



ANNUAL FINANCIAL REPORT

Marshall County, Tennessee

For the Year Ended June 30, 2023

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

ANNUAL FINANCIAL REPORT
MARSHALL 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

JEFF BAILEY, CPA, CGFM, CFE
Audit Manager

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

MARSHALL COUNTY, TENNESSEE

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Summary of Audit Findings

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

Scope

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

Results

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

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

Findings

The following are summaries of the audit findings:

OFFICES OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS

- ◆ The General Fund required material audit adjustments for proper financial statement presentation.

OFFICE OF DIRECTOR OF SCHOOLS

- ◆ Funds were transferred from the General Purpose School Fund to the School Federal Projects Fund without county commission and board of education approval.
-



OFFICE OF BOARD OF PUBLIC UTILITIES

- ◆ The Public Utility Fund required material audit adjustments for proper financial statement presentation.
-

OFFICE OF REGISTER OF DEEDS

- ◆ Duties were not segregated adequately.
- ◆ An investigation revealed that the register approved time not worked by his spouse.



INTRODUCTORY SECTION

Marshall County Officials

June 30, 2023

Officials

Mike Keny, County Mayor
Jerry Williams, Highway Superintendent
Jacob Sorrells, Director of Schools
Scotty Poarch, Trustee
Michelle Clark, Assessor of Property
Daphne Girts, County Clerk
Mike Wiles, Circuit, General Sessions, and Juvenile Courts Clerk
Kimberlee Alsup, Clerk and Master
Dorris Wayne Weaver, Register of Deeds
Billy Lamb, Sheriff
Robin Bates, Director of Accounts and Budgets
Vacant - Board of Public Utilities Manager

Board of County Commissioners

Mike Keny, County Mayor, Chairman
Randy Perryman
Terry Dunnivant
Craig Blackwell
Dean Delk
Ken Lee
Anna Childress
Debbie Gilbert
Mickey King
Cannon Allen

Tony Beyer
John McCullough
Nathan Johnson
Keith Hollingsworth
Seth Warf
Sheldon Davis
Jeff Poarch
Glen White
James Hopkins

Board of Education

Julie Cathey, Chairman
Susan Hunter
Kristen Gold
Patty Hill
William Bell

John Allen
Harvey Jones, Jr.
Andy Woodard
Heidi McElhaney

Board of Public Utilities

Mickey King, Chairman
Tony Beyer
Ray Wakefield

Terry Jackson
Terry Dunnivant

Audit Committee

Nancy Pruitt, Chairman
Mickey King
Jeff Stewart

Matt Moorehead
Michael Sullivan

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

Marshall County Mayor and
Board of County Commissioners
Marshall 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 Marshall 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 Marshall County, Tennessee, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons 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 Marshall County School Department, a discretely presented component unit, which represent 1.14 percent, 1.27 percent, and 2.46 percent, respectively, of the assets, net position, and revenues of the discretely presented school department component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Internal School Fund of the Marshall County School Department, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

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

Change in Accounting Principle

As described in Note V. B., Marshall County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 91, *Conduit Debt Obligations*. GASB 91 clarifies what is considered conduit debt and the requirements of when to disclose liabilities and commitments concerning conduit debt. Our opinion is not modified with respect to this matter.

Emphasis of Matter

We draw attention to Note I.D.11. to the financial statements, which describes a prior-period adjustment to the General Debt Service Fund in the amount of \$6,751,905. This prior-period adjustment was necessary to properly reflect a receivable for bonded debt issued on behalf of the Marshall County Board of Public Utilities. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Marshall 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 Marshall 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 Marshall County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Marshall 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 and Other Capital Projects funds, combining and individual fund financial statements of the Marshall County School Department (a discretely presented component unit), individual fund financial statements of the Marshall County Board of Public Utilities (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 and Other Capital Projects funds, combining and individual fund financial statements of the Marshall County School Department (a discretely presented component unit), individual fund financial statements of the Marshall County Board of Public Utilities (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 January 9, 2024, on our consideration of Marshall 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 Marshall 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 Marshall County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

January 9, 2024

JEM/tg

BASIC FINANCIAL STATEMENTS

Exhibit A

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

		Component Units	
	Primary Government Governmental Activities	Marshall County School Department	Marshall County Board of Public Utilities
<u>ASSETS</u>			
Cash	\$ 5,350	\$ 1,062,106	\$ 2,002,003
Equity in Pooled Cash and Investments	38,652,807	17,409,930	3,523,446
Inventories	0	0	155,511
Accounts Receivable	4,191,098	2,264	373,816
Allowance for Uncollectibles	(1,074,820)	0	0
Due from Other Governments	2,058,540	2,587,230	0
Due from Component Units	6,418,715	0	0
Property Taxes Receivable	11,376,267	9,440,733	0
Allowance for Uncollectible Property Taxes	(120,110)	(99,675)	0
Restricted Assets:			
Customer Deposits	0	0	331,216
Other Restricted Assets	0	0	31,900
Amounts Accumulated for Pension Benefits	0	549,116	0
Net Pension Asset - Agent Plan	537,619	339,909	34,000
Net Pension Asset - Teacher Retirement Plan	0	108,730	0
Net Pension Asset - Teacher Legacy Pension Plan	0	6,226,658	0
Capital Assets:			
Assets Not Depreciated:			
Land	13,624,795	2,804,140	659,901
Construction in Progress	57,837	1,218,715	3,922,027
Assets Net of Accumulated Depreciation:			
Buildings and Improvements	13,663,347	47,191,221	604,081
Infrastructure	15,038,745	90,914	19,356,791
Other Capital Assets	4,189,554	3,671,169	45,506
Total Assets	\$ 108,619,744	\$ 92,603,160	\$ 31,040,198

DEFERRED OUTFLOWS OF RESOURCES

Pension Changes in Assumptions	\$ 1,376,134	\$ 4,898,131	\$ 87,029
Pension Changes in Experience	1,256,298	1,824,499	79,451
Pension Changes in Proportion	0	73,960	0
Pension Changes in Investment Earnings	93,457	199,833	5,910
Pension Contributions after Measurement Date	785,824	2,169,744	53,188
OPEB Benefits Paid after Measurement Date	0	260,657	0
OPEB Changes in Proportion	0	428,675	0
OPEB Changes in Experience	0	849,880	0
OPEB Changes in Assumptions	0	645,094	0
Total Deferred Outflows of Resources	\$ 3,511,713	\$ 11,350,473	\$ 225,578

(Continued)

Exhibit A

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

		Component Units	
	Primary Government Governmental Activities	Marshall County School Department	Marshall County Board of Public Utilities
<u>LIABILITIES</u>			
Accounts Payable	\$ 504,108	\$ 7,038	\$ 20,340
Accrued Payroll	0	531,973	0
Accrued Interest Payable	124,484	0	0
Payroll Deductions Payable	188,587	733,925	10,152
Contracts Payable	0	0	1,606,074
Retainage Payable	0	0	141,073
Due to Primary Government	0	0	6,418,715
Due to State of Tennessee	0	0	27,162
Current Liabilities Payable from Restricted Assets:			
Customer Deposits Payable	0	0	331,216
Other Payables from Restricted Assets	0	0	31,900
Noncurrent Liabilities:			
Due Within One Year - Debt	2,521,225	0	0
Due Within One Year - Other	387,476	196,633	0
Due in More Than One Year - Debt	22,602,217	0	0
Due in More Than One Year - Other	0	7,096,579	0
Total Liabilities	<u>\$ 26,328,097</u>	<u>\$ 8,566,148</u>	<u>\$ 8,586,632</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 11,047,877	\$ 9,168,215	\$ 0
Pension Changes in Experience	357,455	1,344,177	22,606
Pension Changes in Proportion	0	24,915	0
OPEB Changes in Assumptions	0	1,000,730	0
OPEB Changes in Proportion	0	564,730	0
OPEB Changes in Experience	0	582,000	0
Total Deferred Inflows of Resources	<u>\$ 11,405,332</u>	<u>\$ 12,684,767</u>	<u>\$ 22,606</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	\$ 46,574,278	\$ 54,976,159	\$ 18,169,591
Restricted for:			
General Government	192,217	0	0
Finance	49,458	0	0
Administration of Justice	81,449	0	0
Public Safety	180,365	0	0
Public Health and Welfare	173,674	0	0
Highway/Public Works	2,590,496	0	0
Capital Outlay	2,263,275	0	0
Education	7,676,684	3,359,375	0
Pensions	537,619	7,224,413	34,000
Unrestricted	<u>14,078,513</u>	<u>17,142,771</u>	<u>4,452,947</u>
Total Net Position	<u>\$ 74,398,028</u>	<u>\$ 82,702,718</u>	<u>\$ 22,656,538</u>

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

Exhibit B

Marshall 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	Capital Grants and Contributions	Primary Governmental Activities	Component Units	
						Marshall County School Department	Marshall County Board of Public Utilities
Primary Government:							
General Government	\$ 4,532,331	\$ 887,817	\$ 65,063	\$ 0	\$ (3,579,451)	\$ 0	\$ 0
Finance	1,707,648	1,389,495	0	0	(318,153)	0	0
Administration of Justice	1,963,575	831,235	188,369	0	(943,971)	0	0
Public Safety	5,572,268	544,518	129,118	0	(4,898,632)	0	0
Public Health and Welfare	5,539,637	3,071,276	682,447	0	(1,785,914)	0	0
Social, Cultural, and Recreational Services	554,935	0	5,634	0	(549,301)	0	0
Agriculture and Natural Resources	163,018	0	0	0	(163,018)	0	0
Highways	3,936,699	25,000	2,847,626	333,478	(730,595)	0	0
Education	4,232,203	0	0	0	(4,232,203)	0	0
Interest on Long-term Debt	618,395	0	0	0	(618,395)	0	0
Total Governmental Activities	\$ 28,820,709	\$ 6,749,341	\$ 3,918,257	\$ 333,478	\$ (17,819,633)	\$ 0	\$ 0
Total Primary Government	\$ 28,820,709	\$ 6,749,341	\$ 3,918,257	\$ 333,478	\$ (17,819,633)	\$ 0	\$ 0
Component Units:							
Marshall County School Department	\$ 59,993,070	\$ 3,268,256	\$ 8,471,820	\$ 7,549,991	\$ 0	\$ (40,703,003)	\$ 0
Marshall County Board of Public Utilities	3,262,330	3,982,230	60,027	411,340	0	0	1,191,267
Total Component Units	\$ 63,255,400	\$ 7,250,486	\$ 8,531,847	\$ 7,961,331	\$ 0	\$ (40,703,003)	\$ 1,191,267

(Continued)

Exhibit B

Marshall County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Marshall County School Department	Marshall County Board of Public Utilities
General Revenues:							
Taxes:							
Property Taxes Levied for General Purposes					\$ 10,818,702	\$ 9,749,851	\$ 0
Local Option Sales Tax					5,211,073	4,946,760	0
Wheel Tax					1,670,953	0	0
Mineral Severance Tax					368,062	0	0
Business Tax					474,486	0	0
Hotel/Motel Tax					271,577	0	0
Litigation Tax					302,187	0	0
Adequate Facilities/Development Tax					603,161	0	0
Wholesale Beer Tax					104,185	0	0
Other Local Taxes					1,076	21,399	0
Grants and Contributions Not Restricted for Specific Programs					1,656,184	31,818,531	0
Unrestricted Investment Income					425,935	33,020	48,708
Miscellaneous					76,818	77,920	0
Total General Revenues					<u>\$ 21,984,399</u>	<u>\$ 46,647,481</u>	<u>\$ 48,708</u>
Change in Net Position					\$ 4,164,766	\$ 5,944,478	\$ 1,239,975
Net Position, July 1, 2022					<u>70,233,262</u>	<u>76,758,240</u>	<u>21,416,563</u>
Net Position, June 30, 2023					<u><u>\$ 74,398,028</u></u>	<u><u>\$ 82,702,718</u></u>	<u><u>\$ 22,656,538</u></u>

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

Exhibit C-1

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

	Major Funds				Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>						
Cash	\$ 5,350	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,350
Equity in Pooled Cash and Investments	22,852,073	1,197,289	7,028,819	2,936,813	4,637,813	38,652,807
Accounts Receivable	4,114,293	0	0	0	76,805	4,191,098
Allowance for Uncollectibles	(1,074,820)	0	0	0	0	(1,074,820)
Due from Other Governments	362,100	913,275	763,590	2,597	16,978	2,058,540
Due from Other Funds	0	0	0	0	52,143	52,143
Due from Component Units	0	0	6,418,715	0	0	6,418,715
Property Taxes Receivable	9,660,498	518,508	0	1,197,261	0	11,376,267
Allowance for Uncollectible Property Taxes	(101,995)	(5,474)	0	(12,641)	0	(120,110)
Total Assets	<u>\$ 35,817,499</u>	<u>\$ 2,623,598</u>	<u>\$ 14,211,124</u>	<u>\$ 4,124,030</u>	<u>\$ 4,783,739</u>	<u>\$ 61,559,990</u>
<u>LIABILITIES</u>						
Accounts Payable	\$ 145,074	\$ 351,124	\$ 0	\$ 199	\$ 7,711	\$ 504,108
Payroll Deductions Payable	160,673	21,460	0	0	6,454	188,587
Due to Other Funds	52,143	0	0	0	0	52,143
Total Liabilities	<u>\$ 357,890</u>	<u>\$ 372,584</u>	<u>\$ 0</u>	<u>\$ 199</u>	<u>\$ 14,165</u>	<u>\$ 744,838</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 9,381,636	\$ 503,541	\$ 0	\$ 1,162,700	\$ 0	\$ 11,047,877
Deferred Delinquent Property Taxes	155,984	8,372	0	19,332	0	183,688
Other Deferred/Unavailable Revenue	2,995,869	598,620	381,795	0	0	3,976,284
Total Deferred Inflows of Resources	<u>\$ 12,533,489</u>	<u>\$ 1,110,533</u>	<u>\$ 381,795</u>	<u>\$ 1,182,032</u>	<u>\$ 0</u>	<u>\$ 15,207,849</u>

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>FUND BALANCES</u>						
Restricted:						
Restricted for General Government	\$ 192,217	\$ 0	\$ 0	\$ 0	\$ 0	\$ 192,217
Restricted for Finance	49,458	0	0	0	0	49,458
Restricted for Administration of Justice	81,449	0	0	0	0	81,449
Restricted for Public Safety	80,895	0	0	0	99,470	180,365
Restricted for Public Health and Welfare	173,674	0	6,418,715	0	0	6,592,389
Restricted for Highways/Public Works	0	1,140,481	0	0	0	1,140,481
Restricted for Education	0	0	7,410,614	0	0	7,410,614
Restricted for Capital Outlay	54,936	0	0	2,189,007	0	2,243,943
Restricted for Capital Projects	0	0	0	0	865,057	865,057
Committed:						
Committed for General Government	177,924	0	0	0	0	177,924
Committed for Administration of Justice	0	0	0	0	54,966	54,966
Committed for Public Safety	1,608	0	0	0	0	1,608
Committed for Public Health and Welfare	0	0	0	0	2,690,700	2,690,700
Committed for Social, Cultural, and Recreational Services	25,650	0	0	0	0	25,650
Committed for Capital Projects	0	0	0	0	1,053,381	1,053,381
Committed for Other Purposes	324,261	0	0	0	0	324,261
Assigned:						
Assigned for General Government	1,194,913	0	0	0	0	1,194,913
Assigned for Public Health and Welfare	0	0	0	0	6,000	6,000
Assigned for Capital Outlay	0	0	0	752,792	0	752,792
Unassigned	20,569,135	0	0	0	0	20,569,135
Total Fund Balances	\$ 22,926,120	\$ 1,140,481	\$ 13,829,329	\$ 2,941,799	\$ 4,769,574	\$ 45,607,303
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 35,817,499	\$ 2,623,598	\$ 14,211,124	\$ 4,124,030	\$ 4,783,739	\$ 61,559,990

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

Exhibit C-2

Marshall 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)		\$ 45,607,303
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 13,624,795	
Add: construction in progress	57,837	
Add: buildings and improvements net of accumulated depreciation	13,663,347	
Add: infrastructure net of accumulated depreciation	15,038,745	
Add: other capital assets net of accumulated depreciation	<u>4,189,554</u>	46,574,278
(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	\$ (1,352,828)	
Less: bonds payable	(23,770,614)	
Less: compensated absences payable	(387,476)	
Less: accrued interest on debt	<u>(124,484)</u>	(25,635,402)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be amortized and recognized as components of pension expense in future years.		
Add: deferred outflows of resources related to pension	\$ 3,511,713	
Less: deferred inflows of resources related to pension	<u>(357,455)</u>	3,154,258
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.		537,619
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>4,159,972</u>
Net position of governmental activities (Exhibit A)		<u>\$ 74,398,028</u>

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

Exhibit C-3

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

	Major Funds				Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>						
Local Taxes	\$ 12,097,750	\$ 1,130,684	\$ 5,732,365	\$ 1,182,574	\$ 303,161	\$ 20,446,534
Licenses and Permits	529,714	0	0	0	0	529,714
Fines, Forfeitures, and Penalties	138,113	0	0	0	45,002	183,115
Charges for Current Services	2,096,500	0	0	0	914,091	3,010,591
Other Local Revenues	517,206	3,289	0	0	836,820	1,357,315
Fees Received From County Officials	2,033,632	0	0	0	0	2,033,632
State of Tennessee	1,469,638	2,816,618	0	45,179	56,482	4,387,917
Federal Government	246,388	0	0	0	0	246,388
Other Governments and Citizens Groups	322,072	25,000	120,110	0	0	467,182
Total Revenues	\$ 19,451,013	\$ 3,975,591	\$ 5,852,475	\$ 1,227,753	\$ 2,155,556	\$ 32,662,388
<u>Expenditures</u>						
Current:						
General Government	\$ 2,353,760	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,353,760
Finance	1,714,866	0	0	0	375	1,715,241
Administration of Justice	1,961,890	0	0	0	13,225	1,975,115
Public Safety	5,350,822	0	0	0	2,746	5,353,568
Public Health and Welfare	3,328,442	0	0	0	1,859,268	5,187,710
Social, Cultural, and Recreational Services	558,085	0	0	0	0	558,085
Agriculture and Natural Resources	165,542	0	0	0	0	165,542
Other Operations	2,008,683	0	0	0	23,067	2,031,750
Highways	0	4,092,399	0	0	0	4,092,399
Debt Service:						
Principal on Debt	0	0	1,401,078	0	0	1,401,078
Interest on Debt	0	0	742,591	0	0	742,591
Other Debt Service	0	0	59,814	0	0	59,814

(Continued)

Exhibit C-3

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

	Major Funds				Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>Expenditures (Cont.)</u>						
Capital Projects	\$ 0	\$ 0	\$ 0	\$ 1,678,923	\$ 156,088	\$ 1,835,011
Capital Projects - Donated	0	0	4,172,389	0	0	4,172,389
Total Expenditures	<u>\$ 17,442,090</u>	<u>\$ 4,092,399</u>	<u>\$ 6,375,872</u>	<u>\$ 1,678,923</u>	<u>\$ 2,054,769</u>	<u>\$ 31,644,053</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 2,008,923</u>	<u>\$ (116,808)</u>	<u>\$ (523,397)</u>	<u>\$ (451,170)</u>	<u>\$ 100,787</u>	<u>\$ 1,018,335</u>
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 23,675	\$ 27,619	\$ 0	\$ 0	\$ 192,431	\$ 243,725
Transfers In	45,000	116,815	0	71,340	1,129,653	1,362,808
Transfers Out	(1,317,808)	0	0	0	(45,000)	(1,362,808)
Total Other Financing Sources (Uses)	<u>\$ (1,249,133)</u>	<u>\$ 144,434</u>	<u>\$ 0</u>	<u>\$ 71,340</u>	<u>\$ 1,277,084</u>	<u>\$ 243,725</u>
Net Change in Fund Balances	\$ 759,790	\$ 27,626	\$ (523,397)	\$ (379,830)	\$ 1,377,871	\$ 1,262,060
Prior-period Adjustment - See Note I.D.11	0	0	6,751,905	0	0	6,751,905
Fund Balance, July 1, 2022	<u>22,166,330</u>	<u>1,112,855</u>	<u>7,600,821</u>	<u>3,321,629</u>	<u>3,391,703</u>	<u>37,593,338</u>
Fund Balance, June 30, 2023	<u>\$ 22,926,120</u>	<u>\$ 1,140,481</u>	<u>\$ 13,829,329</u>	<u>\$ 2,941,799</u>	<u>\$ 4,769,574</u>	<u>\$ 45,607,303</u>

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

Exhibit C-4

Marshall 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)		\$ 1,262,060
(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	\$ 3,293,217	
Less: current-year depreciation expense	<u>(2,197,677)</u>	1,095,540
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		(132,739)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2022	\$ (3,716,775)	
Add: deferred delinquent property taxes and other deferred June 30, 2023	<u>4,159,972</u>	443,197
(4) The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items.		
Add: principal payments on bonds	\$ 1,143,190	
Add: principal payments on notes	<u>257,888</u>	1,401,078
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in net pension asset	\$ (4,808,114)	
Change in deferred outflows of resources related to pension	872,358	
Change in deferred inflows of resources related to pension	4,136,823	
Change in accrued interest payable	4,086	
Change in compensated absences payable	<u>(109,523)</u>	95,630
Change in net position of governmental activities (Exhibit B)		<u>\$ 4,164,766</u>

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

Exhibit C-5

Marshall County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund
For the Year Ended June 30, 2023

