



ANNUAL FINANCIAL REPORT

Stewart County, Tennessee

For the Year Ended June 30, 2023

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

ANNUAL FINANCIAL REPORT
STEWART COUNTY, TENNESSEE
FOR THE YEAR ENDED JUNE 30, 2023

COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

LEE ANN WEST, CPA, CGFM
Audit Manager

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

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Summary of Audit Findings

Annual Financial Report
Stewart County, Tennessee
For the Year Ended June 30, 2023

Scope

We have audited the basic financial statements of Stewart County as of and for the year ended June 30, 2023.

Results

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

Our audit resulted in no findings.



INTRODUCTORY SECTION

Stewart County Officials

June 30, 2023

Officials

Robert Beecham, County Mayor
Ronnie Sumner, County Engineer
Mike Craig, Director of Schools
Laura Crain, Trustee
Martha Wallace, Assessor of Property
Natalie Hardison, County Clerk
Ethan Gray, Circuit, General Sessions, and Juvenile Courts Clerk
April Turner, Clerk and Master
Derek Earhart, Register of Deeds
Frankie Gray, Sheriff

Board of County Commissioners

Robert Beecham, County Mayor, Chairman	Shane Keatts
Archie Cryer	Clint Mathis
Mark Dortch	Randall Redmon
Melissa Fields	Alexis Taylor
Terry Fitzhugh	Elijah Thomas
Vincent Gray	Brian Tiebor
Rickie Joiner	Eric Watkins
Bradley Jones	

Board of Education

Bobby Morgan, Chairman
Gary Dacus
Lesa Fitzhugh
Darrell Gillum
Candice Jones
Adam Lamb
Lana Sanders

Audit Committee

Dr. Chris Lewis, Chairman
Timothy Borens
Mark Dortch
Van Herndon
Rickie Joiner
Mary Ann Jordan

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Stewart County, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Stewart County, Tennessee, as of June 30, 2023, and the respective changes in financial position and the respective budgetary comparison for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Internal School Fund of the Stewart County School Department (a discretely presented component unit), which represent 1.4 percent, 1.4 percent, and three percent, respectively, of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to amounts included for the Stewart County School Department's Internal School Fund, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's

Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Stewart County, Tennessee, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Stewart County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Stewart 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 Stewart 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 Stewart County School Department (a discretely presented component unit), and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Requirements by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 24, 2023, on our consideration of Stewart County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Stewart 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 Stewart County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

August 24, 2023

JEM/gc

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Stewart County Government (the county), we offer readers of the county's financial statements this narrative overview and analysis of the financial activities of the county for the fiscal year ended June 30, 2023.

Accounting principles generally accepted in the United States of America for governmental entities are established by the Governmental Accounting Standards Board (GASB). The county follows all GASB standards as well as other authoritative literature known collectively within the accounting profession as "generally accepted accounting principles."

Management's Discussion and Analysis (MD&A) serves as an introduction to, and should be read in conjunction with, the financial statements and required supplementary information. The MD&A represents management's examination of the county's financial condition and performance.

FINANCIAL HIGHLIGHTS

Management believes that the county's financial condition is strong. The county as a whole is within its budget and continues to implement procedures and controls to improve the accuracy and effectiveness of its financial reporting. The following are some key financial highlights:

- Total assets and deferred outflows of resources at year-end exceeded liabilities and deferred inflows of resources by \$14,587,357 (i.e., net position), an increase of \$4,211,587 from fiscal year ending June 30, 2022.
- As of the close of the current fiscal year, Stewart County's governmental funds reported combined ending fund balances of \$12,607,549. Of this amount, \$3,225,145 is restricted funds with externally enforceable limitations on use, \$4,896,659 is committed by the county's legislative body to a specific fund or use, and \$59,902 is assigned by its intended use.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$4,425,843, which was an increase of \$773,878 or 21.19 percent compared to the prior fiscal year ending June 30, 2022. The unassigned fund balance for the General Fund represents 37.27 percent of total General Fund expenditures while total fund balance of \$5,369,341 represents 45.22 percent of that same amount.
- Stewart County's total long-term debt decreased by \$2,202,799 during the current fiscal year. This is primarily a result of the annual scheduled debt reduction payments and no new debt issuances in the fiscal year ending June 30, 2023.

OVERVIEW OF THE ANNUAL FINANCIAL REPORT

The Annual Financial Report consists of three sections: 1) the government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

These statements are organized so the reader can understand the county as a financial whole. The statements then proceed to provide an increasingly detailed look at specific financial activities.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the county's finances in a manner similar to a private-sector business. These statements include all assets and liabilities using the accrual basis of accounting. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid. Because these statements are designed to give a broad overview, they use highly summarized information.

The Statement of Net Position presents information on all of the county's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, with the difference between the two reported as net position. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of the county is improving or deteriorating.

The Statement of Activities presents information illustrating the changes in the county's net position during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the county that are principally supported by taxes and intergovernmental revenues, known as governmental activities, from other functions that are intended to recover all or a significant portion of their costs through user fees and charges, known as business-type activities. The governmental activities of the county include: general government; finance; administration of justice; public safety; public health and welfare; social, cultural, and recreational services; agriculture and natural resources; highways/public works; education; and interest on long-term debt. These services are funded primarily by taxes and intergovernmental revenues including federal and state grants and other shared revenues.

The government-wide financial statements not only include the county, known as the primary government, but also legally separate entities for which the county is financially accountable. Stewart County School Department is listed as a component unit and is reported separately from the financial information presented for the primary government itself. This discussion and analysis are devoted to the county rather than the component unit.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The county, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the county can be divided into two categories: governmental and fiduciary.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial

statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Stewart County maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Highway/Public Works, and General Debt Service funds, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the nonmajor governmental funds combining statements elsewhere in this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the county's programs.

Notes to the financial statements. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. "Notes" is the traditional term applied to this information; however, the term is misleading in that the notes can vary in length from one paragraph to several pages. Please refer to the table of contents to locate these notes.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning pension information and other postemployment benefits information. This required information has been presented in the required supplementary information section of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Stewart County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$14,587,357 at the close of the most recent fiscal year for the governmental activities. The Constitution for the State of Tennessee allows only the local legislative body authorization to issue debt. Therefore, whenever the Stewart County Board of Education requires additional money to fund school construction and equipment, the related debt must be issued by the Stewart County Government. As of

June 30, 2023, Stewart County had outstanding debt totaling \$6,058,648 for capital purposes for the Stewart County Board of Education, but the capital assets are reported in the financial statements of the Stewart County Board of Education. As a result, the county has incurred the related liability without a corresponding increase in the county's capital assets, thereby significantly decreasing its unrestricted net position.

Stewart County Net Position	Governmental Activities	
	2023	2022
Assets:		
Current and Other Assets	\$ 22,212,797	\$ 20,289,643
Capital Assets	14,635,798	15,382,827
Total Assets	\$ 36,848,595	\$ 35,672,470
Deferred Outflows of Resources:		
Deferred Charge on Refunding	\$ 0	\$ 626
Pension Changes in Experience	1,648,831	571,849
Pension Changes in Investment Earnings	76,982	0
Pension Changes in Assumptions	998,952	1,247,387
Pension Contributions After Measurement Date	662,074	567,901
OPEB Changes in Experience	10,391	12,086
OPEB Changes in Assumptions	16,664	19,940
OPEB Contributions After Measurement Date	745	726
Total Deferred Outflows of Resources	\$ 3,414,639	\$ 2,420,515
Liabilities:		
Other Liabilities	\$ 473,046	\$ 2,237,161
Long-term Liabilities Outstanding	17,575,852	16,805,112
Total Liabilities	\$ 18,048,898	\$ 19,042,273
Deferred Inflows of Resources:		
Deferred Current Property Taxes	\$ 7,484,462	\$ 6,739,843
Pension Changes in Experience	8,989	17,906
Pension Changes in Investment Earnings	0	1,820,358
OPEB Changes in Experience	48,863	59,154
OPEB Changes in Assumptions	84,665	37,681
Total Deferred Inflows of Resources	\$ 7,626,979	\$ 8,674,942
Net Position:		
Net Investment in Capital Assets	\$ 7,082,905	\$ 7,245,713
Restricted	3,423,009	1,835,050
Unrestricted	4,081,443	1,295,007
Total Net Position	\$ 14,587,357	\$ 10,375,770

By far the largest portion of the county's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. Stewart County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Stewart County's investments in capital assets are reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the county's net position (\$3,423,009) represents resources that are subject to external restrictions on how they may be used.

Stewart County Changes in Net Position

	Governmental Activities	
	2023	2022
Revenues:		
Program Revenues:		
Charges for Services	\$ 2,473,193	\$ 2,354,948
Operating Grants and Contributions	6,722,166	5,710,932
Capital Grants and Contributions	0	804,020
General Revenues:		
Property Taxes	6,269,069	6,161,751
Other Taxes	1,967,962	2,100,041
Grants and Contributions Not Restricted to Specific Programs	2,737,374	2,202,163
Unrestricted Investment Income	76,427	948
Miscellaneous	49,405	142,180
Total Revenues	<u>\$ 20,295,596</u>	<u>\$ 19,476,983</u>
Expenses:		
General Government	\$ 2,226,626	\$ 1,707,579
Finance	1,048,611	985,123
Administration of Justice	1,026,685	1,004,882
Public Safety	5,023,410	4,984,172
Public Health and Welfare	2,713,040	2,521,206
Social, Cultural, and Recreational Services	486,485	502,656
Agriculture and Natural Resources	132,588	107,368
Highway/Public Works	3,005,037	3,748,073
Education	117,000	208,500
Interest on Long-term Debt	304,527	447,103
Total Expenses	<u>\$ 16,084,009</u>	<u>\$ 16,216,662</u>
Change in Net Position	\$ 4,211,587	\$ 3,260,321
Net Position, July 1	<u>10,375,770</u>	<u>7,115,449</u>
Net Position, June 30	<u>\$ 14,587,357</u>	<u>\$ 10,375,770</u>

Capital Assets and Debt Administration

Capital assets. The county's investment in capital assets for its governmental activities as of June 30, 2023, totaled \$7,082,905 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, other capital assets (includes equipment), and infrastructure (roads, highway, and bridges). The total decrease in Stewart County Government's investment in capital assets for the current fiscal year was \$162,808 (net of accumulated depreciation). This decrease was mainly attributable to a slight decrease in infrastructure and other capital assets.

Long-term debt. At the end of the current fiscal year, Stewart County had notes payable of \$2,213,653, other loans payable of \$223,049, and bonds payable of \$11,070,000. Stewart County’s total long-term debt is \$13,506,702, of which \$6,058,648 was for capital purposes for the Stewart County Board of Education, as previously mentioned. All debt is backed by full faith and credit of the county.

Stewart County's Outstanding Debt
As of June 30, 2023

	Governmental Activities
Notes Payable through General Debt Service Fund	\$ 2,213,653
Total Notes Payable	\$ 2,213,653
Other Loans Payable through General Debt Service Fund	\$ 223,049
Total Other Loans	\$ 223,049
Bonds Payable through General Debt Service Fund	\$ 11,070,000
Total Bonds Payable	\$ 11,070,000
Total Long-term Debt	\$ 13,506,702

ECONOMIC FACTORS

Resident Growth

Stewart County’s population has grown in the past few years. The 2022 county population was 14,035 and reflects a 2.7 percent increase in population over the 2020 census.

An increasing population is beneficial to the financial status of the county as long as the increased revenues associated with increasing property values, increased sales tax revenue, and intergovernmental revenues, exceed the increased demand for services. A steady increase in population is more conducive to allowing the service capacity of the county to grow as the demand for services increases without necessitating a large increase in capacity from one year to the next.

Property Assessments, Tax Rate & Property Tax Revenue

The combined property tax rate for the county for fiscal year ending June 30, 2023, was \$2.3607. The rate remained the same compared to the fiscal year ending June 30, 2022. Property assessment values in Stewart County did increase from the fiscal year ending June 30, 2022, to the fiscal year ending June 30, 2023. These increases are mainly due to new growth in residential and commercial properties. Property tax revenue for the Stewart County Primary Government was \$6,269,069 for the fiscal year ending June 30, 2023.

Unemployment: Stewart County vs. Tennessee vs. United States

The unemployment rates for June 2023 were 4.2, 3.2 and 3.6 percent, respectively, for Stewart County, Tennessee, and the United States. All three unemployment rates were lower for June 2023 than in the prior fiscal year ending June 2022. Stewart County's unemployment rate decreased from 4.6 percent in June 2022 to 4.2 percent in June 2023.

Request for Information

This financial report is designed to provide a general overview of the county's finances for all those with an interest in the government's finances. For questions concerning any of the information provided in this report, please contact the Stewart County Mayor's Office, Attn: Accounting & Budgeting, P.O. Box 487, Dover, Tennessee 37058.

BASIC FINANCIAL STATEMENTS

Exhibit A

Stewart County, Tennessee
Statement of Net Position
June 30, 2023

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Stewart County School Department</u>
<u>ASSETS</u>		
Cash	\$ 1,823	\$ 393,318
Equity in Pooled Cash and Investments	12,388,922	6,075,851
Accounts Receivable	2,223,753	634
Allowance for Uncollectibles	(968,097)	0
Inventories	0	13,182
Due from Other Governments	952,264	677,070
Due from Primary Government	0	387
Due from Component Unit	2,250	0
Property Taxes Receivable	7,742,927	220,408
Allowance for Uncollectible Property Taxes	(131,045)	(9,498)
Restricted Assets:		
Amounts Accumulated for Pension Benefits	0	161,632
Net Pension Asset - Teacher Retirement Plan	0	34,692
Net Pension Asset - Teacher Legacy Pension Plan	0	2,560,140
Capital Assets:		
Assets Not Depreciated:		
Land	953,911	1,265,886
Construction in Progress	388,093	0
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	10,209,974	15,780,134
Infrastructure	1,827,595	0
Other Capital Assets	1,256,225	2,517,631
Total Assets	<u>\$ 36,848,595</u>	<u>\$ 29,691,467</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Pension Changes in Experience	\$ 1,648,831	\$ 850,552
Pension Changes in Investment Earnings	76,982	74,672
Pension Changes in Assumptions	998,952	1,903,460
Pension Changes in Proportion	0	27,281
Pension Contributions After Measurement Date	662,074	847,700
OPEB Changes in Experience	10,391	113,545
OPEB Changes in Assumptions	16,664	341,204
OPEB Changes in Proportion	0	30,241
OPEB Contributions After Measurement Date	745	62,812
Total Deferred Outflows of Resources	<u>\$ 3,414,639</u>	<u>\$ 4,251,467</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 34,996	\$ 7,217
Payroll Deductions Payable	112,360	346,198
Contracts Payable	11,927	0
Due to Primary Government	0	2,250
Due to Other Governments	295,629	0
Accrued Interest Payable	17,747	0
Due to Component Unit	387	0

(Continued)

Exhibit A

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

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Stewart County School Department</u>
<u>LIABILITIES (CONT.)</u>		
Noncurrent Liabilities:		
Due Within One Year - Debt	\$ 2,254,511	\$ 0
Due Within One Year - Other	251,141	0
Due in More Than One Year - Debt	11,365,665	0
Due in More Than One Year - Other	<u>3,704,535</u>	<u>2,542,610</u>
Total Liabilities	<u>\$ 18,048,898</u>	<u>\$ 2,898,275</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Current Property Taxes	\$ 7,484,462	\$ 195,187
Pension Changes in Experience	8,989	455,995
Pension Changes in Change in Proportion	0	31,416
OPEB Changes in Experience	48,863	277,053
OPEB Changes in Assumptions	84,665	204,658
OPEB Changes in Proportion	<u>0</u>	<u>66,881</u>
Total Deferred Inflows of Resources	<u>\$ 7,626,979</u>	<u>\$ 1,231,190</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 7,082,905	\$ 19,563,651
Nonspendable:		
Inventory	0	13,182
Restricted for:		
General Government	1,383,097	0
Finance	1,213	0
Public Safety	131,944	0
Public Health & Welfare	109,735	0
Highway/Public Works	145,247	0
Debt Service	1,265,044	0
Capital Projects	386,729	0
Education	0	409,729
Operation of Non-instructional Services	0	1,371,786
Pensions	0	2,594,832
Hybrid Retirement Stabilization Funds	0	161,632
Unrestricted	<u>4,081,443</u>	<u>5,698,657</u>
Total Net Position	<u>\$ 14,587,357</u>	<u>\$ 29,813,469</u>

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

Exhibit B

Stewart County, Tennessee
Statement of Activities
For the Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Primary Government Total Governmental Activities	Component Unit Stewart County School Department
Primary Government:					
Governmental Activities:					
General Government	\$ 2,226,626	\$ 129,900	\$ 2,139,904	\$ 43,178	\$ 0
Finance	1,048,611	487,289	0	(561,322)	0
Administration of Justice	1,026,685	302,918	123,455	(600,312)	0
Public Safety	5,023,410	437,661	270,702	(4,315,047)	0
Public Health and Welfare	2,713,040	1,089,760	478,098	(1,145,182)	0
Social, Cultural, and Recreational Services	486,485	0	388,245	(98,240)	0
Agriculture and Natural Resources	132,588	0	0	(132,588)	0
Highway/Public Works	3,005,037	25,665	2,454,004	(525,368)	0
Education	117,000	0	0	(117,000)	0
Interest on Long-term Debt	304,527	0	867,758	563,231	0
Total Primary Government	\$ 16,084,009	\$ 2,473,193	\$ 6,722,166	\$ (6,888,650)	\$ 0
Component Unit:					
Stewart County School Department	\$ 23,948,187	\$ 193,745	\$ 5,783,616	\$ 0	\$ (17,970,826)
Total Component Unit	\$ 23,948,187	\$ 193,745	\$ 5,783,616	\$ 0	\$ (17,970,826)

(Continued)

Exhibit B

Stewart County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Primary Government Total Governmental Activities	Component Unit Stewart County School Department
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes				\$ 5,481,985	\$ 775,143
Property Taxes Levied for Debt Service				787,084	0
Local Option Sales Taxes				1,076,632	1,777,756
Wheel Tax				479,243	0
Litigation Taxes				96,880	0
Wholesale Beer Tax				143,892	0
Other Local Taxes				171,315	36,718
Grants and Contributions Not Restricted to Specific Programs				2,737,374	15,086,334
Unrestricted Investment Income				76,427	104,720
Miscellaneous				49,405	1,077,418
Total General Revenues				<u>\$ 11,100,237</u>	<u>\$ 18,858,089</u>
Change in Net Position				\$ 4,211,587	\$ 887,263
Net Position, July 1, 2022				<u>10,375,770</u>	<u>28,926,206</u>
Net Position, June 30, 2023				<u>\$ 14,587,357</u>	<u>\$ 29,813,469</u>

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

Exhibit C-1

Stewart County, Tennessee
Balance Sheet
Governmental Funds
June 30, 2023

	Major Funds			Nonmajor	Total
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 0	\$ 1,823	\$ 1,823
Equity in Pooled Cash and Investments	5,122,883	1,363,106	4,034,235	1,868,698	12,388,922
Accounts Receivable	2,217,462	2,417	0	3,874	2,223,753
Allowance for Uncollectibles	(968,097)	0	0	0	(968,097)
Due from Other Governments	542,104	410,160	0	0	952,264
Due from Other Funds	5,697	0	93,719	0	99,416
Due from Component Units	2,250	0	0	0	2,250
Property Taxes Receivable	5,963,076	335,829	1,207,521	236,501	7,742,927
Allowance for Uncollectible Property Taxes	(102,858)	(5,460)	(18,438)	(4,289)	(131,045)
Total Assets	<u>\$ 12,782,517</u>	<u>\$ 2,106,052</u>	<u>\$ 5,317,037</u>	<u>\$ 2,106,607</u>	<u>\$ 22,312,213</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 34,517	\$ 479	\$ 0	\$ 0	\$ 34,996
Payroll Deductions Payable	112,360	0	0	0	112,360
Contracts Payable	11,927	0	0	0	11,927
Due to Other Funds	93,719	0	0	5,697	99,416
Due to Component Units	387	0	0	0	387
Due to Other Governments	0	0	0	295,629	295,629
Total Liabilities	<u>\$ 252,910</u>	<u>\$ 479</u>	<u>\$ 0</u>	<u>\$ 301,326</u>	<u>\$ 554,715</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 5,758,029	\$ 325,312	\$ 1,173,402	\$ 227,719	\$ 7,484,462
Deferred Delinquent Property Taxes	94,204	4,632	13,751	4,113	116,700

(Continued)

Exhibit C-1

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>					
Other Deferred/Unavailable Revenue	\$ 1,308,033	\$ 200,754	\$ 40,000	\$ 0	\$ 1,548,787
Total Deferred Inflows of Resources	\$ 7,160,266	\$ 530,698	\$ 1,227,153	\$ 231,832	\$ 9,149,949
<u>FUND BALANCES</u>					
Restricted:					
Restricted for General Government	\$ 54,356	\$ 0	\$ 0	\$ 1,084,849	\$ 1,139,205
Restricted for Finance	1,213	0	0	0	1,213
Restricted for Public Safety	25,960	0	0	105,984	131,944
Restricted for Public Health and Welfare	109,735	0	0	0	109,735
Restricted for Other Operations	231,392	0	0	0	231,392
Restricted for Debt Service	0	0	1,229,040	0	1,229,040
Restricted for Capital Projects	0	0	0	382,616	382,616
Committed:					
Committed for General Government	460,940	0	0	0	460,940
Committed for Highways/Public Works	0	1,574,875	0	0	1,574,875
Committed for Debt Service	0	0	2,860,844	0	2,860,844
Assigned:					
Assigned for Public Safety	7,660	0	0	0	7,660
Assigned for Public Health and Welfare	39,241	0	0	0	39,241
Assigned for Social, Cultural, and Recreational Services	13,001	0	0	0	13,001
Unassigned	4,425,843	0	0	0	4,425,843
Total Fund Balances	\$ 5,369,341	\$ 1,574,875	\$ 4,089,884	\$ 1,573,449	\$ 12,607,549
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 12,782,517	\$ 2,106,052	\$ 5,317,037	\$ 2,106,607	\$ 22,312,213

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

Exhibit C-2

Stewart County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2023

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)		\$ 12,607,549	
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	953,911	
Add: construction in progress		388,093	
Add: buildings and improvements net of accumulated depreciation		10,209,974	
Add: infrastructure net of accumulated depreciation		1,827,595	
Add: other capital assets net of accumulated depreciation		<u>1,256,225</u>	14,635,798
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: notes payable	\$	(2,213,653)	
Less: other loan payable		(223,049)	
Less: bonds payable		(11,070,000)	
Less: compensated absences payable		(242,181)	
Less: net OPEB liability		(115,031)	
Less: accrued interest on notes, other loans, and bonds		(17,747)	
Less: unamortized premium on debt		(113,474)	
Less: net pension liability - agent plan		(3,449,489)	
Less: other long-term liabilities		<u>(148,975)</u>	(17,593,599)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$	3,386,839	
Less: deferred inflows of resources related to pensions		(8,989)	
Add: deferred outflows of resources related to OPEB		27,800	
Less: deferred inflows of resources related to OPEB		<u>(133,528)</u>	3,272,122
(4) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>1,665,487</u>
Net position of governmental activities (Exhibit A)			<u>\$ 14,587,357</u>

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

Exhibit C-3

Stewart County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

	Major Funds			Nonmajor	Total
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>Revenues</u>					
Local Taxes	\$ 7,233,642	\$ 279,131	\$ 1,441,148	\$ 273,776	\$ 9,227,697
Licenses and Permits	34,030	0	0	0	34,030
Fines, Forfeitures, and Penalties	82,414	0	0	56,645	139,059
Charges for Current Services	1,064,869	21,580	0	3,660	1,090,109
Other Local Revenues	154,812	11,332	0	1,696	167,840
Fees Received From County Officials	726,338	0	0	0	726,338
State of Tennessee	2,794,515	2,464,789	0	0	5,259,304
Federal Government	513,103	60,453	0	1,898,600	2,472,156
Other Governments and Citizens Groups	257,409	0	867,758	0	1,125,167
Total Revenues	<u>\$ 12,861,132</u>	<u>\$ 2,837,285</u>	<u>\$ 2,308,906</u>	<u>\$ 2,234,377</u>	<u>\$ 20,241,700</u>
<u>Expenditures</u>					
Current:					
General Government	\$ 1,437,771	\$ 0	\$ 0	\$ 0	\$ 1,437,771
Finance	994,282	0	0	0	994,282
Administration of Justice	998,232	0	0	3,660	1,001,892
Public Safety	4,549,498	0	0	56,401	4,605,899
Public Health and Welfare	2,374,524	0	0	51,674	2,426,198
Social, Cultural, and Recreational Services	438,950	0	0	0	438,950
Agriculture and Natural Resources	125,547	0	0	0	125,547
Other Operations	955,919	0	0	8,802	964,721
Highways	0	2,722,756	0	0	2,722,756
Support Services	0	0	0	58,500	58,500
Debt Service:					
Principal on Debt	0	0	2,202,799	0	2,202,799
Interest on Debt	0	0	410,968	0	410,968

