 465,076 <hr/>
Operating Income (Loss)	<hr/> \$ 56,023 <hr/>
Change in Net Position	\$ 56,023
Net Position, July 1, 2023	<hr/> 160,634 <hr/>
Net Position, June 30, 2024	<hr/> \$ 216,657 <hr/>

JEFFERSON COUNTY, TENNESSEE**Statement of Cash Flows - Proprietary Fund**

Discretely Presented Jefferson County School Department

For the Year Ended June 30, 2024

	Governmental Activities - <hr/> Internal Service Fund <hr/> Employee Insurance - Dental and Vision Fund <hr/>
Cash Flows from Operating Activities	
Receipts for Self-Insurance Premiums	\$ 521,099
Payments for Claims	(433,559)
Payments for Administrative Costs	(33,304)
Net Cash Provided By (Used In) Operating Activities	<hr/> \$ 54,236 <hr/>
Increase (Decrease) in Cash	\$ 54,236
Cash, July 1, 2023	<hr/> 194,126 <hr/>
Cash, June 30, 2024	<hr/> <hr/> \$ 248,362 <hr/> <hr/>
Reconciliation of Operating Income (Loss) to Net Cash	
Provided By (Used In) Operating Activities	
Operating Income (Loss)	\$ 56,023
Adjustment to Reconcile Net Operating Income (Loss)	
to Net Cash Provided By (Used In) Operating Activities:	
Changes in Assets and Liabilities:	
Increase (Decrease) in Other Current Liabilities	<hr/> (1,787) <hr/>
Net Cash Provided By (Used In) Operating Activities	<hr/> <hr/> \$ 54,236 <hr/> <hr/>
Reconciliation of Cash With Statement of Net Position	
Cash Per Net Position	\$ 47,084
Equity in Pooled Cash and Investments Per Net Position	<hr/> 201,278 <hr/>
Cash, June 30, 2024	<hr/> <hr/> \$ 248,362 <hr/> <hr/>

MISCELLANEOUS SCHEDULES

JEFFERSON COUNTY, TENNESSEE
Schedule of Changes in Long-term Other Loans, Bonds, and Notes
For the Year Ended June 30, 2024

Description of Indebtedness	Original Amount of Issue	Interest Rate		Date of Issue	Last Maturity Date	Outstanding 7-1-23	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-24
GOVERNMENTAL ACTIVITIES									
OTHER LOANS PAYABLE									
Payable through General Debt Service Fund									
Qualified School Construction Bonds	\$ 10,595,000	0	(1)	10-7-10	8-1-27	\$ 2,771,849	\$ 0	\$ 661,112	\$ 2,110,737
Energy Efficient Schools Initiative Loan, Series 2011	2,506,325	2.5	%	11-2-11	3-1-24	179,627	0	179,627	0
Energy Efficient Schools Initiative Loan, Series 2024	2,094,708	0.5		6-30-24	10-1-36	0	2,094,708	0	2,094,708
Total Other Loans Payable						\$ 2,951,476	\$ 2,094,708	\$ 840,739	\$ 4,205,445
BONDS PAYABLE									
Payable through General Debt Service Fund									
General Obligation Bonds - Series 2010 - FTRZEDB	16,000,000	3.69		12-10-10	6-1-40	\$ 16,000,000	\$ 0	\$ 1,175,000	\$ 14,825,000
General Obligation Refunding Bonds, Series 2020A	15,225,000	1.95		6-5-20	6-1-36	13,410,000	0	795,000	12,615,000
General Obligation Bonds, Series 2020B	7,750,000	3		12-15-20	6-1-50	7,650,000	0	190,000	7,460,000
General Obligation Refunding Bonds, Series 2021A	6,350,000	1.5 to 3		6-4-21	6-1-36	6,250,000	0	310,000	5,940,000
General Obligation Refunding Bonds, Series 2021B	5,535,000	1.75 to 2		6-25-21	6-1-37	4,925,000	0	310,000	4,615,000
General Obligation Bonds, Series 2022	2,000,000	3		2-25-22	6-1-50	2,000,000	0	50,000	1,950,000
Total Bonds Payable						\$ 50,235,000	\$ 0	\$ 2,830,000	\$ 47,405,000
BUSINESS-TYPE ACTIVITIES									
NOTES PAYABLE									
Payable through Solid Waste Disposal Fund									
Capital Outlay Note, Series 2023	2,200,000	3.97		8-15-23	6-1-36	\$ 0	\$ 2,200,000	\$ 0	\$ 2,200,000
Total Notes Payable						\$ 0	\$ 2,200,000	\$ 0	\$ 2,200,000

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

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

GOVERNMENTAL ACTIVITIES

Year Ending June 30	Bonds		
	Principal	Interest	Total
2025	\$ 1,820,000	\$ 1,887,747	\$ 3,707,747
2026	1,895,000	1,819,598	3,714,598
2027	1,965,000	1,748,347	3,713,347
2028	2,040,000	1,674,298	3,714,298
2029	3,630,000	1,597,047	5,227,047
2030	1,700,000	1,486,397	3,186,397
2031	1,745,000	1,438,897	3,183,897
2032	1,790,000	1,401,097	3,191,097
2033	2,350,000	1,362,248	3,712,248
2034	2,390,000	1,316,623	3,706,623
2035	2,440,000	1,270,223	3,710,223
2036	2,490,000	1,220,042	3,710,042
2037	3,790,000	1,166,968	4,956,968
2038	4,185,000	947,643	5,132,643
2039	4,315,000	683,438	4,998,438
2040	4,380,000	410,800	4,790,800
2041	390,000	134,400	524,400
2042	405,000	122,700	527,700
2043	415,000	110,550	525,550
2044	430,000	98,100	528,100
2045	440,000	85,200	525,200
2046	450,000	72,000	522,000
2047	465,000	58,500	523,500
2048	480,000	44,550	524,550
2049	495,000	30,150	525,150
2050	510,000	15,300	525,300
Total	\$ 47,405,000	\$ 22,202,863	\$ 69,607,863

(Continued)

JEFFERSON COUNTY, TENNESSEE**Schedule of Long-term Debt Requirements by Year (Cont.)****GOVERNMENTAL ACTIVITIES (CONT.)**

Year Ending June 30	Other Loans			
	Principal	Interest (1)	Other Fees	Total
2025	\$ 774,216	\$ 522,279	\$ 8,476	\$ 1,304,971
2026	831,476	523,089	8,476	1,363,041
2027	897,406	522,237	8,476	1,428,119
2028	234,403	58,314	2,122	294,839
2029	172,944	6,864	0	179,808
2030	173,808	6,000	0	179,808
2031	174,672	5,136	0	179,808
2032	175,548	4,260	0	179,808
2033	176,436	3,372	0	179,808
2034	177,312	2,496	0	179,808
2035	178,200	1,608	0	179,808
2036	179,100	708	0	179,808
2037	59,924	31	0	59,955
Total	\$ 4,205,445	\$ 1,656,394	\$ 27,550	\$ 5,889,389

BUSINESS-TYPE ACTIVITIES

Year Ending June 30	Notes		
	Principal	Interest	Total
2025	\$ 146,700	\$ 87,340	\$ 234,040
2026	152,500	81,516	234,016
2027	158,500	75,462	233,962
2028	164,800	69,169	233,969
2029	171,400	62,627	234,027
2030	178,200	55,822	234,022
2031	185,200	48,748	233,948
2032	192,600	41,395	233,995
2033	200,300	33,749	234,049
2034	208,200	25,797	233,997
2035	216,500	17,532	234,032
2036	225,100	8,936	234,036
Total	\$ 2,200,000	\$ 608,093	\$ 2,808,093

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

JEFFERSON COUNTY, TENNESSEE**Schedule of Leases Receivable**

Primary Government

June 30, 2024

Description	Debtor	Original Amount of Lease	Date of Issue	Date of Maturity	Interest Rate		Balance 7-1-23	Deductions	Balance 6-30-24
PRIMARY GOVERNMENT									
Other Special Revenue									
Jefferson Memorial Hospital	Tennova Healthcare	\$ 22,921,970	2-28-1997	12-20-2050	1.88	%	\$ 22,066,264	\$ 440,028	\$ 21,626,236
Jefferson Memorial Hospital - Grounds	"	82,616	2-3-2000	12-01-2098	1.88		81,698	473	81,225
Total Leases Receivable							<u>\$ 22,147,962</u>	<u>\$ 440,501</u>	<u>\$ 21,707,461</u>

Exhibit K-4

JEFFERSON COUNTY, TENNESSEE

Schedule of Transfers

Primary Government and Discretely Presented Jefferson County School Department

For the Year Ended June 30, 2024

From Fund	To Fund	Purpose	Amount
PRIMARY GOVERNMENT			
General	General Debt Service	QSCB Tax Credit Rebate	\$ 488,249
"	Law Library Fund	Operations	20,000
"	Solid Waste/Sanitation	"	166,000
"	Special Purpose	"	245,583
"	General Capital Projects	Capital Projects	403,050
Other Capital Projects	General	Operations	<u>4,278</u>
Total Transfers Primary Government			<u><u>\$ 1,327,160</u></u>
DISCRETELY PRESENTED JEFFERSON COUNTY SCHOOL DEPARTMENT			
General Purpose School	Education Capital Projects	Capital Projects	\$ 3,646,949
School Federal Projects	General Purpose School	Indirect Cost	144,098
Central Cafeteria	"	Operations	<u>110,739</u>
Total Transfers Discretely Presented Jefferson County School Department			<u><u>\$ 3,901,786</u></u>

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

Primary Government and Discretely Presented Jefferson County School Department

For the Year Ended June 30, 2024

Official	Salary	Authorization	Bond	Surety
County Mayor		Section 8-24-102, <i>TCA</i>	\$ 100,000	Hartford Fire Insurance Company
Base salary/Total compensation	<u>\$ 119,538</u>			
Road Superintendent		Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 112,246</u>			
Director of Schools				
Base salary	\$ 140,265	State Board of Education and	(1)	Tennessee Risk Management Trust
Health insurance premiums	7,388	County Board of Education		
Chief executive officer training supplement	1,000			
Total compensation	<u>\$ 148,653</u>			
Trustee		Section 8-24-102, <i>TCA</i>	2,910,602	Hartford Fire Insurance Company
Base salary/Total compensation	<u>\$ 102,042</u>			
Assessor of Property		Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
Base salary	\$ 102,042			
Salary supplement	750			
Total compensation	<u>\$ 102,792</u>			
County Clerk		Section 8-24-102, <i>TCA</i>	100,000	Hartford Fire Insurance Company
Base salary	\$ 102,042			
Special commissioner fees	5,100			
Total compensation	<u>\$ 107,142</u>			
Circuit and General Sessions Courts Clerk		Section 8-24-102, <i>TCA</i>	100,000	Hartford Fire Insurance Company
Base salary/Total compensation	<u>\$ 102,042</u>			
Clerk and Master		Section 8-24-102, <i>TCA</i>	100,000	Hartford Fire Insurance Company
Base salary/Total compensation	<u>\$ 102,042</u>			
Register of Deeds		Section 8-24-102, <i>TCA</i>	100,000	Hartford Fire Insurance Company
Base salary/Total compensation	<u>\$ 102,042</u>			
Sheriff		Section 8-24-102, <i>TCA</i>	100,000	Hartford Fire Insurance Company
Base salary	\$ 112,246			
Law enforcement training supplement	800			
Total compensation	<u>\$ 113,046</u>			
Finance Director		County Commission	(1)	Tennessee Risk Management Trust
Base salary	\$ 103,063			
Longevity	700			
Bonus	5,153			
Total compensation	<u>\$ 108,916</u>			
Employee Blanket Bonds:				
Employee Fidelity - County Departments			400,000	Tennessee Risk Management Trust
Employee Fidelity - School Department			400,000	"

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

JEFFERSON COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
For the Year Ended June 30, 2024

		Special Revenue Funds					
		General	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
Local Taxes							
County Property Taxes							
Current Property Tax	\$	12,615,987	\$ 0	\$ 0	\$ 2,195,928	\$ 0	\$ 0
Trustee's Collections - Prior Year		218,154	0	0	32,598	0	0
Trustee's Collections - Bankruptcy		4,198	0	0	684	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years		204,134	0	0	30,503	0	0
Interest and Penalty		44,805	0	0	7,114	0	0
Pickup Taxes		12,084	0	0	2,101	0	0
Payments in-Lieu-of Taxes - Local Utilities		46,301	0	0	7,607	0	0
Payments in-Lieu-of Taxes - Other		52	0	0	0	0	0
County Local Option Taxes							
Local Option Sales Tax		2,594,257	0	0	0	0	0
Hotel/Motel Tax		925,373	0	0	0	0	0
Wheel Tax		0	0	0	0	0	0
Litigation Tax - General		119,691	0	0	0	0	0
Litigation Tax - Special Purpose		0	0	14,213	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse		154,269	57,386	0	0	0	0
Business Tax		710,548	0	0	0	0	0
Adequate Facilities/Development Tax		0	0	0	0	0	0
Statutory Local Taxes							
Bank Excise Tax		62,012	0	0	10,785	0	0
Wholesale Beer Tax		207,321	0	0	0	0	0
Total Local Taxes	\$	17,919,186	\$ 57,386	\$ 14,213	\$ 2,287,320	\$ 0	\$ 0
Licenses and Permits							
Licenses							
Marriage Licenses	\$	3,430	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Cable TV Franchise		116,132	0	0	0	0	0

(Continued)