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 12,097,750	\$ 0	\$ 12,097,750	\$ 11,924,223	\$ 11,621,062	\$ 476,688
Licenses and Permits	529,714	0	529,714	518,600	518,600	11,114
Fines, Forfeitures, and Penalties	138,113	0	138,113	95,070	95,070	43,043
Charges for Current Services	2,096,500	0	2,096,500	1,978,200	1,985,887	110,613
Other Local Revenues	517,206	0	517,206	182,700	183,620	333,586
Fees Received From County Officials	2,033,632	0	2,033,632	1,963,000	1,963,000	70,632
State of Tennessee	1,469,638	0	1,469,638	1,519,042	1,598,727	(129,089)
Federal Government	246,388	0	246,388	2,800	1,016,086	(769,698)
Other Governments and Citizens Groups	322,072	0	322,072	176,250	177,250	144,822
Total Revenues	\$ 19,451,013	\$ 0	\$ 19,451,013	\$ 18,359,885	\$ 19,159,302	\$ 291,711
<u>Expenditures</u>						
<u>General Government</u>						
County Commission	\$ 215,656	\$ 0	\$ 215,656	\$ 196,317	\$ 226,667	\$ 11,011
Board of Equalization	4,758	0	4,758	5,390	5,390	632
Other Boards and Committees	4,414	0	4,414	5,283	5,383	969
County Mayor/Executive	191,099	0	191,099	192,455	196,187	5,088
Personnel Office	214,645	0	214,645	227,973	235,868	21,223
County Attorney	95,974	0	95,974	70,451	113,201	17,227
Election Commission	236,730	0	236,730	261,425	262,198	25,468
Register of Deeds	252,025	0	252,025	257,176	267,775	15,750
Building	324,285	0	324,285	322,535	343,298	19,013
County Buildings	814,174	0	814,174	872,359	925,189	111,015
<u>Finance</u>						
Accounting and Budgeting	410,536	0	410,536	408,241	422,467	11,931
Property Assessor's Office	294,050	0	294,050	306,599	309,491	15,441

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Expenditures (Cont.)</u>						
<u>Finance (Cont.)</u>						
Reappraisal Program	\$ 178,363	\$ 0	\$ 178,363	\$ 186,100	\$ 194,707	\$ 16,344
County Trustee's Office	268,098	0	268,098	266,562	276,170	8,072
County Clerk's Office	563,819	0	563,819	540,888	569,918	6,099
<u>Administration of Justice</u>						
Circuit Court	581,652	0	581,652	635,559	652,056	70,404
General Sessions Judge	296,307	0	296,307	296,970	299,381	3,074
Chancery Court	275,221	0	275,221	282,977	294,023	18,802
Juvenile Court	332,834	0	332,834	353,593	357,430	24,596
Probation Services	276,708	0	276,708	250,459	298,759	22,051
Courtroom Security	199,168	0	199,168	278,745	278,745	79,577
<u>Public Safety</u>						
Sheriff's Department	2,637,487	0	2,637,487	2,699,802	2,828,097	190,610
Administration of the Sexual Offender Registry	0	0	0	1,000	1,000	1,000
Jail	2,094,593	0	2,094,593	2,468,257	2,488,558	393,965
Rural Fire Protection	136,936	0	136,936	151,900	156,900	19,964
Civil Defense	371,478	(3,594)	367,884	351,664	376,727	8,843
Other Emergency Management	12,144	0	12,144	10,000	17,686	5,542
County Coroner/Medical Examiner	91,081	0	91,081	113,595	113,620	22,539
Public Safety Grants Program	6,545	0	6,545	0	55,618	49,073
Other Public Safety	558	0	558	700	700	142
<u>Public Health and Welfare</u>						
Local Health Center	84,166	0	84,166	76,474	109,640	25,474
Rabies and Animal Control	96,482	0	96,482	111,176	112,451	15,969
Ambulance/Emergency Medical Services	2,817,595	0	2,817,595	3,239,125	3,251,294	433,699
Maternal and Child Health Services	5,000	0	5,000	5,000	5,000	0

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Expenditures (Cont.)</u>						
<u>Public Health and Welfare (Cont.)</u>						
Other Local Health Services	\$ 227,959	\$ 0	\$ 227,959	\$ 269,278	\$ 343,500	\$ 115,541
Other Public Health and Welfare	97,240	0	97,240	97,240	97,241	1
<u>Social, Cultural, and Recreational Services</u>						
Senior Citizens Assistance	91,500	0	91,500	91,500	91,500	0
Libraries	466,585	0	466,585	496,738	506,029	39,444
<u>Agriculture and Natural Resources</u>						
Agricultural Extension Service	104,190	0	104,190	107,179	123,470	19,280
Forest Service	2,000	0	2,000	2,000	2,000	0
Soil Conservation	59,352	0	59,352	58,005	60,626	1,274
<u>Other Operations</u>						
Tourism	40,100	0	40,100	50,000	50,000	9,900
Housing and Urban Development	113,402	0	113,402	0	500,000	386,598
Other Economic and Community Development	360,433	0	360,433	356,409	360,434	1
Veterans' Services	69,275	0	69,275	68,425	73,475	4,200
Other Charges	873,043	0	873,043	972,600	902,321	29,278
Contributions to Other Agencies	517,370	0	517,370	517,370	517,370	0
COVID-19 Grant A	35,060	(29,680)	5,380	0	20,118	14,738
American Rescue Plan Act Grant #2	0	0	0	0	30,083	30,083
American Rescue Plan Act Grant #3	0	0	0	0	510,900	510,900
Total Expenditures	\$ 17,442,090	\$ (33,274)	\$ 17,408,816	\$ 18,533,494	\$ 20,240,661	\$ 2,831,845
Excess (Deficiency) of Revenues						
Over Expenditures	\$ 2,008,923	\$ 33,274	\$ 2,042,197	\$ (173,609)	\$ (1,081,359)	\$ 3,123,556

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 23,675	\$ 0	\$ 23,675	\$ 10,000	\$ 10,000	\$ 13,675
Transfers In	45,000	0	45,000	45,000	45,000	0
Transfers Out	(1,317,808)	0	(1,317,808)	(360,000)	(1,374,647)	56,839
Total Other Financing Sources	<u>\$ (1,249,133)</u>	<u>\$ 0</u>	<u>\$ (1,249,133)</u>	<u>\$ (305,000)</u>	<u>\$ (1,319,647)</u>	<u>\$ 70,514</u>
Net Change in Fund Balance	\$ 759,790	\$ 33,274	\$ 793,064	\$ (478,609)	\$ (2,401,006)	\$ 3,194,070
Fund Balance, July 1, 2022	<u>22,166,330</u>	<u>(33,274)</u>	<u>22,133,056</u>	<u>15,425,059</u>	<u>22,166,330</u>	<u>(33,274)</u>
Fund Balance, June 30, 2023	<u>\$ 22,926,120</u>	<u>\$ 0</u>	<u>\$ 22,926,120</u>	<u>\$ 14,946,450</u>	<u>\$ 19,765,324</u>	<u>\$ 3,160,796</u>

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

Exhibit C-6

Marshall 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	\$ 1,130,684	\$ 1,044,749	\$ 1,057,316	\$ 73,368
Other Local Revenues	3,289	500	500	2,789
State of Tennessee	2,816,618	3,049,832	3,049,832	(233,214)
Other Governments and Citizens Groups	25,000	0	25,000	0
Total Revenues	\$ 3,975,591	\$ 4,095,081	\$ 4,132,648	\$ (157,057)
<u>Expenditures</u>				
<u>Highways</u>				
Administration	\$ 268,289	\$ 280,126	\$ 280,126	\$ 11,837
Highway and Bridge Maintenance	2,154,423	2,410,335	2,435,335	280,912
Operation and Maintenance of Equipment	751,699	972,774	1,107,002	355,303
Other Charges	105,545	115,300	122,600	17,055
Employee Benefits	60,999	67,100	67,100	6,101
Capital Outlay	751,444	998,708	887,212	135,768
Total Expenditures	\$ 4,092,399	\$ 4,844,343	\$ 4,899,375	\$ 806,976
Excess (Deficiency) of Revenues Over Expenditures	\$ (116,808)	\$ (749,262)	\$ (766,727)	\$ 649,919
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 27,619	\$ 0	\$ 22,732	\$ 4,887
Transfers In	116,815	0	116,815	0
Total Other Financing Sources	\$ 144,434	\$ 0	\$ 139,547	\$ 4,887
Net Change in Fund Balance	\$ 27,626	\$ (749,262)	\$ (627,180)	\$ 654,806
Fund Balance, July 1, 2022	1,112,855	1,064,636	1,112,855	0
Fund Balance, June 30, 2023	\$ 1,140,481	\$ 315,374	\$ 485,675	\$ 654,806

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

Exhibit D-1

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

	<u>Custodial Funds</u>
<u>ASSETS</u>	
Cash	\$ 1,854,999
Equity in Pooled Cash and Investments	50,271
Accounts Receivable	48,687
Due from Other Governments	563,374
Total Assets	<u>\$ 2,517,331</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 563,374
Due to Litigants, Heirs, and Others	11,933
Total Liabilities	<u>\$ 575,307</u>
<u>NET POSITION</u>	
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 1,942,024</u>
Total Net Position	<u>\$ 1,942,024</u>

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

Exhibit D-2

Marshall 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	\$ 3,319,956
Fines/Fees and Other Collections	9,324,140
Other Collections	<u>1,089,946</u>
Total Additions	<u>\$ 13,734,042</u>
<u>DEDUCTIONS</u>	
Payment of Sales Tax Collections to Other Governments	\$ 3,319,956
Payments to State	5,210,046
Payments to City	2,642,490
Payments to Individuals and Others	<u>2,567,064</u>
Total Deductions	<u>\$ 13,739,556</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ (5,514)
Net Position, July 1, 2022	<u>1,947,538</u>
Net Position, June 30, 2023	<u><u>\$ 1,942,024</u></u>

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

MARSHALL COUNTY, TENNESSEE

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Marshall 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 Marshall County:

A. Reporting Entity

Marshall County is a public municipal corporation governed by an elected 18-member board. As required by GAAP, these financial statements present Marshall County (the primary government) and its component units. The financial statements of the Marshall County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of its 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 Marshall County School Department operates the public school system in the county, and the voters of Marshall 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 Marshall County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Marshall County, and the Marshall 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 Marshall County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

The Marshall County Board of Public Utilities provides water services for the citizens of Marshall County, and the Marshall County Commission appoints

its governing body. The public utility may not issue debt without county approval, and its budget is subject to the county commission's approval. Water sales are the major source of funding, with the county being contingently liable for any debt.

The Marshall County School Department and the Marshall County Board of Public Utilities do not issue separate financial statements from those of the county. Therefore, basic financial statements of the Marshall County School Department and the Marshall County Board of Public Utilities are included in this report as listed in the table of contents. Complete financial statements of the Marshall County Emergency Communications District can be obtained from its administrative office at the following address:

Administrative Office:

Marshall County Emergency Communications District
P.O. Box 2786
Lewisburg, TN 37091

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 Marshall 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 Marshall County School Department component unit only reports governmental activities in the government-wide financial statements while the Marshall County Board of Public Utilities component unit reports an enterprise fund.

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.

Marshall County issues all debt for the discretely presented Marshall County School Department and Marshall County Board of Public Utilities. There were no debt issues contributed by the county to the school department or board of public utilities during the year ended June 30, 2023.

Separate financial statements are provided for governmental funds and fiduciary funds. Fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

Fund financial statements of Marshall County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category.

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. Marshall County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the

related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

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

Marshall 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.

Other Capital Projects Fund – This fund accounts for various capital projects and capital outlay for the county. Local taxes are the foundational revenues of this fund.

Additionally, Marshall County reports the following fund type:

Custodial Funds – These funds account for amounts collected in a custodial capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Marshall County, assets being held in a custodial capacity for the Marshall County Joint Economic Development Board, and to account for payroll

processing of the Marshall County Emergency Communications District.

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

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

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

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

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>.

The discretely presented Marshall County Board of Public Utilities reports the following major proprietary fund:

Board of Public Utilities Fund – This fund accounts for water distribution services to areas of the county not served by existing municipal systems.

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.

The discretely presented Marshall County Public Utilities' proprietary fund (enterprise fund) distinguishes operating revenues and expenses from nonoperating items and is used to account for water distribution services to areas of the county not served by existing municipal systems. Operating revenues and expenses generally result from providing services in connection

with the fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges for services. Operating expenses for the enterprise fund include payments to vendors, administrative expenses, and employee benefits.

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

1. Deposits and Investments

For purposes of the Statement of Cash Flows for the discretely presented Board of Public Utilities Fund, cash includes cash on hand, demand deposits, and cash on deposit with the county trustee.

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

The county trustee maintains a cash and internal investment pool that is used by all funds, the discretely presented Marshall County School Department, and the discretely presented Marshall County Board of Public Utilities. 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. Marshall County, the school department, and the Board of Public Utilities 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. Marshall County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value.

2. Receivables and Payables

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

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

The Marshall County Board of Public Utilities' accounts receivable for water sales are shown without an allowance for uncollectibles. The utility does not provide an allowance for uncollectible accounts because of its ability to stop service for nonpaying customers.

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.

Marshall County has issued debt on behalf of the Marshall County Board of Public Utilities, a discretely precented component unit that is a part of Marshall County's reporting entity. Marshall County and the Marshall County Board of Public Utilities have entered into a legal agreement for the Marshall County Board of Public Utilities to repay Marshall County all of the debt service requirements as they become due. Marshall County has recognized a receivable for the debt in both the governmental funds and government-wide financial statements.

Most payables are disaggregated on the face of the financial statements. Current liabilities payable from restricted assets reflected in the Board of Public Utilities Fund represent funds on deposit with the county trustee for customer deposits (\$331,216) and developer's escrow (\$31,900).

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

3. Inventories

Inventories of the Marshall County Board of Public Utilities are recorded at cost, determined on the first-in, first-out method. Inventories are recorded as expenditures when consumed rather than when purchased.

4. **Restricted Assets**

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

5. **Capital Assets**

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

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, and similar items) are reported in the primary government, the discretely presented school department, and the discretely presented Board of Public Utilities columns 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 (\$25,000 infrastructure) and an estimated useful life of three years. 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. Interest incurred during the construction phase of capital assets of the Marshall County Board of Public Utilities Fund is included as part of the capitalized value of the assets constructed.

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	7 - 40
Other Capital Assets	5 - 20
Infrastructure:	
Roads	50
Bridges	50
Water Systems	50

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

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

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

7. **Compensated Absences**

It is the policy of the county, the discretely presented Marshall County School Department, and the discretely presented Marshall County Board of Public Utilities to permit employees to accumulate earned but unused vacation and sick leave benefits. There is no liability for unpaid accumulated sick leave since the county, the school department, and the board of public utilities do not have a policy to pay any amounts when employees separate from service with the government. All

vacation pay is accrued when incurred in the government-wide financial statements for the county and its discretely presented component units. A liability for vacation benefits is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

8. Long-term Debt and Long-term Obligations

In the government-wide financial statements and the Marshall County Board of Public Utilities' proprietary fund in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund 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 and other postemployment benefits, are recognized to the extent that the liabilities have matured (come due for payment) each period.

9. Net Position and Fund Balance

In the government-wide financial statements and the Marshall County Board of Public Utilities' proprietary fund in the fund financial statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages,

notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of restricted or net investment in capital assets.

As of June 30, 2023, Marshall County had \$18,704,727 in outstanding debt for capital purposes for the discretely presented Marshall County School Department. This debt is a liability of Marshall County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Marshall 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.

10. Minimum Fund Balance Policy

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

General Fund – 25 percent of current-year expenditures.

11. Prior-period Adjustment

The General Debt Service Fund reflects a prior-period adjustment in the amount of \$6,751,905 to properly reflect a receivable for a notes payable and bonded debt issued on behalf of the Marshall County Board of Public Utilities.

E. Pension Plans

Primary Government and the Discretely Presented Marshall County Board of Public Utilities

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 Marshall County’s participation in the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Marshall 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. The Marshall Board of Public Utilities participates in the Marshall County plan.

Discretely Presented Marshall County School Department

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

F. Other Postemployment Benefit (OPEB) Plan

Discretely Presented Marshall 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 Marshall 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 Marshall County School Department

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

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

Primary Government

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

Discretely Presented Marshall 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

A. Budgetary Information

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

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

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

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

At June 30, 2023, Marshall County and the Marshall County School Department reported the following significant encumbrances:

<u>Funds</u>	<u>Amount</u>
Primary Government:	
Major Fund:	
Other Capital Projects	\$ 752,792
Nonmajor Fund:	
Solid/Waste Sanitation	6,000
School Department:	
Major Funds:	
General Purpose School	2,541,802
Education Capital Projects	4,184,141
Nonmajor Fund:	
Central Cafeteria	6,726

B. Investigative Report

On September 22, 2023, the Comptroller's Division of Investigations issued an investigative report on the Marshall County Register of Deed's Office. This report disclosed the Register's spouse received at least \$299.05 in improper payroll payments while being absent from work at the register's office on three occasions from September 23, 2022, through February 3, 2023. The report is available at www.comptroller.tn.gov/ia.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Marshall County, the Marshall County School Department, and the Marshall County Board of Public Utilities 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 and investments reflected on the balance sheets or statements of net position represents nonpooled amounts held separately by individual funds.

Deposits

Legal Provisions. All deposits with financial institutions must be secured by one of three methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. Participating banks determine the aggregate balance of their public fund accounts for the State of Tennessee and its political subdivisions. The amount of collateral required to secure these public deposits must equal at least 90 percent of the average daily

balance of public deposits held. Collateral securities required to be pledged by the participating banks to protect their public fund accounts are pledged to the state treasurer on behalf of the bank collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

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

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

Investments

Legal Provisions. Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposit at state and federal chartered banks and savings and loan associations; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service;

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

Investment Balances. As of June 30, 2023, Marshall County had the following investments carried at fair value within the fair value hierarchy established by generally accepted accounting principles. All investments are in the county trustee’s investment pool. Separate disclosures concerning pooled investments cannot be made for Marshall County, the discretely presented Marshall County School Department, and the discretely presented Marshall County Board of Public Utilities since all pool their deposits and investments through the county trustee.

Investment	Maturities	Fair Value
U.S. Treasury Bills	9-7-23	\$ 4,996,405

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment by Fair Value Level	Fair Value 6-30-23			
U.S. Treasury Bills	\$ 4,996,405	\$ 4,996,405	\$ 0	\$ 0

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

TCRS Stabilization Trust

Legal Provisions. The Marshall 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 Marshall 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 Marshall 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	\$ 170,226
Developed Market International Equity	N/A	N/A	76,876
Emerging Market International Equity	N/A	N/A	21,965
U.S. Fixed Income	N/A	N/A	109,823
Real Estate	N/A	N/A	54,912
Short-term Securities	N/A	N/A	5,491
NAV - Private Equity and Strategic Lending	N/A	N/A	109,823
Total			<u>\$ 549,116</u>

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

B. Capital Assets

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

Primary Government - Governmental Activities:

	Balance 7-1-22	Increases	Decreases	Balance 6-30-23
Capital Assets Not Depreciated:				
Land	\$ 13,615,636	\$ 9,159	\$ 0	\$ 13,624,795
Construction in Progress	0	57,837	0	57,837
Total Capital Assets Not Depreciated	\$ 13,615,636	\$ 66,996	\$ 0	\$ 13,682,632
Capital Assets Depreciated:				
Buildings and Improvements	\$ 23,333,739	\$ 241,490	\$ 0	\$ 23,575,229
Infrastructure	35,766,130	1,097,268	0	36,863,398
Other Capital Assets	12,451,940	1,887,463	(591,558)	13,747,845
Total Capital Assets Depreciated	\$ 71,551,809	\$ 3,226,221	\$ (591,558)	\$ 74,186,472
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 9,346,925	\$ 564,957	\$ 0	\$ 9,911,882
Infrastructure	21,132,965	691,688	0	21,824,653
Other Capital Assets	9,076,078	941,032	(458,819)	9,558,291
Total Accumulated Depreciation	\$ 39,555,968	\$ 2,197,677	\$ (458,819)	\$ 41,294,826
Total Capital Assets Depreciated, Net	\$ 31,995,841	\$ 1,028,544	\$ (132,739)	\$ 32,891,646
Governmental Activities Capital Assets, Net	\$ 45,611,477	\$ 1,095,540	\$ (132,739)	\$ 46,574,278

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

Governmental Activities:

General Government	\$	209,218
Finance		5,807
Administration of Justice		5,996
Public Safety		435,870
Public Health and Welfare		637,880
Social, Cultural, and Recreational Services		1,659
Highway/Public Works		<u>901,247</u>
Total Depreciation Expense - Governmental Activities	\$	<u><u>2,197,677</u></u>

**Discretely Presented Marshall County School Department -
Governmental Activities:**

	Balance 7-1-22	Increases	Decreases	Balance 6-30-23
Capital Assets Not Depreciated:				
Land	\$ 2,804,140	\$ 0	\$ 0	\$ 2,804,140
Construction in Progress	<u>1,946,179</u>	<u>1,950,135</u>	<u>(2,677,599)</u>	<u>1,218,715</u>
Total Capital Assets Not Depreciated	<u>\$ 4,750,319</u>	<u>\$ 1,950,135</u>	<u>\$ (2,677,599)</u>	<u>\$ 4,022,855</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 95,946,258	\$ 6,397,373	\$ 0	\$ 102,343,631
Infrastructure	<u>154,324</u>	<u>0</u>	<u>0</u>	<u>154,324</u>
Other Capital Assets	<u>9,824,801</u>	<u>626,250</u>	<u>(201,749)</u>	<u>10,249,302</u>
Total Capital Assets Depreciated	<u>\$ 105,925,383</u>	<u>\$ 7,023,623</u>	<u>\$ (201,749)</u>	<u>\$ 112,747,257</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 52,886,184	\$ 2,266,226	\$ 0	\$ 55,152,410
Infrastructure	<u>55,693</u>	<u>7,717</u>	<u>0</u>	<u>63,410</u>
Other Capital Assets	<u>6,130,695</u>	<u>586,217</u>	<u>(138,779)</u>	<u>6,578,133</u>
Total Accumulated Depreciation	<u>\$ 59,072,572</u>	<u>\$ 2,860,160</u>	<u>\$ (138,779)</u>	<u>\$ 61,793,953</u>
Total Capital Assets Depreciated, Net	<u>\$ 46,852,811</u>	<u>\$ 4,163,463</u>	<u>\$ (62,970)</u>	<u>\$ 50,953,304</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 51,603,130</u></u>	<u><u>\$ 6,113,598</u></u>	<u><u>\$ (2,740,569)</u></u>	<u><u>\$ 54,976,159</u></u>

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

Governmental Activities:

Instruction	\$ 63,720
Support Services	2,754,598
Operation of Non-instructional Services	<u>41,842</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 2,860,160</u></u>

**Discretely Presented Marshall County Board of Public Utilities -
Business-type Activities:**

	Balance 7-1-22	Increases	Decreases	Balance 6-30-23
Capital Assets Not Depreciated:				
Land	\$ 659,901	\$ 0	\$ 0	\$ 659,901
Construction in Progress	104,272	3,817,755	0	3,922,027
Total Capital Assets Not Depreciated	<u>\$ 764,173</u>	<u>\$ 3,817,755</u>	<u>\$ 0</u>	<u>\$ 4,581,928</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 979,951	\$ 0	\$ 0	\$ 979,951
Infrastructure	30,071,128	0	0	30,071,128
Other Capital Assets	1,081,989	32,573	(35,204)	1,079,358
Total Capital Assets Depreciated	<u>\$ 32,133,068</u>	<u>\$ 32,573</u>	<u>\$ (35,204)</u>	<u>\$ 32,130,437</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 350,422	\$ 25,448	\$ 0	\$ 375,870
Infrastructure	10,172,092	542,245	0	10,714,337
Other Capital Assets	1,044,297	24,759	(35,204)	1,033,852
Total Accumulated Depreciation	<u>\$ 11,566,811</u>	<u>\$ 592,452</u>	<u>\$ (35,204)</u>	<u>\$ 12,124,059</u>
Total Capital Assets Depreciated, Net	<u>\$ 20,566,257</u>	<u>\$ (559,879)</u>	<u>\$ 0</u>	<u>\$ 20,006,378</u>
Business-type Activities Capital Assets, Net	<u><u>\$ 21,330,430</u></u>	<u><u>\$ 3,257,876</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 24,588,306</u></u>

Depreciation expense totaled \$592,452 for the year ended June 30, 2023.