(Continued)

Exhibit C-3

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>Expenditures (Cont.)</u>					
Debt Service (Cont.)					
Other Debt Service	\$ 0	\$ 0	\$ 37,017	\$ 0	\$ 37,017
Capital Projects	0	0	0	122,221	122,221
Total Expenditures	<u>\$ 11,874,723</u>	<u>\$ 2,722,756</u>	<u>\$ 2,650,784</u>	<u>\$ 301,258</u>	<u>\$ 17,549,521</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 986,409</u>	<u>\$ 114,529</u>	<u>\$ (341,878)</u>	<u>\$ 1,933,119</u>	<u>\$ 2,692,179</u>
<u>Other Financing Sources (Uses)</u>					
Insurance Recovery	\$ 80,338	\$ 16,837	\$ 0	\$ 0	\$ 97,175
Transfers In	252,500	250,000	615,280	0	1,117,780
Transfers Out	(615,280)	0	0	(502,500)	(1,117,780)
Total Other Financing Sources (Uses)	<u>\$ (282,442)</u>	<u>\$ 266,837</u>	<u>\$ 615,280</u>	<u>\$ (502,500)</u>	<u>\$ 97,175</u>
Net Change in Fund Balances	\$ 703,967	\$ 381,366	\$ 273,402	\$ 1,430,619	\$ 2,789,354
Fund Balance, July 1, 2022	<u>4,665,374</u>	<u>1,193,509</u>	<u>3,816,482</u>	<u>142,830</u>	<u>9,818,195</u>
Fund Balance, June 30, 2023	<u>\$ 5,369,341</u>	<u>\$ 1,574,875</u>	<u>\$ 4,089,884</u>	<u>\$ 1,573,449</u>	<u>\$ 12,607,549</u>

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

Exhibit C-4

Stewart 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, 2023

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)		\$ 2,789,354
(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	\$ 462,277	
Less: current-year depreciation expense	<u>(1,209,306)</u>	(747,029)
(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, 2023	\$ 1,665,487	
Less: deferred delinquent property taxes and other deferred June 30, 2022	<u>(1,619,258)</u>	46,229
(3) The issuance of long-term debt (e.g., bonds, notes, and other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums when debt is first issued, whereas this amount is 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: change in premium on debt issuances	\$ 7,667	
Add: principal payments on bonds	1,735,000	
Add: principal payments on notes	396,519	
Add: principal payments on other loans	71,280	
Less: change in deferred amount on refunding debt	<u>(626)</u>	2,209,840
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in accrued interest payable	\$ 107,067	
Change in net pension liability - agent plan	(3,027,211)	
Change in deferred outflows related to pensions	999,702	
Change in deferred inflows related to pensions	1,829,275	
Change in net OPEB liability	36,932	
Change in deferred outflows related to OPEB	(4,952)	
Change in deferred inflows related to OPEB	(36,693)	
Change in other long-term liabilities	8,730	
Change in compensated absences payable	<u>343</u>	<u>(86,807)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 4,211,587</u>

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

Exhibit C-5

Stewart County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Fund
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 7,233,642	\$ 6,808,280	\$ 7,045,943	\$ 187,699
Licenses and Permits	34,030	26,500	26,500	7,530
Fines, Forfeitures, and Penalties	82,414	55,200	55,200	27,214
Charges for Current Services	1,064,869	891,000	989,048	75,821
Other Local Revenues	154,812	92,100	151,680	3,132
Fees Received From County Officials	726,338	672,000	692,000	34,338
State of Tennessee	2,794,515	2,364,596	2,894,010	(99,495)
Federal Government	513,103	141,451	264,651	248,452
Other Governments and Citizens Groups	257,409	210,600	228,900	28,509
Total Revenues	\$ 12,861,132	\$ 11,261,727	\$ 12,347,932	\$ 513,200
<u>Expenditures</u>				
<u>General Government</u>				
County Commission	\$ 36,964	\$ 37,180	\$ 37,180	\$ 216
County Mayor/Executive	241,802	235,970	242,652	850
Election Commission	389,585	216,671	543,171	153,586
Register of Deeds	198,664	214,361	214,361	15,697
County Buildings	516,267	547,251	544,150	27,883
Other General Administration	53,750	57,425	61,625	7,875
Preservation of Records	739	3,260	3,260	2,521
<u>Finance</u>				
Accounting and Budgeting	166,009	169,778	169,778	3,769
Property Assessor's Office	273,194	276,120	279,120	5,926
County Trustee's Office	277,703	287,509	287,509	9,806
County Clerk's Office	277,376	283,562	283,562	6,186
<u>Administration of Justice</u>				
Circuit Court	236,634	228,645	245,645	9,011
General Sessions Judge	159,214	167,462	167,462	8,248
General Sessions Court Clerk	128,193	129,041	129,041	848
Chancery Court	201,342	205,165	205,165	3,823
Juvenile Court	270,264	275,095	294,095	23,831
District Attorney General	2,585	2,585	2,585	0
<u>Public Safety</u>				
Sheriff's Department	1,917,366	1,815,680	2,002,619	85,253
Jail	1,916,086	1,943,884	2,061,378	145,292
Fire Prevention and Control	94,000	94,000	94,000	0
Other Emergency Management	575,455	573,463	617,793	42,338
County Coroner/Medical Examiner	46,591	40,578	55,578	8,987
<u>Public Health and Welfare</u>				
Local Health Center	22,495	25,000	25,000	2,505
Rabies and Animal Control	9,000	18,000	18,000	9,000
Ambulance/Emergency Medical Services	1,795,730	1,681,651	1,822,141	26,411
Alcohol and Drug Programs	8,712	32,871	32,871	24,159
Other Local Health Services	25,704	10,743	30,243	4,539
Waste Pickup	28,906	58,200	58,202	29,296
Other Public Health and Welfare	483,977	491,300	524,900	40,923
<u>Social, Cultural, and Recreational Services</u>				
Senior Citizens Assistance	37,000	21,000	37,000	0

(Continued)

Exhibit C-5

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Expenditures (Cont.)</u>				
<u>Social, Cultural, and Recreational Services (Cont.)</u>				
Libraries	\$ 293,638	\$ 272,383	\$ 294,691	\$ 1,053
Other Social, Cultural, and Recreational	108,312	96,525	117,098	8,786
<u>Agriculture and Natural Resources</u>				
Agricultural Extension Service	75,485	81,741	81,741	6,256
Soil Conservation	50,062	49,816	50,816	754
<u>Other Operations</u>				
Tourism	77,306	29,000	117,999	40,693
Tourism - Resort District	106,695	114,600	135,025	28,330
Other Economic and Community Development	1,500	54,000	54,000	52,500
Veterans' Services	80,752	83,409	85,400	4,648
Other Charges	399,974	391,000	415,790	15,816
Miscellaneous	289,692	121,237	289,737	45
Total Expenditures	<u>\$ 11,874,723</u>	<u>\$ 11,437,161</u>	<u>\$ 12,732,383</u>	<u>\$ 857,660</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 986,409</u>	<u>\$ (175,434)</u>	<u>\$ (384,451)</u>	<u>\$ 1,370,860</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 80,338	\$ 1,000	\$ 81,338	\$ (1,000)
Transfers In	252,500	0	252,500	0
Transfers Out	(615,280)	(512,000)	(712,000)	96,720
Total Other Financing Sources	<u>\$ (282,442)</u>	<u>\$ (511,000)</u>	<u>\$ (378,162)</u>	<u>\$ 95,720</u>
Net Change in Fund Balance	\$ 703,967	\$ (686,434)	\$ (762,613)	\$ 1,466,580
Fund Balance, July 1, 2022	<u>4,665,374</u>	<u>4,271,830</u>	<u>4,665,374</u>	<u>0</u>
Fund Balance, June 30, 2023	<u>\$ 5,369,341</u>	<u>\$ 3,585,396</u>	<u>\$ 3,902,761</u>	<u>\$ 1,466,580</u>

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

Exhibit C-6

Stewart County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Highway/Public Works Fund
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 279,131	\$ 273,777	\$ 273,777	\$ 5,354
Charges for Current Services	21,580	4,500	4,500	17,080
Other Local Revenues	11,332	57,600	57,600	(46,268)
State of Tennessee	2,464,789	3,093,061	3,093,061	(628,272)
Federal Government	60,453	637,220	637,220	(576,767)
Total Revenues	<u>\$ 2,837,285</u>	<u>\$ 4,066,158</u>	<u>\$ 4,066,158</u>	<u>\$ (1,228,873)</u>
<u>Expenditures</u>				
<u>Highways</u>				
Administration	\$ 218,306	\$ 226,298	\$ 226,948	\$ 8,642
Highway and Bridge Maintenance	1,378,652	1,672,700	1,549,700	171,048
Operation and Maintenance of Equipment	411,778	403,100	431,475	19,697
Other Charges	128,729	136,500	136,500	7,771
Employee Benefits	446,250	447,850	465,350	19,100
Capital Outlay	139,041	1,366,720	1,443,595	1,304,554
Total Expenditures	<u>\$ 2,722,756</u>	<u>\$ 4,253,168</u>	<u>\$ 4,253,568</u>	<u>\$ 1,530,812</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 114,529</u>	<u>\$ (187,010)</u>	<u>\$ (187,410)</u>	<u>\$ 301,939</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 16,837	\$ 0	\$ 0	\$ 16,837
Transfers In	250,000	0	0	250,000
Total Other Financing Sources	<u>\$ 266,837</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 266,837</u>
Net Change in Fund Balance	\$ 381,366	\$ (187,010)	\$ (187,410)	\$ 568,776
Fund Balance, July 1, 2022	1,193,509	1,152,984	1,193,509	0
Fund Balance, June 30, 2023	<u>\$ 1,574,875</u>	<u>\$ 965,974</u>	<u>\$ 1,006,099</u>	<u>\$ 568,776</u>

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

Stewart County, Tennessee
Statement of Net Position
Fiduciary Funds
June 30, 2023

	<u>Custodial Funds</u>
<u>ASSETS</u>	
Cash	\$ 697,019
Due from Other Governments	<u>129,071</u>
Total Assets	<u>\$ 826,090</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	<u>\$ 129,071</u>
Total Liabilities	<u>\$ 129,071</u>
<u>NET POSITION</u>	
Restricted for Individuals, Organizations and Other Governments	<u>\$ 697,019</u>
Total Net Position	<u><u>\$ 697,019</u></u>

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

Stewart County, Tennessee
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended June 30, 2023

	<u>Custodial Funds</u>
<u>ADDITIONS</u>	
Sales Tax Collections for Other Governments	\$ 719,731
Fines/Fees and Other Collections	<u>4,611,038</u>
Total Additions	<u>\$ 5,330,769</u>
<u>DEDUCTIONS</u>	
Payment of Sales Tax Collections to Other Governments	\$ 719,731
Payments to State	2,025,206
Payments to Cities, Individuals and Others	<u>2,769,912</u>
Total Deductions	<u>\$ 5,514,849</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ (184,080)
Net Position, July 1, 2022	<u>881,099</u>
Net Position, June 30, 2023	<u><u>\$ 697,019</u></u>

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

STEWART COUNTY, TENNESSEE
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STEWART COUNTY, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Stewart 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 Stewart County:

A. Reporting Entity

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

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

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

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

Administrative Office:

Stewart County Emergency Communications District
P.O. Box 751
Dover, TN 37058

B. Government-wide and Fund Financial Statements

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

Stewart County issues all debt for the discretely presented Stewart County School Department. There were no debt issuances contributed by the county to the school department during the year ended June 30, 2023.

Separate financial statements are provided for governmental funds and fiduciary funds. The fiduciary funds are excluded from the government-wide

financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund 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 Stewart County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary; however, Stewart County has no proprietary funds to report. An emphasis is placed on major funds within the governmental category.

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

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

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

Stewart County reports the following major governmental funds:

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

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

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

Additionally, Stewart County reports the following fund types:

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

Custodial Funds – These funds account for amounts collected in a custodial capacity by the constitutional officers and local sales taxes received by the state to be forwarded to the various cities in Stewart County.

The discretely presented Stewart 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 – The special revenue fund is used to account for restricted federal revenues, which must be expended on specific education programs.

Central Cafeteria Fund – This special revenue fund is used to account for the cafeteria operations in each of the schools.

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 23) 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 22) are presented in this report. We do not believe using the prior year balances will affect the independent auditor’s opinion on the Aggregate Discretely Presented Component Units. A more detailed reporting of the fund activities at each individual school may be found at <https://www.comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>.

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

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

1. Deposits and Investments

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Stewart County School Department. Each fund’s portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General Fund and the school department’s General Purpose School

Fund. Stewart 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. Stewart County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

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.

All ambulance and property taxes receivables are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to 0.91 percent of total taxes levied.

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

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

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

3. Restricted Assets

Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of the discretely presented Stewart County School Department's Teacher Retirement Plan. The purpose of this trust is to accumulate funds to provide stabilization (smoothing) of retirement costs to the school system in times of fluctuating investment returns and market downturns. These funds are held and invested by TCRS pursuant to an irrevocable agreement and may only be used for the benefit of the Stewart County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Stewart County School Department has not withdrawn any funds from the trust to pay pension costs. Trust documents provide that the funds are not subject to the claims of general creditors of the school department.

4. **Capital Assets**

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items) are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$10,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	20 - 40
Other Capital Assets	5 - 20
Infrastructure:	
Roads	8 - 20
Bridges	15 - 30

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

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

employer contributions made to the pension and OPEB plans after the measurement date.

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

6. Compensated Absences

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

There is no liability for unpaid accumulated vacation leave benefits for employees of the discretely presented Stewart County School Department since those benefits do not vest or accumulate and must be used within the year earned or lost. There is also no liability for unpaid accumulated sick leave since the school department does not have a policy to pay any amounts when employees separate from service with the government.

7. Long-term Debt and Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Debt premiums and discounts are deferred and are amortized over the life of the new debt using the straight-line method. Debt issuance costs are expensed in the period incurred. In refunding transactions, the difference between the

reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the refunded debt or the life of the new debt issued, whichever is shorter.

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

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

8. Net Position and Fund Balance

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

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

The government-wide Statement of Net Position reports \$3,423,009 of restricted net position, of which \$229,422 is restricted by enabling legislation.

As of June 30, 2023, Stewart County had \$6,058,648 in outstanding debt for capital purposes for the discretely presented Stewart County

School Department. This debt is a liability of Stewart County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Stewart County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

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

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

Restricted Fund Balance – includes amounts that have constraints placed on the use of the resources that are either (a) externally imposed by creditors, grantors, contributors or laws and regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

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

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

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

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 Stewart County's participation in the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Stewart County's fiduciary net position have been determined on the same basis as they are reported by the TCRS for the Public Employee Pension Plan. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employee Pension Plan of TCRS. Investments are reported at fair value.

Discretely Presented Stewart 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 Stewart County. For this purpose, Stewart County recognizes benefit payments when due and payable in accordance with benefit terms. Stewart County's OPEB plan is not administered through a trust.

Discretely Presented Stewart 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 Stewart 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 Stewart County School Department

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

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

Primary Government

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

Discretely Presented Stewart County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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

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

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

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

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Stewart County and the Stewart 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 insured for purposes of credit risk disclosure.

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

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

Investments

Legal Provisions. Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and

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

The county had no pooled and nonpooled investments as of June 30, 2023.

TCRS Stabilization Trust

Legal Provisions. The Stewart County School Department is a member of the Tennessee Consolidated Retirement System (TCRS) Stabilization Reserve Trust. The school department has placed funds into the irrevocable trust as authorized by statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the trust. Funds of trust members are held and invested in the name of the trust for the benefit of each member. Each member's funds are restricted for the payment of retirement benefits of that member's employees. Trust funds are not subject to the claims of general creditors of the school department.

The trust is authorized to make investments as directed by the TCRS Board of Trustees. The Stewart 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, 2023, the Stewart County School Department had the following investments held by the trust on its behalf. These funds are recognized as restricted assets in the General Purpose School Fund of the school department.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 50,108
Developed Market International Equity	N/A	N/A	22,628
Emerging Market International Equity	N/A	N/A	6,465
U.S. Fixed Income	N/A	N/A	32,326
Real Estate	N/A	N/A	16,163
Short-term Securities	N/A	N/A	1,616
NAV - Private Equity and Strategic Lending	N/A	N/A	32,326
 Total			\$ 161,632

For further information concerning the legal provisions, investment policies, investment types, and credit risks of the school department's investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at <https://comptroller.tn.gov/content/dam/cot/sa/advanced-search/disclaimer/2020/ag20045.pdf>.

B. Capital Assets

Capital assets activity for the year ended June 30, 2023, was as follows:

Primary Government

Governmental Activities:

	Balance 7-1-22	Increases	Decreases	Balance 6-30-23
Capital Assets Not Depreciated:				
Land	\$ 953,911	\$ 0	\$ 0	\$ 953,911
Construction in Progress	335,788	52,305	0	388,093
Total Capital Assets Not Depreciated	<u>\$ 1,289,699</u>	<u>\$ 52,305</u>	<u>\$ 0</u>	<u>\$ 1,342,004</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 14,674,782	\$ 17,764	\$ 0	\$ 14,692,546
Infrastructure	3,580,897	173,867	0	3,754,764
Other Capital Assets	6,634,133	218,341	(38,277)	6,814,197
Total Capital Assets Depreciated	<u>\$ 24,889,812</u>	<u>\$ 409,972</u>	<u>\$ (38,277)</u>	<u>\$ 25,261,507</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 4,124,589	\$ 357,983	\$ 0	\$ 4,482,572
Infrastructure	1,743,823	183,346	0	1,927,169
Other Capital Assets	4,928,272	667,977	(38,277)	5,557,972
Total Accumulated Depreciation	<u>\$ 10,796,684</u>	<u>\$ 1,209,306</u>	<u>\$ (38,277)</u>	<u>\$ 11,967,713</u>
Total Capital Assets Depreciated, Net	<u>\$ 14,093,128</u>	<u>\$ (799,334)</u>	<u>\$ 0</u>	<u>\$ 13,293,794</u>
Governmental Activities Capital Assets, Net	<u>\$ 15,382,827</u>	<u>\$ (747,029)</u>	<u>\$ 0</u>	<u>\$ 14,635,798</u>

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

Governmental Activities:

General Government	\$ 82,144
Finance	315
Administration of Justice	1,202
Public Safety	341,298
Public Health and Welfare	148,885
Social, Cultural, and Recreational Services	19,960
Agriculture and Natural Resources	84
Highway/Public Works	<u>615,418</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,209,306</u>

Net Investment in Capital Assets

Capital Assets	\$ 14,635,798
Less:	
Outstanding principal of capital debt and other capital borrowings	(7,448,054)
Unamortized balance of original issue premiums on outstanding capital-related debt	<u>(104,839)</u>
Net Investment in Capital Assets	<u>\$ 7,082,905</u>

Discretely Presented Stewart County School Department

Governmental Activities:

	Balance 7-1-22	Increases	Balance 6-30-23
Capital Assets			
Not Depreciated:			
Land	\$ 1,265,886	\$ 0	\$ 1,265,886
Total Capital Assets Not Depreciated	<u>\$ 1,265,886</u>	<u>\$ 0</u>	<u>\$ 1,265,886</u>
Capital Assets Depreciated:			
Buildings and Improvements	\$ 35,096,864	\$ 275,586	\$ 35,372,450
Other Capital Assets	6,422,526	421,052	6,843,578
Total Capital Assets Depreciated	<u>\$ 41,519,390</u>	<u>\$ 696,638</u>	<u>\$ 42,216,028</u>
Less Accumulated Depreciation For:			
Buildings and Improvements	\$ 18,752,689	\$ 839,627	\$ 19,592,316
Other Capital Assets	4,044,580	281,367	4,325,947
Total Accumulated Depreciation	<u>\$ 22,797,269</u>	<u>\$ 1,120,994</u>	<u>\$ 23,918,263</u>
Total Capital Assets Depreciated, Net	<u>\$ 18,722,121</u>	<u>\$ (424,356)</u>	<u>\$ 18,297,765</u>
Governmental Activities Capital Assets, Net	<u>\$ 19,988,007</u>	<u>\$ (424,356)</u>	<u>\$ 19,563,651</u>

There were no decreases in capital assets to report during the year ended June 30, 2023. Depreciation expense was charged to functions of the discretely presented Stewart County School Department as follows:

Governmental Activities:

Instruction	\$ 740,694
Support Services	300,574
Operation of Non-instruction Services	<u>79,726</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,120,994</u>

C. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2023, was as follows:

Due to/from Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Nonmajor governmental	\$ 5,697
General Debt Service	General	93,719

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

Due to/from Primary Government and Component Unit:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Component Unit: School Department: General Purpose School	\$ 2,250
Component Unit:		
School Department: General Purpose School	Primary Government: General	387

The receivable in the General Fund from the General Purpose School Fund represents a credit recovery, and the receivable General Purpose School Fund from the General Fund represents amounts due for fuel costs.

Interfund Transfers:

Interfund transfers for the year ended June 30, 2023, consisted of the following amounts:

Primary Government

Transfers Out	Transfers In			Purpose
	General Fund	Highway/ Public Works Fund	General Debt Service Fund	
General Fund	\$ 0	\$ 0	\$ 615,280	Debt retirement
Nonmajor Governmental Fund	252,500	250,000	0	ARPA funds
	<u>\$ 252,500</u>	<u>\$ 250,000</u>	<u>\$ 615,280</u>	

Discretely Presented Stewart County School Department

Transfers Out	Transfers In		Purpose
	General Purpose School Fund	Central Cafeteria Fund	
School Federal Projects Fund	\$ 132,601	\$ 0	ESSER funds
"	25,000	0	Literacy stipend funds
"	4,000	0	Resilient schools funds
"	0	42,194	Summer learning camp
	<u>\$ 161,601</u>	<u>\$ 42,194</u>	

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

D. Long-term Debt

Primary Government

General Obligation Bonds, Notes, and Other Loans

General Obligation Bonds - Stewart County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other general

obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 25 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, 2023, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements - Stewart County issues other loans to provide funds for the acquisition and construction of major capital facilities and other capital outlay purchases, such as equipment, for the primary government and the discretely presented school department. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes, and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes and the other loan outstanding were issued for original terms of up to 12 years for notes and 13 years for the other loan. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes and the other loan included in long-term debt as of June 30, 2023, will be retired from the General Debt Service Fund.

General obligation bonds, capital outlay notes, and the other loan outstanding as of June 30, 2023, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-23
General Obligation Bonds	2 to 3.125%	4-1-38	\$ 8,200,000	\$ 6,375,000
General Obligation Bonds - Refunding	2.55 to 2.69	3-1-29	14,050,340	4,695,000
Direct Borrowing and Direct Placement:				
Capital Outlay Notes	2.53 to 3.5	3-1-30	4,429,000	2,213,653
Other Loan - Fixed rate	.75	2-1-29	461,365	223,049

During the 2015-16 year, Stewart County entered into an agreement with the Tennessee Energy Efficient Schools Council to receive funding from the Energy Efficient School Initiative program. Under this agreement, the program loaned Stewart County \$461,365 to increase energy efficiency in the Stewart County school system. The interest rate on the loan is .75 percent.