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

		Special Revenue Funds					
		General	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
Licenses and Permits (Cont.)							
Permits							
Beer Permits	\$	475	\$ 0	\$ 0	\$ 0	\$ 0	0
Building Permits		475,798	0	0	0	0	0
Other Permits		139,765	0	0	0	0	0
Total Licenses and Permits	\$	735,600	\$ 0	\$ 0	\$ 0	\$ 0	0
Fines, Forfeitures, and Penalties							
Circuit Court							
Fines	\$	26,813	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs		7,143	0	0	0	0	0
Drug Control Fines		0	0	0	0	0	1,820
Drug Court Fees		1,818	0	0	0	0	0
Jail Fees		2,454	0	0	0	0	0
DUI Treatment Fines		760	0	0	0	0	0
Data Entry Fee - Circuit Court		2,489	0	0	0	0	0
Courtroom Security Fee		61	0	0	0	0	0
General Sessions Court							
Fines		97,654	0	0	0	0	0
Fines for Littering		48	0	0	0	0	0
Officers Costs		54,605	0	0	0	0	0
Game and Fish Fines		1,586	0	0	0	0	0
Drug Control Fines		0	0	0	0	0	13,234
Drug Court Fees		12,710	0	0	0	0	0
Jail Fees		44,600	0	0	0	0	0
DUI Treatment Fines		10,883	0	0	0	0	0
Data Entry Fee - General Sessions Court		23,590	0	0	0	0	0
Courtroom Security Fee		2,328	0	0	0	0	0

(Continued)

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

		Special Revenue Funds					
		General	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
Fines, Forfeitures, and Penalties (Cont.)							
Juvenile Court							
Fines	\$	3,049	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs		4,968	0	0	0	0	0
Drug Court Fees		224	0	0	0	0	0
Data Entry Fee - Juvenile Court		3,273	0	0	0	0	0
Chancery Court							
Officers Costs		38	0	0	0	0	0
Data Entry Fee - Chancery Court		5,400	0	0	0	0	0
Judicial District Drug Program							
Drug Task Force Forfeitures and Seizures		0	0	0	0	0	15,816
Victims Assistance Assessments		32,862	0	0	0	0	0
Other Fines, Forfeitures, and Penalties							
Other Fines, Forfeitures, and Penalties		12,350	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$	351,706	\$ 0	\$ 0	\$ 0	\$ 0	30,870
Charges for Current Services							
General Service Charges							
Patient Charges	\$	4,359,347	\$ 0	\$ 0	\$ 0	\$ 0	0
Other General Service Charges		4,125	0	0	0	0	0
Fees							
Copy Fees		661	0	0	0	0	0
Library Fees		23,235	0	0	0	0	0
Telephone Commissions		68,773	0	0	0	0	0
Additional Fees - Titling and Registration		56,798	0	0	0	0	0
Fingerprint Fees		2,904	0	0	0	0	0
Constitutional Officers' Fees and Commissions		0	0	0	0	0	0

(Continued)

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

		Special Revenue Funds					
		General	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
Charges for Current Services (Cont.)							
Fees (Cont.)							
Special Commissioner Fees/Special Master Fees	\$	0	\$ 0	\$ 0	\$ 0	\$ 0	0
Data Processing Fee - Register		18,326	0	0	0	0	0
Data Processing Fee - Sheriff		3,880	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff		10,500	0	0	0	0	0
Data Processing Fee - County Clerk		3,075	0	0	0	0	0
Subscription and Electronic Filing Fee - Circuit and General Sessions		10,710	0	0	0	0	0
Vehicle Registration Reinstatement Fees		6,410	0	0	0	0	0
Education Charges							
Receipts from Individual Schools		51	0	0	0	0	0
Total Charges for Current Services	\$	4,568,795	\$ 0	\$ 0	\$ 0	\$ 0	0
Other Local Revenues							
Recurring Items							
Investment Income	\$	46,407	\$ 0	\$ 0	\$ 0	256	\$ 0
Lease/Rentals/PPP		7,063	0	0	0	0	0
Lease/PPP Interest		0	0	0	0	0	0
Commissary Sales		42,546	0	0	0	0	0
Sale of Maps		11	0	0	0	0	0
Sale of Recycled Materials		0	0	0	151,340	0	0
E-Rate Funding		9,552	0	0	0	0	0
Miscellaneous Refunds		97,384	0	0	0	0	0
Expenditure Credits		4,591	0	0	0	0	0
Nonrecurring Items							
Sale of Equipment		43,147	0	0	0	0	0
Sale of Property		17,250	0	0	0	0	0
Contributions and Gifts		3,555	0	0	0	0	0

(Continued)

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

		Special Revenue Funds					
		General	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
Other Local Revenues (Cont.)							
Other Local Revenues							
Other Local Revenues		\$ 834,059	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Local Revenues		\$ 1,105,565	\$ 0	\$ 0	\$ 151,340	\$ 256	\$ 0
Fees Received From County Officials							
Fees In-Lieu-of Salary							
County Clerk		\$ 945,732	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk		153,171	0	0	0	0	0
General Sessions Court Clerk		381,987	0	0	0	0	0
Clerk and Master		127,547	0	0	0	0	0
Juvenile Court Clerk		25,930	0	0	0	0	0
Register		309,591	0	0	0	0	0
Sheriff		22,168	0	0	0	0	0
Trustee		1,251,277	0	0	0	0	0
Total Fees Received From County Officials		\$ 3,217,403	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
State of Tennessee							
General Government Grants							
Juvenile Services Program		\$ 13,500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Aging Programs		10,378	0	0	0	0	0
Public Safety Grants							
Law Enforcement Training Programs		37,600	0	0	0	0	0
Health and Welfare Grants							
Health Department Programs		176,122	0	0	0	0	0
Public Works Grants							
State Aid Program		0	0	0	0	0	0
Litter Program		69,861	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
State of Tennessee (Cont.)						
Other State Revenues						
Vehicle Certificate of Title Fees	\$ 11,310	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Opioid Settlement Funds - TN Abatement Council	0	0	0	0	240,598	0
State Revenue Sharing - Telecommunications	54,655	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	71,617	0	0	0	0	0
Contracted Prisoner Boarding	850,832	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	2,605,073	0	0	0	0	0
Other State Revenues	66,500	0	0	0	0	0
Total State of Tennessee	\$ 3,982,612	\$ 0	\$ 0	\$ 0	\$ 240,598	\$ 0
Federal Government						
Federal Through State						
Community Development	\$ 4,250	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Civil Defense Reimbursement	82,728	0	0	0	0	0
Homeland Security Grants	18,000	0	0	0	0	0
Medicaid	151,929	0	0	0	0	0
American Rescue Plan Act Grant #1	0	0	0	0	0	0
Other Federal through State	988,772	0	0	0	0	0
Direct Federal Revenue						
Tax Credit Bond Rebate	488,249	0	0	0	0	0
American Rescue Plan Act Grant #10	30,482	0	0	0	0	0
Other Direct Federal Revenue	70,891	0	0	0	0	0
Total Federal Government	\$ 1,835,301	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

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

		Special Revenue Funds					
		General	Courthouse and Jail Maintenance	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control
Other Governments and Citizens Groups							
Other Governments							
Contributions	\$	179,529	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Citizens Groups							
Donations		17,818	0	0	0	0	0
Other							
Other		31,281	0	0	0	0	0
Opioid Settlement Funds - Past Remediation		306,958	0	0	0	0	0
Total Other Governments and Citizens Groups	\$	535,586	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total	\$	34,251,754	\$ 57,386	\$ 14,213	\$ 2,438,660	\$ 240,854	\$ 30,870

(Continued)

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	Other General Government Fund	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 0	\$ 0	\$ 0	\$ 2,881,534	\$ 2,193,948	\$ 548,483
Trustee's Collections - Prior Year	0	0	0	45,136	40,120	10,030
Trustee's Collections - Bankruptcy	0	0	0	918	749	187
Circuit Clerk/Clerk and Master Collections - Prior Years	0	0	0	42,235	37,542	9,385
Interest and Penalty	0	0	0	9,635	8,069	2,017
Pickup Taxes	0	0	0	2,758	2,101	525
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	9,984	7,607	1,902
Payments in-Lieu-of Taxes - Other	0	0	0	0	0	0
County Local Option Taxes						
Local Option Sales Tax	0	0	0	0	2,689,636	0
Hotel/Motel Tax	0	0	0	0	0	0
Wheel Tax	0	0	0	0	2,377,621	0
Litigation Tax - General	0	0	0	0	0	0
Litigation Tax - Special Purpose	0	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	0
Business Tax	0	0	0	0	0	0
Adequate Facilities/Development Tax	0	0	0	0	967,049	0
Statutory Local Taxes						
Bank Excise Tax	0	0	0	14,155	10,785	2,696
Wholesale Beer Tax	0	0	0	0	0	0
Total Local Taxes	\$ 0	\$ 0	\$ 0	\$ 3,006,355	\$ 8,335,227	\$ 575,225
Licenses and Permits						
Licenses						
Marriage Licenses	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Cable TV Franchise	0	0	0	0	0	0

(Continued)

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	Other General Government Fund	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects
Licenses and Permits (Cont.)						
Permits						
Beer Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Building Permits	0	0	0	0	0	0
Other Permits	0	0	0	0	0	0
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fines, Forfeitures, and Penalties						
Circuit Court						
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	0	0	0	0	0	0
Drug Control Fines	0	0	0	0	0	0
Drug Court Fees	0	0	0	0	0	0
Jail Fees	0	0	0	0	0	0
DUI Treatment Fines	0	0	0	0	0	0
Data Entry Fee - Circuit Court	0	0	0	0	0	0
Courtroom Security Fee	0	0	0	0	0	0
General Sessions Court						
Fines	0	0	0	0	0	0
Fines for Littering	0	0	0	0	0	0
Officers Costs	0	0	0	0	0	0
Game and Fish Fines	0	0	0	0	0	0
Drug Control Fines	0	0	0	0	0	0
Drug Court Fees	0	0	0	0	0	0
Jail Fees	0	0	0	0	0	0
DUI Treatment Fines	0	0	0	0	0	0
Data Entry Fee - General Sessions Court	0	0	0	0	0	0
Courtroom Security Fee	0	0	0	0	0	0

(Continued)

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	Other General Government Fund	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects
Fines, Forfeitures, and Penalties (Cont.)						
Juvenile Court						
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	0	0	0	0	0	0
Drug Court Fees	0	0	0	0	0	0
Data Entry Fee - Juvenile Court	0	0	0	0	0	0
Chancery Court						
Officers Costs	0	0	0	0	0	0
Data Entry Fee - Chancery Court	0	0	0	0	0	0
Judicial District Drug Program						
Drug Task Force Forfeitures and Seizures	0	0	0	0	0	0
Victims Assistance Assessments	0	0	0	0	0	0
Other Fines, Forfeitures, and Penalties						
Other Fines, Forfeitures, and Penalties	0	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Charges for Current Services						
General Service Charges						
Patient Charges	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other General Service Charges	0	0	0	53,360	0	0
Fees						
Copy Fees	0	0	0	0	0	0
Library Fees	0	0	0	0	0	0
Telephone Commissions	0	0	0	0	0	0
Additional Fees - Titling and Registration	0	0	0	0	0	0
Fingerprint Fees	0	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	681	0	0	0

(Continued)

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	Other General Government Fund	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects
Charges for Current Services (Cont.)						
Fees (Cont.)						
Special Commissioner Fees/Special Master Fees	\$ 0	\$ 0	\$ 5,100	\$ 0	\$ 0	\$ 0
Data Processing Fee - Register	0	0	0	0	0	0
Data Processing Fee - Sheriff	0	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0	0
Data Processing Fee - County Clerk	0	0	0	0	0	0
Subscription and Electronic Filing Fee - Circuit and General Sessions	0	0	0	0	0	0
Vehicle Registration Reinstatement Fees	0	0	0	0	0	0
Education Charges						
Receipts from Individual Schools	0	0	0	0	0	0
Total Charges for Current Services	\$ 0	\$ 0	\$ 5,781	\$ 53,360	\$ 0	\$ 0
Other Local Revenues						
Recurring Items						
Investment Income	\$ 0	\$ 11,325	\$ 0	\$ 0	\$ 5,294,400	\$ 0
Lease/Rentals/PPP	0	440,501	0	0	0	0
Lease/PPP Interest	0	411,501	0	0	0	0
Commissary Sales	0	0	0	0	0	0
Sale of Maps	0	0	0	0	0	0
Sale of Recycled Materials	0	0	0	0	0	0
E-Rate Funding	0	0	0	0	0	0
Miscellaneous Refunds	0	0	0	134	0	0
Expenditure Credits	0	0	0	0	0	0
Nonrecurring Items						
Sale of Equipment	0	0	0	0	0	0
Sale of Property	0	0	0	0	0	0
Contributions and Gifts	0	0	0	0	0	0

(Continued)

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	Other General Government Fund	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects
Other Local Revenues (Cont.)						
Other Local Revenues	\$ 26,685	\$ 0	\$ 0	\$ 0	\$ 392,173	\$ 0
Total Other Local Revenues	\$ 26,685	\$ 863,327	\$ 0	\$ 134	\$ 5,686,573	\$ 0
Fees Received From County Officials						
Fees In-Lieu-of Salary						
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	0	0	0	0	0	0
General Sessions Court Clerk	0	0	0	0	0	0
Clerk and Master	0	0	0	0	0	0
Juvenile Court Clerk	0	0	0	0	0	0
Register	0	0	0	0	0	0
Sheriff	0	0	0	0	0	0
Trustee	0	0	0	0	0	0
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
State of Tennessee						
General Government Grants						
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Aging Programs	0	0	0	0	0	0
Public Safety Grants						
Law Enforcement Training Programs	0	0	0	0	0	0
Health and Welfare Grants						
Health Department Programs	0	0	0	0	0	0
Public Works Grants						
State Aid Program	0	0	0	569,579	0	0
Litter Program	0	0	0	0	0	0

(Continued)