Net Investment in Capital Assets

Capital Assets	\$ 24,588,306
Less:	
Outstanding principal of capital debt and other capital borrowings	<u>(6,418,715)</u>
Net Investment in Capital Assets	<u>\$ 18,169,591</u>

C. Construction Commitments

At June 30, 2023, the Marshall County Board of Public Utilities had uncompleted construction contracts of approximately \$4,452,029 for the 31A water system improvement project. Funding for these future expenditures is expected to be received from federal grants, water revenue and tax bond proceeds, and contributions from other local governments.

D. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
Nonmajor governmental	General	\$ 52,143

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

Due to/from Primary Government and Component Unit:

Receivable Fund	Payable Fund	Amount
Primary Government:	Component Unit:	
General Debt Service Fund	Marshall County Board of Public Utilities	\$ 6,418,715

The receivable from the public utilities represents amounts due to the county for debt issued on behalf of the public utilities.

Interfund Transfers:

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

Transfers Out	Transfers In				Purpose
	General Fund	Highway/ Public Works Fund	Other Capital Projects Fund	Nonmajor Governmental Funds	
General	\$ 0	\$ 116,815	\$ 0	\$ 0	Operations
"	0	0	71,340	0	Capital expenditures
"	0	0	0	53,205	Operations
"	0	0	0	1,076,448	"
Nonmajor governmental funds	45,000	0	0	0	"
Total	\$ 45,000	\$ 116,815	\$ 71,340	\$ 1,129,653	

Discretely Presented Marshall County School Department

Transfers Out	Transfers In		Purpose
	General Purpose School Fund	Education Capital Projects Fund	
General Purpose School Fund	\$ 0	\$ 270,000	Capital projects
School Federal Projects Fund	72,792	0	Operations
Total	\$ 72,792	\$ 270,000	

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.

E. Long-term Debt

Primary Government

General Obligation Bonds and Notes

General Obligation Bonds - Marshall 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 38 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 - Marshall County issues capital outlay notes to fund capital facilities and other capital outlay purchases, such as equipment for the primary government, discretely presented school department, and discretely presented board of public utilities. Capital outlay notes are also issued to fund water system improvements and extensions. Capital outlay notes are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes outstanding were issued for original terms of up to 13 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes included in long-term debt as of June 30, 2023, will be retired from the General Debt Service Fund.

General obligation bonds and capital outlay notes 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	2.81 to 3.86 %	12-1-44	\$ 19,495,000	\$ 15,680,000
General Obligation Bonds - Refunding	1.78	5-1-31	5,060,000	2,895,000
Water Revenue and Tax Bond	2.5	6-26-51	409,000	335,614
Water Revenue and Tax Bond - Refunding	1.897	6-1-36	7,005,000	4,860,000
Direct Borrowing and Direct Placement: Capital Outlay Notes	0.75 to 2	6-23-24	4,205,351	1,352,828

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2024	\$ 1,168,397	\$ 712,603	\$ 1,881,000
2025	1,193,610	684,090	1,877,700
2026	1,228,828	654,423	1,883,251
2027	1,259,051	623,513	1,882,564
2028	1,289,280	591,821	1,881,101
2029-2033	6,200,039	2,437,749	8,637,788
2034-2038	5,016,694	1,588,374	6,605,068
2039-2043	4,579,234	774,480	5,353,714
2044-2048	1,787,779	66,083	1,853,862
2049-2051	47,702	1,809	49,511
Total	\$ 23,770,614	\$ 8,134,945	\$ 31,905,559

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2024	\$ 1,352,828	\$ 312	\$ 1,353,140
Total	\$ 1,352,828	\$ 312	\$ 1,353,140

There is \$13,829,329 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$693 based on the 2020 federal census. Total debt per capita, including bonds and notes totaled \$732, based on the 2020 federal census.

The Marshall County Board of Public Utilities is currently contributing funds to service the debt issued on its behalf by the primary government as noted in the table below. This debt is reflected in the government-wide financial statements and General Debt Service Fund of the primary government as Due from Component Units and Due to Primary Government in the financial statements of the board of public utilities. During the year, the public utility paid principal of \$333,190 and interest of \$120,011 to the county related to this debt.

Description of Debt	Outstanding 6-30-23
<u>Bonds Payable</u>	
<u>Principal Payments Due from the Board of Public Utility</u>	
Water Revenue and Tax Bonds	\$ 335,614
Water Revenue and Tax Refunding Bonds	4,860,000
<u>Notes Payable - Direct Placement</u>	
<u>Principal Payments Due from the Board of Public Utility</u>	
Water Revenue and Tax Bond Anticipation Note	<u>1,223,101</u>
Total	<u>\$ 6,418,715</u>

Changes in Long-term Debt

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

Governmental Activities:

	Bonds	Notes - Direct Placement
Balance, July 1, 2022	\$ 24,913,804	\$ 1,610,716
Reductions	<u>(1,143,190)</u>	<u>(257,888)</u>
Balance, June 30, 2023	<u>\$ 23,770,614</u>	<u>\$ 1,352,828</u>
Balance Due Within One Year	<u>\$ 1,168,397</u>	<u>\$ 1,352,828</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2023	\$ 25,123,442
Less: Balance Due Within One Year - Debt	<u>(2,521,225)</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 22,602,217</u>

F. Long-term Obligations

Primary Government

Changes in Long-term Obligations

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

Governmental Activities:

	<u>Compensated Absences</u>
Balance, July 1, 2022	\$ 277,953
Additions	665,672
Reductions	<u>(556,149)</u>
Balance, June 30, 2023	<u><u>\$ 387,476</u></u>
Balance Due Within One Year	<u><u>\$ 387,476</u></u>

Compensated absences will be paid from the employing funds, primarily the General Fund.

Discretely Presented Marshall County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	<u>Compensated Absences</u>	<u>Other Postemployment Benefits</u>
Balance, July 1, 2022	\$ 195,414	\$ 7,401,358
Additions	226,918	809,286
Reductions	<u>(225,699)</u>	<u>(1,114,065)</u>
Balance, June 30, 2023	<u><u>\$ 196,633</u></u>	<u><u>\$ 7,096,579</u></u>
Balance Due Within One Year	<u><u>\$ 196,633</u></u>	<u><u>\$ 0</u></u>

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

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2023	\$ 7,293,212
Less: Balance Due Within One Year - Other	<u>(196,633)</u>
Noncurrent Liabilities - Due in	
More Than One Year - Other - Exhibit A	<u>\$ 7,096,579</u>

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

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Marshall County School Department. These payments are made by the state to the Local Education Group Insurance Plan. The plan is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2023, were \$104,503. 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

Primary Government and the Discretely Presented Marshall County Board of Public Utilities

Marshall County and the Marshall County Board of Public Utilities are exposed to various risks related to general liability, property, and casualty losses. In prior years, the county and the Board of Public Utilities decided it was more economically feasible to join a public entity risk pool instead of purchasing commercial insurance for general liability, property, and casualty coverage. The county and the Board of Public Utilities joined the Local Government Property and Casualty Fund (LGPCF), which is a public entity risk pool established by the Tennessee County Services Association, an association of member counties. The county and the Board of Public Utilities pay annual premiums to the LGPCF for their general liability, property, and casualty insurance coverage. The creation of the LGPCF provides for it to be self-sustaining through member premiums. The LGPCF reinsures through commercial insurance companies for claims exceeding \$250,000 for property and \$450,000 for liability for each insured event.

Marshall County and the Marshall County Board of Public Utilities participate in the Local Government Workers' Compensation Fund (LGWCF), a public entity risk pool established under provisions of Section 29-20-401, Tennessee Code Annotated, by the Tennessee County Services Association to provide a program of workers' compensation coverage to employees of local governments. The county pays an annual premium to the LGWCF for its workers'

compensation insurance coverage. The LGWCF is to be self-sustaining through member premiums. The LGWCF reinsures through commercial insurance companies for claims exceeding \$500,000.

Marshall County and the Marshall County Board of Public Utilities purchase commercial health insurance for employees of the primary government and the utility. Pre-65 age retirees are not allowed to participate in the health insurance program. Settled claims have not exceeded this commercial coverage.

Discretely Presented Marshall County School Department

The discretely presented Marshall County School Department participates 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 school department pays an annual premium to the TN-RMT for its general liability, property, casualty, and worker's compensation insurance coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

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

B. Accounting Changes

GASB Statement No. 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 county is involved in several pending lawsuits. The county attorney estimates that the potential claims against the county not covered by insurance resulting from such litigation would not materially affect the county's financial statements.

D. Changes in Administration

On February 28, 2023, Jesse Whaley, Jr. left the Board of Public Utilities and Mickey King, Board of Public Utilities Chairman, was given signature authority for operational purposes with no additional pay.

E. Joint Ventures

Primary Government

The Marshall County Joint Economic Development Board is a joint venture between Marshall County, the city of Lewisburg, and the towns of Chapel Hill, Petersburg, and Cornersville. The board comprises the county mayor, city mayor, town administrators, and 16 additional members. The purpose of the board is to foster communication and facilitate economic and community development between and among governmental entities, industry, and private citizens. The city, towns, and county provide the majority of funding for the board based on the percentage of its population compared to the total census of the county. Marshall County has been designated as the fiscal agent for the board and accounts for its activities through the Community Development - Custodial Fund, which is included in the financial statements of this report.

Marshall County contributed \$60,433 to the operations of the board during the year ended June 30, 2023.

The Seventeenth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Seventeenth Judicial District, Lincoln, Moore, and Marshall 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 the judicial district. Marshall County did not contribute any funds to the DTF for the year ended June 30, 2023.

Marshall County does not have an equity interest in any of the above-noted joint ventures. Complete financial statements for the DTF can be obtained from its administrative office at the following address:

Administrative Office:

Office of District Attorney General
Seventeenth Judicial District Drug Task Force
P.O. Box 878
Fayetteville, TN 37334

Discretely Presented Marshall County School Department

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 participating county school systems, city school systems, and certain special school districts. The cooperative was authorized through Chapter 49 of *Tennessee Code Annotated* 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 (Dickson County School Department) and a service provider to provide 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.

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

Administrative Office:

Volunteer State Cooperative
220 McLemore Street
Dickson, TN 37055

F. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Marshall County, non-certified employees of the discretely presented Marshall County School Department, and employees of the discretely presented Marshall County Board of Public Utilities 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 58.98 percent, the non-certified employees of the discretely presented school department comprised 37.29 percent, and employees of the discretely presented Marshall County Board of Public Utilities comprised 3.73 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	286
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	497
Active Employees	487
Total	<u>1,270</u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary to the plan. Marshall 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 Marshall County were \$1,350,790 based on a rate of 7.5 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Marshall 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)

Marshall 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 more closely reflect actual and expected future experience.

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

Asset Class	Percentage 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 Marshall 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	\$ 52,628,470	\$ 61,710,586	\$ (9,082,116)
Changes for the Year:			
Service Cost	\$ 1,632,405	\$ 0	\$ 1,632,405
Interest	3,582,098	0	3,582,098
Differences Between Expected and Actual Experience	2,787,984	0	2,787,984
Contributions-Employer	0	1,312,308	(1,312,308)
Contributions-Employees	0	924,495	(924,495)
Net Investment Income	0	(2,357,054)	2,357,054
Benefit Payments, Including Refunds of Employee Contributions	(2,385,501)	(2,385,501)	0
Administrative Expense	0	(47,850)	47,850
Net Changes	\$ 5,616,986	\$ (2,553,602)	\$ 8,170,588
Balance, June 30, 2022	\$ 58,245,456	\$ 59,156,984	\$ (911,528)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	58.98%	\$ 34,353,170	\$ 34,890,789	\$ (537,619)
School Department	37.29%	21,719,730	22,059,639	(339,909)
Public Utilities	3.73%	2,172,556	2,206,556	(34,000)
Total		\$ 58,245,456	\$ 59,156,984	\$ (911,528)

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

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

Net Pension Liability (Asset) \$ 6,988,427 \$ (911,528) \$ (7,423,570)

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, Marshall County recognized pension expense (negative pension expense) of \$1,020,771.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, Marshall 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	\$ 2,130,041	\$ 606,061
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	158,455	0
Changes in Assumptions	2,333,221	0
Contributions Subsequent to the Measurement Date of June 30, 2022 (1)	1,350,790	N/A
Total	\$ 5,972,507	\$ 606,061

- (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 following 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	\$ 3,511,713	\$ 357,455
School Department	2,235,216	226,000
Public Utilities	225,578	22,606
Total	<u>\$ 5,972,507</u>	<u>\$ 606,061</u>

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

Year Ending June 30	Amount
2024	\$ 955,782
2025	933,943
2026	822,753
2027	1,303,178
2028	0
Thereafter	0

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

Discretely Presented Marshall County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Marshall County, non-certified employees of the discretely presented Marshall County School Department, and employees of the discretely presented Marshall County Board of Public Utilities are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 58.98 percent, the non-certified employees of the discretely presented school department comprise 37.29 percent, and employees of the discretely presented Marshall County Board of Public Utilities comprise 3.73 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the Marshall 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 \$186,525, which is 2.87 percent of covered payroll. In addition, employer contributions of \$73,440, 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, 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 (\$108,730) 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 .358934 percent. The proportion as of June 30, 2021, was .356074 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2023, the Marshall County School Department recognized pension expense (negative pension expense) of \$154,742.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, the school department reported deferred outflows 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	\$ 5,945	\$ 66,061
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	34,272	0
Changes in Assumptions	127,372	0
Changes in Proportion of Net Pension Liability (Asset)	19,151	10,703
LEA's Contributions Subsequent to the Measurement Date of June 30, 2022	186,525	N/A
Total	\$ 373,265	\$ 76,764

The school department's employer contributions of \$186,525, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the 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	\$ 3,574
2025	3,923
2026	(1,709)
2027	57,985
2028	7,375
Thereafter	38,828

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 more closely reflect actual and expected future experience.

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

Asset Class	Percentage 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 net pension liability (asset) of Marshall County calculated using the discount rate of 6.75 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75 percent) or one percentage point higher (7.75 percent) than the current rate:

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

Net Pension Liability (Asset) \$ 570,771 \$ (108,730) \$ (604,975)

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 Marshall 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 Marshall County School Department for the year ended June 30, 2023, to the Teacher Legacy Pension Plan were \$1,471,441, 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 (\$6,226,658) 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 .507716 percent. The proportion measured at June 30, 2021, was .510754 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2023, the school department recognized pension expense (negative pension expense) of \$68,681.

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	\$ 1,024,262	\$ 1,052,116
Changes in Assumptions	3,900,701	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	106,473	0
Changes in Proportion of Net Pension Liability (Asset)	54,809	14,212
LEA's Contributions Subsequent to the Measurement Date of June 30, 2022	1,471,441	N/A
Total	<u>\$ 6,557,686</u>	<u>\$ 1,066,328</u>

The school department's employer contributions of \$1,471,441 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the 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	\$ 639,468
2025	1,166,437
2026	(1,072,413)
2027	3,286,425
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 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 more closely reflect actual and expected future experience.

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

Asset Class	Percentage 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 net pension liability (asset) of Marshall County calculated using the discount rate of 6.75 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75 percent) or one percentage point higher (7.75 percent) than the current rate:

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) \$ 12,332,863 \$ (6,226,658) \$ (21,685,506)

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**

Marshall County, the Marshall County School Department, and the Marshall County Board of Public Utilities offer their employees a deferred compensation plan established pursuant to IRC Section 457. All costs of administering and funding this program are the responsibility of plan participants. The Section 457 plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Section 457 establishes participation, contribution, and withdrawal provisions for the plan.

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 \$347,618 to this deferred compensation pension plan.

G. **Other Postemployment Benefits (OPEB)**

Discretely Presented Marshall County School Department

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

OPEB Provided through a State Administered Public Entity Risk Pool

The Marshall County School Department provides healthcare benefits to its certified retirees under the Local Education Plan (LEP) until they reach Medicare eligibility. The certified retirees of Marshall 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 school department's total OPEB liability for the 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%, based on the daily rate of Bond Buyer's 20-year Municipal GO AA index closest to but not later than the measurement date.

Mortality rates were based on the results of a statewide experience study undertaken on behalf of the Tennessee Consolidated Retirement System (TCRS). These mortality rates were used in the July 1, 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, 2020, 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 projected generationally with MP-2020 from 2010. Post-retirement rates are headcount-weighted below median healthy annuitant and adjusted with a 19 percent load for males and an 18 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 decreased the total OPEB liability. Other changes in assumptions include adjustments to initial per capita costs and health trend rates. The trend rate applicable to the 2022 plan year was revised from 7.36 percent to 8.37 percent.

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

Plan Description. Employees of the Marshall 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 Marshall 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 the retiree premiums. Upon meeting requirements for full retirement with the Tennessee Consolidated Retirement System, an eligible employee must have at least 10 years of credible service to continue group health insurance coverage. With at least 15 years of non-consecutive service with the Marshall County School Department, of which, the last five years of service was with the school system participating in the LEP, retirees are eligible to receive a monthly direct subsidy toward the cost of their insurance premiums. The monthly subsidy is based on years of service and

ranges from \$199 to \$399 for certified teachers and from \$434 to \$621 for support staff, based on the insurance plan selected by the retiree. 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 by the state 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:

Inactive Employees or Beneficiaries Currently Receiving Benefits	27
Inactive Employees Entitled To But Not Yet Receiving Benefits	1
Active Employees Eligible for Benefits	<u>408</u>
Total	<u><u>436</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 \$260,657 to the LEP for OPEB benefits as they came due.

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

	<u>Share of Collective Liability</u>		
	Marshall County School Department 68.06%	State of TN 31.94%	Total OPEB Liability
Balance July 1, 2021	\$ 7,401,358	\$ 3,198,332	\$ 10,599,690
Changes for the Year:			
Service Cost	\$ 404,101	\$ 189,642	\$ 593,743
Interest	162,416	76,221	238,637
Changes in Benefit Terms	(25,422)	(11,931)	(37,353)
Difference between Expected and Actual Experience	242,769	113,930	356,699
Changes in Assumptions	(702,393)	(329,627)	(1,032,020)
Change in Proportion	(187,212)	187,212	0
Benefit Payments	(199,038)	(93,407)	(292,445)
Net Changes	\$ (304,779)	\$ 132,040	\$ (172,739)
Balance June 30, 2022	\$ 7,096,579	\$ 3,330,372	\$ 10,426,951

The Marshall 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 Marshall County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$260,388 in revenue for subsidies provided by non-employer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Marshall County School Department's proportionate share of the collective OPEB liability was 68.06 percent and the State of Tennessee's share was 31.94 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 \$783,587, 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	\$ 849,880	\$ 582,000
Changes of Assumptions and Other Inputs	645,094	1,000,730
Changes in Proportion and Differences Between Amounts Paid as Benefits Came Due and Proportionate Share Amounts Paid by the Employer and Nonemployer Contributors As Benefits Came Due	428,675	564,730
Benefits Paid After the Measurement Date of June 30, 2022	260,657	N/A
Total	<u>\$ 2,184,306</u>	<u>\$ 2,147,460</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	School Department
2024	\$ (17,896)
2025	(17,896)
2026	(17,896)
2027	(17,896)
2028	7,766
Thereafter	(159,993)

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

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

<u>Discount Rate</u>	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
Proportionate Share of the Collective Total OPEB Liability	\$ 7,629,328	\$ 7,096,579	\$ 6,589,152

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

<u>Healthcare Cost Trend Rate</u>	1% Decrease 7.37 to 3.5%	Current Rate 8.37 to 4.5%	1% Increase 9.37 to 5.5%
Proportionate Share of the Collective Total OPEB Liability	\$ 6,353,588	\$ 7,096,579	\$ 7,959,297

H. Office of Central Accounting and Budgeting

Marshall County operates under provisions of Chapter 17, Private Acts of 2005, which provide for a central system of accounting and budgeting covering funds administered by the county mayor and highway superintendent. These funds are maintained in the Office of Director of Accounts and Budgets.