The annual requirements to amortize all general obligation bonds, notes, and the other loan outstanding as of June 30, 2023, including interest payments, are presented in the following tables:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2024	\$ 1,805,000	\$ 288,864	\$ 2,093,864
2025	935,000	252,579	1,187,579
2026	970,000	229,756	1,199,756
2027	1,000,000	206,071	1,206,071
2028	1,045,000	181,201	1,226,201
2029-2033	2,780,000	593,367	3,373,367
2034-2038	2,535,000	240,214	2,775,214
Total	<u>\$ 11,070,000</u>	<u>\$ 1,992,052</u>	<u>\$ 13,062,052</u>

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2024	\$ 410,835	\$ 64,012	\$ 474,847
2025	353,880	51,533	405,413
2026	366,027	40,956	406,983
2027	340,205	29,813	370,018
2028	345,980	19,675	365,655
2029-2030	396,726	13,931	410,657
Total	<u>\$ 2,213,653</u>	<u>\$ 219,920</u>	<u>\$ 2,433,573</u>

Year Ending June 30	Other Loan - Direct Placement		
	Principal	Interest	Total
2024	\$ 38,676	\$ 1,536	\$ 40,212
2025	38,964	1,248	40,212
2026	39,253	959	40,212
2027	39,553	659	40,212
2028	39,850	362	40,212
2029	26,753	93	26,846
Total	<u>\$ 223,049</u>	<u>\$ 4,857</u>	<u>\$ 227,906</u>

There is \$4,089,884 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$811, based on the 2020 federal census. Total debt per capita, including bonds, notes, the other loan, and unamortized debt premiums, totaled \$997, based on the 2020 federal census.

The school department is currently contributing funds to service some of the debt issued on its behalf by the primary government as noted in the table below.

<u>Description of Debt</u>	<u>Outstanding 6-30-23</u>
<u>Notes Payable - Direct Placement</u>	
<u>Contributions from the General Purpose School Fund</u>	
Public Works/Schools Capital Outlay Note, Series 2015	\$ 505,000
School System Capital Outlay Note, Series 2016	32,359
<u>Other Loan - Direct Placement</u>	
<u>Contributions from the General Purpose School Fund</u>	
Energy Efficient School Initiative	223,049
<u>Bonds</u>	
<u>Contributions from the General Purpose School Fund</u>	
School Refunding, Series 2013	75,000
School Refunding, Series 2013A	<u>650,000</u>
Total	<u>\$ 1,485,408</u>

Changes in Long-term Debt

Long-term debt activity for the year ended June 30, 2023, was as follows:

Governmental Activities:

	<u>Bonds</u>	<u>Notes - Direct Placement</u>	<u>Other Loans - Direct Placement</u>
Balance, July 1, 2022	\$ 12,805,000	\$ 2,610,172	\$ 294,329
Reductions	<u>(1,735,000)</u>	<u>(396,519)</u>	<u>(71,280)</u>
Balance, June 30, 2023	<u>\$ 11,070,000</u>	<u>\$ 2,213,653</u>	<u>\$ 223,049</u>
Balance Due Within One Year	<u>\$ 1,805,000</u>	<u>\$ 410,805</u>	<u>\$ 38,676</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2023	\$ 13,506,702
Less: Balance Due Within One Year - Debt	(2,254,511)
Add: Unamortized Premium on Debt	<u>113,474</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 11,365,665</u>

E. Long-term Obligations

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2023, was as follows:

Governmental Activities:

	<u>Other Long-term Liabilities</u>	<u>Compensated Absences</u>
Balance, July 1, 2022	\$ 157,705	\$ 242,524
Additions	0	308,368
Reductions	<u>(8,730)</u>	<u>(308,711)</u>
Balance, June 30, 2023	<u>\$ 148,975</u>	<u>\$ 242,181</u>
Balance Due Within One Year	<u>\$ 8,960</u>	<u>\$ 242,181</u>

	<u>Other Postemployment Benefits</u>	<u>Net Pension Liability - Agent Plan</u>
Balance, July 1, 2022	\$ 151,963	\$ 422,278
Additions	24,349	4,016,101
Reductions	<u>(61,281)</u>	<u>(988,890)</u>
Balance, June 30, 2023	<u>\$ 115,031</u>	<u>\$ 3,449,489</u>
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities - Other - Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2023	\$ 3,955,676
Less: Balance Due Within One Year - Other	<u>(251,141)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 3,704,535</u>

Other long-term obligations represent the county's share of the debt incurred by the city of Dover on the Senior Citizens Center and will be paid from the General Fund. Other compensated absences, other postemployment benefits, and the pension liability will be paid from the employing funds, primarily the General and Highway/Public Works funds.

Discretely Presented Stewart County School Department

Changes in Long-term Obligations

Long-term obligations activity for the discretely presented Stewart County School Department for the year ended June 30, 2023, was as follows:

Governmental Activities:

	Other Postemployment Benefits	Net Pension Liability - Agent Plan
	<u> </u>	<u> </u>
Balance, July 1, 2022	\$ 1,875,320	\$ 120,635
Additions	144,237	1,041,324
Reductions	<u>(371,356)</u>	<u>(267,550)</u>
Balance, June 30, 2023	<u>\$ 1,648,201</u>	<u>\$ 894,409</u>
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities - Other - Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2023	\$ 2,542,610
Less: Balance Due Within One Year - Other	<u>0</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 2,542,610</u>

Other postemployment benefits and the pension liability will be paid from the employing funds, primarily the General Purpose School Fund.

F. On-Behalf Payments – Discretely Presented Stewart County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Stewart County School Department. These payments are made by the state to the Local Education Group Insurance Plan. This plan is administered by the State of Tennessee and reported in the state’s Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2023, were \$44,930. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. OTHER INFORMATION

A. Risk Management

Employee Health Insurance

Primary Government

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

Discretely Presented Stewart County School Department

The discretely presented Stewart 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.

Workers' Compensation, General Liability, Property, and Casualty Insurance

Stewart County and the discretely presented Stewart County School Department participate in the Tennessee Risk Management Trust (TN-RMT), which is a public entity risk pool created under the auspices of the Tennessee Governmental Tort Liability Act to provide governmental insurance coverage. The county and the school department pay annual premiums to the TN-RMT for their workers' compensation, general liability, property, and casualty insurance coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

B. Accounting Changes

GASB Statement No. 91, *Conduit Debt Obligations*, became effective for fiscal year ending June 30, 2023. This statement clarifies what is considered conduit debt and the requirements of when to disclose liabilities and commitments concerning conduit debt.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, became effective for fiscal year ending June 30, 2023. This statement will improve financial reporting by establishing the definitions of PPPs and APAs and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. The required disclosures will allow users to understand the scale and important aspects of a government's PPPs and evaluate a government's future obligations and assets resulting from PPPs.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*, became effective for fiscal year ending June 30, 2023. This standard establishes a definition for SBITAs and provides uniform guidance for accounting and financial reporting for transactions that meet that definition. This statement also establishes criteria for the recognition of implementation costs and requires a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement.

GASB Statement No. 99, *Omnibus 2022*, became effective during the fiscal year. This statement enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics including Financial Guarantees; Derivative Instruments; Leases, PPPs, and SBITAs; LIBOR rate replacement; and other technical updates and corrections.

C. Contingent Liabilities

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

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

D. Changes in Administration

Robin Brandon left the Office of County Mayor on August 31, 2022, and was succeeded by Robert Beecham effective September 1, 2022.

Jimmy Fitzhugh left the Office of County Clerk on August 31, 2022, and was succeeded by Natalie Hardison effective September 1, 2022.

Jason Wallace left the Office of Circuit, General Sessions, and Juvenile Courts Clerk on August 31, 2022, and was succeeded by Ethan Gray effective September 1, 2022.

E. Joint Ventures

The Twenty-third Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twenty-third Judicial District; Cheatham, Dickson, Houston, Humphreys, and Stewart counties; and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a Board of Directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Stewart County made no contributions to the DTF for the year ended June 30, 2023.

The discretely presented school department participates in the Volunteer State Cooperative (VOLCO), which represents a cost-sharing arrangement. The cooperative was established through a contractual agreement between the Boards of Education of Bedford County, Coffee County, Dickson County, Fayetteville City, Hickman County, Houston County, Humphreys County, Manchester City, Marshall County, Maury County, Robertson County, and Stewart County. The cooperative was authorized through Chapter 49 of *Tennessee Code Annotated*. The cooperative 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 (Fayetteville City Schools) and a service provider to offer these services. The cooperative is governed by a Representative Committee, comprising 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.

Stewart County does not have an equity interest in any of the above-noted joint ventures. Complete financial statements for the Twenty-third Judicial District Drug Task Force and the Volunteer State Cooperative can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Office of District Attorney General
Twenty-third Judicial District Drug Task Force
P.O. Box 580
Charlotte, TN 37036

Volunteer State Cooperative
1800 Wilson Parkway
Fayetteville, TN 37334

F. Jointly Governed Organizations

The Houston-Stewart County Industrial Park Board operates an industrial park that is jointly owned by Stewart and Houston counties. The board comprises seven members. The Stewart and Houston County Commissions appoint the board members alternately (four one year and three the next year); however, the counties do not have any ongoing financial interest or responsibility for the entity. Also, the board operates in conjunction with the Houston-Stewart County Development Commission, which consists of seven board members appointed by Stewart and Houston counties. The commission was incorporated to receive and administer grant and loan funds for construction of buildings in the industrial park. The commission was declared inactive by its Board of Directors on October 25, 1990, and so remains until such time as a need develops.

The Industrial Development Board of Houston-Stewart Counties has been delegated the authority to develop, operate and maintain an industrial site located near the Stewart-Houston County line near Cumberland City, Tennessee. The board operates in conjunction with the Houston-Stewart Industrial Park Board and is comprised of eight members. The Stewart and Houston County Commissions appoint the board members; however, the counties do not have any ongoing financial interest or responsibility for the entity.

The Bi-County Solid Waste Management System was created by Stewart County in conjunction with Montgomery County. The Bi-County Solid Waste Management System's board comprises the Montgomery County Mayor and three individuals appointed by him, the Stewart County Mayor and one individual appointed by him, and the mayor of the City of Clarksville as long as the city participates in the operation of the transfer station pursuant to a separate agreement with Montgomery County.

G. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Stewart County and non-certified employees of the discretely presented Stewart County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 79.41 percent and the non-certified employees of the discretely presented school department comprised 20.59 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

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

include projected service credits. A variety of death benefits is available under various eligibility criteria.

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

Employees Covered by Benefit Terms. At the measurement date of June 30, 2022, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	75
Inactive Employees Entitled to But Not Yet Receiving Benefits	270
Active Employees	260
Total	605

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. Stewart County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2023, the employer contributions for Stewart County were \$842,858 based on a rate of 9.53 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Stewart 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)

Stewart County’s net pension liability (asset) was measured as of June 30, 2022, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability as of the June 30, 2022, 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, 2022, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to reflect more closely actual and expected future experience.

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

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

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

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Stewart 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, 2021	\$ 22,117,485	\$ 21,574,572	\$ 542,913
Changes for the Year:			
Service Cost	\$ 816,888	\$ 0	\$ 816,888
Interest	1,523,837	0	1,523,837
Differences Between Expected and Actual Experience	1,855,692	0	1,855,692
Contributions-Employer	0	735,002	(735,002)
Contributions-Employees	0	521,438	(521,438)
Net Investment Income	0	(835,166)	835,166
Benefit Payments, Including Refunds of Employee Contributions	(718,024)	(718,024)	0
Administrative Expense	0	(25,842)	25,842
Net Changes	\$ 3,478,393	\$ (322,592)	\$ 3,800,985
Balance, June 30, 2022	\$ 25,595,878	\$ 21,251,980	\$ 4,343,898

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	79.41%	\$ 20,325,687	\$ 16,876,197	\$ 3,449,489
School Department	20.59%	5,270,191	4,375,783	894,409
Total		\$ 25,595,878	\$ 21,251,980	\$ 4,343,898

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

Net Pension Liability (Asset) \$ 8,369,157 \$ 4,343,898 \$ 1,072,780

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, 2023, Stewart County recognized pension expense (negative pension expense) of \$1,091,583.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, Stewart 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	\$ 2,076,352	\$ 11,320
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	96,942	0
Changes in Assumptions	1,257,967	0
Contributions Subsequent to the Measurement Date of June 30, 2022 (1)	842,858	N/A
Total	<u>\$ 4,274,119</u>	<u>\$ 11,320</u>

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2022,” 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	\$ 3,386,839	\$ 8,989
School Department	887,280	2,331
Total	<u>\$ 4,274,119</u>	<u>\$ 11,320</u>

Amounts reported as deferred outflows of resources, except for 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
2024	\$ 747,767
2025	723,038
2026	545,820
2027	1,094,033
2028	309,283
Thereafter	0

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

Discretely Presented Stewart County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Stewart County and non-certified employees of the discretely presented Stewart County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 79.41 percent and the non-certified employees of the discretely presented school department comprised 20.59 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the Stewart 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, 2023, to the Teacher Retirement Plan were \$62,642, which is 2.87 percent of covered payroll. In addition, employer contributions of \$23,367, which is 1.13 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). At June 30, 2023, the school department reported a liability (asset) of (\$34,692) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2022, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2022, the school department's proportion was .114523 percent. The proportion as of June 30, 2021, was .100506 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2023, the school department recognized pension expense (negative pension expense) of \$49,047.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, 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	\$ 1,897	\$ 21,078
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	10,935	0
Changes in Assumptions	40,640	0
Changes in Proportion of Net Pension Liability (Asset)	8,311	9,675
LEA's Contributions Subsequent to the Measurement Date of June 30, 2022	62,642	N/A
Total	<u>\$ 124,425</u>	<u>\$ 30,753</u>

The school department's employer contributions of \$62,642, 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, 2024. 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
2024	\$ 815
2025	926
2026	(871)
2027	18,176
2028	2,028
Thereafter	9,956

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

Actuarial Assumptions. The total pension liability (asset) in the June 30, 2022, 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, 2022, actuarial valuation, were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
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Net Pension Liability (Asset) \$ 182,113 \$ (34,692) \$ (193,026)

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

Teacher Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Teachers of the Stewart 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 Stewart County School Department for the year ended June 30, 2023, to the Teacher Legacy Pension Plan were \$604,274, which is 8.69 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liability (Assets). At June 30, 2023, the school department reported a liability (asset) of (\$2,560,140) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2022, 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, 2022, the school department's proportion was .208752 percent. The proportion measured at June 30, 2021, was .207447 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2023, the school department recognized pension expense (negative pension expense) of \$19,767.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, 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	\$ 421,134	\$ 432,586
Changes in Assumptions	1,603,805	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	43,777	0
Changes in Proportion of Net Pension Liability (Asset)	18,970	21,741
LEA's Contributions Subsequent to the Measurement Date of June 30, 2022	604,274	N/A
Total	<u>\$ 2,691,960</u>	<u>\$ 454,327</u>

The school department's employer contributions of \$604,274 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a decrease in net pension liability in the year ending June 30, 2024. 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
2024	\$ 252,755
2025	481,026
2026	(451,663)
2027	1,351,241
2028	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, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	6.75%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.125%

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

The actuarial assumptions, used in the June 30, 2022, actuarial valuation, were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
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Net Pension Liability (Asset) \$ 5,070,755 \$ (2,560,140) \$ (8,916,169)

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

2. Deferred Compensation

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state’s 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher’s salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$108,570 and teachers contributed \$51,347 to this deferred compensation pension plan.

H. Other Postemployment Benefits (OPEB)

Stewart County (with the exception of the Stewart County Highway Department) and the discretely presented Stewart County School Department provide OPEB benefits to its retirees under the state administered public entity risk pools. For reporting purposes, the plans are considered a single employer defined benefit OPEB plan 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 Stewart County 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 Local Education Plan (LEP) until they reach Medicare eligibility. The certified retirees of the Stewart County School Department may then join the Tennessee Plan – Medicare (TNM) which provides supplemental medical insurance for retirees with Medicare. However, the school department does not provide any subsidy (direct or indirect) to this plan and therefore does not recognize any OPEB liability associated with the TNM.

The county and school department's total OPEB liability for each plan was measured as of June 30, 2022, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs. The total OPEB liability in the June 30, 2022, 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	3.54%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 8.37% for pre-65 retirees in the 2022 calendar year, and decreasing annually over a 7-year period to an ultimate trend rate of 4.5%
Retirees Share of Benefit Related Cost	Discussed under each plan

The discount rate was 3.54 percent, based on an average rating of AA/Aa as shown on the Bond Buyers 20-Year Municipal GO AA index closest to but not later than the measurement date.

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

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

Changes in Assumptions. The discount rate changed from 2.16 percent as of the beginning of the measurement period to 3.54 percent as of the measurement date of June 30, 2022. This change in assumption increased the total OPEB liability. Other changes in assumptions include adjustments to initial per capita costs and health trend rates. The trend rate applicable to the 2022 plan year was revised from 7.36 percent to 8.37 percent.

Local Government OPEB Plan (Primary Government)

Plan description. Employees of Stewart County 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. Stewart County offers the LGP to provide health insurance coverage to eligible pre-65 retirees and disabled participants of local governments. Except for a small group of grandfathered individuals, retirees are required to discontinue coverage under the 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. Stewart County does not provide a direct subsidy and is only subject to the implicit subsidy.

Employees Covered by Benefit Terms

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

	<u>Total</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	0
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	124
Total	<u><u>124</u></u>

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, 2023, the county paid \$745 to the LGP for OPEB benefits as they came due.

Changes in the Total OPEB Liability

	<u>Stewart County</u>
Balance July 1, 2021	<u>\$ 151,963</u>
Changes for the Year:	
Service Cost	\$ 20,629
Interest	3,720
Difference between Expected and Actuarial Experience	(824)
Changes in Assumption	(59,731)
Benefit Payments	<u>(726)</u>
Net Changes	<u>\$ (36,932)</u>
 Balance June 30, 2022	 <u><u>\$ 115,031</u></u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, the county recognized OPEB expense of \$5,458. At June 30, 2023, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 10,391	\$ 48,863
Changes of Assumptions/Inputs	16,664	84,665
Net Difference Between Projected and Benefits Paid After the Measurement Date of June 30, 2022	<u>745</u>	<u>0</u>
Total	<u><u>\$ 27,800</u></u>	<u><u>\$ 133,528</u></u>

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

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

Year Ending June 30	County
2024	\$ (18,891)
2025	(18,891)
2026	(18,891)
2027	(18,891)
2028	(11,420)
Thereafter	(19,489)

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

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

<u>Discount Rate</u>	1% Decrease	Current Discount Rate	1% Increase
Stewart County	2.54%	3.54%	4.54%
Total OPEB Liability	\$ 125,037	\$ 115,031	\$ 105,788

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

<u>Healthcare Cost Trend Rate</u>	1% Decrease	Current Trend Rate	1% Increase
Stewart County	7.37 to 3.5%	8.37 to 4.5%	9.37 to 5.5%
Total OPEB Liability	\$ 100,537	\$ 115,031	\$ 132,295

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

Plan description. Employees of the Stewart 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 Stewart County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-301 establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. The Stewart County School Department does not provide a direct subsidy and is only subject to the implicit subsidy. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees’ premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms

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

	<u>Total</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	10
Inactive Employees Entitled to But Not Yet Receiving Benefits	1
Active Employees Eligible for Benefits	145
Total	<u><u>156</u></u>

A state insurance committee, created in accordance with TCA 8-27-301, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$62,812 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		
	<u>Stewart County School Department 62.079%</u>	<u>State of TN 37.921%</u>	<u>Total OPEB Liability</u>
Balance July 1, 2021	\$ 1,875,320	\$ 1,089,394	\$ 2,964,714
Changes for the Year:			
Service Cost	\$ 102,916	\$ 62,866	\$ 165,782
Interest	41,319	25,239	66,558
Difference between Expected and Actuarial Experience	(134,428)	(82,114)	(216,542)
Changes in Proportion	(34,845)	34,845	0
Changes in Assumption and Other Inputs	(140,776)	(85,992)	(226,768)
Benefit Payments	(61,306)	(37,448)	(98,754)
Net Changes	\$ (227,119)	\$ (82,605)	\$ (309,724)
Balance June 30, 2022	\$ 1,648,201	\$ 1,006,789	\$ 2,654,990

The Stewart 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 Stewart County School Department's proportionate share of the collective total OPEB Liability was based on a projection of the employers' long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$91,931 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Stewart County School Department's proportionate share of the collective OPEB Liability was 62.079 percent and the State of Tennessee's Share was 37.921 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, the school department recognized OPEB expense of \$227,919, including the state’s share of the expense. At June 30, 2023, 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	\$ 113,545	\$ 277,053
Changes of Assumptions/Inputs	341,204	204,658
Changes in Proportion and Differences Between Amounts Paid as Benefits Came Due and Proportionate Share Amounts Paid by the Employee and Nonemployer Contributors As Benefits Came Due	30,241	66,881
Benefits Paid After the Measurement Date of June 30, 2022	<u>62,812</u>	<u>0</u>
Total	<u>\$ 547,802</u>	<u>\$ 548,592</u>

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

Year Ending June 30	School Department
2024	\$ (8,247)
2025	(8,247)
2026	(8,247)
2027	(8,247)
2028	(3,155)
Thereafter	(27,459)

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>	Current		
	1%	Discount	1%
	Decrease	Rate	Increase
	2.54%	3.54%	4.54%
Total OPEB Liability	\$ 1,752,126	\$ 1,648,201	\$ 1,547,575

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>	Current		
	1%	Trend	1%
	Decrease	Rate	Increase
	7.37 to 3.5%	8.37 to 4.5%	9.37 to 5.5%
Total OPEB Liability	\$ 1,494,656	\$ 1,648,201	\$ 1,824,858

I. Purchasing Laws

Office of County Mayor

Purchasing procedures for the County Mayor's Office are governed by the County Purchasing Law of 1983, Sections 5-14-201 through 5-14-206, *Tennessee Code Annotated (TCA)*, which provide for all purchases exceeding \$10,000 (excluding emergency purchases) to be made based on competitive bids solicited through newspaper advertisement.

Office of County Engineer

Chapter 171, Private Acts of 1951, as amended, and the Uniform Road Law, Section 54-7-113, *TCA*, prescribe purchasing procedures to be followed by officials of the road department. Provisions of the private act stipulate that all purchases exceeding \$300 shall be made by the road commission, while purchases involving lesser amounts may be made by the county engineer. The Uniform Road Law provides for purchases exceeding \$25,000 to be made after public advertisement and solicitation of competitive bids. Purchasing in this department was conducted by the Finance Committee of the county commission, which served in-lieu-of the road commission.