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	Other General Government Fund	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects
State of Tennessee (Cont.)						
Other State Revenues						
Vehicle Certificate of Title Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Opioid Settlement Funds - TN Abatement Council	0	0	0	0	0	0
State Revenue Sharing - Telecommunications	0	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	0	0	0	0	0	0
Contracted Prisoner Boarding	0	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	2,475,841	0	0
Hybrid/Electric Vehicle Registration Fee	0	0	0	7,865	0	0
Petroleum Special Tax	0	0	0	36,232	0	0
Registrar's Salary Supplement	0	0	0	0	0	0
Other State Grants	0	0	0	0	0	0
Other State Revenues	0	0	0	0	0	0
Total State of Tennessee	\$ 0	\$ 0	\$ 0	\$ 3,089,517	\$ 0	\$ 0
Federal Government						
Federal Through State						
Community Development	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Civil Defense Reimbursement	0	0	0	0	0	0
Homeland Security Grants	0	0	0	0	0	0
Medicaid	0	0	0	0	0	0
American Rescue Plan Act Grant #1	157,620	0	0	0	0	0
Other Federal through State	0	0	0	0	0	0
Direct Federal Revenue						
Tax Credit Bond Rebate	0	0	0	0	449,472	0
American Rescue Plan Act Grant #10	0	0	0	0	0	0
Other Direct Federal Revenue	0	0	0	0	0	0
Total Federal Government	\$ 157,620	\$ 0	\$ 0	\$ 0	\$ 449,472	\$ 0

(Continued)

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	Other General Government Fund	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects
Other Governments and Citizens Groups						
Other Governments						
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Citizens Groups						
Donations	0	0	0	0	0	0
Other						
Other	0	0	0	0	0	0
Opioid Settlement Funds - Past Remediation	0	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total	\$ 184,305	\$ 863,327	\$ 5,781	\$ 6,149,366	\$ 14,471,272	\$ 575,225

(Continued)

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

	<u>Capital Projects Fund</u>	
	Other Capital Projects	Total
Local Taxes		
County Property Taxes		
Current Property Tax	\$ 0	\$ 20,435,880
Trustee's Collections - Prior Year	0	346,038
Trustee's Collections - Bankruptcy	0	6,736
Circuit Clerk/Clerk and Master Collections - Prior Years	0	323,799
Interest and Penalty	0	71,640
Pickup Taxes	0	19,569
Payments in-Lieu-of Taxes - Local Utilities	0	73,401
Payments in-Lieu-of Taxes - Other	0	52
County Local Option Taxes		
Local Option Sales Tax	0	5,283,893
Hotel/Motel Tax	0	925,373
Wheel Tax	0	2,377,621
Litigation Tax - General	0	119,691
Litigation Tax - Special Purpose	0	14,213
Litigation Tax - Jail, Workhouse, or Courthouse	0	211,655
Business Tax	0	710,548
Adequate Facilities/Development Tax	0	967,049
Statutory Local Taxes		
Bank Excise Tax	0	100,433
Wholesale Beer Tax	0	207,321
Total Local Taxes	<u>\$ 0</u>	<u>\$ 32,194,912</u>
Licenses and Permits		
Licenses		
Marriage Licenses	\$ 0	\$ 3,430
Cable TV Franchise	0	116,132

(Continued)

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

	<u>Capital Projects Fund</u>	
	Other Capital Projects	Total
Licenses and Permits (Cont.)		
Permits		
Beer Permits	\$ 0	\$ 475
Building Permits	0	475,798
Other Permits	0	139,765
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 735,600</u>
Fines, Forfeitures, and Penalties		
Circuit Court		
Fines	\$ 0	\$ 26,813
Officers Costs	0	7,143
Drug Control Fines	0	1,820
Drug Court Fees	0	1,818
Jail Fees	0	2,454
DUI Treatment Fines	0	760
Data Entry Fee - Circuit Court	0	2,489
Courtroom Security Fee	0	61
General Sessions Court		
Fines	0	97,654
Fines for Littering	0	48
Officers Costs	0	54,605
Game and Fish Fines	0	1,586
Drug Control Fines	0	13,234
Drug Court Fees	0	12,710
Jail Fees	0	44,600
DUI Treatment Fines	0	10,883
Data Entry Fee - General Sessions Court	0	23,590
Courtroom Security Fee	0	2,328

(Continued)

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

	<u>Capital</u>	
	<u>Projects Fund</u>	
	Other	Total
	Capital	
	Projects	
Fines, Forfeitures, and Penalties (Cont.)		
Juvenile Court		
Fines	\$ 0	\$ 3,049
Officers Costs	0	4,968
Drug Court Fees	0	224
Data Entry Fee - Juvenile Court	0	3,273
Chancery Court		
Officers Costs	0	38
Data Entry Fee - Chancery Court	0	5,400
Judicial District Drug Program		
Drug Task Force Forfeitures and Seizures	0	15,816
Victims Assistance Assessments	0	32,862
Other Fines, Forfeitures, and Penalties		
Other Fines, Forfeitures, and Penalties	0	12,350
Total Fines, Forfeitures, and Penalties	<u>\$ 0</u>	<u>\$ 382,576</u>
Charges for Current Services		
General Service Charges		
Patient Charges	\$ 0	\$ 4,359,347
Other General Service Charges	0	57,485
Fees		
Copy Fees	0	661
Library Fees	0	23,235
Telephone Commissions	0	68,773
Additional Fees - Titling and Registration	0	56,798
Fingerprint Fees	0	2,904
Constitutional Officers' Fees and Commissions	0	681

(Continued)

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

	<u>Capital Projects Fund</u>	
	Other Capital Projects	Total
<hr/>		
Charges for Current Services (Cont.)		
Fees (Cont.)		
Special Commissioner Fees/Special Master Fees	\$ 0	\$ 5,100
Data Processing Fee - Register	0	18,326
Data Processing Fee - Sheriff	0	3,880
Sexual Offender Registration Fee - Sheriff	0	10,500
Data Processing Fee - County Clerk	0	3,075
Subscription and Electronic Filing Fee - Circuit and General Sessions	0	10,710
Vehicle Registration Reinstatement Fees	0	6,410
Education Charges		
Receipts from Individual Schools	0	51
Total Charges for Current Services	<u>\$ 0</u>	<u>\$ 4,627,936</u>
Other Local Revenues		
Recurring Items		
Investment Income	\$ 0	\$ 5,352,388
Lease/Rentals/PPP	0	447,564
Lease/PPP Interest	0	411,501
Commissary Sales	0	42,546
Sale of Maps	0	11
Sale of Recycled Materials	0	151,340
E-Rate Funding	0	9,552
Miscellaneous Refunds	0	97,518
Expenditure Credits	0	4,591
Nonrecurring Items		
Sale of Equipment	0	43,147
Sale of Property	0	17,250
Contributions and Gifts	0	3,555

(Continued)

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

	<u>Capital Projects Fund</u>	
	Other Capital Projects	Total
Other Local Revenues (Cont.)		
Other Local Revenues		
Other Local Revenues	\$ 0	\$ 1,252,917
Total Other Local Revenues	\$ 0	\$ 7,833,880
Fees Received From County Officials		
Fees In-Lieu-of Salary		
County Clerk	\$ 0	\$ 945,732
Circuit Court Clerk	0	153,171
General Sessions Court Clerk	0	381,987
Clerk and Master	0	127,547
Juvenile Court Clerk	0	25,930
Register	0	309,591
Sheriff	0	22,168
Trustee	0	1,251,277
Total Fees Received From County Officials	\$ 0	\$ 3,217,403
State of Tennessee		
General Government Grants		
Juvenile Services Program	\$ 0	\$ 13,500
Aging Programs	0	10,378
Public Safety Grants		
Law Enforcement Training Programs	0	37,600
Health and Welfare Grants		
Health Department Programs	0	176,122
Public Works Grants		
State Aid Program	0	569,579
Litter Program	0	69,861

(Continued)

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

	<u>Capital Projects Fund</u>	
	Other Capital Projects	Total
State of Tennessee (Cont.)		
Other State Revenues		
Vehicle Certificate of Title Fees	\$ 0	\$ 11,310
Opioid Settlement Funds - TN Abatement Council	0	240,598
State Revenue Sharing - Telecommunications	0	54,655
State Shared Sports Gaming Privilege Tax	0	71,617
Contracted Prisoner Boarding	0	850,832
Gasoline and Motor Fuel Tax	0	2,475,841
Hybrid/Electric Vehicle Registration Fee	0	7,865
Petroleum Special Tax	0	36,232
Registrar's Salary Supplement	0	15,164
Other State Grants	0	2,605,073
Other State Revenues	0	66,500
Total State of Tennessee	<u>\$ 0</u>	<u>\$ 7,312,727</u>
Federal Government		
Federal Through State		
Community Development	\$ 397,578	\$ 401,828
Civil Defense Reimbursement	0	82,728
Homeland Security Grants	0	18,000
Medicaid	0	151,929
American Rescue Plan Act Grant #1	0	157,620
Other Federal through State	0	988,772
Direct Federal Revenue		
Tax Credit Bond Rebate	0	937,721
American Rescue Plan Act Grant #10	0	30,482
Other Direct Federal Revenue	0	70,891
Total Federal Government	<u>\$ 397,578</u>	<u>\$ 2,839,971</u>

(Continued)

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

	<u>Capital Projects Fund</u>	
	Other Capital Projects	Total
<hr/>		
Other Governments and Citizens Groups		
Other Governments		
Contributions	\$ 0	\$ 179,529
Citizens Groups		
Donations	0	17,818
Other		
Other	0	31,281
Opioid Settlement Funds - Past Remediation	0	306,958
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 535,586</u>
 Total	 <u><u>\$ 397,578</u></u>	 <u><u>\$ 59,680,591</u></u>

JEFFERSON COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Jefferson County School Department
For the Year Ended June 30, 2024

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 11,105,002	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,105,002
Trustee's Collections - Prior Year	202,761	0	0	0	0	202,761
Trustee's Collections - Bankruptcy	3,791	0	0	0	0	3,791
Circuit Clerk/Clerk and Master Collections - Prior Years	190,056	0	0	0	0	190,056
Interest and Penalty	40,850	0	0	0	0	40,850
Pickup Taxes	10,639	0	0	0	0	10,639
Payments in-Lieu-of Taxes - T.V.A.	13,297	0	0	0	0	13,297
Payments in-Lieu-of Taxes - Local Utilities	38,509	0	0	0	0	38,509
County Local Option Taxes						
Local Option Sales Tax	9,509,103	0	0	0	0	9,509,103
Mixed Drink Tax	20,036	0	0	0	0	20,036
Statutory Local Taxes						
Bank Excise Tax	54,597	0	0	0	0	54,597
Total Local Taxes	\$ 21,188,641	\$ 0	\$ 0	\$ 0	\$ 0	\$ 21,188,641
Licenses and Permits						
Licenses						
Marriage Licenses	\$ 1,715	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,715
Total Licenses and Permits	\$ 1,715	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,715
Charges for Current Services						
Education Charges						
Lunch Payments - Children	\$ 0	\$ 0	\$ 312,887	\$ 0	\$ 0	\$ 312,887
Lunch Payments - Adults	0	0	24,510	0	0	24,510

(Continued)

JEFFERSON COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Jefferson County School Department (Cont.)

	<u>Special Revenue Funds</u>				<u>Capital Projects Fund</u>	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
Charges for Current Services (Cont.)						
Education Charges (Cont.)						
Income from Breakfast	\$ 0	\$ 0	\$ 72,655	\$ 0	\$ 0	\$ 72,655
A la Carte Sales	0	0	364,655	0	0	364,655
Receipts from Individual Schools	89,826	0	0	0	0	89,826
Community Service Fees - Children	250,176	0	0	0	0	250,176
Other Charges for Services	0	0	7,286	0	0	7,286
Total Charges for Current Services	<u>\$ 340,002</u>	<u>\$ 0</u>	<u>\$ 781,993</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,121,995</u>
Other Local Revenues						
Recurring Items						
Investment Income	\$ 95,239	\$ 0	\$ 7,754	\$ 0	\$ 0	\$ 102,993
Sale of Recycled Materials	1,301	0	0	0	0	1,301
Miscellaneous Refunds	22,735	0	0	0	0	22,735
Nonrecurring Items						
Sale of Property	501	0	0	0	0	501
Damages Recovered from Individuals	341	0	0	0	0	341
Contributions and Gifts	2,240	0	0	0	0	2,240
Other Local Revenues						
Other Local Revenues	0	0	0	3,099,363	0	3,099,363
Total Other Local Revenues	<u>\$ 122,357</u>	<u>\$ 0</u>	<u>\$ 7,754</u>	<u>\$ 3,099,363</u>	<u>\$ 0</u>	<u>\$ 3,229,474</u>
State of Tennessee						
General Government Grants						
On-behalf Contributions for OPEB	\$ 269,724	\$ 0	\$ 0	\$ 0	\$ 0	\$ 269,724

(Continued)

JEFFERSON COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Jefferson County School Department (Cont.)