I. Purchasing Laws

Office of County Mayor

Purchasing procedures for this office are governed by the County Purchasing Law of 1983, Sections 5-14-201 through 5-14-207, *Tennessee Code Annotated (TCA)*, which provide for competitive bids on all purchases exceeding \$25,000. Chapter 17, Private Acts of 2005, requires that purchases exceeding \$2,500 be approved in advance by the director of accounts and budgets.

Office of Highway Superintendent

Purchasing procedures for the highway department are governed by Chapter 17, Private Acts of 2005, and the Uniform Road Law, Section 54-7-113, *TCA*. Competitive bids are required to be solicited through

newspaper advertisement for all purchases exceeding \$25,000, and purchases exceeding \$2,500 are required to have prior approval by the director of accounts and budgets.

Office of Director of Schools

Purchasing procedures for the Marshall County School Department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, *TCA*, which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. This statute also requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$25,000.

Office of Board of Public Utilities

The utility has a general policy of requiring all purchases exceeding \$25,000 to be made after public advertisement and solicitation of competitive bids.

J. Subsequent Events

Chad Dennis became Board of Public Utilities Manager effective September 19, 2023.

On November 9, 2023, Marshall County issued \$3,347,000 in water revenue and tax bonds.

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit E-1

Marshall 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	\$ 1,004,774	\$ 1,074,330	\$ 1,099,290	\$ 1,188,940	\$ 1,337,272	\$ 1,346,083	\$ 1,430,556	\$ 1,431,744	\$ 1,632,405
Interest	2,357,662	2,511,475	2,699,260	2,821,041	2,922,982	3,076,587	3,267,311	3,413,676	3,582,098
Differences Between Actual and Expected Experience	194,505	555,152	(504,622)	(501,622)	(141,570)	195,273	(520,168)	(663,325)	2,787,984
Change in Assumptions	0	0	0	935,711	0	0	0	3,888,703	0
Benefit Payments, Including Refunds of Employee Contributions	(1,570,856)	(1,580,468)	(1,743,780)	(1,775,873)	(2,002,704)	(2,014,905)	(2,128,583)	(2,191,534)	(2,385,501)
Net Change in Total Pension Liability	\$ 1,986,085	\$ 2,560,489	\$ 1,550,148	\$ 2,668,197	\$ 2,115,980	\$ 2,603,038	\$ 2,049,116	\$ 5,879,264	\$ 5,616,986
Total Pension Liability, Beginning	31,216,153	33,202,238	35,762,727	37,312,875	39,981,072	42,097,052	44,700,090	46,749,206	52,628,470
Total Pension Liability, Ending (a)	\$ 33,202,238	\$ 35,762,727	\$ 37,312,875	\$ 39,981,072	\$ 42,097,052	\$ 44,700,090	\$ 46,749,206	\$ 52,628,470	\$ 58,245,456
Plan Fiduciary Net Position									
Contributions - Employer	\$ 1,181,756	\$ 803,925	\$ 813,697	\$ 871,778	\$ 1,041,617	\$ 1,106,587	\$ 1,181,036	\$ 1,199,569	\$ 1,312,308
Contributions - Employee	594,063	609,918	606,001	665,448	696,649	739,361	797,627	843,103	924,495
Net Investment Income	5,038,837	1,091,679	961,943	4,182,657	3,386,484	3,270,661	2,330,942	12,674,556	(2,357,054)
Benefit Payments, Including Refunds of Employee Contributions	(1,570,856)	(1,580,468)	(1,743,780)	(1,775,873)	(2,002,704)	(2,014,905)	(2,128,583)	(2,191,534)	(2,385,501)
Administrative Expense	(17,256)	(22,195)	(32,656)	(39,506)	(43,635)	(41,633)	(43,474)	(43,299)	(47,850)
Other	0	0	3,240	0	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 5,226,544	\$ 902,859	\$ 608,445	\$ 3,904,504	\$ 3,078,411	\$ 3,060,071	\$ 2,137,548	\$ 12,482,395	\$ (2,553,602)
Plan Fiduciary Net Position, Beginning	30,309,809	35,536,353	36,439,212	37,047,657	37,047,657	44,030,572	47,090,643	49,228,191	61,710,586
Plan Fiduciary Net Position, Ending (b)	\$ 35,536,353	\$ 36,439,212	\$ 37,047,657	\$ 40,952,161	\$ 40,126,068	\$ 47,090,643	\$ 49,228,191	\$ 61,710,586	\$ 59,156,984
Net Pension Liability (Asset), Ending (a - b)	\$ (2,334,115)	\$ (676,485)	\$ 265,218	\$ (971,089)	\$ 1,970,984	\$ (2,390,553)	\$ (2,478,985)	\$ (9,082,116)	\$ (911,528)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	107.03%	101.89%	99.29%	102.43%	104.59%	105.35%	105.30%	117.26%	101.56%
Covered Payroll	\$ 11,889,021	\$ 12,192,494	\$ 12,241,399	\$ 13,228,793	\$ 13,888,192	\$ 14,754,470	\$ 15,747,128	\$ 15,987,206	\$ 17,251,965
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(19.63)%	(5.55)%	2.17%	(7.34)%	(13.92)%	(16.20)%	(15.74)%	(56.81)%	(5.28)%

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 the discretely presented Board of Public Utilities and the non-certified employees of the discretely presented school department.

Exhibit E-2

Marshall 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	\$ 1,181,756	\$ 803,925	\$ 813,697	\$ 613,816	\$ 622,191	\$ 675,756	\$ 708,621	\$ 719,741	\$ 787,385	\$ 1,015,794
Less: Contributions in Relation to the Actuarially Determined Contribution	(1,181,756)	(803,925)	(813,697)	(871,778)	(1,041,617)	(1,106,587)	(1,181,036)	(1,199,569)	(1,312,308)	(1,350,790)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ (257,962)	\$ (419,426)	\$ (430,831)	\$ (472,415)	\$ (479,828)	\$ (524,923)	\$ (334,996)
Covered Payroll	\$ 11,889,021	\$ 12,192,494	\$ 12,241,399	\$ 13,228,793	\$ 13,888,192	\$ 14,754,470	\$ 15,747,128	\$ 15,987,206	\$ 17,251,965	\$ 18,010,533
Contributions as a Percentage of Covered Payroll	9.94%	6.59%	6.65%	6.59%	7.50%	7.50%	7.50%	7.50%	7.61%	7.50%

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 the discretely presented Board of Public Utilities and the non-certified employees of the discretely presented school department.

Exhibit E-3

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually Required Contribution	\$ 43,779	\$ 71,190	\$ 95,264	\$ 126,656	\$ 80,189	\$ 99,850	\$ 103,807	\$ 123,204	\$ 186,525
Less: Contributions in Relation to the Contractually Required Contribution	(43,779)	(71,190)	(95,264)	(126,656)	(80,189)	(99,850)	(103,807)	(123,204)	(186,525)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 1,094,463	\$ 1,779,754	\$ 2,381,591	\$ 3,166,411	\$ 4,133,489	\$ 4,918,694	\$ 5,138,938	\$ 6,287,476	\$ 6,499,115
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.00%	1.94%	2.03%	2.02%	1.96%	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

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually Required Contribution	\$ 1,717,390	\$ 1,675,968	\$ 1,658,502	\$ 1,673,159	\$ 1,659,365	\$ 1,856,168	\$ 1,793,125	\$ 1,721,645	\$ 1,720,988	\$ 1,471,441
Less: Contributions in Relation to the Contractually Required Contribution	(1,717,390)	(1,675,968)	(1,658,502)	(1,673,159)	(1,659,365)	(1,856,168)	(1,793,125)	(1,721,645)	(1,720,988)	(1,471,441)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 19,339,980	\$ 18,539,464	\$ 18,346,239	\$ 18,508,367	\$ 18,274,936	\$ 17,745,372	\$ 16,868,537	\$ 16,763,816	\$ 16,708,615	\$ 16,932,578
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.08%	10.46%	10.63%	10.27%	10.30%	8.69%

Exhibit E-5

Marshall County, Tennessee
Schedule of Proportionate Share of the Net Pension Liability (Asset)
in the Teacher Retirement Plan of TCRS
Discretely Presented Marshall 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)	0.515889%	0.404487%	0.362863%	0.362339%	0.390613%	0.389779%	0.356074%	0.358934%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (21,191)	\$ (42,108)	\$ (95,734)	\$ (164,331)	\$ (220,496)	\$ (221,644)	\$ (385,704)	\$ (108,730)
Covered Payroll	\$ 1,094,463	\$ 1,779,754	\$ 2,381,591	\$ 3,166,411	\$ 4,133,489	\$ 4,918,694	\$ 5,138,938	\$ 6,287,476
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.02)%	(5.19)%	(5.33)%	(4.51)%	(7.51)%	(1.73)%
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

Marshall County, Tennessee
Schedule of Proportionate Share of the Net Pension Liability (Asset)
in the Teacher Legacy Pension Plan of TCRS
Discretely Presented Marshall 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)	0.492739%	0.495244%	0.508235%	0.523583%	0.521892%	0.529217%	0.506828%	0.510754%	0.507716%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (80,068)	\$ 202,869	\$ 3,176,187	\$ (171,307)	\$ (1,836,492)	\$ (5,441,301)	\$ (3,864,934)	\$ (22,030,062)	\$ (6,226,658)
Covered Payroll	\$ 19,339,980	\$ 18,539,464	\$ 18,346,239	\$ 18,508,367	\$ 18,274,936	\$ 17,745,372	\$ 16,868,537	\$ 16,763,816	\$ 16,708,615
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41)%	1.09%	17.31%	(0.93)%	(10.05)%	(30.66)%	(22.91)%	(131.41)%	(37.27)%
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

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

	2017	2018	2019	2020	2021	2022
Total OPEB Liability						
Service Cost	\$ 538,139	\$ 498,120	\$ 687,311	\$ 500,235	\$ 537,477	\$ 593,743
Interest	261,492	315,270	401,421	346,335	227,312	238,637
Changes in Benefit Terms	0	0	(1,389,117)	0	0	(37,353)
Differences Between Actual and Expected Experience	0	1,184,072	236,897	(1,274,309)	242,912	356,699
Changes in Assumptions	(423,194)	452,558	(672,643)	1,062,282	(14,255)	(1,032,020)
Benefit Payments	(428,126)	(443,364)	(372,185)	(223,808)	(282,280)	(292,445)
Net Change in Total OPEB Liability	\$ (51,689)	\$ 2,006,656	\$ (1,108,316)	\$ 410,735	\$ 711,166	\$ (172,739)
Total OPEB Liability, Beginning	8,631,138	8,579,449	10,586,105	9,477,789	9,888,524	10,599,690
Total OPEB Liability, Ending	<u>\$ 8,579,449</u>	<u>\$ 10,586,105</u>	<u>\$ 9,477,789</u>	<u>\$ 9,888,524</u>	<u>\$ 10,599,690</u>	<u>\$ 10,426,951</u>
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 2,809,246	\$ 2,475,719	\$ 2,391,911	\$ 2,741,714	\$ 3,198,332	\$ 3,330,372
Employer Proportionate Share of the Total OPEB Liability	5,770,203	8,110,386	7,085,878	7,146,810	7,401,358	7,096,579
Covered Employee Payroll	\$ 27,319,044	\$ 28,084,801	\$ 27,672,700	\$ 27,590,968	\$ 27,884,165	\$ 29,114,268
Employer Proportionate Share of the Total OPEB Liability as a Percentage of Covered Employee Payroll	21.12%	28.88%	25.61%	25.90%	26.54%	24.37%

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:

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.

MARSHALL 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 fiscal year 2023 were calculated based on the June 30, 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.

Juvenile Services Fund – The Juvenile Services Fund is used to account for the costs of the delinquency prevention officer's grant, programs, and services.

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for the Marshall/Maury Municipal Planning Region.

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

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

Capital Projects Funds

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

Community Development/Industrial Park Fund – The Community Development/Industrial Park Fund is used to account for and report financial resources that are committed for community development projects.

Highway Capital Projects Fund – The Highway Capital Projects Fund is used to account for highway-related capital expenditures of the county.

Exhibit F-1

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

	Special Revenue Funds				Capital Projects Funds
	Juvenile Services	Solid Waste / Sanitation	Drug Control	Total	Community Development/ Industrial Park
ASSETS					
Equity in Pooled Cash and Investments	\$ 54,966	\$ 2,617,082	\$ 99,470	\$ 2,771,518	\$ 1,053,381
Accounts Receivable	0	76,805	0	76,805	0
Due from Other Governments	0	16,978	0	16,978	0
Due from Other Funds	0	0	0	0	0
Total Assets	<u>\$ 54,966</u>	<u>\$ 2,710,865</u>	<u>\$ 99,470</u>	<u>\$ 2,865,301</u>	<u>\$ 1,053,381</u>
LIABILITIES					
Accounts Payable	\$ 0	\$ 7,711	\$ 0	\$ 7,711	\$ 0
Payroll Deductions Payable	0	6,454	0	6,454	0
Total Liabilities	<u>\$ 0</u>	<u>\$ 14,165</u>	<u>\$ 0</u>	<u>\$ 14,165</u>	<u>\$ 0</u>
FUND BALANCES					
Restricted:					
Restricted for Public Safety	\$ 0	\$ 0	\$ 99,470	\$ 99,470	\$ 0
Restricted for Capital Projects	0	0	0	0	0
Committed:					
Committed for Administration of Justice	54,966	0	0	54,966	0
Committed for Public Health and Welfare	0	2,690,700	0	2,690,700	0
Committed for Capital Projects	0	0	0	0	1,053,381
Assigned:					
Assigned for Public Health and Welfare	0	6,000	0	6,000	0
Total Fund Balances	<u>\$ 54,966</u>	<u>\$ 2,696,700</u>	<u>\$ 99,470</u>	<u>\$ 2,851,136</u>	<u>\$ 1,053,381</u>
Total Liabilities and Fund Balances	<u>\$ 54,966</u>	<u>\$ 2,710,865</u>	<u>\$ 99,470</u>	<u>\$ 2,865,301</u>	<u>\$ 1,053,381</u>

(Continued)

Exhibit F-1

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

ASSETS

Equity in Pooled Cash and Investments
Accounts Receivable
Due from Other Governments
Due from Other Funds

Total Assets

LIABILITIES

Accounts Payable
Payroll Deductions Payable
Total Liabilities

FUND BALANCES

Restricted:

 Restricted for Public Safety
 Restricted for Capital Projects

Committed:

 Committed for Administration of Justice
 Committed for Public Health and Welfare
 Committed for Capital Projects

Assigned:

 Assigned for Public Health and Welfare

Total Fund Balances

Total Liabilities and Fund Balances

<u>Capital Projects Funds (Cont.)</u>			Total Nonmajor Governmental Funds
Highway Capital Projects	Total		
\$ 812,914	\$ 1,866,295	\$	4,637,813
0	0		76,805
0	0		16,978
52,143	52,143		52,143
\$ 865,057	\$ 1,918,438	\$	4,783,739
\$ 0	\$ 0	\$	7,711
0	0		6,454
\$ 0	\$ 0	\$	14,165
\$ 0	\$ 0	\$	99,470
865,057	865,057		865,057
0	0		54,966
0	0		2,690,700
0	1,053,381		1,053,381
0	0		6,000
\$ 865,057	\$ 1,918,438	\$	4,769,574
\$ 865,057	\$ 1,918,438	\$	4,783,739

Exhibit F-2

Marshall 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 Projects Funds
	Juvenile Services	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total	Community Development/ Industrial Park
<u>Revenues</u>						
Local Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fines, Forfeitures, and Penalties	30,042	0	14,960	0	45,002	0
Charges for Current Services	0	906,597	0	7,494	914,091	0
Other Local Revenues	0	835,539	1,281	0	836,820	0
State of Tennessee	0	56,482	0	0	56,482	0
Total Revenues	\$ 30,042	\$ 1,798,618	\$ 16,241	\$ 7,494	\$ 1,852,395	\$ 0
<u>Expenditures</u>						
Current:						
Finance	\$ 0	\$ 0	\$ 0	\$ 375	\$ 375	\$ 0
Administration of Justice	6,106	0	0	7,119	13,225	0
Public Safety	0	0	2,746	0	2,746	0
Public Health and Welfare	0	1,859,268	0	0	1,859,268	0
Other Operations	0	0	0	0	0	23,067
Capital Projects	0	0	0	0	0	0
Total Expenditures	\$ 6,106	\$ 1,859,268	\$ 2,746	\$ 7,494	\$ 1,875,614	\$ 23,067
Excess (Deficiency) of Revenues Over Expenditures	\$ 23,936	\$ (60,650)	\$ 13,495	\$ 0	\$ (23,219)	\$ (23,067)
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 0	\$ 192,431	\$ 0	\$ 0	\$ 192,431	\$ 0
Transfers In	0	53,205	0	0	53,205	1,076,448
Transfers Out	(45,000)	0	0	0	(45,000)	0
Total Other Financing Sources (Uses)	\$ (45,000)	\$ 245,636	\$ 0	\$ 0	\$ 200,636	\$ 1,076,448
Net Change in Fund Balances	\$ (21,064)	\$ 184,986	\$ 13,495	\$ 0	\$ 177,417	\$ 1,053,381
Fund Balance, July 1, 2022	76,030	2,511,714	85,975	0	2,673,719	0
Fund Balance, June 30, 2023	\$ 54,966	\$ 2,696,700	\$ 99,470	\$ 0	\$ 2,851,136	\$ 1,053,381

(Continued)

Exhibit F-2

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

	<u>Capital Projects Funds (Cont.)</u>		Total Nonmajor Governmental Funds
	Highway Capital Projects	Total	
<u>Revenues</u>			
Local Taxes	\$ 303,161	\$ 303,161	\$ 303,161
Fines, Forfeitures, and Penalties	0	0	45,002
Charges for Current Services	0	0	914,091
Other Local Revenues	0	0	836,820
State of Tennessee	0	0	56,482
Total Revenues	<u>\$ 303,161</u>	<u>\$ 303,161</u>	<u>\$ 2,155,556</u>
<u>Expenditures</u>			
Current:			
Finance	\$ 0	\$ 0	\$ 375
Administration of Justice	0	0	13,225
Public Safety	0	0	2,746
Public Health and Welfare	0	0	1,859,268
Other Operations	0	23,067	23,067
Capital Projects	156,088	156,088	156,088
Total Expenditures	<u>\$ 156,088</u>	<u>\$ 179,155</u>	<u>\$ 2,054,769</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 147,073</u>	<u>\$ 124,006</u>	<u>\$ 100,787</u>
<u>Other Financing Sources (Uses)</u>			
Insurance Recovery	\$ 0	\$ 0	\$ 192,431
Transfers In	0	1,076,448	1,129,653
Transfers Out	0	0	(45,000)
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 1,076,448</u>	<u>\$ 1,277,084</u>
Net Change in Fund Balances	\$ 147,073	\$ 1,200,454	\$ 1,377,871
Fund Balance, July 1, 2022	<u>717,984</u>	<u>717,984</u>	<u>3,391,703</u>
Fund Balance, June 30, 2023	<u>\$ 865,057</u>	<u>\$ 1,918,438</u>	<u>\$ 4,769,574</u>

Exhibit F-3

Marshall County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Juvenile Services 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	\$ 30,042	\$ 51,000	\$ 51,000	\$ (20,958)
Total Revenues	\$ 30,042	\$ 51,000	\$ 51,000	\$ (20,958)
<u>Expenditures</u>				
<u>Administration of Justice</u>				
Juvenile Court	\$ 6,106	\$ 7,600	\$ 7,600	\$ 1,494
Total Expenditures	\$ 6,106	\$ 7,600	\$ 7,600	\$ 1,494
Excess (Deficiency) of Revenues Over Expenditures	\$ 23,936	\$ 43,400	\$ 43,400	\$ (19,464)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (45,000)	\$ (45,000)	\$ (45,000)	\$ 0
Total Other Financing Sources	\$ (45,000)	\$ (45,000)	\$ (45,000)	\$ 0
Net Change in Fund Balance	\$ (21,064)	\$ (1,600)	\$ (1,600)	\$ (19,464)
Fund Balance, July 1, 2022	76,030	82,842	76,030	0
Fund Balance, June 30, 2023	\$ 54,966	\$ 81,242	\$ 74,430	\$ (19,464)

Exhibit F-4

Marshall County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Solid Waste/Sanitation Fund
For the Year Ended June 30, 2023

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 906,597	\$ 0	\$ 0	\$ 906,597	\$ 720,000	\$ 720,000	\$ 186,597
Other Local Revenues	835,539	0	0	835,539	1,070,000	1,070,000	(234,461)
State of Tennessee	56,482	0	0	56,482	65,100	65,100	(8,618)
Total Revenues	<u>\$ 1,798,618</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,798,618</u>	<u>\$ 1,855,100</u>	<u>\$ 1,855,100</u>	<u>\$ (56,482)</u>
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Sanitation Management	\$ 1,859,268	\$ (71,206)	\$ 6,000	\$ 1,794,062	\$ 1,690,426	\$ 1,945,159	\$ 151,097
Total Expenditures	<u>\$ 1,859,268</u>	<u>\$ (71,206)</u>	<u>\$ 6,000</u>	<u>\$ 1,794,062</u>	<u>\$ 1,690,426</u>	<u>\$ 1,945,159</u>	<u>\$ 151,097</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (60,650)</u>	<u>\$ 71,206</u>	<u>\$ (6,000)</u>	<u>\$ 4,556</u>	<u>\$ 164,674</u>	<u>\$ (90,059)</u>	<u>\$ 94,615</u>
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 192,431	\$ 0	\$ 0	\$ 192,431	\$ 0	\$ 0	\$ 192,431
Transfers In	53,205	0	0	53,205	0	53,206	(1)
Total Other Financing Sources	<u>\$ 245,636</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 245,636</u>	<u>\$ 0</u>	<u>\$ 53,206</u>	<u>\$ 192,430</u>
Net Change in Fund Balance	<u>\$ 184,986</u>	<u>\$ 71,206</u>	<u>\$ (6,000)</u>	<u>\$ 250,192</u>	<u>\$ 164,674</u>	<u>\$ (36,853)</u>	<u>\$ 287,045</u>
Fund Balance, July 1, 2022	<u>2,511,714</u>	<u>(71,206)</u>	<u>0</u>	<u>2,440,508</u>	<u>2,411,299</u>	<u>2,511,714</u>	<u>(71,206)</u>
Fund Balance, June 30, 2023	<u><u>\$ 2,696,700</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (6,000)</u></u>	<u><u>\$ 2,690,700</u></u>	<u><u>\$ 2,575,973</u></u>	<u><u>\$ 2,474,861</u></u>	<u><u>\$ 215,839</u></u>