Office of Director of Schools

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

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit E-1

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Pension Liability									
Service Cost	\$ 486,273	\$ 528,098	\$ 521,598	\$ 586,818	\$ 602,249	\$ 602,447	\$ 644,468	\$ 661,131	\$ 816,888
Interest	713,689	807,253	899,325	978,444	1,041,704	1,173,060	1,285,028	1,387,316	1,523,837
Differences Between Actual and Expected Experience	290,944	273,465	(2,670)	(79,222)	733,694	395,270	150,333	113,618	1,855,692
Changes in Assumptions	0	0	0	291,935	0	0	0	1,824,392	0
Benefit Payments, Including Refunds of Employee Contributions	(216,232)	(354,203)	(395,169)	(461,948)	(480,032)	(652,043)	(684,796)	(686,455)	(718,024)
Net Change in Total Pension Liability	\$ 1,274,674	\$ 1,254,613	\$ 1,023,084	\$ 1,316,027	\$ 1,897,615	\$ 1,518,734	\$ 1,395,033	\$ 3,300,002	\$ 3,478,393
Total Pension Liability, Beginning	9,137,703	10,412,377	11,666,990	12,690,074	14,006,101	15,903,716	17,422,450	18,817,483	22,117,485
Total Pension Liability, Ending (a)	\$ 10,412,377	\$ 11,666,990	\$ 12,690,074	\$ 14,006,101	\$ 15,903,716	\$ 17,422,450	\$ 18,817,483	\$ 22,117,485	\$ 25,595,878
Plan Fiduciary Net Position									
Contributions - Employer	\$ 416,440	\$ 416,742	\$ 454,358	\$ 480,121	\$ 492,068	\$ 526,466	\$ 632,863	\$ 659,029	\$ 735,002
Contributions - Employee	349,865	298,527	325,473	373,666	434,873	411,154	405,411	487,665	521,438
Net Investment Income	1,361,044	308,397	283,319	1,284,631	1,080,345	1,075,075	784,169	4,379,500	(835,166)
Benefit Payments, Including Refunds of Employee Contributions	(216,232)	(354,203)	(395,169)	(461,948)	(480,032)	(652,043)	(684,796)	(686,455)	(718,024)
Administrative Expense	(8,413)	(11,977)	(19,273)	(21,596)	(23,941)	(23,099)	(23,656)	(23,809)	(25,842)
Other	0	0	1,017	0	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 1,902,704	\$ 657,486	\$ 649,725	\$ 1,654,874	\$ 1,503,313	\$ 1,337,553	\$ 1,113,991	\$ 4,815,930	\$ (322,592)
Plan Fiduciary Net Position, Beginning	7,938,996	9,841,700	10,499,186	11,148,911	12,803,785	14,307,098	15,644,651	16,758,642	21,574,572
Plan Fiduciary Net Position, Ending (b)	\$ 9,841,700	\$ 10,499,186	\$ 11,148,911	\$ 12,803,785	\$ 14,307,098	\$ 15,644,651	\$ 16,758,642	\$ 21,574,572	\$ 21,251,980
Net Pension Liability (Asset), Ending (a - b)	\$ 570,677	\$ 1,167,804	\$ 1,541,163	\$ 1,202,316	\$ 1,596,618	\$ 1,777,799	\$ 2,058,841	\$ 542,913	\$ 4,343,898
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	94.52%	89.99%	87.86%	91.42%	89.96%	89.80%	89.06%	97.55%	83.03%
Covered Payroll	\$ 5,974,731	\$ 5,970,513	\$ 6,509,427	\$ 6,878,521	\$ 7,061,760	\$ 7,544,735	\$ 7,950,541	\$ 8,218,258	\$ 9,230,693
Net Pension Liability (Asset) as a Percentage of Covered Payroll	9.55%	19.56%	23.68%	17.48%	22.61%	23.56%	25.90%	6.61%	47.06%

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

Note 2: The agent plan is a single plan reported under one account with the Tennessee Consolidated Retirement System. This plan covers employees of the primary government and non-certified employees of the discretely presented school department.

Exhibit E-2

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	\$ 416,440	\$ 416,742	\$ 454,358	\$ 480,121	\$ 492,068	\$ 526,466	\$ 632,863	\$ 659,029	\$ 735,002	\$ 842,858
Less: Contributions in Relation to the Actuarially Determined Contribution	(416,440)	(416,742)	(454,358)	(480,121)	(492,068)	(526,466)	(632,863)	(659,029)	(735,002)	(842,858)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 5,974,731	\$ 5,970,513	\$ 6,509,427	\$ 6,878,521	\$ 7,061,760	\$ 7,544,735	\$ 7,950,541	\$ 8,218,258	\$ 9,230,693	\$ 8,844,252
Contributions as a Percentage of Covered Payroll	6.97%	6.98%	6.98%	6.98%	6.97%	6.98%	7.96%	8.02%	7.96%	9.53%

Note: The agent plan is a single plan reported under one account with the Tennessee Consolidated Retirement System. This plan covers employees of the primary government and non-certified employees of the discretely presented school department.

Exhibit E-3

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually Required Contribution	\$ 5,638	\$ 14,078	\$ 32,599	\$ 16,495	\$ 22,506	\$ 28,613	\$ 29,301	\$ 39,310	\$ 62,642
Less: Contributions in Relation to the Contractually Required Contribution	(9,021)	(22,496)	(32,599)	(40,459)	(22,506)	(28,613)	(29,301)	(39,310)	(62,642)
Contribution Deficiency (Excess)	\$ (3,383)	\$ (8,418)	\$ 0	\$ (23,964)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 225,524	\$ 562,404	\$ 822,476	\$ 1,011,473	\$ 1,160,100	\$ 1,409,526	\$ 1,513,714	\$ 1,965,812	\$ 2,182,658
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	3.96%	4.00%	1.94%	2.03%	1.94%	2.00%	2.87%

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

Note 2: Beginning in FY 2019, the school department placed the actuarially determined contribution rate of covered payroll into the pension plan and placed the remainder of the four percent contractually required contribution into the Pension Stabilization Reserve Trust (SRT).

2019: Pension - 1.94%, SRT - 2.02%

2020: Pension - 2.03%, SRT - 1.97%

2021: Pension - 2.02%, SRT - 1.98%

2022: Pension - 2.01%, SRT - 1.99%

2023: Pension - 2.87%, SRT - 1.13%

Exhibit E-4

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually Required Contribution	\$ 684,880	\$ 651,856	\$ 647,783	\$ 640,539	\$ 643,008	\$ 726,057	\$ 754,133	\$ 699,259	\$ 707,598	\$ 604,274
Less: Contributions in Relation to the Contractually Required Contribution	(684,880)	(651,856)	(647,783)	(640,539)	(643,008)	(726,057)	(754,133)	(699,259)	(707,598)	(604,274)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 7,712,604	\$ 7,210,804	\$ 7,165,742	\$ 7,078,125	\$ 7,069,514	\$ 6,941,274	\$ 7,094,381	\$ 6,808,746	\$ 6,869,880	\$ 6,953,638
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.05%	9.10%	10.46%	10.63%	10.27%	10.3%	8.69%

Exhibit E-5

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

	2015	2016	2017	2018	2019	2020	2021	2022
School Department's Proportion of the Net Pension Liability (Asset)	0.108544%	0.127817%	0.124172%	0.115745%	0.109631%	0.111696%	0.100506%	0.114523%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (4,367)	\$ (13,306)	\$ (32,759)	\$ (52,494)	\$ (61,885)	\$ (63,515)	\$ (108,870)	\$ (34,692)
Covered Payroll	\$ 225,524	\$ 562,404	\$ 822,476	\$ 1,011,473	\$ 1,160,100	\$ 1,409,526	\$ 1,513,714	\$ 1,965,812
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(3.98)%	(5.19)%	(5.33)%	(4.51)%	(7.19)%	(1.76)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	127.46%	121.88%	126.81%	126.97%	123.07%	116.52%	121.53%	104.55%

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

Exhibit E-6

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
School Department's Proportion of the Net Pension Liability (Asset)	0.196500%	0.192622%	0.198508%	0.200444%	0.202234%	0.207008%	0.213156%	0.207447%	0.208752%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (31,930)	\$ 78,904	\$ 1,240,564	\$ (65,582)	\$ (711,646)	\$ (2,128,414)	\$ (1,625,472)	\$ (8,947,676)	\$ (2,560,140)
Covered Payroll	\$ 7,712,604	\$ 7,210,804	\$ 7,165,742	\$ 7,078,125	\$ 7,069,514	\$ 6,941,274	\$ 7,094,381	\$ 6,808,746	\$ 6,869,880
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(.414002)%	1.094253%	17.31%	(0.93)%	(10.07)%	(30.66)%	(22.91)%	(131.41)%	(37.27)%
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%

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

Exhibit E-7

Stewart 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
Total OPEB Liability						
Service Cost	\$ 15,194	\$ 14,211	\$ 17,172	\$ 18,412	\$ 22,025	\$ 20,629
Interest	4,776	6,141	6,867	4,878	3,802	3,720
Differences Between Actual and Expected Experience	0	(8,659)	(75,954)	(7,526)	13,781	(824)
Changes in Assumptions or Other Inputs	(9,531)	8,614	5,966	14,312	(37,321)	(59,731)
Benefit Payments	0	(1,000)	(11,274)	(636)	(645)	(726)
Net Change in Total OPEB Liability	\$ 10,439	\$ 19,307	\$ (57,223)	\$ 29,440	\$ 1,642	\$ (36,932)
Total OPEB Liability, Beginning	148,358	158,797	178,104	120,881	150,321	151,963
Total OPEB Liability, Ending	\$ 158,797	\$ 178,104	\$ 120,881	\$ 150,321	\$ 151,963	\$ 115,031
Covered Employee Payroll	\$ 4,668,185	\$ 5,043,613	\$ 4,903,734	\$ 5,312,286	\$ 6,041,238	\$ 5,899,643
Net OPEB Liability as a Percentage of Covered Employee Payroll	3.40%	3.53%	2.47%	2.83%	2.52%	1.95%

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%

(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%

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

Exhibit E-8

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

	2017	2018	2019	2020	2021	2022
Total OPEB Liability						
Service Cost	\$ 114,761	\$ 106,263	\$ 96,143	\$ 90,819	\$ 122,784	\$ 165,782
Interest	63,887	77,443	72,150	77,183	57,388	66,558
Differences Between Actual and Expected Experience	0	(341,494)	295,141	28,991	(104,117)	(216,542)
Changes in Assumptions or Other Inputs	(92,001)	74,550	(171,430)	249,071	457,285	(226,768)
Benefit Payments	(88,808)	(92,589)	(86,010)	(75,537)	(84,721)	(98,754)
Net Change in Total OPEB Liability	\$ (2,161)	\$ (175,827)	\$ 205,994	\$ 370,527	\$ 448,619	\$ (309,724)
Total OPEB Liability, Beginning	2,117,562	2,115,401	1,939,574	2,145,568	2,516,095	2,964,714
Total OPEB Liability, Ending	<u>\$ 2,115,401</u>	<u>\$ 1,939,574</u>	<u>\$ 2,145,568</u>	<u>\$ 2,516,095</u>	<u>\$ 2,964,714</u>	<u>\$ 2,654,990</u>
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 782,017	\$ 721,213	\$ 812,652	\$ 894,954	\$ 1,089,394	\$ 1,006,789
Employer Proportionate Share of the Total OPEB Liability	1,333,384	1,218,361	1,332,916	1,621,141	1,875,320	1,648,201
Covered Employee Payroll	\$ 9,071,913	\$ 9,040,695	\$ 9,267,943	\$ 8,516,202	\$ 8,638,134	\$ 8,850,633
Net OPEB Liability as a Percentage of Covered Employee Payroll	14.70%	13.48%	14.38%	19.04%	21.71%	18.62%

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

Note 2: Changes in assumptions.

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

2016	2.92%
2017	3.56%
2018	3.62%
2019	3.51%
2020	2.21%
2022	3.54%

(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%

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

STEWART COUNTY, TENNESSEE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2023

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for 2023 were calculated based on the July 1, 2021, 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.

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

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

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

Capital Projects Fund

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

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

Exhibit F-1

Stewart County, Tennessee
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2023

	Special Revenue Funds				Capital	Total Nonmajor Governmental Funds
	Drug Control	Other General Government	Constitu - tional Officers - Fees	Total	Projects Fund General Capital Projects	
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 1,823	\$ 1,823	\$ 0	\$ 1,823
Equity in Pooled Cash and Investments	105,984	1,380,478	0	1,486,462	382,236	1,868,698
Accounts Receivable	0	0	3,874	3,874	0	3,874
Property Taxes Receivable	0	0	0	0	236,501	236,501
Allowance for Uncollectible Property Taxes	0	0	0	0	(4,289)	(4,289)
Total Assets	\$ 105,984	\$ 1,380,478	\$ 5,697	\$ 1,492,159	\$ 614,448	\$ 2,106,607
<u>LIABILITIES</u>						
Due to Other Funds	\$ 0	\$ 0	\$ 5,697	\$ 5,697	\$ 0	\$ 5,697
Due to Other Governments	0	295,629	0	295,629	0	295,629
Total Liabilities	\$ 0	\$ 295,629	\$ 5,697	\$ 301,326	\$ 0	\$ 301,326
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 227,719	\$ 227,719
Deferred Delinquent Property Taxes	0	0	0	0	4,113	4,113
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 0	\$ 0	\$ 231,832	\$ 231,832
<u>FUND BALANCES</u>						
Restricted:						
Restricted for General Government	\$ 0	\$ 1,084,849	\$ 0	\$ 1,084,849	\$ 0	\$ 1,084,849

(Continued)

Exhibit F-1

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

	Special Revenue Funds				Capital	Total Nonmajor Governmental Funds
	Drug Control	Other General Government	Constitu- tional Officers - Fees	Total	General Capital Projects	
<u>FUND BALANCES (Cont.)</u>						
Restricted (Cont.):						
Restricted for Public Safety	\$ 105,984	\$ 0	\$ 0	\$ 105,984	\$ 0	\$ 105,984
Restricted for Capital Projects	0	0	0	0	382,616	382,616
Total Fund Balances	<u>\$ 105,984</u>	<u>\$ 1,084,849</u>	<u>\$ 0</u>	<u>\$ 1,190,833</u>	<u>\$ 382,616</u>	<u>\$ 1,573,449</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 105,984</u>	<u>\$ 1,380,478</u>	<u>\$ 5,697</u>	<u>\$ 1,492,159</u>	<u>\$ 614,448</u>	<u>\$ 2,106,607</u>

Exhibit F-2

Stewart County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2023

	Special Revenue Funds				Capital	Total Nonmajor Governmental Funds
	Drug Control	Other General Government	Constitu - tional Officers - Fees	Total	General Capital Projects	
<u>Revenues</u>						
Local Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 273,776	\$ 273,776
Fines, Forfeitures, and Penalties	56,645	0	0	56,645	0	56,645
Charges for Current Services	0	0	3,660	3,660	0	3,660
Other Local Revenues	0	1,696	0	1,696	0	1,696
Federal Government	0	1,898,600	0	1,898,600	0	1,898,600
Total Revenues	\$ 56,645	\$ 1,900,296	\$ 3,660	\$ 1,960,601	\$ 273,776	\$ 2,234,377
<u>Expenditures</u>						
Current:						
Administration of Justice	\$ 0	\$ 0	\$ 3,660	\$ 3,660	\$ 0	\$ 3,660
Public Safety	38,637	17,764	0	56,401	0	56,401
Public Health and Welfare	0	51,674	0	51,674	0	51,674
Other Operations	190	8,612	0	8,802	0	8,802
Support Services	0	58,500	0	58,500	0	58,500
Capital Projects	0	0	0	0	122,221	122,221
Total Expenditures	\$ 38,827	\$ 136,550	\$ 3,660	\$ 179,037	\$ 122,221	\$ 301,258
Excess (Deficiency) of Revenues						
Over Expenditures	\$ 17,818	\$ 1,763,746	\$ 0	\$ 1,781,564	\$ 151,555	\$ 1,933,119
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ 0	\$ (502,500)	\$ 0	\$ (502,500)	\$ 0	\$ (502,500)
Total Other Financing Sources (Uses)	\$ 0	\$ (502,500)	\$ 0	\$ (502,500)	\$ 0	\$ (502,500)

(Continued)

Exhibit F-2

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

	Special Revenue Funds				Capital	Total
	Drug Control	Other General Government	Constitu - tional Officers - Fees	Total	Projects Fund General Capital Projects	
Net Change in Fund Balances	\$ 17,818	\$ 1,261,246	\$ 0	\$ 1,279,064	\$ 151,555	\$ 1,430,619
Fund Balance, July 1, 2022	88,166	(176,397)	0	(88,231)	231,061	142,830
Fund Balance, June 30, 2023	\$ 105,984	\$ 1,084,849	\$ 0	\$ 1,190,833	\$ 382,616	\$ 1,573,449

Exhibit F-3

Stewart County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Drug Control Fund
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 56,645	\$ 10,300	\$ 10,300	\$ 46,345
Other Local Revenues	0	2,000	2,000	(2,000)
Total Revenues	<u>\$ 56,645</u>	<u>\$ 12,300</u>	<u>\$ 12,300</u>	<u>\$ 44,345</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 38,637	\$ 53,340	\$ 53,290	\$ 14,653
<u>Other Operations</u>				
Other Charges	190	200	250	60
Total Expenditures	<u>\$ 38,827</u>	<u>\$ 53,540</u>	<u>\$ 53,540</u>	<u>\$ 14,713</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 17,818</u>	<u>\$ (41,240)</u>	<u>\$ (41,240)</u>	<u>\$ 59,058</u>
Net Change in Fund Balance	\$ 17,818	\$ (41,240)	\$ (41,240)	\$ 59,058
Fund Balance, July 1, 2022	<u>88,166</u>	<u>72,760</u>	<u>88,166</u>	<u>0</u>
Fund Balance, June 30, 2023	<u>\$ 105,984</u>	<u>\$ 31,520</u>	<u>\$ 46,926</u>	<u>\$ 59,058</u>

Exhibit F-4

Stewart County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Other General Government Fund
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Other Local Revenues	\$ 1,696	\$ 0	\$ 0	\$ 1,696
Federal Government	1,898,600	0	1,898,600	0
Total Revenues	<u>\$ 1,900,296</u>	<u>\$ 0</u>	<u>\$ 1,898,600</u>	<u>\$ 1,696</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Sheriff's Department	\$ 17,764	\$ 171,000	\$ 171,000	\$ 153,236
<u>Public Health and Welfare</u>				
Ambulance/Emergency Medical Services	51,674	52,000	52,000	326
<u>Other Operations</u>				
American Rescue Plan Act Grant #1	8,612	0	8,612	0
<u>Support Services</u>				
Health Services	58,500	0	58,888	388
Total Expenditures	<u>\$ 136,550</u>	<u>\$ 223,000</u>	<u>\$ 290,500</u>	<u>\$ 153,950</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,763,746</u>	<u>\$ (223,000)</u>	<u>\$ 1,608,100</u>	<u>\$ 155,646</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (502,500)	\$ (250,000)	\$ (504,000)	\$ 1,500
Total Other Financing Sources	<u>\$ (502,500)</u>	<u>\$ (250,000)</u>	<u>\$ (504,000)</u>	<u>\$ 1,500</u>
Net Change in Fund Balance	\$ 1,261,246	\$ (473,000)	\$ 1,104,100	\$ 157,146
Fund Balance, July 1, 2022	(176,397)	1,760,396	1,760,396	(1,936,793)
Fund Balance, June 30, 2023	<u>\$ 1,084,849</u>	<u>\$ 1,287,396</u>	<u>\$ 2,864,496</u>	<u>\$ (1,779,647)</u>

Exhibit F-5

Stewart County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Capital Projects Fund
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 273,776	\$ 257,515	\$ 257,515	\$ 16,261
Total Revenues	\$ 273,776	\$ 257,515	\$ 257,515	\$ 16,261
<u>Expenditures</u>				
<u>Capital Projects</u>				
General Administration Projects	\$ 0	\$ 120,000	\$ 120,000	\$ 120,000
Public Safety Projects	5,221	25,000	25,000	19,779
Public Health and Welfare Projects	0	110,000	110,000	110,000
Education Capital Projects	117,000	125,000	125,000	8,000
Total Expenditures	\$ 122,221	\$ 380,000	\$ 380,000	\$ 257,779
Excess (Deficiency) of Revenues Over Expenditures	\$ 151,555	\$ (122,485)	\$ (122,485)	\$ 274,040
Net Change in Fund Balance	\$ 151,555	\$ (122,485)	\$ (122,485)	\$ 274,040
Fund Balance, July 1, 2022	231,061	189,350	231,061	0
Fund Balance, June 30, 2023	\$ 382,616	\$ 66,865	\$ 108,576	\$ 274,040

Major Governmental Fund

General Debt Service Fund

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

Exhibit G

Stewart County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Debt Service Fund
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,441,148	\$ 1,392,464	\$ 1,392,464	\$ 48,684
Other Governments and Citizens Groups	867,758	717,000	717,000	150,758
Total Revenues	<u>\$ 2,308,906</u>	<u>\$ 2,109,464</u>	<u>\$ 2,109,464</u>	<u>\$ 199,442</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 577,240	\$ 577,271	\$ 577,266	\$ 26
Education	1,625,559	1,625,558	1,625,563	4
<u>Interest on Debt</u>				
General Government	223,857	223,869	223,869	12
Education	187,111	187,147	187,147	36
<u>Other Debt Service</u>				
General Government	37,017	65,500	65,500	28,483
Total Expenditures	<u>\$ 2,650,784</u>	<u>\$ 2,679,345</u>	<u>\$ 2,679,345</u>	<u>\$ 28,561</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (341,878)</u>	<u>\$ (569,881)</u>	<u>\$ (569,881)</u>	<u>\$ 228,003</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 615,280	\$ 512,000	\$ 512,000	\$ 103,280
Total Other Financing Sources	<u>\$ 615,280</u>	<u>\$ 512,000</u>	<u>\$ 512,000</u>	<u>\$ 103,280</u>
Net Change in Fund Balance	\$ 273,402	\$ (57,881)	\$ (57,881)	\$ 331,283
Fund Balance, July 1, 2022	3,816,482	3,693,609	3,816,482	0
Fund Balance, June 30, 2023	<u>\$ 4,089,884</u>	<u>\$ 3,635,728</u>	<u>\$ 3,758,601</u>	<u>\$ 331,283</u>

Custodial Funds

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

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

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

Exhibit H-1

Stewart County, Tennessee
Combining Statement of Net Position
Custodial Funds
June 30, 2023

	<u>Custodial Funds</u>		
	Cities -	Constitu -	
	Sales	tional	
	Tax	Officers -	
		Custodial	Total
<u>ASSETS</u>			
Cash	\$ 0	\$ 697,019	\$ 697,019
Due from Other Governments	129,071	0	129,071
Total Assets	<u>\$ 129,071</u>	<u>\$ 697,019</u>	<u>\$ 826,090</u>
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 129,071	\$ 0	\$ 129,071
Total Liabilities	<u>\$ 129,071</u>	<u>\$ 0</u>	<u>\$ 129,071</u>
<u>NET POSITION</u>			
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 0</u>	<u>\$ 697,019</u>	<u>\$ 697,019</u>
Total Net Position	<u>\$ 0</u>	<u>\$ 697,019</u>	<u>\$ 697,019</u>

Exhibit H-2

Stewart County, Tennessee
Combining Statement of Changes in Net Position
Custodial Funds
For the Year Ended June 30, 2023

	<u>Custodial Funds</u>		
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Total
<u>Additions</u>			
Sales Tax Collections for Other Governments	\$ 719,731	\$ 0	\$ 719,731
Fines/Fees and Other Collections	0	4,611,038	4,611,038
Total Additions	<u>\$ 719,731</u>	<u>\$ 4,611,038</u>	<u>\$ 5,330,769</u>
<u>Deductions</u>			
Payment of Sales Tax Collections for Other Governments	\$ 719,731	\$ 0	\$ 719,731
Payments to State	0	2,025,206	2,025,206
Payments to Cities, Individuals, and Others	0	2,769,912	2,769,912
Total Deductions	<u>\$ 719,731</u>	<u>\$ 4,795,118</u>	<u>\$ 5,514,849</u>
Change in Net Position	\$ 0	\$ (184,080)	\$ (184,080)
Net Position July 1, 2022	<u>0</u>	<u>881,099</u>	<u>881,099</u>
Net Position June 30, 2023	<u>\$ 0</u>	<u>\$ 697,019</u>	<u>\$ 697,019</u>

Stewart County School Department

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

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

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

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

School Transportation Fund – The School Transportation Fund is used to account for the financial resources used for the acquisition of school buses.