	<u>Special Revenue Funds</u>				<u>Capital Projects Fund</u>	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
State of Tennessee (Cont.)						
State Education Funds						
Tennessee Investment in Student Achievement	\$ 50,027,398	\$ 0	\$ 0	\$ 0	\$ 0	\$ 50,027,398
TISA - On-behalf Payments	152,002	0	0	0	0	152,002
Early Childhood Education	820,759	0	0	0	0	820,759
School Food Service	0	0	35,627	0	0	35,627
Other State Education Funds	1,133,813	0	0	0	0	1,133,813
Paid Parental Leave	248,679	0	0	0	0	248,679
Career Ladder Program	47,367	0	0	0	0	47,367
Other Vocational	1,165,416	0	0	0	0	1,165,416
Other State Revenues						
Income Tax	632	0	0	0	0	632
Beer Tax	18,498	0	0	0	0	18,498
Alcoholic Beverage Tax	95,172	0	0	0	0	95,172
State Revenue Sharing - T.V.A.	1,163,962	0	0	0	0	1,163,962
Safe Schools	295,584	0	0	0	0	295,584
Total State of Tennessee	\$ 55,439,006	\$ 0	\$ 35,627	\$ 0	\$ 0	\$ 55,474,633
Federal Government						
Federal Through State						
USDA School Lunch Program	\$ 0	\$ 0	\$ 2,668,938	\$ 0	\$ 0	\$ 2,668,938
USDA - Commodities	0	0	354,726	0	0	354,726
Breakfast	0	0	826,942	0	0	826,942
USDA - Other	0	0	209,160	0	0	209,160
Vocational Education - Basic Grants to States	0	142,398	0	0	0	142,398
Title I Grants to Local Education Agencies	0	2,338,021	0	0	0	2,338,021

(Continued)

JEFFERSON COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Jefferson County School Department (Cont.)

	<u>Special Revenue Funds</u>				<u>Capital Projects Fund</u>	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
Federal Government (Cont.)						
Federal Through State (Cont.)						
Special Education - Grants to States	\$ 0	\$ 1,741,414	\$ 0	\$ 0	\$ 0	\$ 1,741,414
Special Education Preschool Grants	0	75,896	0	0	0	75,896
English Language Acquisition Grants	0	29,978	0	0	0	29,978
COVID-19 Grant B	0	71,250	0	0	0	71,250
COVID-19 Grant D	0	21,000	0	0	0	21,000
American Rescue Plan Act Grant #1	0	4,936,125	0	0	0	4,936,125
American Rescue Plan Act Grant #2	0	18,383	0	0	0	18,383
American Rescue Plan Act Grant #3	0	314	0	0	0	314
American Rescue Plan Act Grant #4	0	31,001	0	0	0	31,001
Other Federal through State	104,634	92,398	0	0	0	197,032
Direct Federal Revenue						
ROTC Reimbursement	77,448	0	0	0	0	77,448
Total Federal Government	\$ 182,082	\$ 9,498,178	\$ 4,059,766	\$ 0	\$ 0	\$ 13,740,026
Other Governments and Citizens Groups						
Other Governments						
Contributions	\$ 445,685	\$ 0	\$ 0	\$ 0	\$ 2,094,708	\$ 2,540,393
Citizens Groups						
Donations	3,150	0	0	0	0	3,150
Other						
Other	238,763	0	0	0	0	238,763
Total Other Governments and Citizens Groups	\$ 687,598	\$ 0	\$ 0	\$ 0	\$ 2,094,708	\$ 2,782,306
Total	\$ 77,961,401	\$ 9,498,178	\$ 4,885,140	\$ 3,099,363	\$ 2,094,708	\$ 97,538,790

JEFFERSON COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2024

General Fund

General Government

County Commission

Medical Personnel	\$	27,500	
Board and Committee Members Fees		84,200	
Social Security		5,220	
Employer Medicare		1,221	
Advertising		20,526	
Audit Services		23,514	
Dues and Memberships		22,406	
Engineering Services		21,538	
Lease/SBITA Payments		55,000	
Legal Services		50,414	
Other Contracted Services		58,565	
Office Supplies		671	
Other Charges		4,596	
Total County Commission			\$ 375,371

Board of Equalization

Board and Committee Members Fees	\$	1,650	
Total Board of Equalization			1,650

County Mayor/Executive

County Official/Administrative Officer	\$	119,538	
Longevity Pay		1,500	
Bonus Payments		3,187	
Other Salaries and Wages		82,213	
Social Security		12,732	
Pensions		20,202	
Life Insurance		157	
Medical Insurance		29,151	
Dental Insurance		684	
Unemployment Compensation		42	
Employer Medicare		2,978	
Advertising		312	
Communication		318	
Pauper Burials		3,150	
Travel		8,070	
Other Contracted Services		139,798	
Office Supplies		820	
Other Charges		3,788	
Office Equipment		299	
Total County Mayor/Executive			428,939

Election Commission

Supervisor/Director	\$	91,838	
Clerical Personnel		90,704	
Part-time Personnel		4,887	
Longevity Pay		1,300	
Overtime Pay		5,556	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Bonus Payments	\$	3,527	
Election Commission		15,625	
Election Workers		28,990	
Social Security		13,654	
Pensions		18,346	
Life Insurance		234	
Medical Insurance		37,650	
Dental Insurance		674	
Unemployment Compensation		114	
Employer Medicare		3,193	
Advertising		6,064	
Communication		3,614	
Data Processing Services		5,408	
Dues and Memberships		900	
Maintenance Agreements		19,732	
Postal Charges		3,178	
Printing, Stationery, and Forms		556	
Travel		4,234	
Other Contracted Services		1,450	
Office Supplies		2,770	
Other Charges		1,370	
Furniture and Fixtures		2,494	
Total Election Commission			\$ 368,062

Register of Deeds

County Official/Administrative Officer	\$	102,042	
Clerical Personnel		156,060	
Longevity Pay		1,600	
Bonus Payments		7,803	
Social Security		15,418	
Pensions		25,456	
Life Insurance		332	
Medical Insurance		60,252	
Dental Insurance		1,140	
Unemployment Compensation		84	
Employer Medicare		3,606	
Data Processing Services		40,222	
Dues and Memberships		960	
Maintenance Agreements		1,953	
Travel		1,696	
Data Processing Supplies		1,583	
Office Supplies		1,000	
Other Charges		289	
Office Equipment		1,072	
Total Register of Deeds			422,568

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Codes Compliance

Supervisor/Director	\$	59,854	
Clerical Personnel		35,351	
Longevity Pay		3,000	
Bonus Payments		4,760	
Social Security		6,302	
Pensions		10,297	
Life Insurance		146	
Medical Insurance		19,434	
Dental Insurance		456	
Unemployment Compensation		42	
Employer Medicare		1,474	
Communication		521	
Other Contracted Services		8,575	
Gasoline		938	
Office Supplies		129	
Total Codes Compliance			\$ 151,279

County Buildings

Supervisor/Director	\$	52,728
Custodial Personnel		77,758
Maintenance Personnel		79,997
Longevity Pay		5,400
Overtime Pay		9,418
Bonus Payments		10,595
Social Security		14,618
Pensions		21,676
Life Insurance		377
Medical Insurance		57,526
Dental Insurance		1,349
Unemployment Compensation		126
Employer Medicare		3,419
Architects		500
Communication		25,139
Maintenance Agreements		114,374
Maintenance and Repair Services - Buildings		397,987
Pest Control		7,480
Postal Charges		48,106
Other Contracted Services		33,483
Custodial Supplies		17,220
Diesel Fuel		906
Electricity		170,739
Gasoline		8,361
Natural Gas		35,088
Office Supplies		6,102
Uniforms		3,941
Water and Sewer		35,103
Building and Contents Insurance		96,842

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Vehicle and Equipment Insurance	\$	3,676	
Other Charges		9,189	
Other Equipment		22,405	
Total County Buildings			\$ 1,371,628

Other Facilities

Supervisor/Director	\$	67,500	
Mechanic(s)		84,009	
Longevity Pay		1,500	
Overtime Pay		4,114	
Bonus Payments		5,245	
In-service Training		338	
Social Security		10,136	
Pensions		13,359	
Life Insurance		256	
Medical Insurance		31,629	
Dental Insurance		323	
Unemployment Compensation		130	
Employer Medicare		2,370	
Communication		3,132	
Other Contracted Services		3,060	
Gasoline		4,450	
Lubricants		34,572	
Office Supplies		1,316	
Tires and Tubes		56,329	
Uniforms		3,556	
Vehicle Parts		121,574	
Other Charges		882	
Data Processing Equipment		6,094	
Other Equipment		2,096	
Total Other Facilities			457,970

Preservation of Records

Maintenance and Repair Services - Office Equipment	\$	1,497	
Office Supplies		3,693	
Data Processing Equipment		1,916	
Total Preservation of Records			7,106

Finance

Accounting and Budgeting

Assistant(s)	\$	137,015	
Supervisor/Director		103,063	
Deputy(ies)		8,460	
Part-time Personnel		348	
Longevity Pay		7,600	
Overtime Pay		4,209	
Bonus Payments		29,007	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Other Salaries and Wages	\$	415,652	
Social Security		40,777	
Pensions		65,337	
Life Insurance		988	
Medical Insurance		159,127	
Dental Insurance		2,299	
Unemployment Compensation		326	
Employer Medicare		9,537	
Communication		4,266	
Dues and Memberships		480	
Maintenance Agreements		28,656	
Postal Charges		157	
Travel		4,892	
Other Contracted Services		4,498	
Data Processing Supplies		1,812	
Office Supplies		5,113	
Software		720	
In Service/Staff Development		7,004	
Other Charges		4,387	
Office Equipment		819	
Total Accounting and Budgeting			\$ 1,046,549

Property Assessor's Office

County Official/Administrative Officer	\$	102,792	
Assessment Personnel		343,282	
Longevity Pay		7,200	
Overtime Pay		2,224	
Bonus Payments		15,539	
Social Security		28,418	
Pensions		45,646	
Life Insurance		572	
Medical Insurance		88,443	
Dental Insurance		1,729	
Unemployment Compensation		189	
Employer Medicare		6,646	
Data Processing Services		27,408	
Maintenance Agreements		5,023	
Postal Charges		19,189	
Travel		1,181	
Gasoline		1,438	
Office Supplies		1,697	
Other Supplies and Materials		1,171	
Other Charges		232	
Furniture and Fixtures		2,107	
Total Property Assessor's Office			702,126

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office

County Official/Administrative Officer	\$	102,042	
Assistant(s)		136,943	
Longevity Pay		1,600	
Overtime Pay		14,316	
Bonus Payments		6,950	
Social Security		15,640	
Pensions		24,503	
Life Insurance		274	
Medical Insurance		45,441	
Dental Insurance		684	
Unemployment Compensation		84	
Employer Medicare		3,658	
Communication		381	
Data Processing Services		9,715	
Dues and Memberships		150	
Legal Notices, Recording, and Court Costs		759	
Maintenance Agreements		16,278	
Office Supplies		10,694	
Other Charges		98	
Data Processing Equipment		460	
Furniture and Fixtures		8,187	
Total County Trustee's Office			\$ 398,857

County Clerk's Office

County Official/Administrative Officer	\$	102,042	
Assistant(s)		113,776	
Supervisor/Director		132,784	
Deputy(ies)		254,050	
Guards		3,951	
Part-time Personnel		1,120	
Longevity Pay		8,100	
Bonus Payments		23,757	
Social Security		37,026	
Pensions		60,756	
Life Insurance		956	
Medical Insurance		152,128	
Dental Insurance		2,294	
Unemployment Compensation		286	
Employer Medicare		8,659	
Communication		5,242	
Dues and Memberships		690	
Maintenance Agreements		40,942	
Rentals		16,800	
Travel		800	
Office Supplies		13,363	
Other Charges		891	
Data Processing Equipment		30,580	
Total County Clerk's Office			1,010,993

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Data Processing

Contributions	\$	35,000	
Other Contracted Services		14,740	
Software		49,712	
Other Supplies and Materials		251	
Data Processing Equipment		42,675	
Total Data Processing			\$ 142,378

Other Finance

Other Contracted Services	\$	4,529	
Liability Insurance		72,032	
Premiums on Corporate Surety Bonds		1,806	
Trustee's Commission		375,014	
Workers' Compensation Insurance		5,710	
Tax Relief Program		194,411	
Other Charges		2,500	
Total Other Finance			656,002

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	102,042	
Clerical Personnel		469,040	
Part-time Personnel		11,250	
Longevity Pay		8,700	
Overtime Pay		1,366	
Bonus Payments		22,049	
Jury and Witness Expense		3,937	
Social Security		37,257	
Pensions		58,016	
Life Insurance		952	
Medical Insurance		127,957	
Dental Insurance		2,508	
Unemployment Compensation		293	
Employer Medicare		8,713	
Communication		2,980	
Dues and Memberships		185	
Maintenance Agreements		48,779	
Postal Charges		8,149	
Internet Connectivity		6,026	
Other Contracted Services		1,518	
Data Processing Supplies		1,881	
Office Supplies		5,303	
Other Charges		196	
Data Processing Equipment		11,708	
Office Equipment		21,249	
Total Circuit Court			962,054

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court

County Official/ Administrative Officer	\$	193,712	
Secretary(ies)		50,038	
Longevity Pay		1,500	
Overtime Pay		18	
Bonus Payments		2,502	
In-service Training		2,167	
Other Per Diem and Fees		23,132	
Social Security		13,553	
Pensions		24,775	
Life Insurance		146	
Medical Insurance		18,779	
Dental Insurance		456	
Unemployment Compensation		21	
Employer Medicare		3,533	
Communication		432	
Dues and Memberships		450	
Maintenance Agreements		804	
Postal Charges		152	
Travel		1,255	
Library Books/Media		1,099	
Office Supplies		3,379	
Other Charges		2,203	
Total General Sessions Court			\$ 344,106

Drug Court

Contracts with Government Agencies	\$	26,141	
Total Drug Court			26,141

Chancery Court

County Official/ Administrative Officer	\$	102,042	
Deputy(ies)		87,590	
Longevity Pay		600	
Bonus Payments		4,380	
Social Security		11,607	
Pensions		18,287	
Life Insurance		146	
Medical Insurance		28,375	
Dental Insurance		684	
Unemployment Compensation		42	
Employer Medicare		2,715	
Communication		326	
Maintenance Agreements		14,161	
Travel		40	
Office Supplies		1,461	
Data Processing Equipment		1,383	
Total Chancery Court			273,839

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court

Youth Service Officer(s)	\$	183,544	
Longevity Pay		4,900	
Overtime Pay		1,091	
Bonus Payments		11,977	
Other Salaries and Wages		56,700	
Social Security		15,156	
Pensions		24,518	
Life Insurance		366	
Medical Insurance		55,819	
Dental Insurance		684	
Unemployment Compensation		105	
Employer Medicare		3,544	
Communication		4,331	
Contracts with Government Agencies		10,395	
Data Processing Services		1,967	
Dues and Memberships		160	
Maintenance Agreements		5,924	
Rentals		8,850	
Travel		4,346	
Gasoline		2,287	
Office Supplies		4,589	
Uniforms		796	
Other Supplies and Materials		5,234	
In Service/Staff Development		534	
Other Charges		744	
Motor Vehicles		895	
Total Juvenile Court			\$ 409,456

Other Administration of Justice

Evaluation and Testing	\$	13,950	
Total Other Administration of Justice			13,950

Victim Assistance Programs

Bonus Payments	\$	627	
Other Salaries and Wages		37,596	
Social Security		2,363	
Pensions		3,409	
Life Insurance		73	
Medical Insurance		9,717	
Dental Insurance		228	
Unemployment Compensation		21	
Employer Medicare		553	
Communication		150	
Travel		305	
Remittance of Revenue Collected		32,863	
Office Supplies		132	
Software		1,367	
Total Victim Assistance Programs			89,404

(Continued)

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

General Fund (Cont.)