Exhibit F-5

Marshall 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	\$ 14,960	\$ 8,700	\$ 8,700	\$ 6,260
Other Local Revenues	1,281	2,300	2,300	(1,019)
Total Revenues	<u>\$ 16,241</u>	<u>\$ 11,000</u>	<u>\$ 11,000</u>	<u>\$ 5,241</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 2,746	\$ 6,700	\$ 6,700	\$ 3,954
Total Expenditures	<u>\$ 2,746</u>	<u>\$ 6,700</u>	<u>\$ 6,700</u>	<u>\$ 3,954</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 13,495</u>	<u>\$ 4,300</u>	<u>\$ 4,300</u>	<u>\$ 9,195</u>
Net Change in Fund Balance	\$ 13,495	\$ 4,300	\$ 4,300	\$ 9,195
Fund Balance, July 1, 2022	<u>85,975</u>	<u>87,805</u>	<u>85,975</u>	<u>0</u>
Fund Balance, June 30, 2023	<u><u>\$ 99,470</u></u>	<u><u>\$ 92,105</u></u>	<u><u>\$ 90,275</u></u>	<u><u>\$ 9,195</u></u>

Exhibit F-6

Marshall County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Community Development/Industrial Park Fund
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>				
<u>Other Operations</u>				
American Rescue Plan Act Grant J	\$ 23,067	\$ 0	\$ 92,267	\$ 69,200
Total Expenditures	\$ 23,067	\$ 0	\$ 92,267	\$ 69,200
Excess (Deficiency) of Revenues Over Expenditures	\$ (23,067)	\$ 0	\$ (92,267)	\$ 69,200
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 1,076,448	\$ 0	\$ 1,076,448	\$ 0
Total Other Financing Sources	\$ 1,076,448	\$ 0	\$ 1,076,448	\$ 0
Net Change in Fund Balance	\$ 1,053,381	\$ 0	\$ 984,181	\$ 69,200
Fund Balance, July 1, 2022	0	0	0	0
Fund Balance, June 30, 2023	\$ 1,053,381	\$ 0	\$ 984,181	\$ 69,200

Exhibit F-7

Marshall County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Highway 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	\$ 303,161	\$ 0	\$ 360,000	\$ (56,839)
Total Revenues	\$ 303,161	\$ 0	\$ 360,000	\$ (56,839)
<u>Expenditures</u>				
<u>Capital Projects</u>				
Highway and Street Capital Projects	\$ 156,088	\$ 360,000	\$ 360,000	\$ 203,912
Total Expenditures	\$ 156,088	\$ 360,000	\$ 360,000	\$ 203,912
Excess (Deficiency) of Revenues Over Expenditures	\$ 147,073	\$ (360,000)	\$ 0	\$ 147,073
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 0	\$ 360,000	\$ 0	\$ 0
Total Other Financing Sources	\$ 0	\$ 360,000	\$ 0	\$ 0
Net Change in Fund Balance	\$ 147,073	\$ 0	\$ 0	\$ 147,073
Fund Balance, July 1, 2022	717,984	367,084	717,984	0
Fund Balance, June 30, 2023	\$ 865,057	\$ 367,084	\$ 717,984	\$ 147,073

Major Governmental Funds

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.

Other Capital Projects Fund

The Other Capital Projects Fund is used to account for various capital projects and capital outlay for the county.

Exhibit G-1

Marshall 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	\$ 5,732,365	\$ 4,850,000	\$ 4,850,000	\$ 882,365
Other Governments and Citizens Groups	120,110	0	120,110	0
Total Revenues	<u>\$ 5,852,475</u>	<u>\$ 4,850,000</u>	<u>\$ 4,970,110</u>	<u>\$ 882,365</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 333,190	\$ 0	\$ 333,190	\$ 0
Education	1,067,888	1,067,888	1,067,888	0
<u>Interest on Debt</u>				
General Government	120,110	0	120,110	0
Education	622,481	622,483	622,483	2
<u>Other Debt Service</u>				
Education	59,814	57,000	68,000	8,186
<u>Capital Projects - Donated</u>				
Capital Projects Donated to School Department	4,172,389	0	4,172,390	1
Total Expenditures	<u>\$ 6,375,872</u>	<u>\$ 1,747,371</u>	<u>\$ 6,384,061</u>	<u>\$ 8,189</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (523,397)</u>	<u>\$ 3,102,629</u>	<u>\$ (1,413,951)</u>	<u>\$ 890,554</u>
Net Change in Fund Balance	\$ (523,397)	\$ 3,102,629	\$ (1,413,951)	\$ 890,554
Prior-period Adjustment - See Note I.D.11	6,751,905	0	0	6,751,905
Fund Balance, July 1, 2022	<u>7,600,821</u>	<u>7,497,573</u>	<u>7,600,821</u>	<u>0</u>
Fund Balance, June 30, 2023	<u>\$ 13,829,329</u>	<u>\$ 10,600,202</u>	<u>\$ 6,186,870</u>	<u>\$ 7,642,459</u>

Exhibit G-2

Marshall County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Other Capital Projects Fund
For the Year Ended June 30, 2023

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 1,182,574	\$ 0	\$ 0	\$ 1,182,574	\$ 1,197,684	\$ 1,197,684	\$ (15,110)
State of Tennessee	45,179	0	0	45,179	40,634	40,634	4,545
Federal Government	0	0	0	0	75,000	1,075,000	(1,075,000)
Total Revenues	\$ 1,227,753	\$ 0	\$ 0	\$ 1,227,753	\$ 1,313,318	\$ 2,313,318	\$ (1,085,565)
<u>Expenditures</u>							
<u>Other Operations</u>							
COVID-19 Grant B	\$ 0	\$ 0	\$ 0	\$ 0	\$ 75,000	\$ 75,000	\$ 75,000
COVID-19 Grant C	0	0	0	0	0	1,000,000	1,000,000
<u>Capital Projects</u>							
Public Safety Projects	41,408	0	0	41,408	0	41,408	0
Public Health and Welfare Projects	431,070	0	0	431,070	0	431,070	0
Other General Government Projects	630,370	(536,112)	546,717	640,975	1,590,378	1,593,977	953,002
Highway and Street Capital Projects	576,075	0	206,075	782,150	0	782,150	0
Total Expenditures	\$ 1,678,923	\$ (536,112)	\$ 752,792	\$ 1,895,603	\$ 1,665,378	\$ 3,923,605	\$ 2,028,002
Excess (Deficiency) of Revenues Over Expenditures	\$ (451,170)	\$ 536,112	\$ (752,792)	\$ (667,850)	\$ (352,060)	\$ (1,610,287)	\$ 942,437
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 71,340	\$ 0	\$ 0	\$ 71,340	\$ 0	\$ 71,340	\$ 0
Total Other Financing Sources	\$ 71,340	\$ 0	\$ 0	\$ 71,340	\$ 0	\$ 71,340	\$ 0
Net Change in Fund Balance	\$ (379,830)	\$ 536,112	\$ (752,792)	\$ (596,510)	\$ (352,060)	\$ (1,538,947)	\$ 942,437
Fund Balance, July 1, 2022	3,321,629	(536,112)	0	2,785,517	3,390,576	3,321,629	(536,112)
Fund Balance, June 30, 2023	\$ 2,941,799	\$ 0	\$ (752,792)	\$ 2,189,007	\$ 3,038,516	\$ 1,782,682	\$ 406,325

Custodial Funds

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

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

Community Development - Custodial Fund – The Community Development - Custodial Fund is used to account for transactions of the Marshall County Joint Economic Development Board for Marshall County, the city of Lewisburg, and the towns of Chapel Hill, Petersburg, and Cornersville.

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's court clerk; clerk and master; register of deeds; and sheriff. Such collections include amounts due the state, cities, litigants, heirs, and others.

Other Custodial Fund – The Other Custodial Fund is used to account for payroll processing of the Marshall County Emergency Communications District.

Exhibit H-1

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

	Custodial Funds				
	Cities - Sales Tax	Community Development Custodial	Constitu- tional Officers - Custodial	Other Custodial	Total
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 1,854,999	\$ 0	\$ 1,854,999
Equity in Pooled Cash and Investments	0	35,992	0	14,279	50,271
Accounts Receivable	0	0	16,957	31,730	48,687
Due from Other Governments	563,374	0	0	0	563,374
Total Assets	<u>\$ 563,374</u>	<u>\$ 35,992</u>	<u>\$ 1,871,956</u>	<u>\$ 46,009</u>	<u>\$ 2,517,331</u>
<u>LIABILITIES</u>					
Due to Other Taxing Units	\$ 563,374	\$ 0	\$ 0	\$ 0	\$ 563,374
Due to Litigants, Heirs, and Others	0	924	0	11,009	11,933
Total Liabilities	<u>\$ 563,374</u>	<u>\$ 924</u>	<u>\$ 0</u>	<u>\$ 11,009</u>	<u>\$ 575,307</u>
<u>NET POSITION</u>					
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 35,068	\$ 1,871,956	\$ 35,000	\$ 1,942,024
Total Net Position	<u>\$ 0</u>	<u>\$ 35,068</u>	<u>\$ 1,871,956</u>	<u>\$ 35,000</u>	<u>\$ 1,942,024</u>

Exhibit H-2

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

	Custodial Funds				
	Cities - Sales Tax	Community Development Custodial	Constitu - tional Officers - Custodial	Other Custodial	Total
<u>ADDITIONS</u>					
Sales Tax Collections for Other Governments	\$ 3,319,956	\$ 0	\$ 0	\$ 0	\$ 3,319,956
Fines/Fees and Other Collections	0	0	9,324,140	0	9,324,140
Other Collections	0	86,024	0	1,003,922	1,089,946
Total Additions	<u>\$ 3,319,956</u>	<u>\$ 86,024</u>	<u>\$ 9,324,140</u>	<u>\$ 1,003,922</u>	<u>\$ 13,734,042</u>
<u>DEDUCTIONS</u>					
Payment of Sales Tax Collections to Other Governments	\$ 3,319,956	\$ 0	\$ 0	\$ 0	\$ 3,319,956
Payments to State	0	0	5,210,046	0	5,210,046
Payments to City	0	0	2,642,490	0	2,642,490
Payments to Individuals and Others	0	96,213	1,466,929	1,003,922	2,567,064
Total Deductions	<u>\$ 3,319,956</u>	<u>\$ 96,213</u>	<u>\$ 9,319,465</u>	<u>\$ 1,003,922</u>	<u>\$ 13,739,556</u>
Change in Net Position	\$ 0	\$ (10,189)	\$ 4,675	\$ 0	\$ (5,514)
Net Position July 1, 2022	0	45,257	1,867,281	35,000	1,947,538
Net Position June 30, 2023	<u>\$ 0</u>	<u>\$ 35,068</u>	<u>\$ 1,871,956</u>	<u>\$ 35,000</u>	<u>\$ 1,942,024</u>

Marshall County School Department

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

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

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

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

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

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

Exhibit I-1

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

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position Total Governmental Activities
Governmental Activities:					
Instruction	\$ 31,670,117	\$ 173,086	\$ 4,066,653	\$ 0	\$ (27,430,378)
Support Services	22,492,658	100,212	1,306,207	7,549,991	(13,536,248)
Operation of Non-instructional Services	5,830,295	2,994,958	3,098,960	0	263,623
Total Governmental Activities	<u>\$ 59,993,070</u>	<u>\$ 3,268,256</u>	<u>\$ 8,471,820</u>	<u>\$ 7,549,991</u>	<u>\$ (40,703,003)</u>
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 9,749,851
Local Option Sales Tax					4,946,760
Other Local Taxes					21,399
Grants and Contributions Not Restricted to Specific Programs					31,818,531
Unrestricted Investment Earnings					33,020
Miscellaneous					77,920
Total General Revenues					<u>\$ 46,647,481</u>
Change in Net Position					\$ 5,944,478
Net Position, July 1, 2022					<u>76,758,240</u>
Net Position, June 30, 2023					<u><u>\$ 82,702,718</u></u>

Exhibit I-2

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

	Major Funds			Nonmajor Funds	
	General Purpose School	School Federal Projects	Education Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 0	\$ 1,062,106	\$ 1,062,106
Equity in Pooled Cash and Investments	10,299,865	400,053	4,434,228	2,275,784	17,409,930
Accounts Receivable	2,264	0	0	0	2,264
Due from Other Governments	2,552,034	0	0	35,196	2,587,230
Property Taxes Receivable	9,440,733	0	0	0	9,440,733
Allowance for Uncollectible Property Taxes	(99,675)	0	0	0	(99,675)
Restricted Assets	549,116	0	0	0	549,116
Total Assets	<u>\$ 22,744,337</u>	<u>\$ 400,053</u>	<u>\$ 4,434,228</u>	<u>\$ 3,373,086</u>	<u>\$ 30,951,704</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 7,038	\$ 7,038
Accrued Payroll	531,973	0	0	0	531,973
Payroll Deductions Payable	733,924	0	0	0	733,924
Due to State of Tennessee	1	0	0	0	1
Total Liabilities	<u>\$ 1,265,898</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,038</u>	<u>\$ 1,272,936</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 9,168,215	\$ 0	\$ 0	\$ 0	\$ 9,168,215
Deferred Delinquent Property Taxes	152,436	0	0	0	152,436
Other Deferred/Unavailable Revenue	400,000	0	0	0	400,000
Total Deferred Inflows of Resources	<u>\$ 9,720,651</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 9,720,651</u>
<u>FUND BALANCES</u>					
Restricted:					
Restricted for Education	\$ 0	\$ 53	\$ 0	\$ 3,359,322	\$ 3,359,375
Restricted for Hybrid Retirement Stabilization Funds	549,116	0	0	0	549,116
Committed:					
Committed for Education	0	400,000	250,087	0	650,087
Assigned:					
Assigned for Education	5,537,503	0	4,184,141	6,726	9,728,370
Unassigned	5,671,169	0	0	0	5,671,169
Total Fund Balances	<u>\$ 11,757,788</u>	<u>\$ 400,053</u>	<u>\$ 4,434,228</u>	<u>\$ 3,366,048</u>	<u>\$ 19,958,117</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 22,744,337</u>	<u>\$ 400,053</u>	<u>\$ 4,434,228</u>	<u>\$ 3,373,086</u>	<u>\$ 30,951,704</u>

Exhibit I-3

Marshall County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
Discretely Presented Marshall County School Department
For the Year Ended 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)		\$ 19,958,117
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 2,804,140	
Add: construction in progress	1,218,715	
Add: buildings and improvements net of accumulated depreciation	47,191,221	
Add: infrastructure net of accumulated depreciation	90,914	
Add: other capital assets net of accumulated depreciation	<u>3,671,169</u>	54,976,159
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: compensated absences payable	\$ (196,633)	
Less: net OPEB liability	<u>(7,096,579)</u>	(7,293,212)
(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	\$ 9,166,167	
Less: deferred inflows of resources related to pensions	(1,369,092)	
Add: deferred outflows of resources related to OPEB	2,184,306	
Less: deferred inflows of resources related to OPEB	<u>(2,147,460)</u>	7,833,921
(4) Net pension assets of the agent, teacher retirement, and teacher legacy pension plans are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - agent plan	\$ 339,909	
Add: net pension asset - teacher retirement plan	108,730	
Add: net pension asset - teacher legacy pension plan	<u>6,226,658</u>	6,675,297
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>552,436</u>
Net position of governmental activities (Exhibit A)		<u>\$ 82,702,718</u>

Exhibit I-4

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

	Major Funds			Nonmajor Funds	
	General Purpose School	School Federal Projects	Education Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>					
Local Taxes	\$ 14,644,239	\$ 0	\$ 0	\$ 0	\$ 14,644,239
Licenses and Permits	2,147	0	0	0	2,147
Charges for Current Services	273,298	0	0	1,375,143	1,648,441
Other Local Revenues	110,295	0	0	1,620,460	1,730,755
State of Tennessee	32,566,333	0	136,112	26,125	32,728,570
Federal Government	339,465	7,462,524	0	2,874,859	10,676,848
Other Governments and Citizens Groups	0	0	4,172,389	0	4,172,389
Total Revenues	\$ 47,935,777	\$ 7,462,524	\$ 4,308,501	\$ 5,896,587	\$ 65,603,389
<u>Expenditures</u>					
Current:					
Instruction	\$ 29,193,882	\$ 3,158,556	\$ 0	\$ 0	\$ 32,352,438
Support Services	17,454,925	1,080,485	0	0	18,535,410
Operation of Non-Instructional Services	471,586	0	0	5,447,935	5,919,521
Capital Outlay	1,872,727	4,764,897	0	0	6,637,624
Capital Projects	0	0	1,043,863	0	1,043,863
Total Expenditures	\$ 48,993,120	\$ 9,003,938	\$ 1,043,863	\$ 5,447,935	\$ 64,488,856
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,057,343)	\$ (1,541,414)	\$ 3,264,638	\$ 448,652	\$ 1,114,533
<u>Other Financing Sources (Uses)</u>					
Insurance Recovery	\$ 76,661	\$ 0	\$ 0	\$ 0	\$ 76,661
Transfers In	72,792	0	270,000	0	342,792
Transfers Out	(270,000)	(72,792)	0	0	(342,792)
Total Other Financing Sources (Uses)	\$ (120,547)	\$ (72,792)	\$ 270,000	\$ 0	\$ 76,661
Net Change in Fund Balances	\$ (1,177,890)	\$ (1,614,206)	\$ 3,534,638	\$ 448,652	\$ 1,191,194
Fund Balance, July 1, 2022	12,935,678	2,014,259	899,590	2,917,396	18,766,923
Fund Balance, June 30, 2023	\$ 11,757,788	\$ 400,053	\$ 4,434,228	\$ 3,366,048	\$ 19,958,117

Exhibit I-5

Marshall County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Discretely Presented Marshall 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)		\$ 1,191,194
(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	\$ 6,296,159	
Less: current-year depreciation expense	<u>(2,860,160)</u>	3,435,999
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		(62,970)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2022	\$ (478,665)	
Add: deferred delinquent property taxes and other deferred June 30, 2023	<u>552,436</u>	73,771
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in compensated absences payable	\$ (1,219)	
Change in net OPEB liability	304,779	
Change in deferred outflows of resources related to pensions	(510,191)	
Change in deferred inflows of resources related to pensions	21,220,341	
Change in deferred outflows of resources related to OPEB	(78,998)	
Change in deferred inflows of resources related to OPEB	(488,323)	
Change in net pension asset - agent pension plan	(3,059,527)	
Change in net pension asset - teacher retirement plan	(276,974)	
Change in net pension asset - teacher legacy pension plan	<u>(15,803,404)</u>	<u>1,306,484</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 5,944,478</u>

Exhibit I-6

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

	<u>Special Revenue Funds</u>		Total Nonmajor Governmental Funds
	Central Cafeteria	Internal School	
<u>ASSETS</u>			
Cash	\$ 3,318	\$ 1,058,788	\$ 1,062,106
Equity in Pooled Cash and Investments	2,275,784	0	2,275,784
Due from Other Governments	35,196	0	35,196
Total Assets	<u>\$ 2,314,298</u>	<u>\$ 1,058,788</u>	<u>\$ 3,373,086</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 0	\$ 7,038	\$ 7,038
Total Liabilities	<u>\$ 0</u>	<u>\$ 7,038</u>	<u>\$ 7,038</u>
<u>FUND BALANCES</u>			
Restricted:			
Restricted for Education	\$ 2,307,572	\$ 1,051,750	\$ 3,359,322
Assigned:			
Assigned for Education	6,726	0	6,726
Total Fund Balances	<u>\$ 2,314,298</u>	<u>\$ 1,051,750</u>	<u>\$ 3,366,048</u>
Total Liabilities and Fund Balances	<u>\$ 2,314,298</u>	<u>\$ 1,058,788</u>	<u>\$ 3,373,086</u>

Exhibit I-7

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

	<u>Special Revenue Funds</u>		Total Nonmajor Governmental Funds
	Central Cafeteria	Internal School	
<u>Revenues</u>			
Charges for Current Services	\$ 1,375,143	\$ 0	\$ 1,375,143
Other Local Revenues	645	1,619,815	1,620,460
State of Tennessee	26,125	0	26,125
Federal Government	2,874,859	0	2,874,859
Total Revenues	<u>\$ 4,276,772</u>	<u>\$ 1,619,815</u>	<u>\$ 5,896,587</u>
<u>Expenditures</u>			
Current:			
Operation of Non-Instructional Services	\$ 3,874,273	\$ 1,573,662	\$ 5,447,935
Total Expenditures	<u>\$ 3,874,273</u>	<u>\$ 1,573,662</u>	<u>\$ 5,447,935</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 402,499</u>	<u>\$ 46,153</u>	<u>\$ 448,652</u>
Net Change in Fund Balances	\$ 402,499	\$ 46,153	\$ 448,652
Fund Balance, July 1, 2022	<u>1,911,799</u>	<u>1,005,597</u>	<u>2,917,396</u>
Fund Balance, June 30, 2023	<u>\$ 2,314,298</u>	<u>\$ 1,051,750</u>	<u>\$ 3,366,048</u>