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

Exhibit I-1

Stewart County, Tennessee
Statement of Activities
Discretely Presented Stewart County School Department
For the Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position Total Governmental Activities
Governmental Activities:				
Instruction	\$ 12,885,816	\$ 0	\$ 3,584,132	\$ (9,301,684)
Support Services	8,473,184	20,463	601,347	(7,851,374)
Operation of Non-instructional Services	2,589,187	173,282	1,598,137	(817,768)
Total Governmental Activities	<u>\$ 23,948,187</u>	<u>\$ 193,745</u>	<u>\$ 5,783,616</u>	<u>\$ (17,970,826)</u>
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				\$ 775,143
Local Option Sales Taxes				1,777,756
Other Local Taxes				36,718
Grants and Contributions Not Restricted for Specific Programs				15,086,334
Unrestricted Investment Income				104,720
Miscellaneous				1,077,418
Total General Revenues				<u>\$ 18,858,089</u>
Change in Net Position				\$ 887,263
Net Position, July 1, 2022				<u>28,926,206</u>
Net Position, June 30, 2023				<u>\$ 29,813,469</u>

Exhibit I-2

Stewart County, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Stewart County School Department
June 30, 2023

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	Other Govern- mental Funds	
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 714	\$ 392,604	\$ 393,318
Equity in Pooled Cash and Investments	4,525,468	189,374	1,354,827	6,182	6,075,851
Inventories	0	0	0	13,182	13,182
Accounts Receivable	634	0	0	0	634
Due from Other Governments	653,889	0	23,181	0	677,070
Due from Primary Government	387	0	0	0	387
Property Taxes Receivable	220,408	0	0	0	220,408
Allowance for Uncollectible Property Taxes	(9,498)	0	0	0	(9,498)
Restricted Assets	161,632	0	0	0	161,632
Total Assets	<u>\$ 5,552,920</u>	<u>\$ 189,374</u>	<u>\$ 1,378,722</u>	<u>\$ 411,968</u>	<u>\$ 7,532,984</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 6,575	\$ 0	\$ 642	\$ 0	\$ 7,217
Payroll Deductions Payable	321,293	18,611	6,294	0	346,198
Due to Primary Government	2,250	0	0	0	2,250
Total Liabilities	<u>\$ 330,118</u>	<u>\$ 18,611</u>	<u>\$ 6,936</u>	<u>\$ 0</u>	<u>\$ 355,665</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 195,187	\$ 0	\$ 0	\$ 0	\$ 195,187
Deferred Delinquent Property Taxes	14,398	0	0	0	14,398
Other Deferred/Unavailable Revenue	172,500	0	0	0	172,500
Total Deferred Inflows of Resources	<u>\$ 382,085</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 382,085</u>

(Continued)

Exhibit I-2

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	Other Govern- mental Funds	
<u>FUND BALANCES</u>					
Nonspendable:					
Inventory	\$ 0	\$ 0	\$ 0	13,182	\$ 13,182
Restricted:					
Restricted for Education	6,013	4,098	0	397,953	408,064
Restricted for Education - COVID-19	0	1,665	0	0	1,665
Restricted for Operation of Non-instructional Services	0	0	1,371,786	0	1,371,786
Restricted for Hybrid Retirement Stabilization Funds	161,632	0	0	0	161,632
Committed:					
Committed for Education	516,733	0	0	833	517,566
Assigned:					
Assigned for Education	0	165,000	0	0	165,000
Unassigned	4,156,339	0	0	0	4,156,339
Total Fund Balances	<u>\$ 4,840,717</u>	<u>\$ 170,763</u>	<u>\$ 1,371,786</u>	<u>\$ 411,968</u>	<u>\$ 6,795,234</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 5,552,920</u>	<u>\$ 189,374</u>	<u>\$ 1,378,722</u>	<u>\$ 411,968</u>	<u>\$ 7,532,984</u>

Exhibit I-3

Stewart County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
Discretely Presented Stewart County School Department
June 30, 2023

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

Total fund balances - balance sheet - governmental funds (Exhibit I-2)		\$ 6,795,234
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 1,265,886	
Add: buildings and improvements net of accumulated depreciation	15,780,134	
Add: other capital assets net of accumulated depreciation	<u>2,517,631</u>	19,563,651
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: net OPEB liability	\$ (1,648,201)	
Less: net pension liability - agent plan	<u>(894,409)</u>	(2,542,610)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 3,703,665	
Less: deferred inflows of resources related to pensions	(487,411)	
Add: deferred outflows of resources related to OPEB	547,802	
Less: deferred inflows of resources related to OPEB	<u>(548,592)</u>	3,215,464
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - teacher retirement plan	\$ 34,692	
Add: net pension asset - teacher legacy pension plan	<u>2,560,140</u>	2,594,832
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>186,898</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 29,813,469</u></u>

Exhibit I-4

Stewart County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Governmental Funds
Discretely Presented Stewart County School Department
For the Year Ended June 30, 2023

	Major Funds			Nonmajor	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Other Governmental Funds	
<u>Revenues</u>					
Local Taxes	\$ 2,701,576	\$ 0	\$ 0	\$ 0	\$ 2,701,576
Licenses and Permits	798	0	0	0	798
Charges for Current Services	20,463	0	173,282	0	193,745
Other Local Revenues	266,507	0	16,458	754,981	1,037,946
State of Tennessee	15,860,140	0	10,102	0	15,870,242
Federal Government	268,635	3,467,568	1,184,842	0	4,921,045
Other Governments and Citizens Groups	61,467	0	0	0	61,467
Total Revenues	<u>\$ 19,179,586</u>	<u>\$ 3,467,568</u>	<u>\$ 1,384,684</u>	<u>\$ 754,981</u>	<u>\$ 24,786,819</u>
<u>Expenditures</u>					
Current:					
Instruction	\$ 9,233,541	\$ 2,094,965	\$ 0	\$ 0	\$ 11,328,506
Support Services	7,942,740	987,017	0	0	8,929,757
Operation of Non-Instructional Services	458,849	21,484	1,332,554	683,313	2,496,200
Capital Outlay	301,926	168,000	0	0	469,926
Debt Service:					
Other Debt Service	867,758	0	0	0	867,758
Total Expenditures	<u>\$ 18,804,814</u>	<u>\$ 3,271,466</u>	<u>\$ 1,332,554</u>	<u>\$ 683,313</u>	<u>\$ 24,092,147</u>
Excess (Deficiency) of Revenues					
Over Expenditures	\$ 374,772	\$ 196,102	\$ 52,130	\$ 71,668	\$ 694,672
<u>Other Financing Sources (Uses)</u>					
Insurance Recovery	\$ 113,514	\$ 0	\$ 0	\$ 0	\$ 113,514
Transfers In	161,601	0	42,194	0	203,795

(Continued)

Exhibit I-4

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	Other Govern- mental Funds	
<u>Other Financing Sources (Uses) (Cont.)</u>					
Transfers Out	\$ 0	\$ (203,795)	\$ 0	\$ 0	\$ (203,795)
Total Other Financing Sources (Uses)	\$ 275,115	\$ (203,795)	\$ 42,194	\$ 0	\$ 113,514
Net Change in Fund Balances	\$ 649,887	\$ (7,693)	\$ 94,324	\$ 71,668	\$ 808,186
Fund Balance, July 1, 2022	4,190,830	178,456	1,277,462	340,300	5,987,048
Fund Balance, June 30, 2023	\$ 4,840,717	\$ 170,763	\$ 1,371,786	\$ 411,968	\$ 6,795,234

Exhibit I-5

Stewart County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Discretely Presented Stewart County School Department
For the Year Ended June 30, 2023

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

Net change in fund balances - total governmental funds (Exhibit I-4)		\$	808,186
(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	\$	696,638	
Less: current-year depreciation expense		<u>(1,120,994)</u>	(424,356)
(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, 2023	\$	186,898	
Less: deferred delinquent property taxes and other deferred June 30, 2022		<u>(185,268)</u>	1,630
(3) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in net pension liability - agent plan	\$	(773,774)	
Change in net pension asset - teacher retirement plan		(74,178)	
Change in net pension asset - teacher legacy pension plan		(6,387,536)	
Change in deferred outflows related to pensions		(203,472)	
Change in deferred inflows related to pensions		8,013,939	
Change in net OPEB liability		227,119	
Change in deferred outflows related to OPEB		(90,984)	
Change in deferred inflows related to OPEB		<u>(209,311)</u>	501,803
Change in net position of governmental activities (Exhibit B)			<u>\$ 887,263</u>

Exhibit I-6

Stewart County, Tennessee
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Stewart County School Department
June 30, 2023

	<u>Special Revenue Funds</u>		Total Nonmajor Governmental Funds
	School Transpor - tation	Internal School	
<u>ASSETS</u>			
Cash	\$ 0	\$ 392,604	\$ 392,604
Equity in Pooled Cash and Investments	6,182	0	6,182
Inventories	0	13,182	13,182
Total Assets	<u>\$ 6,182</u>	<u>\$ 405,786</u>	<u>\$ 411,968</u>
<u>FUND BALANCES</u>			
Nonspendable:			
Inventory	\$ 0	\$ 13,182	\$ 13,182
Restricted:			
Restricted for Education	5,349	392,604	397,953
Committed:			
Committed for Education	833	0	833
Total Fund Balances	<u>\$ 6,182</u>	<u>\$ 405,786</u>	<u>\$ 411,968</u>

Exhibit I-7

Stewart County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Governmental Funds
Discretely Presented Stewart County School Department
For the Year Ended June 30, 2023

	Special Revenue Funds		Total Nonmajor Governmental Funds
	School Transpor - tation	Internal School	
<u>Revenues</u>			
Other Local Revenues	\$ 0	\$ 754,981	\$ 754,981
Total Revenues	<u>\$ 0</u>	<u>\$ 754,981</u>	<u>\$ 754,981</u>
<u>Expenditures</u>			
Current:			
Operation of Non-Instructional Services	\$ 0	\$ 683,313	\$ 683,313
Total Expenditures	<u>\$ 0</u>	<u>\$ 683,313</u>	<u>\$ 683,313</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 0</u>	<u>\$ 71,668</u>	<u>\$ 71,668</u>
Net Change in Fund Balances	\$ 0	\$ 71,668	\$ 71,668
Fund Balance, July 1, 2022	6,182	334,118	340,300
Fund Balance, June 30, 2023	<u>\$ 6,182</u>	<u>\$ 405,786</u>	<u>\$ 411,968</u>

Exhibit I-8

Stewart County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Stewart County School Department
General Purpose School Fund
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 2,701,576	\$ 2,383,078	\$ 2,383,078	\$ 318,498
Licenses and Permits	798	600	600	198
Charges for Current Services	20,463	25,500	25,500	(5,037)
Other Local Revenues	266,507	133,000	171,011	95,496
State of Tennessee	15,860,140	15,556,209	16,118,128	(257,988)
Federal Government	268,635	290,000	369,646	(101,011)
Other Governments and Citizens Groups	61,467	25,000	45,000	16,467
Total Revenues	\$ 19,179,586	\$ 18,413,387	\$ 19,112,963	\$ 66,623
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 7,658,087	\$ 8,065,450	\$ 8,216,841	\$ 558,754
Alternative Instruction Program	79,619	94,954	100,954	21,335
Special Education Program	837,483	893,450	930,450	92,967
Career and Technical Education Program	658,352	744,810	744,810	86,458
<u>Support Services</u>				
Attendance	69,488	96,825	96,825	27,337
Health Services	335,773	343,920	343,920	8,147
Other Student Support	468,304	463,050	484,050	15,746
Regular Instruction Program	470,101	518,700	518,700	48,599
Special Education Program	276,490	225,800	287,800	11,310
Career and Technical Education Program	1,284	2,000	2,000	716
Technology	332,667	361,400	361,400	28,733
Other Programs	44,930	37,000	81,930	37,000
Board of Education	345,186	391,815	429,826	84,640
Director of Schools	270,425	280,225	280,225	9,800
Office of the Principal	1,163,424	1,212,961	1,212,961	49,537
Fiscal Services	200,383	214,460	214,460	14,077
Operation of Plant	1,564,657	1,504,000	1,614,000	49,343
Maintenance of Plant	668,108	614,290	724,878	56,770
Transportation	1,731,520	1,505,149	1,766,002	34,482
<u>Operation of Non-Instructional Services</u>				
Food Service	4,892	4,000	5,000	108
Community Services	28,656	28,630	28,730	74
Early Childhood Education	425,301	453,850	455,750	30,449
<u>Capital Outlay</u>				
Regular Capital Outlay	301,926	325,000	325,000	23,074
<u>Other Debt Service</u>				
Education	867,758	563,000	1,277,072	409,314
Total Expenditures	\$ 18,804,814	\$ 18,944,739	\$ 20,503,584	\$ 1,698,770
Excess (Deficiency) of Revenues Over Expenditures	\$ 374,772	\$ (531,352)	\$ (1,390,621)	\$ 1,765,393
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 113,514	\$ 0	\$ 106,698	\$ 6,816
Transfers In	161,601	0	0	161,601
Total Other Financing Sources	\$ 275,115	\$ 0	\$ 106,698	\$ 168,417

(Continued)

Exhibit I-8

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Net Change in Fund Balance	\$ 649,887	\$ (531,352)	\$ (1,283,923)	\$ 1,933,810
Fund Balance, July 1, 2022	4,190,830	3,578,452	3,578,452	612,378
Fund Balance, June 30, 2023	<u>\$ 4,840,717</u>	<u>\$ 3,047,100</u>	<u>\$ 2,294,529</u>	<u>\$ 2,546,188</u>

Exhibit I-9

Stewart County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Stewart County School Department
School Federal Projects Fund
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 3,467,568	\$ 5,243,241	\$ 5,966,010	\$ (2,498,442)
Total Revenues	\$ 3,467,568	\$ 5,243,241	\$ 5,966,010	\$ (2,498,442)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 1,431,498	\$ 2,876,095	\$ 2,493,681	\$ 1,062,183
Alternative Instruction Program	3,742	0	3,742	0
Special Education Program	599,148	480,987	731,279	132,131
Career and Technical Education Program	60,577	26,191	60,577	0
<u>Support Services</u>				
Attendance	2,849	0	2,849	0
Health Services	14,485	25,605	14,485	0
Other Student Support	114,238	160,875	192,639	78,401
Regular Instruction Program	467,797	362,317	529,347	61,550
Special Education Program	19,635	12,500	57,714	38,079
Career and Technical Education Program	2,134	2,134	2,134	0
Technology	11,042	0	11,042	0
Director of Schools	8,232	0	8,232	0
Office of the Principal	112,940	0	124,189	11,249
Fiscal Services	54,307	0	54,307	0
Maintenance of Plant	118,758	0	129,568	10,810
Transportation	60,600	45,783	62,369	1,769
<u>Operation of Non-Instructional Services</u>				
Food Service	0	8,259	0	0
Community Services	1,344	0	1,344	0
Early Childhood Education	20,140	0	20,140	0
<u>Capital Outlay</u>				
Regular Capital Outlay	168,000	1,242,495	1,262,577	1,094,577
Total Expenditures	\$ 3,271,466	\$ 5,243,241	\$ 5,762,215	\$ 2,490,749
Excess (Deficiency) of Revenues Over Expenditures	\$ 196,102	\$ 0	\$ 203,795	\$ (7,693)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (203,795)	\$ 0	\$ (203,795)	\$ 0
Total Other Financing Sources	\$ (203,795)	\$ 0	\$ (203,795)	\$ 0
Net Change in Fund Balance	\$ (7,693)	\$ 0	\$ 0	\$ (7,693)
Fund Balance, July 1, 2022	178,456	172,128	172,128	6,328
Fund Balance, June 30, 2023	\$ 170,763	\$ 172,128	\$ 172,128	\$ (1,365)

Exhibit I-10

Stewart County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Stewart County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 173,282	\$ 181,850	\$ 181,850	\$ (8,568)
Other Local Revenues	16,458	10,000	52,194	(35,736)
State of Tennessee	10,102	11,700	11,700	(1,598)
Federal Government	1,184,842	847,500	914,939	269,903
Total Revenues	<u>\$ 1,384,684</u>	<u>\$ 1,051,050</u>	<u>\$ 1,160,683</u>	<u>\$ 224,001</u>
<u>Expenditures</u>				
<u>Operation of Non-Instructional Services</u>				
Food Service	\$ 1,332,554	\$ 1,351,000	\$ 1,503,933	\$ 171,379
Total Expenditures	<u>\$ 1,332,554</u>	<u>\$ 1,351,000</u>	<u>\$ 1,503,933</u>	<u>\$ 171,379</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 52,130</u>	<u>\$ (299,950)</u>	<u>\$ (343,250)</u>	<u>\$ 395,380</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 0	\$ 1,100	\$ 1,100	\$ (1,100)
Transfers In	42,194	0	0	42,194
Total Other Financing Sources	<u>\$ 42,194</u>	<u>\$ 1,100</u>	<u>\$ 1,100</u>	<u>\$ 41,094</u>
Net Change in Fund Balance	\$ 94,324	\$ (298,850)	\$ (342,150)	\$ 436,474
Fund Balance, July 1, 2022	1,277,462	580,835	580,835	696,627
Fund Balance, June 30, 2023	<u>\$ 1,371,786</u>	<u>\$ 281,985</u>	<u>\$ 238,685</u>	<u>\$ 1,133,101</u>

MISCELLANEOUS SCHEDULES

Exhibit J-1

Stewart County, Tennessee
Schedule of Changes in Long-term Notes, Other Loans, and Bonds
For the Year Ended June 30, 2023

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 07-1-22	Paid and/or Matured During Period	Outstanding 6-30-23
<u>NOTES PAYABLE</u>							
<u>Payable through General Debt Service Fund</u>							
Courthouse Capital Outlay Note, Series 2012	\$ 126,000	3.5	% 8-25-11	8-25-23	\$ 25,226	\$ 12,153	\$ 13,073
County Courthouse/Schools Capital Outlay Notes, Series 2014	378,000	3.25	2-25-14	2-25-26	142,957	33,953	109,004
Public Works/Schools Capital Outlay Notes, Series 2015	1,115,000	2.53	12-1-15	12-1-27	599,000	94,000	505,000
School System Capital Outlay Note, Series 2016	80,000	2.91	3-24-16	4-1-28	39,089	6,730	32,359
General Obligation Capital Outlay Note, Series 2016	445,000	3	2-9-17	2-9-29	291,197	35,639	255,558
General Obligation Capital Outlay Note, Series 2017	895,000	2.81	10-27-17	11-1-29	629,000	71,000	558,000
Public Safety/Public Health Capital Outlay Notes, Series 2018	250,000	3.5	10-19-18	10-19-23	106,413	51,945	54,468
General Obligation Capital Outlay Notes, Series 2019	1,140,000	3.5	2-14-19	3-1-30	777,290	91,099	686,191
Total Notes Payable					<u>\$ 2,610,172</u>	<u>\$ 396,519</u>	<u>\$ 2,213,653</u>
<u>OTHER LOANS PAYABLE</u>							
<u>Payable through General Debt Service Fund</u>							
Energy Efficient Schools Initiative	461,365	0.75	2-2-16	2-1-29	\$ 261,437	\$ 38,388	\$ 223,049
Energy Efficient Schools Initiative	211,336	0.75	3-3-17	6-1-23	32,892	32,892	0
Total Other Loans Payable					<u>\$ 294,329</u>	<u>\$ 71,280</u>	<u>\$ 223,049</u>
<u>BONDS PAYABLE</u>							
<u>Payable through General Debt Service Fund</u>							
Public Improvement Bonds, Series 2012	8,200,000	2 to 3.125	12-20-12	4-1-38	\$ 6,695,000	\$ 320,000	\$ 6,375,000
School Refunding Bond, Series 2013	765,000	2.69	5-15-13	3-1-24	155,000	80,000	75,000
School Refunding, Series 2013A	5,405,000	2.59	11-27-13	12-1-23	1,270,000	620,000	650,000
School Refunding, Series 2015	1,955,000	2.6	6-1-15	6-1-24	490,000	240,000	250,000
School Refunding, Series 2017	5,925,340	2.55	2-28-17	3-1-29	4,195,000	475,000	3,720,000
Total Bonds Payable					<u>\$ 12,805,000</u>	<u>\$ 1,735,000</u>	<u>\$ 11,070,000</u>

Exhibit J-2

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

Year Ending June 30	Notes		Total
	Principal	Interest	
2024	\$ 410,835	\$ 64,012	\$ 474,847
2025	353,880	51,533	405,413
2026	366,027	40,956	406,983
2027	340,205	29,813	370,018
2028	345,980	19,675	365,655
2029	244,709	10,595	255,304
2030	152,017	3,336	155,353
Total	\$ 2,213,653	\$ 219,920	\$ 2,433,573

Year Ending June 30	Other Loans Payable		Total
	Principal	Interest	
2024	\$ 38,676	\$ 1,536	\$ 40,212
2025	38,964	1,248	40,212
2026	39,253	959	40,212
2027	39,553	659	40,212
2028	39,850	362	40,212
2029	26,753	93	26,846
Total	\$ 223,049	\$ 4,857	\$ 227,906

Year Ending June 30	Bonds		Total
	Principal	Interest	
2024	\$ 1,805,000	\$ 288,864	\$ 2,093,864
2025	935,000	252,579	1,187,579
2026	970,000	229,756	1,199,756
2027	1,000,000	206,071	1,206,071
2028	1,045,000	181,201	1,226,201
2029	1,080,000	154,741	1,234,741
2030	400,000	127,394	527,394
2031	415,000	116,394	531,394
2032	435,000	103,944	538,944
2033	450,000	90,894	540,894
2034	470,000	77,394	547,394
2035	485,000	63,294	548,294
2036	505,000	48,744	553,744
2037	525,000	33,594	558,594
2038	550,000	17,188	567,188
Total	\$ 11,070,000	\$ 1,992,052	\$ 13,062,052

Exhibit J-3

Stewart County, Tennessee
Schedule of Transfers
Primary Government and Discretely Presented Stewart County School Department
For the Year Ended June 30, 2023

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
General	General Debt Service	Debt retirement	\$ 615,280
Other General Government	General	American Rescue Plan Act funds	252,500
"	Highway/Public Works	"	<u>250,000</u>
Total Transfers Primary Government			<u>\$ 1,117,780</u>
<u>DISCRETELY PRESENTED STEWART COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	ESSER funds	\$ 132,601
"	"	Literacy stipend funds	25,000
"	"	Resilient schools funds	4,000
"	Central Cafeteria	Summer learning camp	<u>42,194</u>
Total Transfers Discretely Presented Stewart County School Department			<u>\$ 203,795</u>

Stewart County, Tennessee
 Schedule of Salaries and Official Bonds of Principal Officials
 Primary Government and Discretely Presented Stewart County School Department
 For the Year Ended June 30, 2023

Official	Authorization	Bond	Surety
County Mayor - Robin Brandon (7/1/22-8/31/22)	Section 8-24-102, TCA	\$ (1)	Tennessee Risk Management Trust
Base salary	\$ 15,861		
County commission approved increase	706		
Total compensation	<u>\$ 16,567</u>		
County Mayor - Robert Beecham (9/1/22-6/30/23)	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary	\$ 79,307		
County commission approved increase	3,529		
Total compensation	<u>\$ 82,836</u>		
Total County Mayor compensation	<u>\$ 99,403</u>		
County Engineer	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 90,636</u>		
Director of Schools	State Board of Education and County Board of Education	(1)	Tennessee Risk Management Trust
Base salary	\$ 107,687		
Board of Education approved bonus	5,384		
Career ladder	1,000		
Chief executive officer training supplement	1,000		
Total compensation	<u>\$ 115,071</u>		
Trustee	Section 8-24-102, TCA	867,615 (1)	RLI Insurance Company and Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 82,396</u>		
Assessor of Property	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 82,396</u>		
County Clerk - Jimmy Fitzhugh (7/1/22 - 8/31/22)	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 13,733</u>		
County Clerk - Natalie Hardison (9/1/22 - 6/30/22)	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 68,663</u>		
Total County Clerk compensation	<u>\$ 82,396</u>		
Circuit/General Sessions/Juvenile Courts Clerk - Jason Wallace (7/1/22 - 8/31/22)	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 13,733</u>		
Circuit/General Sessions/Juvenile Courts Clerk - Ethan Gray (9/1/22 - 6/30/22)	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 68,663</u>		
Total Circuit and General Sessions Courts Clerk compensation	<u>\$ 82,396</u>		
Clerk and Master	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary	\$ 82,396		
Special commissioner fees	3,660	Court Order	
Total compensation	<u>\$ 86,056</u>		
Register of Deeds	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 82,396</u>		
Sheriff	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary	\$ 90,636		
Law enforcement training supplement	800		
Total compensation	<u>\$ 91,436</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.