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	112,246	
Assistant(s)		230,998	
Supervisor/Director		68,447	
Deputy(ies)		1,269,821	
Detective(s)		333,903	
Secretary(ies)		34,785	
Part-time Personnel		264,736	
School Resource Officer		562,498	
Longevity Pay		24,100	
Overtime Pay		259,062	
Bonus Payments		103,019	
Other Salaries and Wages		30,045	
In-service Training		42,082	
Social Security		211,456	
Pensions		180,573	
Life Insurance		3,946	
Medical Insurance		535,831	
Dental Insurance		9,976	
Unemployment Compensation		1,845	
Employer Medicare		49,453	
Other Fringe Benefits		90,616	
Communication		75,204	
Dues and Memberships		1,330	
Maintenance Agreements		27,595	
Maintenance and Repair Services - Equipment		605	
Maintenance and Repair Services - Vehicles		67,478	
Postal Charges		2,347	
Rentals		43,200	
Travel		77,225	
Tuition		15,438	
Other Contracted Services		96,402	
Gasoline		233,681	
Instructional Supplies and Materials		1,282	
Office Supplies		84,380	
Uniforms		31,708	
Software		285,915	
Liability Insurance		98,133	
Vehicle and Equipment Insurance		29,006	
Workers' Compensation Insurance		103,310	
Other Charges		210,001	
Data Processing Equipment		14,444	
Furniture and Fixtures		66,107	
Motor Vehicles		581,686	
Other Equipment		454,967	
Total Sheriff's Department			\$ 7,020,882

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Wheel Tax Officer

Part-time Personnel	\$	17,161	
Social Security		1,064	
Unemployment Compensation		21	
Employer Medicare		249	
Office Supplies		365	
Total Wheel Tax Officer			\$ 18,860

Administration of the Sexual Offender Registry

Contracts with Government Agencies	\$	3,200	
Other Equipment		5,847	
Total Administration of the Sexual Offender Registry			9,047

Jail

Guards	\$	1,336,113	
Cafeteria Personnel		72,800	
Longevity Pay		16,000	
Overtime Pay		40,272	
Bonus Payments		49,905	
In-service Training		1,410	
Social Security		96,732	
Pensions		144,732	
Life Insurance		2,576	
Medical Insurance		348,438	
Dental Insurance		6,692	
Unemployment Compensation		1,132	
Employer Medicare		22,623	
Other Fringe Benefits		71,597	
Contracts with Private Agencies		23,393	
Medical and Dental Services		507,578	
Other Contracted Services		324,951	
Custodial Supplies		36,798	
Electricity		154,067	
Food Supplies		328,852	
Natural Gas		42,563	
Uniforms		9,695	
Water and Sewer		68,855	
Building and Contents Insurance		72,119	
In Service/Staff Development		706	
Other Charges		13,945	
Motor Vehicles		101,507	
Other Equipment		255,101	
Total Jail			4,151,152

Workhouse

Guards	\$	14,076	
Bonus Payments		910	
Social Security		966	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Workhouse (Cont.)

Pensions	\$	952	
Life Insurance		24	
Medical Insurance		3,148	
Dental Insurance		76	
Employer Medicare		226	
Other Fringe Benefits		659	
Electricity		18,695	
Natural Gas		1,745	
Water and Sewer		2,101	
Total Workhouse			\$ 43,578

Civil Defense

Assistant(s)	\$	65,910	
Supervisor/Director		8,100	
Longevity Pay		1,500	
Overtime Pay		1,759	
Bonus Payments		3,295	
Social Security		5,222	
Pensions		8,500	
Life Insurance		80	
Medical Insurance		9,857	
Dental Insurance		249	
Unemployment Compensation		23	
Employer Medicare		1,221	
Other Fringe Benefits		4,436	
Communication		1,658	
Other Charges		110	
Total Civil Defense			111,920

Inspection and Regulation

Supervisor/Director	\$	54,649	
Clerical Personnel		35,351	
Longevity Pay		1,200	
Bonus Payments		4,500	
Social Security		5,955	
Pensions		9,111	
Life Insurance		121	
Medical Insurance		19,434	
Dental Insurance		456	
Unemployment Compensation		42	
Employer Medicare		1,393	
Communication		521	
Dues and Memberships		160	
Printing, Stationery, and Forms		495	
Travel		62	
Gasoline		3,666	
Instructional Supplies and Materials		185	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Inspection and Regulation (Cont.)

Office Supplies	\$	264	
Refunds		3,781	
Data Processing Equipment		479	
Total Inspection and Regulation			\$ 141,825

Public Safety Grants Program

Other Equipment	\$	16,200	
Total Public Safety Grants Program			16,200

Other Public Safety

Contributions	\$	937,718	
Total Other Public Safety			937,718

Public Health and Welfare

Local Health Center

Clerical Personnel	\$	182,735	
Longevity Pay		1,700	
Bonus Payments		6,874	
Social Security		11,118	
Pensions		18,481	
Life Insurance		366	
Medical Insurance		44,384	
Dental Insurance		1,140	
Unemployment Compensation		112	
Employer Medicare		2,600	
Communication		4,379	
Contracts with Government Agencies		35,580	
Travel		7,288	
Instructional Supplies and Materials		564	
Utilities		21,326	
Other Charges		4,810	
Total Local Health Center			343,457

Rabies and Animal Control

Bonus Payments	\$	1,771	
Other Salaries and Wages		31,997	
Social Security		1,815	
Pensions		3,488	
Life Insurance		73	
Medical Insurance		12,895	
Dental Insurance		209	
Unemployment Compensation		40	
Employer Medicare		425	
Other Fringe Benefits		1,971	
Communication		2,622	
Gasoline		8,148	
Vehicle and Equipment Insurance		281	
Workers' Compensation Insurance		1,133	
Total Rabies and Animal Control			66,868

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services

Assistant(s)	\$	278,640	
Supervisor/Director		77,855	
Medical Personnel		2,500	
Clerical Personnel		111,572	
Attendants		1,975,682	
Part-time Personnel		254,286	
Longevity Pay		33,000	
Overtime Pay		625,423	
Bonus Payments		110,936	
Other Salaries and Wages		16,964	
Social Security		220,614	
Pensions		314,907	
Life Insurance		3,657	
Medical Insurance		510,081	
Dental Insurance		9,542	
Unemployment Compensation		1,525	
Employer Medicare		51,595	
Other Fringe Benefits		146,868	
Communication		26,426	
Data Processing Services		24,088	
Maintenance Agreements		31,416	
Maintenance and Repair Services - Equipment		25,851	
Postal Charges		8,777	
Tuition		3,154	
Other Contracted Services		20,480	
Diesel Fuel		168,794	
Drugs and Medical Supplies		252,233	
Office Supplies		9,526	
Uniforms		20,405	
Other Supplies and Materials		5,912	
Building and Contents Insurance		10,325	
Liability Insurance		27,098	
Refunds		23,129	
Vehicle and Equipment Insurance		39,071	
Workers' Compensation Insurance		124,058	
Other Charges		11,128	
Data Processing Equipment		12,533	
Furniture and Fixtures		3,174	
Motor Vehicles		46,000	
Other Equipment		158,947	
Total Ambulance/Emergency Medical Services			\$ 5,798,172

Sanitation Education/Information

Guards	\$	43,180
Longevity Pay		1,500
Bonus Payments		2,159
Social Security		2,894

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Sanitation Education/Information (Cont.)

Pensions	\$	4,684	
Life Insurance		73	
Medical Insurance		9,717	
Dental Insurance		228	
Unemployment Compensation		21	
Employer Medicare		677	
Gasoline		3,709	
Instructional Supplies and Materials		7,153	
Other Supplies and Materials		142	
Vehicle and Equipment Insurance		182	
Total Sanitation Education/Information			\$ 76,319

Other Public Health and Welfare

Supervisor/Director	\$	64,669	
Part-time Personnel		1,953	
Longevity Pay		3,000	
Bonus Payments		5,027	
Other Salaries and Wages		62,540	
Social Security		8,518	
Pensions		13,257	
Life Insurance		138	
Medical Insurance		19,434	
Dental Insurance		589	
Unemployment Compensation		83	
Employer Medicare		1,992	
Communication		525	
Postal Charges		136	
Gasoline		5,355	
Office Supplies		818	
Chemicals		380	
Refunds		250	
Total Other Public Health and Welfare			188,664

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Assistant(s)	\$	110,907	
Supervisor/Director		43,154	
Salary Supplements		3,900	
Bonus Payments		4,975	
Social Security		10,021	
Pensions		14,061	
Life Insurance		348	
Medical Insurance		46,579	
Dental Insurance		732	
Unemployment Compensation		167	
Employer Medicare		2,344	
Advertising		413	

(Continued)

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Senior Citizens Assistance (Cont.)

Communication	\$	952	
Travel		1,335	
Office Supplies		270	
Vehicle and Equipment Insurance		1,456	
Other Charges		3,863	
Office Equipment		155	
Other Equipment		12,242	
Total Senior Citizens Assistance			\$ 257,874

Libraries

Librarians	\$	289,388	
Part-time Personnel		101,109	
Longevity Pay		5,200	
Overtime Pay		1,369	
Bonus Payments		15,242	
Social Security		24,420	
Pensions		28,316	
Life Insurance		640	
Medical Insurance		93,271	
Dental Insurance		1,634	
Unemployment Compensation		461	
Employer Medicare		5,711	
Communication		12,329	
Travel		1,530	
Other Contracted Services		5,051	
Instructional Supplies and Materials		1,971	
Library Books/Media		34,856	
Office Supplies		6,830	
Periodicals		2,421	
Utilities		3,953	
Software		3,350	
Other Supplies and Materials		863	
Other Charges		16,973	
Data Processing Equipment		13,303	
Other Equipment		22,365	
Total Libraries			692,556

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$	107,496	
Social Security		6,449	
Pensions		16,363	
Medical Insurance		10,368	
Unemployment Compensation		12	
Employer Medicare		1,508	
Other Fringe Benefits		1,439	
Communication		5,605	

(Continued)

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Agricultural Extension Service (Cont.)

Dues and Memberships	\$	372	
Maintenance Agreements		1,721	
Printing, Stationery, and Forms		1,000	
Travel		11,880	
Electricity		3,091	
Natural Gas		1,294	
Water and Sewer		460	
Workers' Compensation Insurance		155	
Other Charges		220	
Total Agricultural Extension Service			\$ 169,433

Soil Conservation

Secretary(ies)	\$	30,056	
Longevity Pay		800	
Overtime Pay		2,486	
Bonus Payments		1,503	
Other Salaries and Wages		27,827	
Social Security		3,869	
Pensions		5,859	
Life Insurance		128	
Medical Insurance		17,073	
Dental Insurance		399	
Unemployment Compensation		66	
Employer Medicare		905	
Dues and Memberships		420	
Travel		1,168	
Total Soil Conservation			92,559

Other Operations

Tourism

Supervisor/Director	\$	79,380	
Part-time Personnel		8,843	
Longevity Pay		300	
Bonus Payments		3,969	
Other Salaries and Wages		19,859	
Social Security		6,732	
Pensions		9,135	
Life Insurance		110	
Medical Insurance		17,084	
Dental Insurance		342	
Unemployment Compensation		42	
Employer Medicare		1,574	
Advertising		78,105	
Communication		45,466	
Contracts with Private Agencies		167,079	
Dues and Memberships		4,810	
Travel		726	

(Continued)

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

General Fund (Cont.)

Other Operations (Cont.)

Tourism (Cont.)