Exhibit I-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 14,644,239	\$ 0	\$ 0	\$ 14,644,239	\$ 11,644,382	\$ 11,644,382	\$ 2,999,857
Licenses and Permits	2,147	0	0	2,147	1,867	1,867	280
Charges for Current Services	273,298	0	0	273,298	123,000	123,000	150,298
Other Local Revenues	110,295	0	0	110,295	72,000	72,000	38,295
State of Tennessee	32,566,333	0	0	32,566,333	31,257,231	32,889,087	(322,754)
Federal Government	339,465	0	0	339,465	0	133,049	206,416
Total Revenues	\$ 47,935,777	\$ 0	\$ 0	\$ 47,935,777	\$ 43,098,480	\$ 44,863,385	\$ 3,072,392
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 24,520,354	\$ 0	\$ 373,350	\$ 24,893,704	\$ 23,473,656	\$ 25,122,397	\$ 228,693
Alternative Instruction Program	94,221	0	0	94,221	179,237	99,700	5,479
Special Education Program	2,937,587	0	0	2,937,587	3,221,390	2,977,817	40,230
Career and Technical Education Program	1,641,720	0	0	1,641,720	1,542,565	1,673,954	32,234
<u>Support Services</u>							
Attendance	274,743	0	0	274,743	222,990	298,638	23,895
Health Services	558,519	0	0	558,519	578,089	572,397	13,878
Other Student Support	1,279,796	0	7,000	1,286,796	1,122,687	1,314,515	27,719
Regular Instruction Program	1,310,510	0	403	1,310,913	1,366,866	1,380,701	69,788
Special Education Program	246,440	0	0	246,440	165,776	269,673	23,233
Career and Technical Education Program	170,592	0	0	170,592	163,162	176,152	5,560
Technology	749,943	0	295,839	1,045,782	600,371	1,584,995	539,213
Other Programs	104,503	0	0	104,503	0	104,503	0
Board of Education	640,897	0	1,284	642,181	673,903	661,791	19,610
Director of Schools	273,296	0	0	273,296	247,873	280,356	7,060
Office of the Principal	3,204,074	0	0	3,204,074	3,139,505	3,275,641	71,567
Fiscal Services	457,987	0	1,910	459,897	475,151	468,846	8,949
Human Services/Personnel	190,956	0	0	190,956	193,164	197,590	6,634
Operation of Plant	3,611,026	0	23,743	3,634,769	3,558,167	3,714,136	79,367

(Continued)

Exhibit I-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Maintenance of Plant	\$ 1,811,182	\$ 0	\$ 102,323	\$ 1,913,505	\$ 1,618,876	\$ 1,913,505	\$ 0
Transportation	2,352,503	(6,411)	12,452	2,358,544	2,053,907	2,370,637	12,093
Central and Other	217,958	0	168	218,126	252,489	258,363	40,237
<u>Operation of Non-Instructional Services</u>							
Food Service	14,719	(2,500)	0	12,219	0	25,142	12,923
Community Services	267,109	(41)	0	267,068	0	295,715	28,647
Early Childhood Education	189,758	0	9,385	199,143	221,343	209,719	10,576
<u>Capital Outlay</u>							
Regular Capital Outlay	1,872,727	(540,336)	1,713,945	3,046,336	700,000	3,255,000	208,664
Total Expenditures	\$ 48,993,120	\$ (549,288)	\$ 2,541,802	\$ 50,985,634	\$ 45,771,167	\$ 52,501,883	\$ 1,516,249
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,057,343)	\$ 549,288	\$ (2,541,802)	\$ (3,049,857)	\$ (2,672,687)	\$ (7,638,498)	\$ 4,588,641
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 76,661	\$ 0	\$ 0	\$ 76,661	\$ 2,000	\$ 59,163	\$ 17,498
Transfers In	72,792	0	0	72,792	0	0	72,792
Transfers Out	(270,000)	0	0	(270,000)	(270,000)	(270,000)	0
Total Other Financing Sources	\$ (120,547)	\$ 0	\$ 0	\$ (120,547)	\$ (268,000)	\$ (210,837)	\$ 90,290
Net Change in Fund Balance	\$ (1,177,890)	\$ 549,288	\$ (2,541,802)	\$ (3,170,404)	\$ (2,940,687)	\$ (7,849,335)	\$ 4,678,931
Fund Balance, July 1, 2022	12,935,678	(549,288)	0	12,386,390	7,297,480	11,943,709	442,681
Fund Balance, June 30, 2023	\$ 11,757,788	\$ 0	\$ (2,541,802)	\$ 9,215,986	\$ 4,356,793	\$ 4,094,374	\$ 5,121,612

Exhibit I-9

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Federal Government	\$ 7,462,524	\$ 0	\$ 7,462,524	\$ 9,958,475	\$ 10,683,416	\$ (3,220,892)
Total Revenues	\$ 7,462,524	\$ 0	\$ 7,462,524	\$ 9,958,475	\$ 10,683,416	\$ (3,220,892)
<u>Expenditures</u>						
<u>Instruction</u>						
Regular Instruction Program	\$ 1,996,217	\$ (144,675)	\$ 1,851,542	\$ 3,759,519	\$ 3,063,483	\$ 1,211,941
Special Education Program	1,077,886	0	1,077,886	1,207,975	1,436,809	358,923
Career and Technical Education Program	84,453	0	84,453	81,235	84,453	0
<u>Support Services</u>						
Attendance	91,073	0	91,073	325,758	325,758	234,685
Health Services	86,984	0	86,984	86,985	86,984	0
Other Student Support	18,381	0	18,381	28,985	30,337	11,956
Regular Instruction Program	428,723	0	428,723	498,924	671,577	242,854
Special Education Program	128,831	0	128,831	229,058	184,810	55,979
Career and Technical Education Program	4,598	0	4,598	4,755	4,755	157
Technology	150,715	0	150,715	152,275	150,715	0
Transportation	171,180	0	171,180	163,600	223,225	52,045
<u>Capital Outlay</u>						
Regular Capital Outlay	4,764,897	(1,469,584)	3,295,313	3,410,119	4,330,327	1,035,014
Total Expenditures	\$ 9,003,938	\$ (1,614,259)	\$ 7,389,679	\$ 9,949,188	\$ 10,593,233	\$ 3,203,554
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,541,414)	\$ 1,614,259	\$ 72,845	\$ 9,287	\$ 90,183	\$ (17,338)
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ (72,792)	\$ 0	\$ (72,792)	\$ (9,287)	\$ (90,183)	\$ 17,391
Total Other Financing Sources	\$ (72,792)	\$ 0	\$ (72,792)	\$ (9,287)	\$ (90,183)	\$ 17,391
Net Change in Fund Balance	\$ (1,614,206)	\$ 1,614,259	\$ 53	\$ 0	\$ 0	\$ 53
Fund Balance, July 1, 2022	2,014,259	(1,614,259)	400,000	400,000	400,000	0
Fund Balance, June 30, 2023	\$ 400,053	\$ 0	\$ 400,053	\$ 400,000	\$ 400,000	\$ 53

Exhibit I-10

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 1,375,143	\$ 0	\$ 0	\$ 1,375,143	\$ 1,176,170	\$ 1,176,170	\$ 198,973
Other Local Revenues	645	0	0	645	125	125	520
State of Tennessee	26,125	0	0	26,125	27,206	27,206	(1,081)
Federal Government	2,874,859	0	0	2,874,859	2,538,897	2,811,365	63,494
Total Revenues	<u>\$ 4,276,772</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,276,772</u>	<u>\$ 3,742,398</u>	<u>\$ 4,014,866</u>	<u>\$ 261,906</u>
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 3,874,273	\$ (88,689)	\$ 6,726	\$ 3,792,310	\$ 3,815,248	\$ 4,172,697	\$ 380,387
Total Expenditures	<u>\$ 3,874,273</u>	<u>\$ (88,689)</u>	<u>\$ 6,726</u>	<u>\$ 3,792,310</u>	<u>\$ 3,815,248</u>	<u>\$ 4,172,697</u>	<u>\$ 380,387</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 402,499</u>	<u>\$ 88,689</u>	<u>\$ (6,726)</u>	<u>\$ 484,462</u>	<u>\$ (72,850)</u>	<u>\$ (157,831)</u>	<u>\$ 642,293</u>
Net Change in Fund Balance	\$ 402,499	\$ 88,689	\$ (6,726)	\$ 484,462	\$ (72,850)	\$ (157,831)	\$ 642,293
Fund Balance, July 1, 2022	<u>1,911,799</u>	<u>(88,689)</u>	<u>0</u>	<u>1,823,110</u>	<u>1,630,453</u>	<u>1,911,799</u>	<u>(88,689)</u>
Fund Balance, June 30, 2023	<u>\$ 2,314,298</u>	<u>\$ 0</u>	<u>\$ (6,726)</u>	<u>\$ 2,307,572</u>	<u>\$ 1,557,603</u>	<u>\$ 1,753,968</u>	<u>\$ 553,604</u>

Exhibit I-11

Marshall County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Marshall County School Department
Education Capital Projects Fund
For the Year Ended June 30, 2023

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
State of Tennessee	\$ 136,112	\$ 0	\$ 0	\$ 136,112	\$ 125,000	\$ 125,000	\$ 11,112
Other Governments and Citizens Groups	4,172,389	0	0	4,172,389	0	4,172,389	0
Total Revenues	<u>\$ 4,308,501</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,308,501</u>	<u>\$ 125,000</u>	<u>\$ 4,297,389</u>	<u>\$ 11,112</u>
<u>Expenditures</u>							
<u>Capital Projects</u>							
Education Capital Projects	\$ 1,043,863	\$ (695,642)	\$ 4,184,141	\$ 4,532,362	\$ 395,000	\$ 4,567,389	\$ 35,027
Total Expenditures	<u>\$ 1,043,863</u>	<u>\$ (695,642)</u>	<u>\$ 4,184,141</u>	<u>\$ 4,532,362</u>	<u>\$ 395,000</u>	<u>\$ 4,567,389</u>	<u>\$ 35,027</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 3,264,638</u>	<u>\$ 695,642</u>	<u>\$ (4,184,141)</u>	<u>\$ (223,861)</u>	<u>\$ (270,000)</u>	<u>\$ (270,000)</u>	<u>\$ 46,139</u>
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 270,000	\$ 0	\$ 0	\$ 270,000	\$ 270,000	\$ 270,000	\$ 0
Total Other Financing Sources	<u>\$ 270,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 270,000</u>	<u>\$ 270,000</u>	<u>\$ 270,000</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 3,534,638	\$ 695,642	\$ (4,184,141)	\$ 46,139	\$ 0	\$ 0	\$ 46,139
Fund Balance, July 1, 2022	899,590	(695,642)	0	203,948	899,590	899,590	(695,642)
Fund Balance, June 30, 2023	<u><u>\$ 4,434,228</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (4,184,141)</u></u>	<u><u>\$ 250,087</u></u>	<u><u>\$ 899,590</u></u>	<u><u>\$ 899,590</u></u>	<u><u>\$ (649,503)</u></u>

Marshall County Board of Public Utilities

This section presents fund financial statements for the Marshall County Board of Public Utilities, a discretely presented component unit. The utility uses a single enterprise fund.

Marshall County, Tennessee
Statement of Net Position
Discretely Presented Marshall County Board of Public Utilities
June 30, 2023

	<u>Enterprise Fund</u> <u>Marshall County</u> <u>Board of</u> <u>Public Utilities</u>
<u>ASSETS</u>	
Current Assets:	
Cash	\$ 2,002,003
Equity in Pooled Cash and Investments	3,523,446
Inventories	155,511
Accounts Receivable	373,816
Restricted Assets:	
Customer Deposits	331,216
Other Restricted Assets	31,900
Net Pension Asset - Agent Plan	34,000
Noncurrent Assets:	
Capital Assets:	
Assets Not Depreciated:	
Land	659,901
Construction in Progress	3,922,027
Assets Net of Accumulated Depreciation:	
Buildings and Improvements	604,081
Infrastructure	19,356,791
Other Capital Assets	45,506
Total Assets	<u>\$ 31,040,198</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Pension Changes in Assumptions	\$ 87,029
Pension Changes in Experience	79,451
Pension Changes in Investment Earnings	5,910
Pension Contributions after Measurement Date	53,188
Total Deferred Outflows of Resources	<u>\$ 225,578</u>
<u>LIABILITIES</u>	
Current Liabilities:	
Accounts Payable	\$ 20,340
Payroll Deductions Payable	10,152
Contracts Payable	1,606,074
Retainage Payable	141,073
Due to Primary Government	6,418,715
Due to State of Tennessee	27,162
Current Liabilities Payable from Restricted Assets:	
Customer Deposits Payable	331,216
Other Payables from Restricted Assets	31,900
Total Liabilities	<u>\$ 8,586,632</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension Changes in Experience	\$ 22,606
Total Deferred Inflows of Resources	<u>\$ 22,606</u>
<u>NET POSITION</u>	
Net Investment in Capital Assets	\$ 18,169,591
Restricted for Pension	34,000
Unrestricted	<u>4,452,947</u>
Total Net Position	<u><u>\$ 22,656,538</u></u>

Exhibit J-2

Marshall County, Tennessee
Statement of Revenues, Expenses, and Changes in Net Position
Discretely Presented Marshall County Board of Public Utilities
For the Year Ended June 30, 2023

	<u>Enterprise Fund</u> <u>Marshall County</u> <u>Board of</u> <u>Public Utilities</u>
<u>Operating Revenues</u>	
Charges for Current Services	\$ 3,982,230
Other Local Revenues	60,027
Total Operating Revenues	<u>\$ 4,042,257</u>
<u>Operating Expenses</u>	
Other Economic and Community Development	\$ 2,549,768
Depreciation	592,452
Total Operating Expenses	<u>\$ 3,142,220</u>
Operating Income (Loss)	<u>\$ 900,037</u>
<u>Nonoperating Revenues (Expenses)</u>	
Investment Income	\$ 48,708
Interest on Debt	(120,110)
Total Nonoperating Revenues (Expenses)	<u>\$ (71,402)</u>
Income (Loss) Before Special Items and Contributions	\$ 828,635
Capital Contributions:	
Tap Income over Cost	111,340
Contributions - Primary Government	300,000
Change in Net Position	<u>\$ 1,239,975</u>
Net Position, July 1, 2022	<u>21,416,563</u>
Net Position, June 30, 2023	<u><u>\$ 22,656,538</u></u>

Exhibit J-3

Marshall County, Tennessee

Statement of Cash Flows

Discretely Presented Marshall County Board of Public Utilities

For the Year Ended June 30, 2023

	<u>Enterprise Fund</u> <u>Marshall County</u> <u>Board of</u> <u>Public Utilities</u>
<u>Cash Flows from Operating Activities</u>	
Receipts from Customers and Users	\$ 3,960,538
Other Receipts (Payments)	60,027
Payments to Vendors	(1,617,031)
Payments to Employees	(721,024)
Payments to Fringe Benefits	(219,819)
Net Cash Provided By (Used In) Operating Activities	<u>\$ 1,462,691</u>
<u>Cash Flows from Capital and Related Financing Activities</u>	
Acquisition and Construction of Capital Assets	\$ (2,103,181)
Tap Income Over Cost	111,340
Contributions from Primary Government (Adequate Facilities Tax)	300,000
Contribution to Primary Government (Debt Payments)	(453,300)
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>\$ (2,145,141)</u>
<u>Cash Flows from Investing Activities</u>	
Interest on Investments	<u>\$ 48,708</u>
Net Cash Provided By (Used In) Investing Activities	<u>\$ 48,708</u>
Increase (Decrease) in Cash	\$ (633,742)
Cash, July 1, 2022	<u>6,522,307</u>
Cash, June 30, 2023	<u><u>\$ 5,888,565</u></u>

(Continued)

Exhibit J-3

Marshall County, Tennessee

Statement of Cash Flows

Discretely Presented Marshall County Board of Public Utilities (Cont.)

	<u>Enterprise Fund</u> <u>Marshall County</u> <u>Board of</u> <u>Public Utilities</u>
<u>Reconciliation of Operating Income (Loss)</u>	
<u>to Net Cash Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ 900,037
Adjustments to Reconcile Net Operating Income (Loss)	
to Net Cash Provided By (Used In) Operating Activities:	
Depreciation	592,452
Changes in Deferred Outflows Related to Pensions	(59,042)
Changes in Deferred Inflows Related to Pensions	(260,673)
Changes in Assets and Liabilities:	
(Increase) Decrease in Current Receivables	(21,692)
(Increase) Decrease in Inventories	(32,658)
(Increase) Decrease in Net Pension Asset	302,947
Increase (Decrease) in Accounts Payable	5,895
Increase (Decrease) in Payroll Deductions Payable	343
Increase (Decrease) in Customer Deposits	16,704
Increase (Decrease) in Other Payables from Restricted Assets	15,904
Increase (Decrease) in Due to State of Tennessee	<u>2,474</u>
Net Cash Provided By (Used In) Operating Activities	<u>\$ 1,462,691</u>
<u>Reconciliation of Cash With Statement of Net Position</u>	
Cash Per Net Position	\$ 2,002,003
Equity in Pooled Cash and Investments Per Net Position	3,523,446
Restricted Customer Deposits	331,216
Other Restricted Assets	<u>31,900</u>
Cash, June 30, 2023	<u>\$ 5,888,565</u>

MISCELLANEOUS SCHEDULES

Exhibit K-1

Marshall County, Tennessee
Schedule of Changes in Long-term Notes 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 7-1-22	Paid and/or Matured During Period	Outstanding 6-30-23
<u>NOTES PAYABLE</u>							
<u>Payable through General Debt Service Fund</u>							
Energy Efficient Schools Initiative	\$ 2,982,250	.75 %	3-28-11	1-1-24	\$ 387,615	\$ 257,888	\$ 129,727
<u>Contributions Due from Marshall County Board of Public Utilities to the General Debt Service Fund</u>							
Water Revenue and Tax Bond Anticipation Note	(1)	2	6-23-22	6-23-24	1,223,101	0	1,223,101
Total Notes Payable					<u>\$ 1,610,716</u>	<u>\$ 257,888</u>	<u>\$ 1,352,828</u>
<u>BONDS PAYABLE</u>							
<u>Payable through General Debt Service Fund</u>							
GO School Improvement Bonds, Series 2013	5,945,000	3.86	12-23-13	10-1-43	\$ 4,890,000	\$ 145,000	\$ 4,745,000
GO School Improvement Bonds, Series 2014	5,550,000	2.81	10-14-14	12-1-44	4,535,000	130,000	4,405,000
GO School Improvement Bonds, Series 2015	8,000,000	3.02	1-20-15	10-1-44	6,735,000	205,000	6,530,000
GO School Refunding Bonds, Series 2016	5,060,000	1.78	3-23-16	5-1-31	3,225,000	330,000	2,895,000
Total Payable through General Debt Service Fund					<u>\$ 19,385,000</u>	<u>\$ 810,000</u>	<u>\$ 18,575,000</u>
<u>Contributions Due from Marshall County Board of Public Utilities to the General Debt Service Fund</u>							
Water Revenue and Tax Bonds, Series 2011B	409,000	2.5	6-26-13	6-26-51	\$ 343,804	\$ 8,190	\$ 335,614
Water Revenue and Tax Refunding Bonds, Series 2016	7,005,000	1.897	6-30-16	6-1-36	5,185,000	325,000	4,860,000
Total Contributions Due from Marshall County Board of Public Utilities to the General Debt Service Fund					<u>\$ 5,528,804</u>	<u>\$ 333,190</u>	<u>\$ 5,195,614</u>
Total Bonds Payable					<u>\$ 24,913,804</u>	<u>\$ 1,143,190</u>	<u>\$ 23,770,614</u>

(1) Total amount approved was \$3,347,000 of which \$2,123,899 remains available for draws as of June 30, 2023.

Exhibit K-2

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

Year Ending June 30	Notes		
	Principal	Interest	Total
2024	\$ 1,352,828	\$ 312	\$ 1,353,140
Total	\$ 1,352,828	\$ 312	\$ 1,353,140

Year Ending June 30	Bonds		
	Principal	Interest	Total
2024	\$ 1,168,397	\$ 712,603	\$ 1,881,000
2025	1,193,610	684,090	1,877,700
2026	1,228,828	654,423	1,883,251
2027	1,259,051	623,513	1,882,564
2028	1,289,280	591,821	1,881,101
2029	1,324,514	558,731	1,883,245
2030	1,359,755	524,022	1,883,777
2031	1,405,002	487,074	1,892,076
2032	1,035,254	449,016	1,484,270
2033	1,075,514	418,906	1,494,420
2034	1,100,780	386,588	1,487,368
2035	1,136,052	352,795	1,488,847
2036	1,186,332	317,599	1,503,931
2037	786,618	279,962	1,066,580
2038	806,912	251,430	1,058,342
2039	832,213	221,899	1,054,112
2040	877,522	190,390	1,067,912
2041	917,839	156,576	1,074,415
2042	958,164	121,216	1,079,380
2043	993,496	84,399	1,077,895
2044	1,028,838	46,212	1,075,050
2045	714,188	14,548	728,736
2046	14,547	2,145	16,692
2047	14,914	1,778	16,692
2048	15,292	1,400	16,692
2049	15,711	981	16,692
2050	16,075	617	16,692
2051	15,916	211	16,127
Total	\$ 23,770,614	\$ 8,134,945	\$ 31,905,559

Exhibit K-3

Marshall County, Tennessee

Schedule of Transfers

Primary Government and Discretely Presented Marshall 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	Solid Waste/Sanitation	Operations	\$ 53,205
"	Highway/Public Works	"	116,815
"	Community Development/Industrial Park	"	1,076,448
"	Other Capital Projects	Capital expenditures	71,340
Juvenile Services	General	Operations	<u>45,000</u>
Total Transfers Primary Government			<u>\$ 1,362,808</u>
<u>DISCRETELY PRESENTED MARSHALL COUNTY</u>			
<u>SCHOOL DEPARTMENT</u>			
General Purpose School	Education Capital Projects	Capital projects	\$ 270,000
School Federal Projects	General Purpose School	Operations	<u>72,792</u>
Total Transfers Discretely Presented Marshall County School Department			<u>\$ 342,792</u>

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

Official	Authorization	Bond	Surety
County Mayor	Section 8-24-102, <i>TCA</i>	\$ (1)	Local Government Property and Casualty Fund
Base salary/Total compensation	\$ 99,787		
Highway Superintendent	Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	\$ 95,035		
Director of Schools	State Board of Education and County Board of Education	(1)	Tennessee Risk Management Trust
Base salary	\$ 140,630		
Chief executive officer training supplement	1,000		
Longevity	600		
Dental and vision insurance	335		
Total compensation	\$ 142,565		
Trustee	Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	\$ 86,395		
Assessor of Property	Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	\$ 86,395		
County Clerk	Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	\$ 86,395		
Circuit, General Sessions and Juvenile Courts Clerk	Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	\$ 86,395		
Clerk and Master	Section 8-24-102, <i>TCA</i>	100,000	Auto Owners Mutual Insurance Company
Base salary	\$ 86,395		
Special commissioner fees	7,119		
Total compensation	\$ 93,514		
Register of Deeds	Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	\$ 86,395		

(Continued)

Marshall County, TennesseeSchedule of Salaries and Official Bonds of Principal OfficialsPrimary Government, Discretely Presented Marshall County SchoolDepartment, and Discretely Presented Marshall County Board of Public Utilities (Cont.)