Exhibit J-5

Stewart County, Tennessee
 Schedule of Detailed Revenues -
 All Governmental Fund Types
 For the Year Ended June 30, 2023

	Special Revenue Funds					Debt Service Fund
	General	Drug Control	Other General Government	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 4,803,216	\$ 0	\$ 0	\$ 0	238,083	\$ 739,019
Trustee's Collections - Prior Year	102,903	0	0	0	5,066	21,806
Trustee's Collections - Bankruptcy	1,006	0	0	0	57	313
Circuit Clerk/Clerk and Master Collections - Prior Years	71,290	0	0	0	3,851	25,054
Interest and Penalty	24,128	0	0	0	1,260	5,127
Payments in-Lieu-of Taxes - T.V.A.	1,249	0	0	0	62	192
Payments in-Lieu-of Taxes - Local Utilities	585,416	0	0	0	28,971	89,829
Payments in-Lieu-of Taxes - Other	136,883	0	0	0	0	75,043
<u>County Local Option Taxes</u>						
Local Option Sales Tax	1,101,632	0	0	0	0	0
Hotel/Motel Tax	55,266	0	0	0	0	0
Wheel Tax	0	0	0	0	0	479,243
Litigation Tax - General	28,573	0	0	0	0	0
Litigation Tax - Special Purpose	12,796	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	0
Litigation Tax - Courthouse Security	27,154	0	0	0	0	0
Business Tax	97,805	0	0	0	0	0
Mixed Drink Tax	4,445	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	35,988	0	0	0	1,781	5,522
Wholesale Beer Tax	143,892	0	0	0	0	0
Total Local Taxes	\$ 7,233,642	\$ 0	\$ 0	\$ 0	279,131	\$ 1,441,148

(Continued)

Exhibit J-5

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

	Special Revenue Funds					Debt Service
	General	Drug Control	Other General Government	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Animal Vaccination	\$ 8,264	\$ 0	\$ 0	\$ 0	\$ 0	0
Cable TV Franchise	23,249	0	0	0	0	0
<u>Permits</u>						
Beer Permits	2,517	0	0	0	0	0
Total Licenses and Permits	<u>\$ 34,030</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 3,919	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	3,550	0	0	0	0	0
Drug Control Fines	570	570	0	0	0	0
Data Entry Fee - Circuit Court	424	0	0	0	0	0
Courtroom Security Fee	326	0	0	0	0	0
<u>Criminal Court</u>						
DUI Treatment Fines	1,330	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	14,496	0	0	0	0	0
Fines for Littering	1,083	0	0	0	0	0
Officers Costs	22,010	0	0	0	0	0
Game and Fish Fines	191	0	0	0	0	0
Drug Control Fines	19,096	18,276	0	0	0	0
Jail Fees	3,168	0	0	0	0	0
DUI Treatment Fines	3,467	0	0	0	0	0
Data Entry Fee - General Sessions Court	3,986	0	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds					Debt Service Fund
	General	Drug Control	Other General Government	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>Juvenile Court</u>						
Fines	\$ 256	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	279	0	0	0	0	0
Data Entry Fee - Juvenile Court	136	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	2,052	0	0	0	0	0
Data Entry Fee - Chancery Court	1,940	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	37,799	0	0	0	0
Other Fines, Forfeitures, and Penalties	135	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 82,414	\$ 56,645	\$ 0	\$ 0	\$ 0	\$ 0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Patient Charges	\$ 1,019,509	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other General Service Charges	327	0	0	0	0	0
<u>Fees</u>						
Archives and Records Management Fee	2,130	0	0	0	0	0
Telephone Commissions	19,137	0	0	0	0	0
Additional Fees - Titling and Registration	10,443	0	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	3,660	0	0
Data Processing Fee - Register	5,512	0	0	0	0	0
Data Processing Fee - Sheriff	1,964	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	2,600	0	0	0	0	0
Data Processing Fee - County Clerk	2,034	0	0	0	0	0
Vehicle Registration Reinstatement Fees	1,213	0	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds					Debt Service Fund
	General	Drug Control	Other General Government	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Charges for Current Services (Cont.)</u>						
<u>Education Charges</u>						
Other Charges for Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 21,580	\$ 0
Total Charges for Current Services	\$ 1,064,869	\$ 0	\$ 0	\$ 3,660	\$ 21,580	\$ 0
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 74,731	\$ 0	\$ 1,696	\$ 0	\$ 0	\$ 0
Lease/Rentals	9,675	0	0	0	0	0
Sale of Materials and Supplies	117	0	0	0	644	0
Commissary Sales	24,473	0	0	0	0	0
Sale of Diesel	0	0	0	0	11	0
Sale of Gasoline	0	0	0	0	4,085	0
Miscellaneous Refunds	19,367	0	0	0	0	0
<u>Nonrecurring Items</u>						
Sale of Equipment	0	0	0	0	5,253	0
Damages Recovered from Individuals	3,735	0	0	0	1,339	0
Performance Bond Forfeitures	17,764	0	0	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	4,950	0	0	0	0	0
Total Other Local Revenues	\$ 154,812	\$ 0	\$ 1,696	\$ 0	\$ 11,332	\$ 0
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 182,691	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	23,334	0	0	0	0	0
General Sessions Court Clerk	72,777	0	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds					Debt Service Fund
	General	Drug Control	Other General Government	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Fees Received From County Officials (Cont.)</u>						
<u>Fees In-Lieu-of Salary (Cont.)</u>						
Clerk and Master	\$ 60,538	\$ 0	\$ 0	\$ 0	\$ 0	0
Juvenile Court Clerk	1,555	0	0	0	0	0
Register	77,291	0	0	0	0	0
Sheriff	5,588	0	0	0	0	0
Trustee	302,564	0	0	0	0	0
Total Fees Received From County Officials	\$ 726,338	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 123,455	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	18,400	0	0	0	0	0
Other Public Safety Grants	41,091	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	31,827	0	0	0	0	0
<u>Public Works Grants</u>						
Litter Program	10,285	0	0	0	0	0
<u>Other State Revenues</u>						
Flood Control	1,037	0	0	0	0	0
Resort District Sales Tax	245,047	0	0	0	0	0
Beer Tax	19,200	0	0	0	0	0
Vehicle Certificate of Title Fees	2,480	0	0	0	0	0
Alcoholic Beverage Tax	62,962	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	81,312	0	0	0	0	0
State Revenue Sharing - T.V.A.	1,351,187	0	0	0	71,238	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds					Debt Service Fund
	General	Drug Control	Other General Government	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues (Cont.)</u>						
State Revenue Sharing - Telecommunications	\$ 18,138	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
State Shared Sports Gaming Privilege Tax	18,799	0	0	0	0	0
Contracted Prisoner Boarding	357,409	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	2,384,502	0
Petroleum Special Tax	0	0	0	0	9,049	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	381,473	0	0	0	0	0
Other State Revenues	15,249	0	0	0	0	0
Total State of Tennessee	\$ 2,794,515	\$ 0	\$ 0	\$ 0	\$ 2,464,789	\$ 0
<u>Federal Government</u>						
<u>Federal Through State</u>						
Disaster Relief	\$ 0	\$ 0	\$ 0	\$ 0	\$ 59,453	\$ 0
Homeland Security Grants	12,487	0	0	0	0	0
Law Enforcement Grants	15,887	0	0	0	0	0
Other Federal through State	407,749	0	0	0	1,000	0
<u>Direct Federal Revenue</u>						
Police Service (Lake Area)	8,580	0	0	0	0	0
Forest Service	68,400	0	0	0	0	0
American Rescue Plan Act Grant #6	0	0	1,898,600	0	0	0
Total Federal Government	\$ 513,103	\$ 0	\$ 1,898,600	\$ 0	\$ 60,453	\$ 0
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 219,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 867,758

(Continued)

Exhibit J-5

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

	Special Revenue Funds					Debt Service Fund
	General	Drug Control	Other General Government	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Other Governments and Citizens Groups (Cont.)</u>						
<u>Citizens Groups</u>						
Donations	\$ 6,772	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Other</u>						
Other	3,400	0	0	0	0	0
Opioid Settlement Funds - Past Remediation	28,237	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 257,409</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>867,758</u>
Total	<u>\$ 12,861,132</u>	<u>\$ 56,645</u>	<u>\$ 1,900,296</u>	<u>\$ 3,660</u>	<u>\$ 2,837,285</u>	<u>\$ 2,308,906</u>

(Continued)

Exhibit J-5

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>Local Taxes</u>		
<u>County Property Taxes</u>		
Current Property Tax	\$ 211,536	\$ 5,991,854
Trustee's Collections - Prior Year	4,401	134,176
Trustee's Collections - Bankruptcy	6	1,382
Circuit Clerk/Clerk and Master Collections - Prior Years	0	100,195
Interest and Penalty	1,078	31,593
Payments in-Lieu-of Taxes - T.V.A.	55	1,558
Payments in-Lieu-of Taxes - Local Utilities	25,740	729,956
Payments in-Lieu-of Taxes - Other	1,021	212,947
<u>County Local Option Taxes</u>		
Local Option Sales Tax	0	1,101,632
Hotel/Motel Tax	0	55,266
Wheel Tax	0	479,243
Litigation Tax - General	0	28,573
Litigation Tax - Special Purpose	0	12,796
Litigation Tax - Jail, Workhouse, or Courthouse	28,357	28,357
Litigation Tax - Courthouse Security	0	27,154
Business Tax	0	97,805
Mixed Drink Tax	0	4,445
<u>Statutory Local Taxes</u>		
Bank Excise Tax	1,582	44,873
Wholesale Beer Tax	0	143,892
Total Local Taxes	<u>\$ 273,776</u>	<u>\$ 9,227,697</u>

(Continued)

Exhibit J-5

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>Licenses and Permits</u>		
<u>Licenses</u>		
Animal Vaccination	\$ 0	\$ 8,264
Cable TV Franchise	0	23,249
<u>Permits</u>		
Beer Permits	0	2,517
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 34,030</u>
<u>Fines, Forfeitures, and Penalties</u>		
<u>Circuit Court</u>		
Fines	\$ 0	\$ 3,919
Officers Costs	0	3,550
Drug Control Fines	0	1,140
Data Entry Fee - Circuit Court	0	424
Courtroom Security Fee	0	326
<u>Criminal Court</u>		
DUI Treatment Fines	0	1,330
<u>General Sessions Court</u>		
Fines	0	14,496
Fines for Littering	0	1,083
Officers Costs	0	22,010
Game and Fish Fines	0	191
Drug Control Fines	0	37,372
Jail Fees	0	3,168
DUI Treatment Fines	0	3,467
Data Entry Fee - General Sessions Court	0	3,986

(Continued)

Exhibit J-5

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>Fines, Forfeitures, and Penalties (Cont.)</u>		
<u>Juvenile Court</u>		
Fines	\$ 0	\$ 256
Officers Costs	0	279
Data Entry Fee - Juvenile Court	0	136
<u>Chancery Court</u>		
Officers Costs	0	2,052
Data Entry Fee - Chancery Court	0	1,940
<u>Other Fines, Forfeitures, and Penalties</u>		
Proceeds from Confiscated Property	0	37,799
Other Fines, Forfeitures, and Penalties	0	135
Total Fines, Forfeitures, and Penalties	<u>\$ 0</u>	<u>\$ 139,059</u>
<u>Charges for Current Services</u>		
<u>General Service Charges</u>		
Patient Charges	\$ 0	\$ 1,019,509
Other General Service Charges	0	327
<u>Fees</u>		
Archives and Records Management Fee	0	2,130
Telephone Commissions	0	19,137
Additional Fees - Titling and Registration	0	10,443
Special Commissioner Fees/Special Master Fees	0	3,660
Data Processing Fee - Register	0	5,512
Data Processing Fee - Sheriff	0	1,964
Sexual Offender Registration Fee - Sheriff	0	2,600
Data Processing Fee - County Clerk	0	2,034
Vehicle Registration Reinstatement Fees	0	1,213

(Continued)

Exhibit J-5

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>Charges for Current Services (Cont.)</u>		
<u>Education Charges</u>		
Other Charges for Services	\$ 0	\$ 21,580
Total Charges for Current Services	<u>\$ 0</u>	<u>\$ 1,090,109</u>
<u>Other Local Revenues</u>		
<u>Recurring Items</u>		
Investment Income	\$ 0	\$ 76,427
Lease/Rentals	0	9,675
Sale of Materials and Supplies	0	761
Commissary Sales	0	24,473
Sale of Diesel	0	11
Sale of Gasoline	0	4,085
Miscellaneous Refunds	0	19,367
<u>Nonrecurring Items</u>		
Sale of Equipment	0	5,253
Damages Recovered from Individuals	0	5,074
Performance Bond Forfeitures	0	17,764
<u>Other Local Revenues</u>		
Other Local Revenues	0	4,950
Total Other Local Revenues	<u>\$ 0</u>	<u>\$ 167,840</u>
<u>Fees Received From County Officials</u>		
<u>Fees In-Lieu-of Salary</u>		
County Clerk	\$ 0	\$ 182,691
Circuit Court Clerk	0	23,334
General Sessions Court Clerk	0	72,777

(Continued)

Exhibit J-5

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

	<u>Capital</u> <u>Projects Fund</u>	
	General Capital Projects	Total
<hr/>		
<u>Fees Received From County Officials (Cont.)</u>		
<u>Fees In-Lieu-of Salary (Cont.)</u>		
Clerk and Master	\$ 0	\$ 60,538
Juvenile Court Clerk	0	1,555
Register	0	77,291
Sheriff	0	5,588
Trustee	0	302,564
Total Fees Received From County Officials	<u>\$ 0</u>	<u>\$ 726,338</u>
<u>State of Tennessee</u>		
<u>General Government Grants</u>		
Juvenile Services Program	\$ 0	\$ 123,455
<u>Public Safety Grants</u>		
Law Enforcement Training Programs	0	18,400
Other Public Safety Grants	0	41,091
<u>Health and Welfare Grants</u>		
Health Department Programs	0	31,827
<u>Public Works Grants</u>		
Litter Program	0	10,285
<u>Other State Revenues</u>		
Flood Control	0	1,037
Resort District Sales Tax	0	245,047
Beer Tax	0	19,200
Vehicle Certificate of Title Fees	0	2,480
Alcoholic Beverage Tax	0	62,962
Opioid Settlement Funds - TN Abatement Council	0	81,312
State Revenue Sharing - T.V.A.	0	1,422,425

(Continued)

Exhibit J-5

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<u>State of Tennessee (Cont.)</u>		
<u>Other State Revenues (Cont.)</u>		
State Revenue Sharing - Telecommunications	\$ 0	\$ 18,138
State Shared Sports Gaming Privilege Tax	0	18,799
Contracted Prisoner Boarding	0	357,409
Gasoline and Motor Fuel Tax	0	2,384,502
Petroleum Special Tax	0	9,049
Registrar's Salary Supplement	0	15,164
Other State Grants	0	381,473
Other State Revenues	0	15,249
Total State of Tennessee	<u>\$ 0</u>	<u>\$ 5,259,304</u>
<u>Federal Government</u>		
<u>Federal Through State</u>		
Disaster Relief	\$ 0	\$ 59,453
Homeland Security Grants	0	12,487
Law Enforcement Grants	0	15,887
Other Federal through State	0	408,749
<u>Direct Federal Revenue</u>		
Police Service (Lake Area)	0	8,580
Forest Service	0	68,400
American Rescue Plan Act Grant #6	0	1,898,600
Total Federal Government	<u>\$ 0</u>	<u>\$ 2,472,156</u>
<u>Other Governments and Citizens Groups</u>		
<u>Other Governments</u>		
Contributions	\$ 0	\$ 1,086,758

(Continued)

Exhibit J-5

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
<hr/>		
<u>Other Governments and Citizens Groups (Cont.)</u>		
<u>Citizens Groups</u>		
Donations	\$ 0	\$ 6,772
<u>Other</u>		
Other	0	3,400
Opioid Settlement Funds - Past Remediation	0	28,237
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 1,125,167</u>
 Total	 <u>\$ 273,776</u>	 <u>\$ 20,241,700</u>

Exhibit J-6

Stewart County, Tennessee
 Schedule of Detailed Revenues -
 All Governmental Fund Types
 Discretely Presented Stewart County School Department
 For the Year Ended June 30, 2023

	Special Revenue Funds					Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School		
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 740,025	\$ 0	\$ 0	\$ 0	\$ 0	\$ 740,025
Trustee's Collections - Prior Year	15,515	0	0	0	0	15,515
Trustee's Collections - Bankruptcy	243	0	0	0	0	243
Circuit Clerk/Clerk and Master Collections - Prior Years	13,900	0	0	0	0	13,900
Interest and Penalty	4,005	0	0	0	0	4,005
Payments in-Lieu-of Taxes - T.V.A.	192	0	0	0	0	192
Payments in-Lieu-of Taxes - Local Utilities	90,072	0	0	0	0	90,072
Payments in-Lieu-of Taxes - Other	13,168	0	0	0	0	13,168
<u>County Local Option Taxes</u>						
Local Option Sales Tax	1,777,756	0	0	0	0	1,777,756
Business Tax	36,718	0	0	0	0	36,718
Mixed Drink Tax	4,445	0	0	0	0	4,445
<u>Statutory Local Taxes</u>						
Bank Excise Tax	5,537	0	0	0	0	5,537
Total Local Taxes	\$ 2,701,576	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,701,576
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 798	\$ 0	\$ 0	\$ 0	\$ 0	\$ 798
Total Licenses and Permits	\$ 798	\$ 0	\$ 0	\$ 0	\$ 0	\$ 798
<u>Charges for Current Services</u>						
<u>Education Charges</u>						
Lunch Payments - Children	\$ 0	\$ 0	\$ 75,562	\$ 0	\$ 0	\$ 75,562

(Continued)

Exhibit J-6

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

	Special Revenue Funds					Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School		
<u>Charges for Current Services (Cont.)</u>						
<u>Education Charges (Cont.)</u>						
Lunch Payments - Adults	\$ 0	\$ 0	\$ 898	\$ 0	\$ 0	\$ 898
Income from Breakfast	0	0	62	0	0	62
A la Carte Sales	0	0	89,486	0	0	89,486
Receipts from Individual Schools	20,463	0	0	0	0	20,463
Other Charges for Services	0	0	7,274	0	0	7,274
Total Charges for Current Services	\$ 20,463	\$ 0	\$ 173,282	\$ 0	\$ 0	\$ 193,745
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 91,382	\$ 0	\$ 13,338	\$ 0	\$ 0	\$ 104,720
Sale of Gasoline	83,231	0	0	0	0	83,231
Miscellaneous Refunds	31,544	0	3,120	0	0	34,664
<u>Nonrecurring Items</u>						
Sale of Equipment	11,730	0	0	0	0	11,730
Damages Recovered from Individuals	1,135	0	0	0	0	1,135
<u>Other Local Revenues</u>						
Other Local Revenues	47,485	0	0	754,981	0	802,466
Total Other Local Revenues	\$ 266,507	\$ 0	\$ 16,458	\$ 754,981	\$ 0	\$ 1,037,946
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
On-behalf Contributions for OPEB	\$ 44,930	\$ 0	\$ 0	\$ 0	\$ 0	\$ 44,930
<u>State Education Funds</u>						
Basic Education Program	12,961,204	0	0	0	0	12,961,204

(Continued)

Exhibit J-6

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

	<u>Special Revenue Funds</u>					Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School		
<u>State of Tennessee (Cont.)</u>						
<u>State Education Funds (Cont.)</u>						
Early Childhood Education	\$ 403,193	\$ 0	\$ 0	\$ 0	\$ 0	\$ 403,193
School Food Service	0	0	10,102	0	0	10,102
Other State Education Funds	28,536	0	0	0	0	28,536
Coordinated School Health	130,000	0	0	0	0	130,000
Family Resource Centers	29,611	0	0	0	0	29,611
Career Ladder Program	28,919	0	0	0	0	28,919
<u>Other State Revenues</u>						
State Revenue Sharing - T.V.A.	1,808,209	0	0	0	0	1,808,209
Other State Grants	286,901	0	0	0	0	286,901
Safe Schools	47,300	0	0	0	0	47,300
Other State Revenues	91,337	0	0	0	0	91,337
Total State of Tennessee	\$ 15,860,140	\$ 0	\$ 10,102	\$ 0	\$ 0	\$ 15,870,242
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 664,960	\$ 0	\$ 0	\$ 664,960
USDA - Commodities	0	0	134,276	0	0	134,276
Breakfast	0	0	304,275	0	0	304,275
USDA - Other	0	0	81,331	0	0	81,331
Vocational Education - Basic Grants to States	0	44,873	0	0	0	44,873
Title I Grants to Local Education Agencies	0	547,572	0	0	0	547,572
Special Education - Grants to States	0	462,706	0	0	0	462,706
Special Education Preschool Grants	0	13,641	0	0	0	13,641
Rural Education	0	14,841	0	0	0	14,841

(Continued)

Exhibit J-6

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

	<u>Special Revenue Funds</u>					Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School		
<u>Federal Government (Cont.)</u>						
<u>Federal Through State (Cont.)</u>						
Eisenhower Professional Development State Grants	\$ 0	\$ 92,776	\$ 0	\$ 0	\$ 0	\$ 92,776
COVID-19 Grant B	0	913,774	0	0	0	913,774
COVID-19 Grant C	0	1,095,236	0	0	0	1,095,236
COVID-19 Grant D	0	65,000	0	0	0	65,000
American Rescue Plan Act Grant #2	0	62,851	0	0	0	62,851
American Rescue Plan Act Grant #3	0	7,031	0	0	0	7,031
Other Federal through State	74,713	147,267	0	0	0	221,980
<u>Direct Federal Revenue</u>						
Public Law 874 - Maintenance and Operation	193,922	0	0	0	0	193,922
Total Federal Government	\$ 268,635	\$ 3,467,568	\$ 1,184,842	\$ 0	\$ 0	\$ 4,921,045
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 8,612	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,612
Contracted Services	52,855	0	0	0	0	52,855
Total Other Governments and Citizens Groups	\$ 61,467	\$ 0	\$ 0	\$ 0	\$ 0	\$ 61,467
Total	\$ 19,179,586	\$ 3,467,568	\$ 1,384,684	\$ 754,981	\$ 0	\$ 24,786,819

Exhibit J-7

Stewart County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2023

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	27,337	
Social Security		1,695	
Employer Medicare		396	
Audit Services		5,736	
Dues and Memberships		1,700	
In Service/Staff Development		100	
Total County Commission			\$ 36,964

County Mayor/Executive

County Official/Administrative Officer	\$	99,403	
Secretary(ies)		39,412	
Longevity Pay		1,050	
Overtime Pay		597	
Social Security		8,052	
Pensions		13,386	
Employee and Dependent Insurance		26,863	
Life Insurance		220	
Medical Insurance		106	
Dental Insurance		189	
Unemployment Compensation		21	
Employer Medicare		1,883	
Communication		5,465	
Data Processing Services		21,679	
Dues and Memberships		1,700	
Postal Charges		3,081	
Rentals		35	
Travel		3,343	
Office Supplies		5,823	
In Service/Staff Development		100	
Office Equipment		9,394	
Total County Mayor/Executive			241,802

Election Commission

County Official/Administrative Officer	\$	74,156	
Part-time Personnel		19,851	
Election Commission		6,660	
Election Workers		17,005	
Social Security		5,648	
Pensions		7,067	
Employee and Dependent Insurance		18,532	
Life Insurance		106	
Dental Insurance		174	
Unemployment Compensation		46	
Employer Medicare		1,321	
Communication		4,363	
Data Processing Services		11,315	
Legal Notices, Recording, and Court Costs		6,168	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Medical and Dental Services	\$	48	
Postal Charges		1,194	
Printing, Stationery, and Forms		127	
Rentals		589	
Office Supplies		1,281	
Office Equipment		2,781	
Voting Machines		208,083	
Other Equipment		3,070	
Total Election Commission			\$ 389,585

Register of Deeds

County Official/Administrative Officer	\$	82,396	
Deputy(ies)		54,918	
Longevity Pay		200	
Social Security		7,949	
Pensions		13,105	
Employee and Dependent Insurance		25,967	
Life Insurance		291	
Dental Insurance		291	
Unemployment Compensation		63	
Employer Medicare		1,859	
Communication		3,205	
Dues and Memberships		760	
Maintenance Agreements		276	
Postal Charges		500	
Office Supplies		1,105	
Other Charges		5,779	
Total Register of Deeds			198,664

County Buildings

Clerical Personnel	\$	27,605	
Custodial Personnel		45,615	
Maintenance Personnel		137,690	
Part-time Personnel		5,557	
Longevity Pay		2,550	
Social Security		12,432	
Pensions		20,342	
Employee and Dependent Insurance		46,449	
Life Insurance		683	
Medical Insurance		279	
Dental Insurance		512	
Unemployment Compensation		183	
Employer Medicare		2,908	
Communication		3,738	
Contracts with Private Agencies		9,718	
Data Processing Services		18,322	
Licenses		20	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Maintenance Agreements	\$	12,746	
Maintenance and Repair Services - Buildings		19,944	
Maintenance and Repair Services - Vehicles		2,140	
Medical and Dental Services		192	
Pest Control		800	
Rentals		22,359	
Towing Services		85	
Other Contracted Services		1,500	
Custodial Supplies		4,817	
Electricity		66,797	
Gasoline		3,555	
Office Supplies		361	
Tires and Tubes		260	
Water and Sewer		6,896	
Other Charges		11	
Principal on Notes		8,730	
Interest on Notes		4,100	
Building Improvements		741	
Maintenance Equipment		10,009	
Motor Vehicles		15,000	
Other Equipment		621	
Total County Buildings			\$ 516,267