Office Supplies	\$	322	
In Service/Staff Development		1,311	
Other Charges		2,832	
Total Tourism			\$ 448,021

Veterans' Services

Supervisor/Director	\$	38,275	
Longevity Pay		700	
Bonus Payments		1,911	
Social Security		2,535	
Pensions		3,390	
Life Insurance		34	
Unemployment Compensation		21	
Employer Medicare		593	
Communication		728	
Office Supplies		746	
Data Processing Equipment		449	
Total Veterans' Services			49,382

Contributions to Other Agencies

Contributions	\$	1,223,591	
Total Contributions to Other Agencies			1,223,591

Capital Projects

Other General Government Projects

Architects	\$	45,000	
Total Other General Government Projects			45,000

Total General Fund \$ 31,563,506

Courthouse and Jail Maintenance Fund

Finance

Other Finance

Trustee's Commission	\$	566	
Total Other Finance			\$ 566

Total Courthouse and Jail Maintenance Fund 566

Law Library Fund

Finance

Other Finance

Trustee's Commission	\$	127	
Total Other Finance			\$ 127

Public Safety

Jail

Library Books/Media	\$	12,946	
Total Jail			12,946

Total Law Library Fund 13,073

(Continued)

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

Solid Waste/Sanitation Fund

Public Health and Welfare

Waste Pickup

Supervisor/Director	\$	39,034	
Part-time Personnel		46,701	
Longevity Pay		8,700	
Overtime Pay		33,667	
Bonus Payments		21,314	
Other Salaries and Wages		449,771	
Social Security		36,798	
Pensions		51,567	
Life Insurance		988	
Medical Insurance		119,005	
Dental Insurance		1,995	
Unemployment Compensation		699	
Employer Medicare		8,606	
Contracts with Private Agencies		11,400	
Maintenance and Repair Services - Vehicles		70,724	
Rentals		9,566	
Travel		567	
Disposal Fees		1,116,816	
Diesel Fuel		62,801	
Gasoline		5,351	
Lubricants		11,859	
Tires and Tubes		25,941	
Uniforms		6,379	
Utilities		14,687	
Other Supplies and Materials		11,586	
Building and Contents Insurance		362	
Liability Insurance		503	
Trustee's Commission		45,181	
Vehicle and Equipment Insurance		31,469	
Workers' Compensation Insurance		21,145	
Other Charges		4,858	
Solid Waste Equipment		22,332	
Total Waste Pickup			\$ 2,292,372

Total Solid Waste/Sanitation Fund \$ 2,292,372

Special Purpose Fund

Other Operations

Other Charges

Contributions	\$	229,100	
Total Other Charges			\$ 229,100

Total Special Purpose Fund 229,100

(Continued)

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

Drug Control Fund

Public Safety

Drug Enforcement

Confidential Drug Enforcement Payments	\$	7,000	
Veterinary Services		2,090	
Animal Food and Supplies		5,216	
Software		212	
Trustee's Commission		299	
Other Charges		832	
Other Equipment		8,500	
Total Drug Enforcement			\$ 24,149

Total Drug Control Fund \$ 24,149

Other General Government Fund

Other Operations

American Rescue Plan Act Grant #1

Contributions	\$	235,624	
Utilities		863,124	
Water and Sewer		1,664,126	
Motor Vehicles		203,999	
Other Equipment		28,276	
Total American Rescue Plan Act Grant #1			\$ 2,995,149

American Rescue Plan Act Grant #6

Water and Sewer	\$	134,927	
Other Charges		38,100	
Total American Rescue Plan Act Grant #6			173,027

Capital Projects

American Rescue Plan Act Grant #1

Architects	\$	6,230	
Building Construction		3,325,069	
Total American Rescue Plan Act Grant #1			3,331,299

American Rescue Plan Act Grant #2

Building Construction	\$	352,795	
Total American Rescue Plan Act Grant #2			352,795

Total Other General Government Fund 6,852,270

Other Special Revenue Fund

Finance

Other Finance

Trustee's Commission	\$	7,921	
Total Other Finance			\$ 7,921

Total Other Special Revenue Fund 7,921

(Continued)

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

Constitutional Officers - Fees Fund

Finance

County Clerk's Office

Special Commissioner Fees/Special Master Fees	\$	5,100	
Constitutional Officers' Operating Expenses		<u>590</u>	
Total County Clerk's Office			\$ 5,690

Administration of Justice

Chancery Court

Constitutional Officers' Operating Expenses	\$	<u>91</u>	
Total Chancery Court			<u>91</u>

Total Constitutional Officers - Fees Fund \$ 5,781

Highway/Public Works Fund

Highways

Administration

County Official/ Administrative Officer	\$	112,246	
Accountants/Bookkeepers		58,901	
Clerical Personnel		31,772	
Longevity Pay		2,000	
Bonus Payments		4,533	
Board and Committee Members Fees		15,434	
Social Security		13,935	
Pensions		20,796	
Life Insurance		194	
Medical Insurance		28,261	
Dental Insurance		456	
Unemployment Compensation		51	
Employer Medicare		3,259	
Communication		10,551	
Data Processing Services		281	
Dues and Memberships		3,504	
Legal Notices, Recording, and Court Costs		311	
Postal Charges		326	
Other Contracted Services		5,878	
Office Supplies		2,439	
Other Charges		4,003	
Office Equipment		<u>692</u>	
Total Administration			\$ 319,823

Highway and Bridge Maintenance

Mechanic(s)	\$	897	
Laborers		1,072,912	
Longevity Pay		22,100	
Overtime Pay		103,342	
Bonus Payments		48,528	
Social Security		75,891	
Pensions		109,471	
Life Insurance		1,936	

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Medical Insurance	\$	282,422	
Dental Insurance		4,275	
Unemployment Compensation		845	
Employer Medicare		17,749	
Rentals		1,827	
Asphalt - Liquid		416,288	
Other Road Materials		45,653	
Pipe - Metal		22,488	
Road Signs		4,960	
Salt		8,277	
Uniforms		17,444	
Other Supplies and Materials		6,423	
Total Highway and Bridge Maintenance			\$ 2,263,728

Operation and Maintenance of Equipment

Mechanic(s)	\$	195,169	
Longevity Pay		3,000	
Overtime Pay		39,831	
Bonus Payments		8,236	
Social Security		15,194	
Pensions		22,197	
Life Insurance		358	
Medical Insurance		46,855	
Dental Insurance		627	
Unemployment Compensation		154	
Employer Medicare		3,553	
Maintenance and Repair Services - Equipment		200,246	
Diesel Fuel		68,671	
Gasoline		114,938	
Lubricants		19,519	
Natural Gas		52,847	
Tires and Tubes		10,239	
Water and Sewer		602	
Other Supplies and Materials		6,450	
Other Equipment		575,795	
Total Operation and Maintenance of Equipment			1,384,481

Quarry Operations

Laborers	\$	266,436	
Longevity Pay		4,900	
Overtime Pay		66,940	
Bonus Payments		8,980	
Social Security		20,505	
Pensions		30,758	
Life Insurance		476	
Medical Insurance		77,232	
Dental Insurance		1,007	

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Quarry Operations (Cont.)

Unemployment Compensation	\$	259	
Employer Medicare		4,796	
Maintenance and Repair Services - Equipment		39,195	
Electricity		99,838	
Other Charges		10,170	
Total Quarry Operations			\$ 631,492

Asphalt Plant Operations

Maintenance and Repair Services - Equipment	\$	30,133	
Other Contracted Services		1,200	
Total Asphalt Plant Operations			31,333

Other Charges

Building and Contents Insurance	\$	13,315	
Liability Insurance		13,767	
Trustee's Commission		84,921	
Vehicle and Equipment Insurance		34,741	
Total Other Charges			146,744

Employee Benefits

Workers' Compensation Insurance	\$	121,149	
Total Employee Benefits			121,149

Capital Outlay

Bridge Construction	\$	33,500	
Total Capital Outlay			33,500

Total Highway/Public Works Fund \$ 4,932,250

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	550,000	
Total General Government			\$ 550,000

Education

Principal on Bonds	\$	2,280,000	
Principal on Other Loans		840,739	
Total Education			3,120,739

Interest on Debt

General Government

Interest on Bonds	\$	381,375	
Total General Government			381,375

Education

Interest on Bonds	\$	1,646,666	
Interest on Other Loans		505,063	
Total Education			2,151,729

(Continued)

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

General Debt Service Fund (Cont.)

Other Debt Service

General Government

Trustee's Commission

\$ 158,190

Other Debt Service

16,063

Total General Government

\$ 174,253

Total General Debt Service Fund

\$ 6,378,096

General Capital Projects Fund

Capital Projects

Public Safety Projects

Building Improvements

\$ 59,433

Data Processing Equipment

136,922

Total Public Safety Projects

\$ 196,355

Public Health and Welfare Projects

Building Improvements

\$ 13,500

Other Equipment

34,744

Total Public Health and Welfare Projects

48,244

Other General Government Projects

Trustee's Commission

\$ 11,366

Building Construction

78,859

Building Improvements

32,726

Furniture and Fixtures

115,000

Voting Machines

311,315

Total Other General Government Projects

549,266

Highway and Street Capital Projects

Motor Vehicles

\$ 238,407

Total Highway and Street Capital Projects

238,407

Capital Projects - Donated

Capital Projects Donated to School Department

Contributions

\$ 2,094,708

Total Capital Projects Donated to School Department

2,094,708

Total General Capital Projects Fund

3,126,980

Total Governmental Funds - Primary Government

\$ 55,426,064

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

Discretely Presented Jefferson County School Department

For the Year Ended June 30, 2024**General Purpose School Fund**

Instruction

Regular Instruction Program

Teachers	\$	21,145,383	
Career Ladder Program		33,040	
Educational Assistants		257,670	
Longevity Pay		3,760	
Other Salaries and Wages		47,788	
Certified Substitute Teachers		91,613	
Non-certified Substitute Teachers		644,339	
Social Security		1,300,506	
Pensions		1,469,377	
Life Insurance		29,922	
Medical Insurance		4,262,701	
Dental Insurance		85,558	
Employer Medicare		305,376	
Contributions		445,685	
Other Contracted Services		220,236	
Instructional Supplies and Materials		330,386	
Textbooks - Electronic		172,388	
Textbooks - Bound		348,717	
Other Supplies and Materials		43,798	
Fee Waivers		252,180	
TISA - On-behalf Payments		125,018	
Other Charges		17,264	
Regular Instruction Equipment		814,417	
Total Regular Instruction Program			\$ 32,447,122

Alternative Instruction Program

Teachers	\$	105,700	
Social Security		6,500	
Pensions		7,198	
Life Insurance		144	
Medical Insurance		7,215	
Dental Insurance		245	
Employer Medicare		1,520	
Instructional Supplies and Materials		1,661	
Other Supplies and Materials		1,249	
Other Equipment		396	
Total Alternative Instruction Program			131,828

Special Education Program

Supervisor/Director	\$	57,640	
Teachers		2,043,413	
Career Ladder Program		2,000	
Educational Assistants		286,219	
Speech Pathologist		437,300	
Longevity Pay		4,049	
Social Security		166,664	

(Continued)

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

Discretely Presented Jefferson County School Department (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Pensions	\$	221,618	
Life Insurance		4,589	
Medical Insurance		596,208	
Dental Insurance		12,538	
Employer Medicare		39,099	
Evaluation and Testing		1,753	
Other Contracted Services		3,668	
Instructional Supplies and Materials		18,517	
TISA - On-behalf Payments		26,984	
Special Education Equipment		12,586	
Total Special Education Program			\$ 3,934,845

Career and Technical Education Program

Teachers	\$	2,043,501	
Career Ladder Program		1,003	
Educational Assistants		17,507	
Longevity Pay		217	
Other Salaries and Wages		23,404	
Certified Substitute Teachers		3,510	
Non-certified Substitute Teachers		13,860	
Social Security		122,941	
Pensions		161,001	
Life Insurance		2,807	
Medical Insurance		372,125	
Dental Insurance		8,183	
Employer Medicare		28,758	
Architects		13,294	
Food Supplies		1,272	
Instructional Supplies and Materials		156,624	
Other Supplies and Materials		8,413	
Vocational Instruction Equipment		244,852	
Total Career and Technical Education Program			3,223,272

Support Services

Attendance

Supervisor/Director	\$	89,010	
Longevity Pay		1,212	
Other Salaries and Wages		163,206	
Social Security		12,018	
Pensions		18,253	
Life Insurance		281	
Medical Insurance		44,429	
Dental Insurance		735	
Employer Medicare		3,427	
Travel		468	
Other Supplies and Materials		142	
In Service/Staff Development		3,694	
Total Attendance			336,875

(Continued)

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

Discretely Presented Jefferson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Health Services

Supervisor/Director	\$	103,124	
Medical Personnel		374,304	
Longevity Pay		8,600	
Other Salaries and Wages		61,306	
Social Security		32,736	
Pensions		50,830	
Life Insurance		1,113	
Medical Insurance		143,508	
Dental Insurance		2,856	
Employer Medicare		7,656	
Postal Charges		200	
Travel		734	
Other Supplies and Materials		17,109	
In Service/Staff Development		1,149	
Health Equipment		2,039	
Total Health Services			\$ 807,264

Other Student Support

Career Ladder Program	\$	1,417	
Guidance Personnel		1,237,061	
Longevity Pay		356	
Other Salaries and Wages		329,062	
Social Security		90,444	
Pensions		121,449	
Life Insurance		2,040	
Medical Insurance		253,209	
Dental Insurance		5,360	
Employer Medicare		21,846	
Evaluation and Testing		35,419	
Travel		3,426	
Other Contracted Services		483,121	
Other Supplies and Materials		10,890	
In Service/Staff Development		7,244	
Other Charges		10,417	
Other Equipment		3,107	
Total Other Student Support			2,615,868

Regular Instruction Program

Supervisor/Director	\$	193,000	
Librarians		597,890	
Instructional Computer Personnel		64,100	
Secretary(ies)		29,547	
Clerical Personnel		59,164	
Longevity Pay		4,203	
Other Salaries and Wages		282,424	
Social Security		72,680	

(Continued)

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

Discretely Presented Jefferson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Pensions	\$	96,981	
Life Insurance		2,125	
Medical Insurance		260,613	
Dental Insurance		4,304	
Employer Medicare		17,775	
Communication		960	
Travel		6,726	
Other Contracted Services		33,056	
Other Supplies and Materials		14,552	
In Service/Staff Development		49,517	
Other Charges		8,620	
Other Equipment		3,499	
Total Regular Instruction Program			\$ 1,801,736