Official	Authorization	Bond	Surety
Sheriff	Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary	\$ 95,035		
Law enforcement training supplement	800		
Total compensation	<u>\$ 95,835</u>		
Director of Accounts and Budgets	Chapter 17, Private Acts of	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	<u>\$ 96,632</u> 2005, and County Commission		
Board of Public Utilities Manager -			
Jesse Whaley, Jr. (7/1/22 - 2/28/23) (2)	Board of Public Utilities	(1)	Local Government Property and Casualty Fund
Base salary	\$ 58,128		
Longevity	950		
Bonus payment	1,750		
Total compensation	<u>\$ 60,828</u>		
Employee Blanket Bonds:			
Employee Fidelity - County Departments		400,000	Local Government Property and Casualty Fund
Employee Fidelity - School Department		400,000	Tennessee Risk Management Trust
Employee Fidelity - Board of Public Utilities		400,000	Local Government Property and Casualty Fund

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

(2) Board of Public Utility Chairman was given signature authority upon the resignation of the manager but was not provided additional pay for the duties.

A replacement was not hired until subsequent to June 30th.

Exhibit K-5

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

	Special Revenue Funds					
	General	Juvenile Services	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 8,822,234	\$ 0	\$ 0	\$ 0	\$ 0	\$ 495,667
Trustee's Collections - Prior Year	176,928	0	0	0	0	10,321
Trustee's Collections - Bankruptcy	1,476	0	0	0	0	86
Circuit Clerk/Clerk and Master Collections - Prior Years	78,807	0	0	0	0	3,781
Interest and Penalty	36,879	0	0	0	0	2,124
Payments in-Lieu-of Taxes - T.V.A.	6,945	0	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	122,591	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	326,809	0	0	0	0	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	786,361	0	0	0	0	0
Hotel/Motel Tax	271,577	0	0	0	0	0
Wheel Tax	83,548	0	0	0	0	250,643
Litigation Tax - General	153,663	0	0	0	0	0
Litigation Tax - Special Purpose	15,245	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	77,521	0	0	0	0	0
Litigation Tax - Courthouse Security	55,758	0	0	0	0	0
Business Tax	474,486	0	0	0	0	0
Mixed Drink Tax	1,076	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	368,062
Adequate Facilities/Development Tax	300,000	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	201,661	0	0	0	0	0
Wholesale Beer Tax	104,185	0	0	0	0	0
Total Local Taxes	\$ 12,097,750	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,130,684

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Juvenile Services	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 61,839	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Permits</u>						
Beer Permits	1,615	0	0	0	0	0
Building Permits	465,135	0	0	0	0	0
Other Permits	1,125	0	0	0	0	0
Total Licenses and Permits	\$ 529,714	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 4,386	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	7,416	0	0	0	0	0
Drug Control Fines	0	0	0	2,573	0	0
Drug Court Fees	0	0	0	1,151	0	0
DUI Treatment Fines	95	0	0	0	0	0
Data Entry Fee - Circuit Court	2,155	0	0	0	0	0
Courtroom Security Fee	97	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	13,811	0	0	0	0	0
Officers Costs	35,607	0	0	0	0	0
Game and Fish Fines	518	0	0	0	0	0
Drug Control Fines	0	0	0	1,674	0	0
Drug Court Fees	0	0	0	2,046	0	0
Jail Fees	0	0	0	24	0	0
DUI Treatment Fines	5,716	0	0	0	0	0
Data Entry Fee - General Sessions Court	7,125	0	0	0	0	0
Courtroom Security Fee	683	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Juvenile Services	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>Juvenile Court</u>						
Fines	\$ 4,772	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	1,864	0	0	0	0	0
Data Entry Fee - Juvenile Court	7,286	0	0	0	0	0
Courtroom Security Fee	2	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	3,912	0	0	0	0	0
Data Entry Fee - Chancery Court	7,160	0	0	0	0	0
<u>Other Courts - In-county</u>						
Fines	0	30,042	0	0	0	0
<u>Judicial District Drug Program</u>						
Fines	833	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	7,492	0	0
Other Fines, Forfeitures, and Penalties	34,675	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 138,113	\$ 30,042	\$ 0	\$ 14,960	\$ 0	\$ 0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Tipping Fees	\$ 0	\$ 0	\$ 240,086	\$ 0	\$ 0	\$ 0
Surcharge - Host Agency	0	0	646,721	0	0	0
Surcharge - General	0	0	15,840	0	0	0
Patient Charges	1,694,803	0	0	0	0	0
Zoning Studies	43,125	0	0	0	0	0
Other General Service Charges	24,969	0	3,950	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Juvenile Services	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works
<u>Charges for Current Services (Cont.)</u>						
<u>Fees</u>						
Copy Fees	\$ 8,187	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Greenbelt Late Application Fee	100	0	0	0	0	0
Telephone Commissions	68,947	0	0	0	0	0
Vending Machine Collections	9,454	0	0	0	0	0
Additional Fees - Titling and Registration	40,503	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	7,494	0
Data Processing Fee - Register	14,068	0	0	0	0	0
Probation Fees	175,147	0	0	0	0	0
Data Processing Fee - Sheriff	3,584	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	4,650	0	0	0	0	0
Data Processing Fee - County Clerk	5,703	0	0	0	0	0
Vehicle Registration Reinstatement Fees	2,760	0	0	0	0	0
<u>Education Charges</u>						
Other Charges for Services	500	0	0	0	0	0
Total Charges for Current Services	\$ 2,096,500	\$ 0	\$ 906,597	\$ 0	\$ 7,494	\$ 0
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 425,935	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Lease/Rentals	5,800	0	0	0	0	0
Sale of Maps	33	0	0	0	0	0
Sale of Recycled Materials	0	0	515,539	0	0	3,289
E-Rate Funding	6,066	0	0	0	0	0
Miscellaneous Refunds	71,662	0	0	0	0	0
Expenditure Credits	1,719	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Juvenile Services	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works
<u>Other Local Revenues (Cont.)</u>						
<u>Nonrecurring Items</u>						
Damages Recovered from Individuals	\$ 578	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions and Gifts	3,723	0	320,000	1,281	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	1,690	0	0	0	0	0
Total Other Local Revenues	<u>\$ 517,206</u>	<u>\$ 0</u>	<u>\$ 835,539</u>	<u>\$ 1,281</u>	<u>\$ 0</u>	<u>\$ 3,289</u>
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 566,350	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	111,788	0	0	0	0	0
General Sessions Court Clerk	176,241	0	0	0	0	0
Clerk and Master	125,237	0	0	0	0	0
Juvenile Court Clerk	32,280	0	0	0	0	0
Register	236,935	0	0	0	0	0
Sheriff	18,116	0	0	0	0	0
Trustee	766,685	0	0	0	0	0
Total Fees Received From County Officials	<u>\$ 2,033,632</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other General Government Grants	135,607	0	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	22,400	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Juvenile Services	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works
<u>State of Tennessee (Cont.)</u>						
<u>Health and Welfare Grants</u>						
Other Health and Welfare Grants	\$ 94,729	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Public Works Grants</u>						
Bridge Program	0	0	0	0	0	333,478
Litter Program	0	0	38,947	0	0	0
<u>Other State Revenues</u>						
Beer Tax	19,200	0	0	0	0	0
Vehicle Certificate of Title Fees	9,464	0	0	0	0	0
Alcoholic Beverage Tax	88,661	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	168,178	0	0	0	0	0
State Revenue Sharing - T.V.A.	304,789	0	0	0	0	17,126
State Revenue Sharing - Telecommunications	158,439	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	30,871	0	0	0	0	0
Contracted Prisoner Boarding	394,092	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	2,443,276
Petroleum Special Tax	0	0	0	0	0	22,738
Registrar's Salary Supplement	15,164	0	0	0	0	0
State Shared Sales Tax - Cities	5,695	0	0	0	0	0
Other State Grants	0	0	0	0	0	0
Other State Revenues	13,349	0	17,535	0	0	0
Total State of Tennessee	<u>\$ 1,469,638</u>	<u>\$ 0</u>	<u>\$ 56,482</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,816,618</u>
<u>Federal Government</u>						
<u>Federal Through State</u>						
Community Development	\$ 113,402	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Homeland Security Grants	3,570	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Juvenile Services	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works
<u>Federal Government (Cont.)</u>						
<u>Federal Through State (Cont.)</u>						
COVID-19 Grant A	\$ 43,762	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Federal through State	79,885	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Medicare	4,600	0	0	0	0	0
Other Direct Federal Revenue	1,169	0	0	0	0	0
Total Federal Government	<u>\$ 246,388</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 44,550	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Paving and Maintenance	0	0	0	0	0	25,000
Contributions	120,703	0	0	0	0	0
Contracted Services	19,445	0	0	0	0	0
<u>Citizens Groups</u>						
Donations	1,892	0	0	0	0	0
<u>Other</u>						
Other	33,615	0	0	0	0	0
Opioid Settlement Funds - Past Remediation	101,867	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 322,072</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 25,000</u>
Total	<u>\$ 19,451,013</u>	<u>\$ 30,042</u>	<u>\$ 1,798,618</u>	<u>\$ 16,241</u>	<u>\$ 7,494</u>	<u>\$ 3,975,591</u>

(Continued)

Exhibit K-5

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

	Debt Service Fund	Capital Projects Funds		
	General Debt Service	Highway Capital Projects	Other Capital Projects	Total
<u>Local Taxes</u>				
<u>County Property Taxes</u>				
Current Property Tax	\$ 0	\$ 0	\$ 1,144,889	\$ 10,462,790
Trustee's Collections - Prior Year	0	0	23,841	211,090
Trustee's Collections - Bankruptcy	0	0	199	1,761
Circuit Clerk/Clerk and Master Collections - Prior Years	0	0	8,731	91,319
Interest and Penalty	0	0	4,914	43,917
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	6,945
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	122,591
Payments in-Lieu-of Taxes - Other	0	0	0	326,809
<u>County Local Option Taxes</u>				
Local Option Sales Tax	4,395,603	0	0	5,181,964
Hotel/Motel Tax	0	0	0	271,577
Wheel Tax	1,336,762	0	0	1,670,953
Litigation Tax - General	0	0	0	153,663
Litigation Tax - Special Purpose	0	0	0	15,245
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	77,521
Litigation Tax - Courthouse Security	0	0	0	55,758
Business Tax	0	0	0	474,486
Mixed Drink Tax	0	0	0	1,076
Mineral Severance Tax	0	0	0	368,062
Adequate Facilities/Development Tax	0	303,161	0	603,161
<u>Statutory Local Taxes</u>				
Bank Excise Tax	0	0	0	201,661
Wholesale Beer Tax	0	0	0	104,185
Total Local Taxes	\$ 5,732,365	\$ 303,161	\$ 1,182,574	\$ 20,446,534

(Continued)

Exhibit K-5

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

	Debt Service Fund	Capital Projects Funds		
	General Debt Service	Highway Capital Projects	Other Capital Projects	Total
<u>Licenses and Permits</u>				
<u>Licenses</u>				
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 61,839
<u>Permits</u>				
Beer Permits	0	0	0	1,615
Building Permits	0	0	0	465,135
Other Permits	0	0	0	1,125
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 529,714
<u>Fines, Forfeitures, and Penalties</u>				
<u>Circuit Court</u>				
Fines	\$ 0	\$ 0	\$ 0	\$ 4,386
Officers Costs	0	0	0	7,416
Drug Control Fines	0	0	0	2,573
Drug Court Fees	0	0	0	1,151
DUI Treatment Fines	0	0	0	95
Data Entry Fee - Circuit Court	0	0	0	2,155
Courtroom Security Fee	0	0	0	97
<u>General Sessions Court</u>				
Fines	0	0	0	13,811
Officers Costs	0	0	0	35,607
Game and Fish Fines	0	0	0	518
Drug Control Fines	0	0	0	1,674
Drug Court Fees	0	0	0	2,046
Jail Fees	0	0	0	24
DUI Treatment Fines	0	0	0	5,716
Data Entry Fee - General Sessions Court	0	0	0	7,125
Courtroom Security Fee	0	0	0	683

(Continued)

Exhibit K-5

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

	Debt Service Fund	Capital Projects Funds		
	General Debt Service	Highway Capital Projects	Other Capital Projects	Total
<u>Fines, Forfeitures, and Penalties (Cont.)</u>				
<u>Juvenile Court</u>				
Fines	\$ 0	\$ 0	\$ 0	\$ 4,772
Officers Costs	0	0	0	1,864
Data Entry Fee - Juvenile Court	0	0	0	7,286
Courtroom Security Fee	0	0	0	2
<u>Chancery Court</u>				
Officers Costs	0	0	0	3,912
Data Entry Fee - Chancery Court	0	0	0	7,160
<u>Other Courts - In-county</u>				
Fines	0	0	0	30,042
<u>Judicial District Drug Program</u>				
Fines	0	0	0	833
<u>Other Fines, Forfeitures, and Penalties</u>				
Proceeds from Confiscated Property	0	0	0	7,492
Other Fines, Forfeitures, and Penalties	0	0	0	34,675
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 183,115
<u>Charges for Current Services</u>				
<u>General Service Charges</u>				
Tipping Fees	\$ 0	\$ 0	\$ 0	\$ 240,086
Surcharge - Host Agency	0	0	0	646,721
Surcharge - General	0	0	0	15,840
Patient Charges	0	0	0	1,694,803
Zoning Studies	0	0	0	43,125
Other General Service Charges	0	0	0	28,919

(Continued)

Exhibit K-5

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

	Debt Service Fund	Capital Projects Funds		
	General Debt Service	Highway Capital Projects	Other Capital Projects	Total
<u>Charges for Current Services (Cont.)</u>				
<u>Fees</u>				
Copy Fees	\$ 0	\$ 0	\$ 0	\$ 8,187
Greenbelt Late Application Fee	0	0	0	100
Telephone Commissions	0	0	0	68,947
Vending Machine Collections	0	0	0	9,454
Additional Fees - Titling and Registration	0	0	0	40,503
Constitutional Officers' Fees and Commissions	0	0	0	7,494
Data Processing Fee - Register	0	0	0	14,068
Probation Fees	0	0	0	175,147
Data Processing Fee - Sheriff	0	0	0	3,584
Sexual Offender Registration Fee - Sheriff	0	0	0	4,650
Data Processing Fee - County Clerk	0	0	0	5,703
Vehicle Registration Reinstatement Fees	0	0	0	2,760
<u>Education Charges</u>				
Other Charges for Services	0	0	0	500
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 3,010,591
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
Investment Income	\$ 0	\$ 0	\$ 0	\$ 425,935
Lease/Rentals	0	0	0	5,800
Sale of Maps	0	0	0	33
Sale of Recycled Materials	0	0	0	518,828
E-Rate Funding	0	0	0	6,066
Miscellaneous Refunds	0	0	0	71,662
Expenditure Credits	0	0	0	1,719

(Continued)

Exhibit K-5

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

	Debt Service Fund	Capital Projects Funds		
	General Debt Service	Highway Capital Projects	Other Capital Projects	Total
<u>Other Local Revenues (Cont.)</u>				
<u>Nonrecurring Items</u>				
Damages Recovered from Individuals	\$ 0	\$ 0	\$ 0	\$ 578
Contributions and Gifts	0	0	0	325,004
<u>Other Local Revenues</u>				
Other Local Revenues	0	0	0	1,690
Total Other Local Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,357,315</u>
<u>Fees Received From County Officials</u>				
<u>Fees In-Lieu-of Salary</u>				
County Clerk	\$ 0	\$ 0	\$ 0	\$ 566,350
Circuit Court Clerk	0	0	0	111,788
General Sessions Court Clerk	0	0	0	176,241
Clerk and Master	0	0	0	125,237
Juvenile Court Clerk	0	0	0	32,280
Register	0	0	0	236,935
Sheriff	0	0	0	18,116
Trustee	0	0	0	766,685
Total Fees Received From County Officials	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,033,632</u>
<u>State of Tennessee</u>				
<u>General Government Grants</u>				
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 9,000
Other General Government Grants	0	0	0	135,607
<u>Public Safety Grants</u>				
Law Enforcement Training Programs	0	0	0	22,400

(Continued)

Exhibit K-5

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

	Debt Service Fund	Capital Projects Funds		
	General Debt Service	Highway Capital Projects	Other Capital Projects	Total
<u>State of Tennessee (Cont.)</u>				
<u>Health and Welfare Grants</u>				
Other Health and Welfare Grants	\$ 0	\$ 0	\$ 0	\$ 94,729
<u>Public Works Grants</u>				
Bridge Program	0	0	0	333,478
Litter Program	0	0	0	38,947
<u>Other State Revenues</u>				
Beer Tax	0	0	0	19,200
Vehicle Certificate of Title Fees	0	0	0	9,464
Alcoholic Beverage Tax	0	0	0	88,661
Opioid Settlement Funds - TN Abatement Council	0	0	0	168,178
State Revenue Sharing - T.V.A.	0	0	39,545	361,460
State Revenue Sharing - Telecommunications	0	0	0	158,439
State Shared Sports Gaming Privilege Tax	0	0	0	30,871
Contracted Prisoner Boarding	0	0	0	394,092
Gasoline and Motor Fuel Tax	0	0	0	2,443,276
Petroleum Special Tax	0	0	0	22,738
Registrar's Salary Supplement	0	0	0	15,164
State Shared Sales Tax - Cities	0	0	0	5,695
Other State Grants	0	0	5,634	5,634
Other State Revenues	0	0	0	30,884
Total State of Tennessee	\$ 0	\$ 0	\$ 45,179	\$ 4,387,917
<u>Federal Government</u>				
<u>Federal Through State</u>				
Community Development	\$ 0	\$ 0	\$ 0	\$ 113,402
Homeland Security Grants	0	0	0	3,570

(Continued)

Exhibit K-5

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

	Debt Service Fund	Capital Projects Funds		
	General Debt Service	Highway Capital Projects	Other Capital Projects	Total
<u>Federal Government (Cont.)</u>				
<u>Federal Through State (Cont.)</u>				
COVID-19 Grant A	\$ 0	\$ 0	\$ 0	\$ 43,762
Other Federal through State	0	0	0	79,885
<u>Direct Federal Revenue</u>				
Medicare	0	0	0	4,600
Other Direct Federal Revenue	0	0	0	1,169
Total Federal Government	\$ 0	\$ 0	\$ 0	\$ 246,388
<u>Other Governments and Citizens Groups</u>				
<u>Other Governments</u>				
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 44,550
Paving and Maintenance	0	0	0	25,000
Contributions	120,110	0	0	240,813
Contracted Services	0	0	0	19,445
<u>Citizens Groups</u>				
Donations	0	0	0	1,892
<u>Other</u>				
Other	0	0	0	33,615
Opioid Settlement Funds - Past Remediation	0	0	0	101,867
Total Other Governments and Citizens Groups	\$ 120,110	\$ 0	\$ 0	\$ 467,182
Total	\$ 5,852,475	\$ 303,161	\$ 1,227,753	\$ 32,662,388

Exhibit K-6

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

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 9,437,131	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,437,131
Trustee's Collections - Prior Year	203,468	0	0	0	0	203,468
Trustee's Collections - Bankruptcy	1,697	0	0	0	0	1,697
Circuit Clerk/Clerk and Master Collections - Prior Years	72,295	0	0	0	0	72,295
Interest and Penalty	41,489	0	0	0	0	41,489
<u>County Local Option Taxes</u>						
Local Option Sales Tax	4,866,760	0	0	0	0	4,866,760
Mixed Drink Tax	21,399	0	0	0	0	21,399
Total Local Taxes	<u>\$ 14,644,239</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 14,644,239</u>
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 2,147	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,147
Total Licenses and Permits	<u>\$ 2,147</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,147</u>
<u>Charges for Current Services</u>						
<u>Education Charges</u>						
Tuition - Other	\$ 127,871	\$ 0	\$ 0	\$ 0	\$ 0	\$ 127,871
Lunch Payments - Children	0	0	648,697	0	0	648,697
Lunch Payments - Adults	0	0	41,890	0	0	41,890
Income from Breakfast	0	0	107,412	0	0	107,412
A la Carte Sales	0	0	577,144	0	0	577,144
Receipts from Individual Schools	99,358	0	0	0	0	99,358
TBI Criminal Background Fee	854	0	0	0	0	854

(Continued)