Other General Administration

Accounting Services	\$	1,234	
Contracts with Private Agencies		1,542	
Legal Services		21,714	
Legal Notices, Recording, and Court Costs		4,724	
Duplicating Supplies		1,769	
Other Charges		22,767	
Total Other General Administration			53,750

Preservation of Records

Office Supplies	\$	499	
Other Charges		240	
Total Preservation of Records			739

Finance

Accounting and Budgeting

Accountants/Bookkeepers	\$	115,580	
Longevity Pay		1,000	
Social Security		6,568	
Pensions		11,110	
Employee and Dependent Insurance		29,172	
Life Insurance		212	
Medical Insurance		101	
Dental Insurance		349	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Unemployment Compensation	\$	42	
Employer Medicare		1,536	
Dues and Memberships		339	
Total Accounting and Budgeting			\$ 166,009

Property Assessor's Office

County Official/Administrative Officer	\$	82,396	
Deputy(ies)		85,907	
Longevity Pay		800	
Board and Committee Members Fees		570	
Social Security		9,292	
Pensions		16,116	
Employee and Dependent Insurance		52,223	
Life Insurance		415	
Medical Insurance		198	
Dental Insurance		683	
Unemployment Compensation		64	
Employer Medicare		2,173	
Communication		2,598	
Contracts with Private Agencies		6,486	
Data Processing Services		5,953	
Dues and Memberships		1,700	
Legal Notices, Recording, and Court Costs		144	
Maintenance and Repair Services - Vehicles		1,203	
Postal Charges		1,028	
Travel		200	
Gasoline		1,513	
Office Supplies		460	
In Service/Staff Development		340	
Other Charges		732	
Total Property Assessor's Office			273,194

County Trustee's Office

County Official/Administrative Officer	\$	82,396	
Deputy(ies)		89,848	
Longevity Pay		1,200	
Social Security		10,082	
Pensions		16,529	
Employee and Dependent Insurance		27,972	
Life Insurance		424	
Medical Insurance		152	
Dental Insurance		509	
Unemployment Compensation		73	
Employer Medicare		2,358	
Communication		4,508	
Data Processing Services		18,720	
Dues and Memberships		765	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

Legal Notices, Recording, and Court Costs	\$	288	
Postal Charges		3,660	
Travel		2,291	
Data Processing Supplies		2,266	
Office Supplies		1,314	
In Service/Staff Development		230	
Other Charges		1,176	
Office Equipment		10,942	
Total County Trustee's Office			\$ 277,703

County Clerk's Office

County Official/Administrative Officer	\$	82,396	
Deputy(ies)		89,074	
Longevity Pay		550	
Social Security		10,168	
Pensions		16,394	
Employee and Dependent Insurance		26,411	
Life Insurance		423	
Medical Insurance		110	
Dental Insurance		378	
Unemployment Compensation		75	
Employer Medicare		2,378	
Communication		3,526	
Data Processing Services		12,754	
Dues and Memberships		745	
Legal Notices, Recording, and Court Costs		195	
Medical and Dental Services		96	
Postal Charges		6,500	
Travel		3,674	
Office Supplies		6,149	
In Service/Staff Development		1,035	
Building Improvements		12,000	
Office Equipment		2,345	
Total County Clerk's Office			277,376

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	82,396	
Deputy(ies)		66,606	
Longevity Pay		1,650	
Jury and Witness Expense		12,901	
Social Security		9,157	
Pensions		14,357	
Employee and Dependent Insurance		6,851	
Life Insurance		318	
Medical Insurance		110	
Dental Insurance		174	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Unemployment Compensation	\$	42	
Employer Medicare		2,142	
Communication		5,463	
Data Processing Services		13,003	
Dues and Memberships		820	
Legal Notices, Recording, and Court Costs		1,296	
Postal Charges		1,356	
Travel		7,351	
Food Supplies		2,238	
Office Supplies		2,742	
Judgments		800	
In Service/Staff Development		680	
Other Charges		3,216	
Office Equipment		965	
Total Circuit Court			\$ 236,634

General Sessions Judge

Judge(s)	\$	103,935	
Other Per Diem and Fees		16,563	
Social Security		7,143	
Pensions		10,629	
Employee and Dependent Insurance		15,301	
Life Insurance		106	
Medical Insurance		51	
Unemployment Compensation		35	
Employer Medicare		1,671	
Communication		336	
Dues and Memberships		895	
Medical and Dental Services		48	
Travel		1,270	
Office Supplies		701	
In Service/Staff Development		530	
Total General Sessions Judge			159,214

General Sessions Court Clerk

Deputy(ies)	\$	92,465	
Longevity Pay		1,450	
Social Security		5,806	
Pensions		8,950	
Life Insurance		318	
Medical Insurance		89	
Dental Insurance		174	
Unemployment Compensation		63	
Employer Medicare		1,358	
Communication		3,706	
Data Processing Services		6,138	
Dues and Memberships		175	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court Clerk (Cont.)

Postal Charges	\$	1,397	
Office Supplies		4,358	
Other Charges		216	
Office Equipment		1,530	
Total General Sessions Court Clerk			\$ 128,193

Chancery Court

County Official/Administrative Officer	\$	82,396	
Deputy(ies)		57,307	
Longevity Pay		500	
Social Security		8,377	
Pensions		13,361	
Employee and Dependent Insurance		15,294	
Life Insurance		318	
Unemployment Compensation		42	
Employer Medicare		1,959	
Communication		3,015	
Data Processing Services		7,500	
Dues and Memberships		820	
Legal Notices, Recording, and Court Costs		1,920	
Postal Charges		5,250	
Office Supplies		2,336	
Office Equipment		947	
Total Chancery Court			201,342

Juvenile Court

Youth Service Officer(s)	\$	124,946	
Clerical Personnel		25,499	
Longevity Pay		1,550	
Overtime Pay		2,968	
Other Salaries and Wages		18,500	
Social Security		9,842	
Pensions		16,531	
Employee and Dependent Insurance		39,210	
Life Insurance		415	
Medical Insurance		152	
Dental Insurance		523	
Unemployment Compensation		105	
Employer Medicare		2,302	
Communication		5,290	
Contracts with Government Agencies		305	
Contracts with Private Agencies		1,737	
Dues and Memberships		120	
Maintenance and Repair Services - Buildings		134	
Maintenance and Repair Services - Vehicles		500	
Medical and Dental Services		48	
Pest Control		160	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court (Cont.)

Postal Charges	\$	323	
Travel		2,650	
Custodial Supplies		946	
Food Supplies		567	
Gasoline		250	
Office Supplies		7,129	
Workers' Compensation Insurance		51	
In Service/Staff Development		300	
Other Charges		3,053	
Office Equipment		1,190	
Other Equipment		2,968	
Total Juvenile Court	\$		270,264

District Attorney General

Other Contracted Services	\$	2,585	
Total District Attorney General			2,585

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	90,636	
Deputy(ies)		508,057	
Investigator(s)		40,783	
Sergeant(s)		107,821	
Salary Supplements		18,400	
Clerical Personnel		83,175	
Part-time Personnel		69,027	
School Resource Officer		179,140	
Longevity Pay		11,150	
Overtime Pay		52,223	
Other Salaries and Wages		28,866	
Social Security		68,225	
Pensions		102,204	
Employee and Dependent Insurance		175,392	
Life Insurance		2,670	
Medical Insurance		863	
Dental Insurance		2,845	
Unemployment Compensation		742	
Employer Medicare		16,225	
Communication		27,152	
Data Processing Services		2,706	
Dues and Memberships		2,303	
Licenses		84	
Maintenance Agreements		3,767	
Maintenance and Repair Services - Vehicles		73,253	
Medical and Dental Services		1,736	
Postal Charges		1,684	
Towing Services		1,500	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Travel	\$	10,710	
Animal Food and Supplies		5,246	
Gasoline		93,411	
Law Enforcement Supplies		5,001	
Office Supplies		503	
Tires and Tubes		18,987	
Uniforms		9,430	
In Service/Staff Development		3,192	
Other Charges		704	
Law Enforcement Equipment		55,850	
Motor Vehicles		24,670	
Office Equipment		14,751	
Other Equipment		2,282	
Total Sheriff's Department			\$ 1,917,366

Jail

Supervisor/Director	\$	49,896	
Guards		784,080	
Longevity Pay		5,086	
Overtime Pay		27,742	
Social Security		50,213	
Pensions		82,606	
Employee and Dependent Insurance		150,133	
Life Insurance		2,923	
Medical Insurance		989	
Dental Insurance		3,233	
Unemployment Compensation		761	
Employer Medicare		11,743	
Contracts with Private Agencies		301,470	
Maintenance Agreements		28,621	
Maintenance and Repair Services - Buildings		27,358	
Maintenance and Repair Services - Equipment		4,593	
Medical and Dental Services		184,172	
Pest Control		540	
Travel		3,047	
Custodial Supplies		10,029	
Drugs and Medical Supplies		17,020	
Electricity		70,131	
Food Supplies		777	
Office Supplies		4,411	
Prisoners Clothing		1,915	
Propane Gas		34,887	
Uniforms		4,942	
Water and Sewer		35,546	
In Service/Staff Development		567	
Other Charges		6,958	
Furniture and Fixtures		1,454	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Office Equipment	\$	385	
Other Equipment		<u>7,858</u>	
Total Jail			\$ 1,916,086

Fire Prevention and Control

Contributions	\$	94,000	
Total Fire Prevention and Control			94,000

Other Emergency Management

Supervisor/Director	\$	61,184	
Dispatchers/Radio Operators		252,420	
Part-time Personnel		14,129	
Longevity Pay		4,050	
Overtime Pay		44,042	
Social Security		21,000	
Pensions		35,816	
Employee and Dependent Insurance		92,414	
Life Insurance		953	
Medical Insurance		403	
Dental Insurance		1,396	
Unemployment Compensation		233	
Employer Medicare		4,911	
Communication		5,133	
Contracts with Private Agencies		13,050	
Dues and Memberships		110	
Licenses		90	
Maintenance and Repair Services - Buildings		522	
Maintenance and Repair Services - Equipment		2,479	
Maintenance and Repair Services - Vehicles		500	
Medical and Dental Services		96	
Travel		1,030	
Electricity		4,649	
Gasoline		1,224	
Office Supplies		1,223	
Propane Gas		240	
Uniforms		663	
In Service/Staff Development		780	
Other Charges		1,716	
Other Equipment		<u>8,999</u>	
Total Other Emergency Management			575,455

County Coroner/Medical Examiner

Other Salaries and Wages	\$	5,160	
Social Security		320	
Pensions		492	
Unemployment Compensation		1	
Employer Medicare		75	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

County Coroner/Medical Examiner (Cont.)

Medical and Dental Services	\$	34,543	
Other Contracted Services		6,000	
Total County Coroner/Medical Examiner			\$ 46,591

Public Health and Welfare

Local Health Center

Advertising	\$	1,869	
Communication		11,650	
Dues and Memberships		485	
Maintenance and Repair Services - Buildings		4,798	
Pest Control		160	
Postal Charges		114	
Rentals		1,217	
Custodial Supplies		208	
Food Supplies		417	
Office Supplies		431	
Other Charges		781	
Office Equipment		365	
Total Local Health Center			22,495

Rabies and Animal Control

Other Contracted Services	\$	9,000	
Total Rabies and Animal Control			9,000

Ambulance/Emergency Medical Services

Supervisor/Director	\$	71,206	
Medical Personnel		673,217	
Secretary(ies)		18,389	
Longevity Pay		8,050	
Overtime Pay		380,959	
Other Salaries and Wages		4,239	
Social Security		67,580	
Pensions		106,996	
Employee and Dependent Insurance		157,752	
Life Insurance		2,027	
Medical Insurance		616	
Dental Insurance		2,472	
Unemployment Compensation		616	
Employer Medicare		15,805	
Communication		13,870	
Debt Collection Services		50,850	
Dues and Memberships		475	
Licenses		1,750	
Maintenance Agreements		1,584	
Maintenance and Repair Services - Buildings		2,729	
Maintenance and Repair Services - Equipment		215	
Maintenance and Repair Services - Vehicles		46,427	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Medical and Dental Services	\$	485	
Pest Control		480	
Postal Charges		126	
Towing Services		300	
Travel		2,494	
Tuition		2,687	
Disposal Fees		7,763	
Custodial Supplies		1,079	
Diesel Fuel		6,618	
Drugs and Medical Supplies		32,832	
Electricity		14,900	
Food Supplies		1,004	
Gasoline		47,593	
Office Supplies		1,582	
Propane Gas		2,962	
Tires and Tubes		4,516	
Uniforms		3,834	
Water and Sewer		2,275	
Refunds		1,173	
In Service/Staff Development		2,576	
Fines, Assessments, and Penalties		24,024	
Other Charges		1,846	
Furniture and Fixtures		2,457	
Office Equipment		849	
Other Equipment		1,451	
Total Ambulance/Emergency Medical Services			\$ 1,795,730

Alcohol and Drug Programs

Travel	\$	33	
Other Contracted Services		4,425	
Liability Insurance		1,304	
Other Charges		2,950	
Total Alcohol and Drug Programs			8,712

Other Local Health Services

Part-time Personnel	\$	7,557	
Social Security		469	
Unemployment Compensation		18	
Employer Medicare		110	
Engineering Services		17,550	
Total Other Local Health Services			25,704

Waste Pickup

Part-time Personnel	\$	376	
Social Security		23	
Pensions		26	
Unemployment Compensation		1	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Waste Pickup (Cont.)

Employer Medicare	\$	5	
Travel		88	
Disposal Fees		820	
Gasoline		67	
Instructional Supplies and Materials		19,224	
Other Supplies and Materials		1,347	
Other Charges		6,929	
Total Waste Pickup			\$ 28,906

Other Public Health and Welfare

Social Workers	\$	46,039	
Medical Personnel		201,326	
Clerical Personnel		76,453	
Custodial Personnel		31,209	
Longevity Pay		3,900	
Bonus Payments		9,828	
Social Security		21,601	
Pensions		31,561	
Employee and Dependent Insurance		47,038	
Life Insurance		953	
Medical Insurance		304	
Dental Insurance		1,047	
Unemployment Compensation		189	
Employer Medicare		5,052	
Printing, Stationery, and Forms		1,680	
Travel		2,638	
Office Supplies		192	
Workers' Compensation Insurance		2,967	
Total Other Public Health and Welfare			483,977

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Contributions	\$	37,000	
Total Senior Citizens Assistance			37,000

Libraries

County Official/Administrative Officer	\$	49,674	
Assistant(s)		39,739	
Librarians		68,172	
Longevity Pay		850	
Overtime Pay		2,990	
Social Security		9,240	
Pensions		12,509	
Employee and Dependent Insurance		29,172	
Life Insurance		424	
Medical Insurance		101	
Dental Insurance		349	

(Continued)

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Unemployment Compensation	\$	170	
Employer Medicare		2,161	
Communication		5,766	
Dues and Memberships		225	
Legal Notices, Recording, and Court Costs		96	
Maintenance Agreements		1,498	
Maintenance and Repair Services - Buildings		2,393	
Medical and Dental Services		48	
Pest Control		160	
Rentals		360	
Travel		1,705	
Custodial Supplies		1,498	
Electricity		7,068	
Library Books/Media		31,005	
Office Supplies		3,428	
Propane Gas		3,761	
Other Supplies and Materials		1,981	
In Service/Staff Development		240	
Other Charges		2,482	
Building Improvements		8,900	
Furniture and Fixtures		150	
Office Equipment		4,461	
Other Equipment		862	
Total Libraries			\$ 293,638

Other Social, Cultural, and Recreational

Supervisor/Director	\$	32,078	
Teachers		28,401	
Paraprofessionals		23,451	
Longevity Pay		1,200	
Social Security		5,122	
Pensions		3,808	
Employee and Dependent Insurance		6,858	
Life Insurance		106	
Medical Insurance		51	
Dental Insurance		174	
Unemployment Compensation		165	
Employer Medicare		1,198	
Medical and Dental Services		336	
Instructional Supplies and Materials		5,189	
Workers' Compensation Insurance		138	
Other Charges		37	
Total Other Social, Cultural, and Recreational			108,312

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$	68,697	
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(Continued)

Exhibit J-7

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Agricultural Extension Service (Cont.)

Communication	\$	2,264	
Contributions		2,300	
Dues and Memberships		488	
Office Equipment		1,736	
Total Agricultural Extension Service			\$ 75,485

Soil Conservation

Secretary(ies)	\$	27,064	
Longevity Pay		50	
Social Security		1,207	
Pensions		2,584	
Employee and Dependent Insurance		18,532	
Life Insurance		97	
Medical Insurance		51	
Dental Insurance		174	
Unemployment Compensation		21	
Employer Medicare		282	
Total Soil Conservation			50,062

Other Operations

Tourism

Contributions	\$	26,000	
Building Improvements		29,978	
Furniture and Fixtures		21,328	
Total Tourism			77,306

Tourism - Resort District

Part-time Personnel	\$	31,910	
Social Security		1,978	
Unemployment Compensation		52	
Employer Medicare		463	
Communication		3,447	
Contracts with Private Agencies		1,647	
Contributions		27,353	
Maintenance and Repair Services - Buildings		1,410	
Maintenance and Repair Services - Equipment		180	
Pest Control		480	
Custodial Supplies		2,767	
Electricity		22,458	
Food Supplies		263	
Road Signs		100	
Water and Sewer		1,417	
Furniture and Fixtures		61	
Office Equipment		226	
Other Equipment		10,483	
Total Tourism - Resort District			106,695

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Other Operations (Cont.)

Other Economic and Community Development

Contributions	\$	1,500	
Total Other Economic and Community Development			\$ 1,500

Veterans' Services

Supervisor/Director	\$	45,357	
Part-time Personnel		14,354	
Longevity Pay		700	
Social Security		3,686	
Pensions		5,757	
Life Insurance		132	
Medical Insurance		76	
Dental Insurance		262	
Unemployment Compensation		54	
Employer Medicare		862	
Communication		2,077	
Data Processing Services		449	
Legal Notices, Recording, and Court Costs		173	
Medical and Dental Services		48	
Postal Charges		323	
Travel		2,071	
Office Supplies		1,142	
In Service/Staff Development		70	
Other Charges		1,284	
Office Equipment		1,875	
Total Veterans' Services			80,752

Other Charges

Remittance of Revenue Collected	\$	39,532	
Liability Insurance		125,864	
Premiums on Corporate Surety Bonds		2,581	
Refunds		1,100	
Trustee's Commission		153,499	
Workers' Compensation Insurance		72,596	
Liability Claims		4,802	
Total Other Charges			399,974

Miscellaneous

Contributions	\$	284,066	
Dues and Memberships		5,626	
Total Miscellaneous			289,692

Total General Fund \$ 11,874,723

Drug Control Fund

Public Safety

Drug Enforcement

Data Processing Services	\$	680	
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(Continued)

Exhibit J-7

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

<u>Drug Control Fund (Cont.)</u>			
<u>Public Safety (Cont.)</u>			
<u>Drug Enforcement (Cont.)</u>			
Towing Services	\$	1,575	
Other Charges		1,941	
Law Enforcement Equipment		23,120	
Motor Vehicles		11,321	
Total Drug Enforcement			\$ 38,637
<u>Other Operations</u>			
<u>Other Charges</u>			
Trustee's Commission	\$	190	
Total Other Charges			<u>190</u>
Total Drug Control Fund			\$ 38,827
<u>Other General Government Fund</u>			
<u>Public Safety</u>			
<u>Sheriff's Department</u>			
Building Improvements	\$	17,764	
Total Sheriff's Department			\$ 17,764
<u>Public Health and Welfare</u>			
<u>Ambulance/Emergency Medical Services</u>			
Health Equipment	\$	51,674	
Total Ambulance/Emergency Medical Services			51,674
<u>Other Operations</u>			
<u>American Rescue Plan Act Grant #1</u>			
Contributions	\$	8,612	
Total American Rescue Plan Act Grant #1			8,612
<u>Support Services</u>			
<u>Health Services</u>			
Contributions	\$	58,500	
Total Health Services			<u>58,500</u>
Total Other General Government Fund			136,550
<u>Constitutional Officers - Fees Fund</u>			
<u>Administration of Justice</u>			
<u>Chancery Court</u>			
Special Commissioner Fees/Special Master Fees	\$	3,660	
Total Chancery Court			<u>\$ 3,660</u>
Total Constitutional Officers - Fees Fund			3,660

(Continued)

Exhibit J-7

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

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	90,636	
Accountants/Bookkeepers		59,714	
Secretary(ies)		37,139	
Advertising		1,200	
Communication		2,611	
Data Processing Services		12,612	
Dues and Memberships		3,431	
Freight Expenses		68	
Postal Charges		360	
Printing, Stationery, and Forms		417	
Travel		1,697	
Other Contracted Services		299	
Drugs and Medical Supplies		27	
Electricity		5,550	
Office Supplies		1,626	
Water and Sewer		717	
Other Charges		202	
Total Administration			\$ 218,306

Highway and Bridge Maintenance

Foremen	\$	93,614	
Equipment Operators - Heavy		164,767	
Equipment Operators - Light		193,358	
Truck Drivers		221,038	
Laborers		184,907	
Other Contracted Services		15,965	
Asphalt - Cold Mix		1,087	
Asphalt - Hot Mix		122,273	
Asphalt - Liquid		128,010	
Concrete		27	
Crushed Stone		203,790	
Ice		960	
Pipe - Metal		34,378	
Road Signs		3,365	
Salt		8,556	
Structural Steel		2,500	
Wood Products		57	
Total Highway and Bridge Maintenance			1,378,652

Operation and Maintenance of Equipment

Foremen	\$	53,149	
Laborers		41,654	
Freight Expenses		1,864	
Laundry Service		854	
Licenses		41	
Maintenance and Repair Services - Equipment		54,856	
Disposal Fees		1,483	

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

Other Contracted Services	\$	400	
Diesel Fuel		102,087	
Equipment and Machinery Parts		48,465	
Food Supplies		880	
Garage Supplies		8,785	
Gasoline		47,747	
Lubricants		7,498	
Propane Gas		3,298	
Tires and Tubes		37,918	
Other Charges		799	
Total Operation and Maintenance of Equipment			\$ 411,778

Other Charges

Building and Contents Insurance	\$	4,593	
Liability Insurance		36,130	
Trustee's Commission		30,137	
Vehicle and Equipment Insurance		20,562	
Workers' Compensation Insurance		36,736	
Other Charges		571	
Total Other Charges			128,729

Employee Benefits

Longevity Pay	\$	14,200	
Social Security		66,066	
Pensions		99,838	
Employee and Dependent Insurance		889	
Life Insurance		2,621	
Medical Insurance		237,351	
Dental Insurance		3,603	
Unemployment Compensation		6,231	
Employer Medicare		15,451	
Total Employee Benefits			446,250

Capital Outlay

Highway Construction	\$	1,000	
Highway Equipment		136,950	
Office Equipment		1,091	
Total Capital Outlay			139,041

Total Highway/Public Works Fund \$ 2,722,756

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	295,805	
Principal on Notes		281,435	
Total General Government			\$ 577,240

(Continued)

Exhibit J-7

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

<u>General Debt Service Fund (Cont.)</u>			
<u>Principal on Debt (Cont.)</u>			
<u>Education</u>			
Principal on Bonds	\$	1,439,195	
Principal on Notes		115,084	
Principal on Other Loans		71,280	
Total Education			\$ 1,625,559
<u>Interest on Debt</u>			
<u>General Government</u>			
Interest on Bonds	\$	169,597	
Interest on Notes		54,260	
Total General Government			223,857
<u>Education</u>			
Interest on Bonds	\$	162,618	
Interest on Notes		22,551	
Interest on Other Loans		1,942	
Total Education			187,111
<u>Other Debt Service</u>			
<u>General Government</u>			
Trustee's Commission	\$	36,517	
Other Debt Service		500	
Total General Government			37,017
Total General Debt Service Fund			\$ 2,650,784
<u>General Capital Projects Fund</u>			
<u>Capital Projects</u>			
<u>Public Safety Projects</u>			
Trustee's Commission	\$	5,221	
Total Public Safety Projects			\$ 5,221
<u>Education Capital Projects</u>			
Motor Vehicles	\$	117,000	
Total Education Capital Projects			117,000
Total General Capital Projects Fund			122,221
Total Governmental Funds - Primary Government			<u>\$ 17,549,521</u>