Alternative Instruction Program

Secretary(ies)	\$	22,484	
Social Security		1,373	
Pensions		2,202	
Life Insurance		67	
Medical Insurance		7,723	
Dental Insurance		84	
Employer Medicare		321	
Travel		1,057	
Other Contracted Services		1,405	
Office Supplies		1,111	
Other Equipment		451	
Total Alternative Instruction Program			38,278

Special Education Program

Supervisor/Director	\$	87,580	
Psychological Personnel		62,860	
Medical Personnel		115,314	
Assessment Personnel		61,800	
Longevity Pay		1,108	
Other Salaries and Wages		108,183	
Social Security		25,302	
Pensions		36,148	
Life Insurance		518	
Medical Insurance		76,749	
Dental Insurance		1,616	
Employer Medicare		5,917	
Communication		960	
Contracts with Private Agencies		44,687	
Travel		9,467	
Other Contracted Services		44,207	
Total Special Education Program			682,416

(Continued)

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

Discretely Presented Jefferson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program

Supervisor/Director	\$	172,620	
Career Ladder Program		917	
Secretary(ies)		30,240	
Social Security		12,780	
Pensions		15,024	
Life Insurance		220	
Medical Insurance		27,730	
Dental Insurance		672	
Employer Medicare		2,989	
Communication		1,710	
Travel		36,534	
Other Contracted Services		31,063	
Other Supplies and Materials		6,553	
In Service/Staff Development		370	
Other Charges		9,307	
Other Equipment		2,582	
Total Career and Technical Education Program			\$ 351,311

Technology

Supervisor/Director	\$	80,000	
Instructional Computer Personnel		12,907	
Secretary(ies)		15,165	
Longevity Pay		3,300	
Other Salaries and Wages		410,576	
Social Security		31,903	
Pensions		46,493	
Life Insurance		840	
Medical Insurance		90,232	
Dental Insurance		2,388	
Employer Medicare		7,461	
Communication		960	
Internet Connectivity		115,456	
Other Contracted Services		25,043	
Software		260,668	
Other Supplies and Materials		31,164	
In Service/Staff Development		4,516	
Other Equipment		138,040	
Total Technology			1,277,112

Other Programs

On-behalf Payments to OPEB	\$	269,724	
Total Other Programs			269,724

Board of Education

Board and Committee Members Fees	\$	25,400	
Social Security		1,339	

(Continued)

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

Discretely Presented Jefferson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

Unemployment Compensation	\$	1,144	
Employer Medicare		365	
Audit Services		31,400	
Dues and Memberships		7,926	
Legal Services		24,793	
Travel		7,436	
Other Contracted Services		15,150	
Trustee's Commission		401,786	
Workers' Compensation Insurance		250,925	
In Service/Staff Development		168	
Other Charges		17,102	
Administration Equipment		13,555	
Total Board of Education			\$ 798,489

Director of Schools

County Official/Administrative Officer	\$	140,265	
Career Ladder Program		1,000	
Secretary(ies)		47,327	
Longevity Pay		2,885	
Social Security		11,619	
Pensions		14,641	
Life Insurance		158	
Medical Insurance		30,245	
Dental Insurance		756	
Employer Medicare		2,717	
Communication		20,320	
Postal Charges		5,232	
Travel		3,721	
Other Contracted Services		21,948	
Office Supplies		2,686	
Other Supplies and Materials		2,778	
In Service/Staff Development		3,668	
Total Director of Schools			311,966

Office of the Principal

Principals	\$	1,022,412	
Career Ladder Program		3,000	
Assistant Principals		921,637	
Secretary(ies)		690,968	
Clerical Personnel		147,643	
Longevity Pay		23,085	
Other Salaries and Wages		6,750	
Social Security		163,022	
Pensions		213,854	
Life Insurance		4,276	
Medical Insurance		585,744	

(Continued)

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

Discretely Presented Jefferson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

Dental Insurance	\$	12,467	
Employer Medicare		38,757	
Communication		27,701	
Travel		137	
Other Contracted Services		126,000	
Office Supplies		496	
Other Supplies and Materials		43,179	
Total Office of the Principal			\$ 4,031,128

Fiscal Services

Other Charges	\$	648,339	
Total Fiscal Services			648,339

Human Services/Personnel

Supervisor/Director	\$	75,086	
Secretary(ies)		35,623	
Longevity Pay		1,500	
Social Security		6,389	
Pensions		11,221	
Life Insurance		145	
Medical Insurance		22,600	
Dental Insurance		500	
Employer Medicare		1,494	
Advertising		225	
Dues and Memberships		50	
Travel		23	
Other Contracted Services		11,681	
Other Supplies and Materials		589	
In Service/Staff Development		1,062	
Total Human Services/Personnel			168,188

Operation of Plant

Guards	\$	94,503	
Secretary(ies)		15,165	
Custodial Personnel		1,024,539	
Longevity Pay		23,575	
Other Salaries and Wages		32,651	
Social Security		68,940	
Pensions		114,010	
Life Insurance		3,017	
Medical Insurance		405,186	
Dental Insurance		8,859	
Employer Medicare		16,123	
Other Contracted Services		512,525	
Custodial Supplies		216,462	
Electricity		1,495,460	

(Continued)

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

Discretely Presented Jefferson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant (Cont.)

Natural Gas	\$	259,501	
Water and Sewer		123,985	
Building and Contents Insurance		514,061	
In Service/Staff Development		1,165	
Other Charges		5,025	
Plant Operation Equipment		11,351	
Total Operation of Plant			\$ 4,946,103

Maintenance of Plant

Supervisor/Director	\$	72,500	
Secretary(ies)		18,805	
Maintenance Personnel		439,072	
Longevity Pay		9,600	
Social Security		31,632	
Pensions		49,765	
Life Insurance		970	
Medical Insurance		96,431	
Dental Insurance		2,540	
Employer Medicare		7,617	
Communication		10,731	
Contributions		40,000	
Maintenance and Repair Services - Buildings		82,423	
Maintenance and Repair Services - Equipment		257,731	
Travel		1,042	
Other Contracted Services		164,087	
Other Supplies and Materials		326,587	
Other Charges		490	
Maintenance Equipment		19,239	
Motor Vehicles		74,038	
Total Maintenance of Plant			1,705,300

Transportation

Supervisor/Director	\$	71,200	
Mechanic(s)		164,926	
Bus Drivers		1,263,929	
Secretary(ies)		33,677	
Longevity Pay		2,100	
Other Salaries and Wages		68,042	
Social Security		95,741	
Pensions		63,103	
Life Insurance		517	
Medical Insurance		68,618	
Dental Insurance		1,806	
Employer Medicare		23,554	
Communication		3,672	
Maintenance and Repair Services - Vehicles		80,149	

(Continued)

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

Discretely Presented Jefferson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Medical and Dental Services	\$	9,975	
Other Contracted Services		28,484	
Diesel Fuel		273,635	
Electricity		376	
Garage Supplies		200	
Gasoline		87,871	
Lubricants		24,280	
Propane Gas		1,874	
Tires and Tubes		68,961	
Vehicle Parts		164,061	
Other Supplies and Materials		3,453	
In Service/Staff Development		1,329	
Other Charges		2,033	
Motor Vehicles		298,232	
Transportation Equipment		13,322	
Total Transportation			\$ 2,919,120

Operation of Non-Instructional Services

Food Service

Cafeteria Personnel	\$	32,249	
Social Security		1,999	
Pensions		1,971	
Employer Medicare		468	
Total Food Service			36,687

Community Services

Supervisor/Director	\$	97,275	
Other Salaries and Wages		180,774	
Social Security		17,056	
Pensions		9,556	
Life Insurance		144	
Medical Insurance		17,279	
Dental Insurance		494	
Employer Medicare		3,989	
Communication		1,651	
Food Supplies		8,449	
Other Supplies and Materials		6,615	
Other Charges		1,914	
Total Community Services			345,196

Early Childhood Education

Teachers	\$	366,860	
Educational Assistants		208,669	
Longevity Pay		4,049	
Social Security		34,333	
Pensions		34,418	

(Continued)

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

Discretely Presented Jefferson County School Department (Cont.)

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education (Cont.)

Life Insurance	\$	1,028	
Medical Insurance		129,852	
Dental Insurance		2,331	
Employer Medicare		8,117	
Instructional Supplies and Materials		26,555	
Other Charges		160	
Total Early Childhood Education			\$ 816,372

Capital Outlay

Regular Capital Outlay

Architects	\$	6,000	
Other Contracted Services		15,857	
Building Construction		16,500	
Building Improvements		908,924	
Total Regular Capital Outlay			947,281

Total General Purpose School Fund			\$ 65,591,820
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School Federal Projects Fund

Instruction

Regular Instruction Program

Educational Assistants	\$	1,017,380	
Other Salaries and Wages		739,889	
Social Security		88,937	
Pensions		121,338	
Life Insurance		4,985	
Medical Insurance		588,451	
Dental Insurance		12,779	
Employer Medicare		24,096	
Instructional Supplies and Materials		67,483	
Software		116,420	
Other Charges		2,076	
Regular Instruction Equipment		643,443	
Total Regular Instruction Program			\$ 3,427,277

Special Education Program

Teachers	\$	49,698	
Educational Assistants		739,944	
Speech Pathologist		24,052	
Longevity Pay		14,100	
Non-certified Substitute Teachers		2,715	
Social Security		47,294	
Pensions		61,700	
Life Insurance		2,703	
Medical Insurance		328,562	
Dental Insurance		5,586	

(Continued)

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

Discretely Presented Jefferson County School Department (Cont.)

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Employer Medicare	\$	11,214	
Instructional Supplies and Materials		57,714	
Other Supplies and Materials		5,205	
Special Education Equipment		6,897	
Total Special Education Program			\$ 1,357,384

Career and Technical Education Program

Other Salaries and Wages	\$	12,000	
Social Security		744	
Pensions		779	
Employer Medicare		174	
Instructional Supplies and Materials		17,631	
Other Supplies and Materials		22,790	
Vocational Instruction Equipment		52,583	
Total Career and Technical Education Program			106,701

Support Services

Other Student Support

Bus Drivers	\$	1,105	
Longevity Pay		1,608	
Other Salaries and Wages		593,033	
Social Security		35,162	
Pensions		42,240	
Life Insurance		706	
Medical Insurance		112,442	
Dental Insurance		2,642	
Employer Medicare		8,224	
Travel		15,126	
Other Contracted Services		7,163	
Other Supplies and Materials		24,085	
In Service/Staff Development		16,845	
Other Charges		13,602	
Total Other Student Support			873,983

Regular Instruction Program

Supervisor/Director	\$	232,350	
Clerical Personnel		16,256	
Other Salaries and Wages		109,998	
Social Security		17,403	
Pensions		21,002	
Life Insurance		265	
Medical Insurance		31,552	
Dental Insurance		914	
Employer Medicare		5,169	
Other Contracted Services		136,229	
Other Supplies and Materials		875	

(Continued)

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

Discretely Presented Jefferson County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

In Service/Staff Development	\$	9,767	
Other Charges		29	
Total Regular Instruction Program			\$ 581,809

Special Education Program

Psychological Personnel	\$	120,140	
Medical Personnel		54,526	
Clerical Personnel		21,710	
Longevity Pay		1,060	
Other Salaries and Wages		25,243	
Social Security		13,460	
Pensions		15,148	
Life Insurance		256	
Medical Insurance		32,014	
Dental Insurance		315	
Employer Medicare		3,148	
Contracts with Other Public Agencies		8,841	
Contracts with Private Agencies		50,923	
Evaluation and Testing		8,798	
Travel		2,510	
In Service/Staff Development		10,970	
Total Special Education Program			369,062

Career and Technical Education Program

In Service/Staff Development	\$	2,709	
Total Career and Technical Education Program			2,709

Transportation

Bus Drivers	\$	51,848	
Other Salaries and Wages		20,375	
Social Security		4,438	
Pensions		2,165	
Employer Medicare		1,047	
Gasoline		592	
Total Transportation			80,465

Capital Outlay

Regular Capital Outlay

Architects	\$	69,974	
Consultants		79,956	
Other Contracted Services		2,028	
Building Improvements		2,404,128	
Total Regular Capital Outlay			2,556,086

Total School Federal Projects Fund			\$ 9,355,476
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(Continued)

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

Discretely Presented Jefferson County School Department (Cont.)

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	56,446	
Accountants/Bookkeepers		49,807	
Cafeteria Personnel		1,316,201	
Longevity Pay		18,917	
Other Salaries and Wages		2,013	
In-service Training		90	
Social Security		85,504	
Pensions		84,240	
Life Insurance		2,623	
Medical Insurance		343,776	
Dental Insurance		5,964	
Employer Medicare		20,154	
Communication		4,195	
Maintenance and Repair Services - Equipment		128,078	
Transportation - Other than Students		15,261	
Travel		2,325	
Other Contracted Services		264,983	
Food Supplies		1,844,831	
Office Supplies		6,106	
USDA - Commodities		354,726	
Other Supplies and Materials		192,808	
In Service/Staff Development		8,852	
Food Service Equipment		44,632	
Total Food Service			\$ 4,852,532

Total Central Cafeteria Fund		\$	4,852,532
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Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$	3,148,833	
Total Community Services			\$ 3,148,833

Total Internal School Fund			3,148,833
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Education Capital Projects Fund

Capital Outlay

Regular Capital Outlay

Building Improvements	\$	1,333,552	
Total Regular Capital Outlay			\$ 1,333,552

Capital Projects

Education Capital Projects

Building Improvements	\$	5,077,152	
Total Education Capital Projects			5,077,152

Total Education Capital Projects Fund			6,410,704
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Total Governmental Funds - Jefferson County School Department		\$	89,359,365
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SINGLE AUDIT SECTION



JASON E. MUMPOWER
Comptroller

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

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Jefferson County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Jefferson County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated November 27, 2024. Our report includes a reference to other auditors who audited the financial statements of the discretely presented Jefferson County Nursing Home and the Internal School Fund of the discretely presented Jefferson County School Department, as described in our report on Jefferson County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Jefferson County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Jefferson County's internal control. Accordingly, we do not express an opinion on the effectiveness of Jefferson 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 the 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. We identified the following deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be a material weakness: 2024-001.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Jefferson County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Jefferson County's Response to the Finding

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

Purpose of this Report

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

November 27, 2024

JEM/gc



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Jefferson County's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Jefferson County's major federal programs for the year ended June 30, 2024. Jefferson County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Jefferson County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*; 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 Jefferson County, Tennessee, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Jefferson County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Jefferson County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Jefferson County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for noncompliance resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Jefferson County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Jefferson 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 Jefferson 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 Jefferson County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe

than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.


Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Jefferson County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Jefferson County's basic financial statements. We issued our report thereon dated November 27, 2024, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

November 27, 2024

JEM/gc

JEFFERSON COUNTY, TENNESSEE AND JEFFERSON COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (8)
For the Year-Ended June 30, 2024

Federal/Pass-Through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures
U.S. Department of Agriculture:				
Passed-through State Department of Education:				
Child Nutrition Cluster: (4)				
School Breakfast Program	10.553	N/A	\$ 0	\$ 826,940
National School Lunch Program	10.555	N/A	0	2,673,938 (5)
National School Lunch Program (Supply Chain Assistance Fund)	10.555	N/A	0	179,163 (5)
Child Nutrition Discretionary Grant Limited Availability	10.579	N/A	0	21,745
COVID 19 - Pandemic EBT Administrative Costs	10.649	N/A	0	3,256
Passed-through State Department of Agriculture:				
Child Nutrition Cluster: (4)				
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	0	354,726 (5)
Passed Through State Department of Health:				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-24-80414	0	80,530 (6)
Total U.S. Department of Agriculture				<u>\$ 4,140,298</u>
U.S. Department of Housing and Urban Development:				
Passed-through Tennessee Housing Development Agency:				
Home Investment Partnership Program	14.239	(3)	0	\$ 138,798
Total U.S. Department of Housing and Urban Development				<u>\$ 138,798</u>
U.S. Department of Justice:				
Passed-through State Department of Finance and Administration:				
Crime Victim Assistance	16.575	(3)	0	\$ 48,361
Project Safe Neighborhood	16.609	(3)	0	49,633
Total U.S. Department of Justice				<u>\$ 97,994</u>
U.S. Department of Transportation:				
Passed-through State Department of Transportation:				
Alcohol Open Container Requirements	20.607	(3)	0	\$ 15,391
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	34101-38521	0	82,728
Total U.S. Department of Transportation				<u>\$ 98,119</u>
U.S. Department of Treasury:				
Passed-through State Department of Education:				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	0	\$ 104,634 (5)
Passed-through Tennessee Department of Environment and Conservation:				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A (7)	134,927	157,620 (5)
Passed-through Tennessee Department of Tourist Development:				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	0	30,482 (5)
Total U.S. Department of Treasury				<u>\$ 292,736</u>
U.S. Institute of Museum and Library Services:				
Passed-through State Library and Archives:				
Grants to States	45.310	(3)	0	\$ 1,959
Total U.S. Institute of Museum and Library Services				<u>\$ 1,959</u>

(Continued)

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

Federal/Pass-Through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures
U.S. Department of Education:				
Passed-through State Department of Education:				
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 0	\$ 2,338,021
Special Education Cluster: (4)				
Special Education - Grants to States	84.027	N/A	0	1,740,828 (5)
COVID 19 - Special Education - Grants to States (ARP)	84.027	84.027X	0	18,383 (5)
Special Education - Preschool Grants	84.173	N/A	0	75,896 (5)
COVID 19 - Special Education - Preschool Grants (ARP)	84.173	84.173X	0	315 (5)
Career and Technical Education - Basic Grants to States	84.048	N/A	0	142,436
English Language Acquisition State Grants	84.365	N/A	0	29,978
Supporting Effective Instruction State Grants	84.367	N/A	0	145
Student Support and Academic Enrichment Program	84.424	N/A	0	92,398
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER Planning)	84.425D	(3)	0	646 (5)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	(3)	0	71,250 (5)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund - Early Literacy Network Grant (ESSER II)	84.425D	(3)	0	22,091 (5)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund - (TN All Corps Grant, ESSER II)	84.425D	(3)	0	854,864 (5)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	(3)	0	4,286,275 (5)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund - Homeless Children and Youth (ESSER ARP)	84.425W	(3)	0	31,001 (5)
Passed-through Niswonger Foundation:				
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund - (TN All Corps Grant, ESSER II)	84.425D	(3)	0	3,489 (5)
Total U.S. Department of Education				<u>\$ 9,708,016</u>
U.S. Election Assistance Commission:				
Passed-through Tennessee Secretary of State:				
Help America Vote Act Requirements Payments	90.401	(3)	0	<u>\$ 295,749</u>
Total U.S. Election Assistance Commission				<u>\$ 295,749</u>
U.S. Department of Health and Human Services:				
Passed-through East Tennessee Human Resource Agency:				
Aging Cluster: (4)				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	(3)	0	\$ 42,881
Passed-through State Department of Health:				
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	Z23-273108	0	310,527
Medicaid Cluster: (4)				
Medical Assistance Program	93.778	GG-24-80414	0	29,866 (6)
Preventive Health Service - Sexually Transmitted Diseases Control Grant	93.977	GG-24-80414		7,736 (6)
Maternal and Child Health Services Block Grant to the States	93.994	GG-24-80414	0	21,919 (6)
Total U.S. Department of Health and Human Services				<u>\$ 412,929</u>

(Continued)

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

Federal/Pass-Through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures
U.S. Department of Homeland Security: Passed-through State Department of Military: Homeland Security Grant Program	97.067	(3)	\$ 0	\$ 18,000
Total U.S. Department of Homeland Security				\$ 18,000
Total Expenditures of Federal Grants				\$ 15,204,598

State Grants		Contract Number	
Juvenile Justice - State Commission on Children and Youth	N/A	(3)	\$ 13,500
Aging Program - East Tennessee Human Resource Agency	N/A	(3)	10,378
Law Enforcement Training - State Department of Safety	N/A	(3)	37,600
Health Department Program - State Department of Health	N/A	GG-24-80414	176,122 (6)
Litter Program - State Department of Transportation	N/A	(3)	69,861
Waste Tire Grant - State Department of Environment and Conservation	N/A	(3)	25,713
Tourism Marketing Grant - State Department of Tourist Development	N/A	(3)	30,000
Safe Baby Grant Program - Administrative Office of the Courts	N/A	(3)	90,939
Violent Crime Intervention Funding - Tennessee Office of Criminal Justice Program	N/A	(3)	1,402,157
State Aid Program - State Department of Transportation	N/A	(3)	569,579
Safe Schools Act - State Department of Education	N/A	(3)	295,584
Early Childhood Education - State Department of Education	N/A	(3)	820,759
Summer Learning Camps - State Department of Education	N/A	(3)	688,740
Innovative School Models - State Department of Education	N/A	(3)	1,041,326
Help America Vote act Election Security Grant - Tennessee Secretary of State	N/A	(3)	15,566
Jail Training Equipment Grant - State Department of Corrections	N/A	(3)	8,988
Mental Health Transportation - State Department of Finance and Administration	N/A	(3)	61,764
School Resource Officer - State Department of Education	N/A	(3)	900,000
Training Opportunities for the Public (TOP) Grant - Department of Economic and Community Development	N/A	(3)	3,554
Total State Grants			\$ 6,262,130

ALN = Assistance Listing Number
N/A = Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
(2) Jefferson County elected not to use the 10% de minimus cost rate permitted in the Uniform Guidance.
(3) Information not available.
(4) Child Nutrition Cluster total \$4,034,767; Special Education Cluster total \$1,835,422; Aging Cluster total \$42,881; Medicaid Cluster total \$29,866.
(5) ALN Totals: ALN 10.555 \$3,207,827; ALN 21.027 \$292,736; ALN 84.027 \$1,759,211; ALN 84.173 \$76,211; ALN 84.425 \$5,269,616.
(6) Total for federal GG-24-80414 is \$140,051. Total state and federal is \$316,173.
(7) SUBRECIPIENT AMOUNTS

The following amounts were paid to subrecipients from the COVID 19 - Coronavirus State and Local Fiscal Recovery Funds:

Program Title	ALN	Amount Provided to Subrecipient
New Market Utility District	21.027	\$ 134,927
Total amounts provided to subrecipients		\$ 134,927

(8) CONSOLIDATED ADMINISTRATION

The following amounts were consolidated for administration purposes:

Program Title	ALN	Amount Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	\$ 150,295
English Language Acquisition State Grants	84.365	193
Student Support and Academic Enrichment Program	84.424	962
Total amounts consolidated for administration purposes		\$ 151,450

JEFFERSON COUNTY, TENNESSEE
Summary Schedule of Prior-year Findings
For the Year Ended June 30, 2024

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or not. Presented below are financial statement findings along with their current status from the Annual Financial Report for Jefferson County, Tennessee, for the year ended June 30, 2024.

Prior-year Financial Statement Findings

Fiscal Year	Page Number	Finding Number	Title of Finding	ALN	Current Status
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JEFFERSON COUNTY

2023	290	2023-001	The Solid Waste Disposal Fund had a deficit in unrestricted net position.	N/A	Not Corrected - See Explanation on Corrective Action Plan
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OFFICE OF COUNTY MAYOR

2023	291	2023-002	Internal control weaknesses were noted in the operations of the Jefferson County Senior Centers.	N/A	Corrected
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OFFICES OF TRUSTEE AND FINANCE DIRECTOR

2023	292	2023-003	The Other Capital Projects Fund had a deficit in unrestricted fund balance and a cash overdraft, and the trustee paid checks from the fund that exceeded available funds.	N/A	Corrected
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Prior-year Federal Awards Findings

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

JEFFERSON COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Our report on the financial statements of Jefferson County is unmodified.
2. Internal Control Over Financial Reporting:
 - * Material weakness identified? **YES**
 - * Significant deficiency identified? **NONE REPORTED**
3. Noncompliance material to the financial statements noted? **NO**

Federal Awards:

4. Internal Control Over Major Federal Programs:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
 - * Assistance Listing Numbers: 10.553 and 10.555 Child Nutrition Cluster: School Breakfast Program and National School Lunch Program
 - * Assistance Listing Number: 21.027 COVID 19 - Coronavirus State and Local Fiscal Recovery Funds
 - * Assistance Listing Number: 84.425 COVID 19 - Education Stabilization Fund
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **YES**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

A finding and recommendation, as a result of our audit, is presented below. We reviewed the finding and recommendation with management to provide an opportunity for their response. A written response for the finding is paraphrased and presented following the finding and recommendation. Management's corrective action plan, whether related to the financial statements or federal awards, is 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.

JEFFERSON COUNTY

FINDING 2024-001

THE SOLID WASTE DISPOSAL FUND HAD A DEFICIT IN UNRESTRICTED NET POSITION

(Internal Control –Material Weakness under *Government Auditing Standards*)

The Solid Waste Disposal Fund had a deficit of \$1,593,851 in unrestricted net position on June 30, 2024. The deficit in unrestricted net position increased \$1,580,498 from the previous year. This deficit primarily resulted from the recognition of liabilities in the financial statements for closure and postclosure care costs associated with closing the county's landfill and monitoring the landfill for 30 years after its closure, along with \$753,901 in unspent debt proceeds for an expansion of the landfill. The \$3,782,343 reported as landfill closure and postclosure care liability on June 30, 2024, represents the cumulative amount reported to date based on 22.63 percent of the estimated capacity of the Patterson Landfill Site (\$3,490,941) and postclosure care costs of the Highway 92 Landfill Site (\$291,402). Generally accepted accounting principles and state statutes require that such costs be reflected in the financial statements. This deficiency exists because management failed to implement their corrective action plan to correct the finding noted in the prior-year audit report and results in inadequate financing to fund the liability.

RECOMMENDATION

County officials should develop and implement a plan that would fund the deficit in unrestricted net position.

MANAGEMENT RESPONSE

We concur with this finding. The Sanitation Department, Finance Department and Audit Committee feel that we have included a resolution that will satisfy the deficit in unrestricted net position.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2024.

JEFFERSON COUNTY, TENNESSEE
MANAGEMENT'S CORRECTIVE ACTION PLAN
For the Year Ended June 30, 2024

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 SOLID WASTE DIRECTOR

2024-001	The Solid Waste Disposal Fund had a deficit in unrestricted net position.	277
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JEFFERSON COUNTY SANITATION DEPARTMENT
P.O. Box 127, DANDRIDGE, TN 37725



November 22, 2024

Corrective Action Plan

FINDING: THE SOLID WASTE DISPOSAL FUND HAD A DEFICIT IN UNRESTRICTED NET POSITION

Response and Corrective Action Plan Prepared by:
David Gaut

Person Responsible for Implementing the Corrective Action:
David Gaut, Solid Waste Director and Audit Committee

Anticipated Completion Date of Corrective Action:
On-Going

Repeat Finding:
Yes

Reason Corrective Action was Not Taken in the Prior Year:
The partial closure of the Class I Landfill has begun but has not been finalized. Once the closure is certified, the closure liability should be drastically reduced

Planned Corrective Action:
The balance of the deficit should be overcome with continued cash growth. We are currently in the process of closing a portion of the Class I cell that should result in a significant reduction of closure liability.

Signature:

David Gaut