Exhibit J-8

Stewart County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Stewart County School Department
For the Year Ended June 30, 2023

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 5,345,285	
Career Ladder Program	14,500	
Career Ladder Extended Contracts	24,400	
Educational Assistants	260,872	
Other Salaries and Wages	40,501	
Non-certified Substitute Teachers	49,320	
Social Security	333,583	
Pensions	459,705	
Medical Insurance	913,997	
Unemployment Compensation	2,950	
Employer Medicare	78,672	
Other Contracted Services	1,965	
Instructional Supplies and Materials	59,092	
Textbooks - Bound	36	
Regular Instruction Equipment	73,209	
Total Regular Instruction Program		\$ 7,658,087

Alternative Instruction Program

Teachers	\$ 63,204	
Educational Assistants	13,049	
Social Security	809	
Unemployment Compensation	79	
Employer Medicare	1,106	
Instructional Supplies and Materials	500	
Other Supplies and Materials	491	
Other Equipment	381	
Total Alternative Instruction Program		79,619

Special Education Program

Teachers	\$ 622,900	
Career Ladder Program	1,500	
Social Security	36,470	
Pensions	51,968	
Medical Insurance	115,854	
Unemployment Compensation	262	
Employer Medicare	8,529	
Total Special Education Program		837,483

Career and Technical Education Program

Teachers	\$ 473,806	
Career Ladder Program	2,000	
Social Security	22,896	
Pensions	33,744	
Medical Insurance	89,581	
Unemployment Compensation	209	
Employer Medicare	6,415	
Instructional Supplies and Materials	29,701	
Total Career and Technical Education Program		658,352

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services

Attendance

Supervisor/Director	\$	48,960	
Social Security		3,010	
Pensions		4,255	
Unemployment Compensation		13	
Employer Medicare		704	
Travel		379	
Other Contracted Services		11,331	
Other Supplies and Materials		546	
In Service/Staff Development		200	
Attendance Equipment		90	
Total Attendance			\$ 69,488

Health Services

Supervisor/Director	\$	72,600	
Medical Personnel		164,108	
Social Security		13,663	
Pensions		19,097	
Medical Insurance		49,978	
Unemployment Compensation		147	
Employer Medicare		3,195	
Travel		1,000	
Drugs and Medical Supplies		3,331	
Other Supplies and Materials		8,000	
In Service/Staff Development		157	
Other Charges		497	
Total Health Services			335,773

Other Student Support

Career Ladder Program	\$	1,000	
Guidance Personnel		232,696	
Secretary(ies)		17,006	
Other Salaries and Wages		172	
Social Security		14,882	
Pensions		21,501	
Medical Insurance		31,522	
Unemployment Compensation		105	
Employer Medicare		3,481	
Contracts with Government Agencies		110,000	
Evaluation and Testing		5,809	
Travel		180	
Other Contracted Services		428	
Other Supplies and Materials		29,337	
In Service/Staff Development		185	
Total Other Student Support			468,304

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program

Supervisor/Director	\$	88,146	
Career Ladder Program		1,000	
Librarians		225,089	
Secretary(ies)		30,614	
Social Security		20,127	
Pensions		29,832	
Medical Insurance		56,475	
Unemployment Compensation		126	
Employer Medicare		4,707	
Travel		4,059	
Library Books/Media		8,676	
In Service/Staff Development		1,250	
Total Regular Instruction Program			\$ 470,101

Special Education Program

Supervisor/Director	\$	72,600	
Psychological Personnel		60,536	
Social Security		7,681	
Pensions		11,570	
Medical Insurance		23,031	
Unemployment Compensation		42	
Employer Medicare		1,796	
Other Contracted Services		99,234	
Total Special Education Program			276,490

Career and Technical Education Program

Travel	\$	1,284	
Total Career and Technical Education Program			1,284

Technology

Supervisor/Director	\$	46,146	
Data Processing Personnel		143,247	
Social Security		11,137	
Pensions		17,662	
Medical Insurance		36,300	
Unemployment Compensation		73	
Employer Medicare		2,605	
Maintenance and Repair Services - Equipment		4,771	
Internet Connectivity		49,148	
Other Contracted Services		4,109	
Data Processing Equipment		4,005	
Regular Instruction Equipment		13,464	
Total Technology			332,667

Other Programs

On-behalf Payments to OPEB	\$	44,930	
Total Other Programs			44,930

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education

Secretary to Board	\$	3,000	
Board and Committee Members Fees		18,720	
Social Security		1,347	
Pensions		286	
Unemployment Compensation		2	
Employer Medicare		315	
Audit Services		12,800	
Dues and Memberships		7,767	
Legal Services		13,000	
Other Contracted Services		6,250	
Other Supplies and Materials		3,058	
Liability Insurance		40,000	
Premiums on Corporate Surety Bonds		2,116	
Trustee's Commission		70,073	
Workers' Compensation Insurance		147,216	
In Service/Staff Development		15,277	
Criminal Investigation of Applicants - TBI		1,308	
Other Charges		2,651	
Total Board of Education			\$ 345,186

Director of Schools

County Official/Administrative Officer	\$	107,687	
Secretary(ies)		33,596	
Social Security		8,533	
Pensions		12,560	
Medical Insurance		12,582	
Unemployment Compensation		40	
Employer Medicare		1,996	
Communication		40,228	
Postal Charges		186	
Travel		4,981	
Other Contracted Services		1,876	
Office Supplies		968	
Other Charges		45,192	
Total Director of Schools			270,425

Office of the Principal

Principals	\$	312,000	
Career Ladder Program		2,000	
Accountants/Bookkeepers		114,133	
Assistant Principals		276,100	
Secretary(ies)		104,543	
Other Salaries and Wages		55,459	
Social Security		50,916	
Pensions		73,272	
Medical Insurance		113,154	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

Unemployment Compensation	\$	416	
Employer Medicare		11,908	
Other Supplies and Materials		878	
Other Charges		48,645	
Total Office of the Principal			\$ 1,163,424

Fiscal Services

Accountants/Bookkeepers	\$	66,638	
Clerical Personnel		68,636	
Social Security		7,889	
Pensions		12,892	
Medical Insurance		16,708	
Unemployment Compensation		84	
Employer Medicare		1,845	
Data Processing Services		23,479	
Travel		258	
Other Contracted Services		390	
Data Processing Supplies		659	
Office Supplies		905	
Total Fiscal Services			200,383

Operation of Plant

Maintenance and Repair Services - Equipment	\$	1,088	
Pest Control		4,535	
Disposal Fees		10,869	
Other Contracted Services		491,416	
Electricity		621,348	
Natural Gas		185,820	
Water and Sewer		100,270	
Other Supplies and Materials		4,555	
Boiler Insurance		3,404	
Building and Contents Insurance		140,042	
Other Charges		1,310	
Total Operation of Plant			1,564,657

Maintenance of Plant

Supervisor/Director	\$	58,578	
Maintenance Personnel		204,048	
Social Security		14,753	
Pensions		22,526	
Medical Insurance		27,662	
Unemployment Compensation		162	
Employer Medicare		3,673	
Maintenance and Repair Services - Buildings		83,671	
Maintenance and Repair Services - Equipment		170,074	
Other Contracted Services		210	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

Other Supplies and Materials	\$	35,897	
Administration Equipment		46,854	
Total Maintenance of Plant			\$ 668,108

Transportation

Supervisor/Director	\$	65,334	
Mechanic(s)		135,502	
Bus Drivers		705,535	
Social Security		54,757	
Pensions		54,580	
Medical Insurance		63,690	
Unemployment Compensation		1,038	
Employer Medicare		12,808	
Contracts with Private Agencies		6,330	
Travel		1,568	
Diesel Fuel		262,610	
Gasoline		92,444	
Lubricants		14,731	
Tires and Tubes		34,882	
Vehicle Parts		118,681	
Other Supplies and Materials		5,748	
Vehicle and Equipment Insurance		35,000	
In Service/Staff Development		1,662	
Other Charges		64,620	
Total Transportation			1,731,520

Operation of Non-Instructional Services

Food Service

Food Supplies	\$	4,892	
Total Food Service			4,892

Community Services

Supervisor/Director	\$	24,976	
Social Security		1,548	
Unemployment Compensation		21	
Employer Medicare		362	
Other Supplies and Materials		749	
Other Equipment		1,000	
Total Community Services			28,656

Early Childhood Education

Supervisor/Director	\$	32,640	
Teachers		208,455	
Educational Assistants		98,770	
Social Security		20,406	
Pensions		25,675	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education (Cont.)

Medical Insurance	\$	19,951	
Unemployment Compensation		294	
Employer Medicare		4,772	
Food Supplies		2,590	
Other Supplies and Materials		10,412	
In Service/Staff Development		1,336	
Total Early Childhood Education			\$ 425,301

Capital Outlay

Regular Capital Outlay

Motor Vehicles	\$	301,926	
Total Regular Capital Outlay			301,926

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$	867,758	
Total Education			<u>867,758</u>

Total General Purpose School Fund \$ 18,804,814

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	114,544	
Educational Assistants		240,997	
Bonus Payments		283,476	
Other Salaries and Wages		60,200	
Social Security		42,820	
Pensions		40,946	
Medical Insurance		15,619	
Unemployment Compensation		618	
Employer Medicare		10,030	
Instructional Supplies and Materials		101,224	
Textbooks - Bound		44,870	
Software		80,751	
Regular Instruction Equipment		395,403	
Total Regular Instruction Program			\$ 1,431,498

Alternative Instruction Program

Bonus Payments	\$	3,645	
Social Security		40	
Unemployment Compensation		4	
Employer Medicare		53	
Total Alternative Instruction Program			3,742

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Special Education Program

Teachers	\$	57,950	
Educational Assistants		271,885	
Speech Pathologist		98,378	
Bonus Payments		49,773	
Social Security		29,096	
Pensions		27,612	
Medical Insurance		24,322	
Unemployment Compensation		546	
Employer Medicare		6,805	
Instructional Supplies and Materials		7,188	
Other Supplies and Materials		2,938	
Special Education Equipment		22,655	
Total Special Education Program			\$ 599,148

Career and Technical Education Program

Bonus Payments	\$	24,200	
Social Security		1,273	
Pensions		1,725	
Employer Medicare		351	
Instructional Supplies and Materials		2,200	
Other Supplies and Materials		14,136	
Vocational Instruction Equipment		16,692	
Total Career and Technical Education Program			60,577

Support Services

Attendance

Bonus Payments	\$	2,448	
Social Security		152	
Pensions		213	
Employer Medicare		36	
Total Attendance			2,849

Health Services

Bonus Payments	\$	12,468	
Social Security		773	
Pensions		1,063	
Unemployment Compensation		1	
Employer Medicare		180	
Total Health Services			14,485

Other Student Support

Social Workers	\$	40,650	
Bonus Payments		14,418	
Other Salaries and Wages		3,600	
Social Security		3,280	
Pensions		3,635	

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Medical Insurance	\$	18,022	
Unemployment Compensation		23	
Employer Medicare		767	
Travel		6,000	
Other Contracted Services		6,000	
Other Supplies and Materials		11,855	
In Service/Staff Development		5,988	
Total Other Student Support			\$ 114,238

Regular Instruction Program

Supervisor/Director	\$	42,000	
Bonus Payments		23,825	
Other Salaries and Wages		127,194	
Social Security		11,620	
Pensions		13,334	
Medical Insurance		16,774	
Unemployment Compensation		76	
Employer Medicare		2,717	
Travel		778	
Other Contracted Services		182,050	
Other Supplies and Materials		634	
In Service/Staff Development		40,945	
Other Equipment		5,850	
Total Regular Instruction Program			467,797

Special Education Program

Bonus Payments	\$	6,657	
Social Security		413	
Pensions		578	
Employer Medicare		97	
Contracts with Private Agencies		1,496	
Evaluation and Testing		2,348	
Travel		1,826	
In Service/Staff Development		2,146	
Other Charges		4,074	
Total Special Education Program			19,635

Career and Technical Education Program

In Service/Staff Development	\$	2,134	
Total Career and Technical Education Program			2,134

Technology

Bonus Payments	\$	9,440	
Social Security		585	
Pensions		880	
Employer Medicare		137	
Total Technology			11,042

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Director of Schools

Bonus Payments	\$	7,064	
Social Security		438	
Pensions		628	
Employer Medicare		102	
Total Director of Schools			\$ 8,232

Office of the Principal

Principals	\$	43,618	
Bonus Payments		46,878	
Social Security		5,464	
Pensions		7,776	
Medical Insurance		7,905	
Unemployment Compensation		21	
Employer Medicare		1,278	
Total Office of the Principal			112,940

Fiscal Services

Bonus Payments	\$	6,919	
Social Security		429	
Pensions		659	
Employer Medicare		100	
Other Contracted Services		46,200	
Total Fiscal Services			54,307

Maintenance of Plant

Bonus Payments	\$	13,150	
Social Security		768	
Pensions		1,038	
Employer Medicare		191	
Other Supplies and Materials		103,611	
Total Maintenance of Plant			118,758

Transportation

Bonus Payments	\$	37,128	
Social Security		2,302	
Pensions		2,389	
Unemployment Compensation		12	
Employer Medicare		538	
Diesel Fuel		18,231	
Total Transportation			60,600

Operation of Non-Instructional Services

Community Services

Bonus Payments	\$	1,249	
Social Security		77	
Employer Medicare		18	
Total Community Services			1,344

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education

Bonus Payments	\$	17,471	
Social Security		1,083	
Pensions		1,328	
Unemployment Compensation		5	
Employer Medicare		253	
Total Early Childhood Education			\$ 20,140

Capital Outlay

Regular Capital Outlay

Building Improvements	\$	168,000	
Total Regular Capital Outlay			168,000

Total School Federal Projects Fund \$ 3,271,466

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	80,640	
Clerical Personnel		33,179	
Cafeteria Personnel		383,992	
Other Salaries and Wages		3,410	
Social Security		30,067	
Pensions		31,534	
Medical Insurance		36,836	
Unemployment Compensation		644	
Employer Medicare		7,032	
Advertising		191	
Dues and Memberships		813	
Licenses		340	
Maintenance and Repair Services - Equipment		12,228	
Travel		4,769	
Disposal Fees		8,391	
Other Contracted Services		12,766	
Food Preparation Supplies		33,277	
Food Supplies		467,526	
Office Supplies		868	
Uniforms		4,439	
Chemicals		7,416	
USDA - Commodities		134,276	
Other Supplies and Materials		5,626	
In Service/Staff Development		2,485	
Other Charges		3,028	
Food Service Equipment		26,781	
Total Food Service			\$ 1,332,554

Total Central Cafeteria Fund 1,332,554

(Continued)

Exhibit J-8

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

<u>Internal School Fund</u>			
<u>Operation of Non-Instructional Services</u>			
<u>Community Services</u>			
Other Charges	\$	<u>683,313</u>	
Total Community Services			<u>\$ 683,313</u>
 Total Internal School Fund			 <u>\$ 683,313</u>
 Total Governmental Funds - Stewart County School Department			 <u><u>\$ 24,092,147</u></u>

SINGLE AUDIT SECTION



JASON E. MUMPOWER
Comptroller

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Stewart County, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Stewart County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated August 24, 2023. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the Stewart County School Department (a discretely presented component unit) as described in our report on Stewart County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be

prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Stewart County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

August 24, 2023

JEM/gc



JASON E. MUMPOWER
Comptroller

Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

Stewart County Mayor and
Board of County Commissioners
Stewart 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 Stewart 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 Stewart County's major federal programs for the year ended June 30, 2023. Stewart 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, Stewart 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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Stewart 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 Stewart 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 Stewart 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 Stewart County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Stewart County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Stewart 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 Stewart 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 Stewart County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Stewart County, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Stewart County's basic financial statements. We issued our report thereon dated August 24, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility

of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

August 24, 2023

JEM/gc

Stewart County, Tennessee, and the Stewart County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (8)
For the Year Ended June 30, 2023

Federal/Pass-through Agency/State Grantor Program Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster: (4)			
School Breakfast Program	10.553	N/A	\$ 304,275
National School Lunch Program	10.555	N/A	743,156 (7)
COVID 19 - State Pandemic Electronic Benefit Transfer (P-EBT)			
Administrative Costs Grant	10.649	N/A	3,135
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	134,276 (7)
Passed-through State Department of Health:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-23-75562-00	33,116
Total U.S. Department of Agriculture			<u>\$ 1,217,958</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Planning and Construction	20.205	(5)	\$ 1,000
Passed-through State Department of Safety and Homeland Security:			
Highway Safety Cluster: (4)			
State and Community Highway Safety	20.600	(6)	15,887
Total U.S. Department of Transportation			<u>\$ 16,887</u>
U.S. Department of Treasury:			
Direct Program:			
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds (ARP)	21.027	N/A	\$ 1,898,600
Total U.S. Department of Treasury			<u>\$ 1,898,600</u>
U.S. National Foundation on the Arts and the Humanities:			
Passed-through Tennessee Secretary of State:			
Grants to States	45.310	30501-00123-70	\$ 1,156
Total U.S. National Foundation on the Arts and the Humanities			<u>\$ 1,156</u>
U.S. Department of Education:			
Direct Program:			
Impact Aid	84.041	N/A	\$ 193,922
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	547,578
Special Education Cluster: (4)			
Special Education - Grants to States	84.027	N/A	470,194 (7)
COVID 19 - Special Education - Grants to States (ARP)	84.027	N/A	62,851 (7)
Special Education - Preschool Grants (ARP)	84.173	N/A	13,841 (7)
COVID 19 - Special Education - Preschool Grants	84.173	N/A	7,031 (7)
Career and Technical Education - Basic Grants to States	84.048	N/A	44,873
Rural Education	84.358	N/A	14,841
Supporting Effective Instruction State Grants	84.367	N/A	92,776
Comprehensive Literacy Development	84.371	N/A	93,000
Student Support and Academic Enrichment Program	84.424	N/A	44,267
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER I)			
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	N/A	65,000 (7)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	N/A	798,324 (7)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER ARP)			
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	1,210,686 (7)
Total U.S. Department of Education			<u>\$ 3,659,184</u>

(Continued)

Stewart County, Tennessee, and the Stewart County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (8) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
HAVA Election Security Grants	90.404	30501-02720-81	\$ 3,070
Total U.S. Election Assistance Commission			\$ 3,070
U.S. Department of Health and Human Services:			
Passed-through State Department of Health:			
Health Center Program Cluster: (4)			
Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224	GG-23-75562-00	\$ 361,364
Maternal and Child Health Services Block Grant to the States	93.994	GG-23-75562-00	2,031
Passed-through State Department of Education:			
Public Health Emergency Response: Cooperative Agreement for			
Emergency Response: Public Health Crisis Response	93.354	N/A	10,000
COVID 19 - Temporary Assistance for Needy Families	93.558	N/A	55,122
Passed-through State Department of Mental Health and Substance Abuse Services:			
Opioid STR	93.788	N/A	7,012
Total U.S. Department of Health and Human Services			\$ 435,529
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Disaster Grants - Public Assistance	97.036	N/A	\$ 79,044
Homeland Security Grant Program	97.067	34101-28121	12,487
Total U.S. Department of Homeland Security			\$ 91,531
Total Expenditures of Federal Awards			\$ 7,323,915

State Grants		Contract Number	
Violent Crime Intervention Funds - Office of Criminal Justice Programs	N/A	(5)	\$ 33,591
State Supplement - State Department of Children's Services	N/A	RFS-35910-03612	9,000
Child and Family Intervention - State Department of Children's Services	N/A	35910-02828	13,390
Local Health Services - State Department of Health	N/A	GG-23-75562-00	31,827
Safe Baby Court - State Department of Mental Health and Substance Abuse Services			
	N/A	74161_2022-2023_012	89,544
Safe Baby Court - State Department of Children's Services	N/A	35910-03054	11,521
Litter Program - State Department of Transportation	N/A	Z23LIT081	10,285
Three-Star Grant - State Department of Economic & Community Development	N/A	(5)	49,988
Opioid Settlement Funds - Tennessee Abatement Council	N/A	(5)	81,312
State Voting Systems Grant - Tennessee Secretary of State	N/A	30501-01823-81	200,183
Lottery For Education: Afterschool Programs - State Department of Education			
	N/A	(5)	131,302
Training Equipment Grant - Tennessee Corrections Institute	N/A	31609-0022	7,500
Coordinated School Health - State Department of Education	N/A	(5)	130,000
Safe Schools - State Department of Education	N/A	(5)	47,300
Early Childhood Education - State Department of Education	N/A	(5)	403,193
Family Resource Center - State Department of Education	N/A	(5)	29,611
COVID 19 - STREAM Mini-Camps - State Department of Education	N/A	(5)	14,915
COVID 19 - Summer Learning Camps - State Department of Education	N/A	(5)	94,575
COVID 19 - Summer Learning Loss Bridge Camps - State Department of Education			
	N/A	(5)	37,635
COVID 19 - Learning Camp Transportation - State Department of Education	N/A	(5)	25,118
Supporting Access in Rural Counties (SPARC) - Tennessee Higher Education Commission			
	N/A	(5)	95,158
School Bus Seat Restraint Grant - State Department of Education	N/A	(5)	19,500
Total State Grants			\$ 1,566,448

(Continued)

Stewart County, Tennessee, and the Stewart County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (8) (Cont.)

FAL = Federal Assistance Listing
 N/A = Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Stewart County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) No amounts (\$0) were passed-through to subrecipients.
- (4) Child Nutrition Cluster total \$1,181,707; Highway Safety Cluster total \$15,887; Special Education Cluster total \$553,917; Health Center Program Cluster total \$361,364.
- (5) Information not available.
- (6) Z22THS270: \$8,651; Z23THS265: \$7,236.
- (7) Total for FAL No. 10.555 is \$877,432; Total for FAL No. 84.027 is \$533,045; Total for FAL No. 84.173 is \$20,872; Total for FAL No. 84.425 is \$2,074,010.

(8) CONSOLIDATED ADMINISTRATION	Federal	Amount
The following amounts were consolidated for administration purposes:	Assistance	Provided to
	Listing	Consolidated
	Number	Administration
Program Title		
Title I Grants to Local Educational Agencies	84.010	\$ 45,929
Supporting Effective Instruction State Grant	84.367	4,985
Student Support and Academic Enrichment Program	84.424	163
Total amounts consolidated for administration purposes		\$ 51,077

Stewart County, Tennessee
Summary Schedule of Prior-year Findings
For the Year Ended June 30, 2023

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 Stewart County, Tennessee, for the year ended June 30, 2023.

Prior-year Financial Statement Findings

Fiscal Year	Page Number	Finding Number	Title of Finding	FAL Number	Current Status
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OFFICE OF COUNTY MAYOR

2022	203	2022-001	The office had deficiencies with renovations to the Stewart County Visitor Center.	N/A	Corrected
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OFFICE OF COUNTY ENGINEER

2022	204	2022-002	An emergency purchase was not presented to the county mayor and county commission in compliance with county policy.	N/A	Corrected
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OFFICE OF COUNTY CLERK

2022	204	2022-003	Duties were not segregated adequately.	N/A	Corrected
2022	205	2022-004	Multiple employees operated from the same cash drawer.	N/A	Corrected

OFFICE OF SHERIFF

2022	206	2022-005	The office did not review a list of voided transactions or reprinted checks.	N/A	Corrected
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Prior-year Federal Awards Findings

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

STEWART COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2023

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Our report on the financial statements of Stewart County is unmodified.
2. Internal Control Over Financial Reporting:
 - * Material weakness identified? **NO**
 - * 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 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

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

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2023.

Stewart County, Tennessee
Management's Corrective Action Plan
For the Year Ended June 30, 2023

The audit of Stewart County did not report findings and recommendations. Therefore, no management responses are required by the auditee requirements within Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

BEST PRACTICE

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

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

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

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