Exhibit K-6

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

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
<u>Charges for Current Services (Cont.)</u>						
<u>Education Charges (Cont.)</u>						
Other Charges for Services	\$ 45,215	\$ 0	\$ 0	\$ 0	\$ 0	\$ 45,215
Total Charges for Current Services	\$ 273,298	\$ 0	\$ 1,375,143	\$ 0	\$ 0	\$ 1,648,441
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 32,995	\$ 0	\$ 25	\$ 0	\$ 0	\$ 33,020
Sale of Materials and Supplies	956	0	0	0	0	956
Rebates	0	0	618	0	0	618
Miscellaneous Refunds	73,736	0	2	0	0	73,738
<u>Nonrecurring Items</u>						
Damages Recovered from Individuals	2,608	0	0	0	0	2,608
<u>Other Local Revenues</u>						
Other Local Revenues	0	0	0	1,619,815	0	1,619,815
Total Other Local Revenues	\$ 110,295	\$ 0	\$ 645	\$ 1,619,815	\$ 0	\$ 1,730,755
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
On-behalf Contributions for OPEB	\$ 104,503	\$ 0	\$ 0	\$ 0	\$ 0	\$ 104,503
<u>State Education Funds</u>						
Basic Education Program	31,125,381	0	0	0	0	31,125,381
Early Childhood Education	197,976	0	0	0	0	197,976
School Food Service	0	0	26,125	0	0	26,125
Driver Education	15,212	0	0	0	0	15,212
Other State Education Funds	851,435	0	0	0	0	851,435

(Continued)

Exhibit K-6

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

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
<u>State of Tennessee (Cont.)</u>						
<u>State Education Funds (Cont.)</u>						
Career Ladder Program	\$ 76,826	\$ 0	\$ 0	\$ 0	\$ 0	\$ 76,826
Other Vocational	5,000	0	0	0	0	5,000
<u>Other State Revenues</u>						
State Revenue Sharing - T.V.A.	190,000	0	0	0	136,112	326,112
Total State of Tennessee	\$ 32,566,333	\$ 0	\$ 26,125	\$ 0	\$ 136,112	\$ 32,728,570
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 2,011,369	\$ 0	\$ 0	\$ 2,011,369
USDA - Commodities	0	0	315,927	0	0	315,927
Breakfast	0	0	541,613	0	0	541,613
USDA - Other	0	0	5,950	0	0	5,950
Vocational Education - Basic Grants to States	0	99,245	0	0	0	99,245
Title I Grants to Local Education Agencies	0	1,053,274	0	0	0	1,053,274
Special Education - Grants to States	0	1,201,644	0	0	0	1,201,644
Special Education Preschool Grants	0	33,085	0	0	0	33,085
English Language Acquisition Grants	0	18,304	0	0	0	18,304
Eisenhower Professional Development State Grants	0	182,161	0	0	0	182,161
COVID-19 Grant B	0	712,334	0	0	0	712,334
COVID-19 Grant D	0	123,000	0	0	0	123,000
American Rescue Plan Act Grant #1	0	3,377,602	0	0	0	3,377,602
American Rescue Plan Act Grant #2	0	191,574	0	0	0	191,574
American Rescue Plan Act Grant #3	0	15,529	0	0	0	15,529
Other Federal through State	339,465	454,772	0	0	0	794,237
Total Federal Government	\$ 339,465	\$ 7,462,524	\$ 2,874,859	\$ 0	\$ 0	\$ 10,676,848

(Continued)

Exhibit K-6

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

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,172,389	\$ 4,172,389
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,172,389	\$ 4,172,389
Total	\$ 47,935,777	\$ 7,462,524	\$ 4,276,772	\$ 1,619,815	\$ 4,308,501	\$ 65,603,389

Exhibit K-7

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

General FundGeneral GovernmentCounty Commission

Other Per Diem and Fees	\$	94,048	
Social Security		4,987	
Extension Service Medicare		1,166	
Employee and Dependent Insurance		73,262	
Audit Services		14,414	
Communication		957	
Contracts with Private Agencies		6,544	
Data Processing Services		2,045	
Dues and Memberships		7,636	
Legal Notices, Recording, and Court Costs		3,893	
Postal Charges		306	
Printing, Stationery, and Forms		885	
Travel		1,784	
Other Contracted Services		792	
Other Supplies and Materials		2,212	
In Service/Staff Development		725	
Total County Commission			\$ 215,656

Board of Equalization

Board and Committee Members Fees	\$	4,420	
Social Security		274	
Extension Service Medicare		64	
Total Board of Equalization			4,758

Other Boards and Committees

Board and Committee Members Fees	\$	4,100	
Social Security		254	
Extension Service Medicare		60	
Total Other Boards and Committees			4,414

County Mayor/Executive

County Official/Administrative Officer	\$	99,787	
Secretary(ies)		38,152	
Part-time Personnel		631	
Longevity Pay		300	
In-service Training		840	
Social Security		8,618	
Extension Service Medicare		2,015	
Pensions		10,368	
Employee and Dependent Insurance		18,960	
Communication		1,080	
Data Processing Services		3,595	
Dues and Memberships		1,956	
Postal Charges		212	
Internet Connectivity		581	
Travel		690	
Office Supplies		2,316	

(Continued)

Exhibit K-7

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

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

In Service/Staff Development	\$	825	
Other Charges		94	
Other Equipment		79	
Total County Mayor/Executive			\$ 191,099

Personnel Office

Assistant(s)	\$	82,516	
Supervisor/Director		64,609	
Part-time Personnel		6,053	
Longevity Pay		1,000	
Social Security		9,335	
Extension Service Medicare		2,183	
Pensions		11,109	
Employee and Dependent Insurance		23,822	
Communication		1,456	
Data Processing Services		7,130	
Evaluation and Testing		289	
Maintenance Agreements		1,314	
Postal Charges		563	
Internet Connectivity		581	
Travel		176	
Office Supplies		1,783	
In Service/Staff Development		535	
Furniture and Fixtures		191	
Total Personnel Office			214,645

County Attorney

Supervisor/Director	\$	62,675	
Social Security		3,846	
Extension Service Medicare		899	
Pensions		4,701	
Employee and Dependent Insurance		6,693	
Dues and Memberships		150	
Other Contracted Services		17,010	
Total County Attorney			95,974

Election Commission

County Official/Administrative Officer	\$	77,756	
Deputy(ies)		37,463	
Longevity Pay		550	
Election Commission		3,965	
Election Workers		34,908	
Social Security		8,188	
Extension Service Medicare		1,915	
Pensions		8,683	
Employee and Dependent Insurance		15,602	
Communication		1,048	

(Continued)

Exhibit K-7

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

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

Data Processing Services	\$	26,383	
Legal Notices, Recording, and Court Costs		8,119	
Maintenance Agreements		360	
Postal Charges		2,867	
Printing, Stationery, and Forms		686	
Internet Connectivity		628	
Office Supplies		2,022	
Office Equipment		5,587	
Total Election Commission			\$ 236,730

Register of Deeds

County Official/Administrative Officer	\$	86,395	
Deputy(ies)		68,517	
Part-time Personnel		12,545	
Social Security		10,134	
Extension Service Medicare		2,370	
Pensions		11,455	
Employee and Dependent Insurance		26,065	
Communication		773	
Contracts with Government Agencies		152	
Data Processing Services		16,790	
Dues and Memberships		1,291	
Evaluation and Testing		157	
Maintenance Agreements		309	
Postal Charges		248	
Internet Connectivity		581	
Travel		892	
Office Supplies		2,611	
In Service/Staff Development		510	
Office Equipment		10,230	
Total Register of Deeds			252,025

Building

Assistant(s)	\$	71,211	
Supervisor/Director		59,497	
Secretary(ies)		36,194	
Part-time Personnel		20,201	
Social Security		11,385	
Extension Service Medicare		2,663	
Pensions		12,468	
Employee and Dependent Insurance		43,481	
Communication		4,319	
Data Processing Services		30,709	
Dues and Memberships		570	
Engineering Services		750	
Evaluation and Testing		388	
Legal Notices, Recording, and Court Costs		27	

(Continued)

Exhibit K-7

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

General Fund (Cont.)General Government (Cont.)Building (Cont.)

Maintenance Agreements	\$	414	
Maintenance and Repair Services - Vehicles		7,041	
Postal Charges		1,033	
Internet Connectivity		581	
Gasoline		7,217	
Office Supplies		450	
Road Signs		183	
Textbooks - Bound		146	
Uniforms		192	
Vehicle and Equipment Insurance		1,924	
In Service/Staff Development		2,947	
Other Charges		20	
Office Equipment		8,274	
Total Building			\$ 324,285

County Buildings

Custodial Personnel	\$	18,714	
Maintenance Personnel		220,133	
Part-time Personnel		1,185	
Longevity Pay		900	
Overtime Pay		23,996	
Social Security		15,991	
Extension Service Medicare		3,740	
Pensions		19,729	
Employee and Dependent Insurance		57,100	
Communication		776	
Data Processing Services		1,706	
Evaluation and Testing		562	
Janitorial Services		50,217	
Legal Notices, Recording, and Court Costs		58	
Maintenance and Repair Services - Buildings		198,650	
Maintenance and Repair Services - Office Equipment		238	
Maintenance and Repair Services - Vehicles		2,038	
Pest Control		1,767	
Internet Connectivity		1,576	
Disposal Fees		4,636	
Custodial Supplies		14,611	
Electricity		98,160	
Gasoline		8,203	
Natural Gas		37,855	
Office Supplies		2,740	
Water and Sewer		20,551	
Other Supplies and Materials		6,369	
Vehicle and Equipment Insurance		1,973	
Total County Buildings			814,174

(Continued)

Exhibit K-7

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

General Fund (Cont.)FinanceAccounting and Budgeting

Assistant(s)	\$	61,127	
Supervisor/Director		96,632	
Accountants/Bookkeepers		100,926	
Part-time Personnel		1,897	
Longevity Pay		1,700	
Social Security		15,626	
Extension Service Medicare		3,654	
Pensions		19,075	
Employee and Dependent Insurance		47,235	
Advertising		88	
Communication		1,112	
Data Processing Services		53,827	
Dues and Memberships		400	
Evaluation and Testing		91	
Legal Notices, Recording, and Court Costs		58	
Maintenance Agreements		413	
Maintenance and Repair Services - Office Equipment		330	
Postal Charges		2,111	
Internet Connectivity		581	
Travel		297	
Office Supplies		2,576	
In Service/Staff Development		780	
Total Accounting and Budgeting			\$ 410,536

Property Assessor's Office

County Official/Administrative Officer	\$	86,395	
Deputy(ies)		96,371	
Secretary(ies)		13,409	
Longevity Pay		1,350	
Social Security		11,948	
Extension Service Medicare		2,794	
Pensions		14,815	
Employee and Dependent Insurance		25,880	
Advertising		165	
Audit Services		15,070	
Communication		3,146	
Data Processing Services		9,528	
Dues and Memberships		1,740	
Legal Services		1,500	
Maintenance Agreements		450	
Postal Charges		1,736	
Travel		916	
Office Supplies		1,588	
Other Supplies and Materials		4,649	
In Service/Staff Development		600	
Total Property Assessor's Office			294,050

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Reappraisal Program

Assistant(s)	\$	53,636	
Deputy(ies)		60,977	
Part-time Personnel		13,177	
Social Security		7,789	
Extension Service Medicare		1,822	
Pensions		8,596	
Employee and Dependent Insurance		23,176	
Data Processing Services		3,420	
Maintenance and Repair Services - Vehicles		155	
Postal Charges		1,548	
Travel		522	
Gasoline		1,596	
Office Supplies		586	
Vehicle and Equipment Insurance		1,288	
In Service/Staff Development		75	
Total Reappraisal Program			\$ 178,363

County Trustee's Office

County Official/Administrative Officer	\$	86,395	
Deputy(ies)		80,157	
Part-time Personnel		16,545	
Longevity Pay		1,300	
Social Security		11,121	
Extension Service Medicare		2,601	
Pensions		12,589	
Employee and Dependent Insurance		22,880	
Communication		1,666	
Data Processing Services		16,553	
Dues and Memberships		961	
Legal Services		40	
Maintenance Agreements		31	
Postal Charges		5,789	
Printing, Stationery, and Forms		4,836	
Internet Connectivity		581	
Travel		561	
Office Supplies		1,912	
In Service/Staff Development		505	
Office Equipment		1,075	
Total County Trustee's Office			268,098

County Clerk's Office

County Official/Administrative Officer	\$	86,395	
Deputy(ies)		256,848	
Longevity Pay		600	
Bonus Payments		12,000	
Social Security		21,487	
Extension Service Medicare		5,025	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

Pensions	\$	26,597	
Employee and Dependent Insurance		70,894	
Communication		3,660	
Data Processing Services		35,480	
Dues and Memberships		916	
Evaluation and Testing		73	
Maintenance Agreements		809	
Postal Charges		20,439	
Internet Connectivity		3,023	
Travel		897	
Office Supplies		9,670	
In Service/Staff Development		355	
Office Equipment		8,241	
Other Equipment		410	
Total County Clerk's Office			\$ 563,819

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	86,395	
Deputy(ies)		284,226	
Attendants		600	
Longevity Pay		2,850	
Jury and Witness Expense		7,062	
Social Security		22,227	
Extension Service Medicare		5,198	
Pensions		27,572	
Employee and Dependent Insurance		85,544	
Advertising		35	
Communication		4,983	
Data Processing Services		29,489	
Dues and Memberships		1,134	
Evaluation and Testing		245	
Legal Notices, Recording, and Court Costs		411	
Maintenance Agreements		351	
Postal Charges		5,330	
Travel		83	
Other Contracted Services		280	
Food Supplies		2,257	
Office Supplies		11,754	
Office Equipment		3,626	
Total Circuit Court			581,652

General Sessions Judge

Judge(s)	\$	156,922	
Secretary(ies)		37,943	
Longevity Pay		500	
Other Salaries and Wages		36,000	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Judge (Cont.)

Social Security	\$	14,026	
Extension Service Medicare		3,325	
Pensions		14,652	
Employee and Dependent Insurance		21,554	
Communication		2,193	
Data Processing Services		3,648	
Dues and Memberships		300	
Postal Charges		361	
Travel		810	
Other Contracted Services		2,712	
Office Supplies		657	
In Service/Staff Development		704	
Total General Sessions Judge			\$ 296,307

Chancery Court

County Official/Administrative Officer	\$	86,395	
Deputy(ies)		69,243	
Part-time Personnel		5,875	
Social Security		9,615	
Extension Service Medicare		2,249	
Pensions		11,673	
Employee and Dependent Insurance		31,798	
Communication		1,347	
Data Processing Services		18,825	
Dues and Memberships		1,291	
Evaluation and Testing		112	
Legal Services		19,148	
Legal Notices, Recording, and Court Costs		2,218	
Maintenance Agreements		528	
Postal Charges		2,839	
Travel		572	
Other Contracted Services		600	
Office Supplies		7,011	
Furniture and Fixtures		2,503	
Office Equipment		1,379	
Total Chancery Court			275,221

Juvenile Court

Probation Officer(s)	\$	78,940	
Youth Service Officer(s)		46,815	
Guidance Personnel		63,027	
Secretary(ies)		34,957	
Longevity Pay		350	
Overtime Pay		2,695	
Social Security		13,645	
Extension Service Medicare		3,191	
Pensions		16,953	

(Continued)

Exhibit K-7

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

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

Employee and Dependent Insurance	\$	55,983	
Communication		463	
Data Processing Services		9,811	
Evaluation and Testing		91	
Maintenance Agreements		450	
Postal Charges		527	
Travel		929	
Office Supplies		262	
In Service/Staff Development		760	
Other Charges		2,985	
Total Juvenile Court			\$ 332,834

Probation Services

Supervisor/Director	\$	69,664	
Probation Officer(s)		80,954	
Social Security		8,961	
Extension Service Medicare		2,096	
Pensions		11,296	
Employee and Dependent Insurance		34,085	
Advertising		88	
Communication		1,954	
Data Processing Services		11,360	
Dues and Memberships		300	
Evaluation and Testing		6,064	
Licenses		810	
Maintenance Agreements		1,272	
Pest Control		144	
Internet Connectivity		999	
Rentals		8,400	
Travel		7,019	
Other Contracted Services		24,971	
Electricity		1,618	
Natural Gas		518	
Office Supplies		2,264	
In Service/Staff Development		1,225	
Other Charges		150	
Office Equipment		496	
Total Probation Services			276,708

Courtroom Security

Deputy(ies)	\$	73,025	
Overtime Pay		7,159	
Social Security		4,694	
Extension Service Medicare		1,098	
Pensions		6,014	
Employee and Dependent Insurance		21,803	
Communication		442	

(Continued)

Exhibit K-7

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

General Fund (Cont.)Administration of Justice (Cont.)Courtroom Security (Cont.)

Other Contracted Services	\$	83,825	
Uniforms		1,108	
Total Courtroom Security			\$ 199,168

Public SafetySheriff's Department

County Official/Administrative Officer	\$	95,035
Assistant(s)		72,353
Deputy(ies)		621,618
Detective(s)		204,490
Captain(s)		59,796
Sergeant(s)		101,127
Accountants/Bookkeepers		86,144
Salary Supplements		41,244
School Resource Officer		277,539
Longevity Pay		8,150
Overtime Pay		152,087
In-service Training		22,400
Social Security		105,371
Extension Service Medicare		24,642
Pensions		125,920
Employee and Dependent Insurance		296,265
Advertising		88
Communication		4,810
Contracts with Private Agencies		670
Data Processing Services		35,888
Dues and Memberships		2,480
Evaluation and Testing		1,183
Maintenance and Repair Services - Buildings		1,098
Maintenance and Repair Services - Equipment		596
Maintenance and Repair Services - Office Equipment		185
Maintenance and Repair Services - Vehicles		42,492
Pest Control		300
Postal Charges		1,622
Internet Connectivity		1,340
Towing Services		375
Travel		2,991
Disposal Fees		2,054
Electricity		18,611
Gasoline		102,836
Law Enforcement Supplies		12,432
Natural Gas		5,331
Office Supplies		4,842
Tires and Tubes		5,900
Uniforms		19,216
Water and Sewer		14,144
Other Supplies and Materials		270

(Continued)

Exhibit K-7

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

General Fund (Cont.)Public Safety (Cont.)Sheriff's Department (Cont.)

Vehicle and Equipment Insurance	\$	29,594	
In Service/Staff Development		4,440	
Other Charges		5,721	
Law Enforcement Equipment		20,008	
Office Equipment		1,789	
Total Sheriff's Department			\$ 2,637,487

Jail

Assistant(s)	\$	39,050	
Supervisor/Director		59,796	
Salary Supplements		31,094	
Guards		695,705	
Clerical Personnel		36,219	
Longevity Pay		3,500	
Overtime Pay		178,538	
Social Security		63,668	
Extension Service Medicare		14,890	
Pensions		77,318	
Employee and Dependent Insurance		140,746	
Communication		3,580	
Contracts with Private Agencies		10,030	
Data Processing Services		13,772	
Evaluation and Testing		8,939	
Maintenance and Repair Services - Equipment		10,419	
Maintenance and Repair Services - Office Equipment		148	
Maintenance and Repair Services - Vehicles		1,768	
Medical and Dental Services		234,258	
Pest Control		300	
Postal Charges		1,647	
Internet Connectivity		1,301	
Travel		1,721	
Disposal Fees		6,163	
Electricity		55,833	
Food Supplies		262,340	
Natural Gas		35,029	
Office Supplies		3,058	
Prisoners Clothing		4,979	
Uniforms		6,139	
Water and Sewer		33,003	
Other Supplies and Materials		42,209	
In Service/Staff Development		100	
Other Equipment		17,333	
Total Jail			2,094,593

Rural Fire Protection

In-service Training	\$	45	
Evaluation and Testing		168	

(Continued)

Exhibit K-7

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

General Fund (Cont.)Public Safety (Cont.)Rural Fire Protection (Cont.)

Maintenance and Repair Services - Equipment	\$	1,571	
Maintenance and Repair Services - Vehicles		23,820	
Towing Services		400	
Other Contracted Services		45,000	
Diesel Fuel		6,168	
Electricity		17,980	
Gasoline		919	
Natural Gas		7,170	
Water and Sewer		1,992	
Other Supplies and Materials		1,558	
Excess Risk Insurance		8,390	
Vehicle and Equipment Insurance		20,020	
Other Equipment		1,735	
Total Rural Fire Protection			\$ 136,936

Civil Defense

Supervisor/Director	\$	78,271	
Secretary(ies)		37,761	
Part-time Personnel		19,376	
Longevity Pay		1,700	
Other Salaries and Wages		86,180	
Social Security		13,649	
Extension Service Medicare		3,192	
Pensions		15,293	
Employee and Dependent Insurance		27,302	
Communication		8,770	
Data Processing Services		4,344	
Dues and Memberships		475	
Maintenance Agreements		925	
Maintenance and Repair Services - Equipment		2,195	
Maintenance and Repair Services - Office Equipment		17	
Maintenance and Repair Services - Vehicles		10,754	
Postal Charges		209	
Internet Connectivity		1,147	
Travel		3,490	
Diesel Fuel		3,796	
Gasoline		4,138	
Office Supplies		1,063	
Uniforms		3,647	
Vehicle and Equipment Insurance		9,020	
In Service/Staff Development		2,490	
Other Charges		7,478	
Furniture and Fixtures		209	
Office Equipment		1,000	
Other Equipment		23,587	
Total Civil Defense			371,478

(Continued)

Exhibit K-7

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

General Fund (Cont.)Public Safety (Cont.)Other Emergency Management

Other Supplies and Materials	\$ 5,216	
Other Charges	6,928	
Total Other Emergency Management		\$ 12,144

County Coroner/Medical Examiner

Assistant(s)	\$ 126	
Supervisor/Director	677	
Social Security	50	
Extension Service Medicare	12	
Pensions	9	
Data Processing Services	507	
Other Contracted Services	88,108	
Other Equipment	1,592	
Total County Coroner/Medical Examiner		91,081

Public Safety Grants Program

Other Contracted Services	\$ 6,545	
Total Public Safety Grants Program		6,545

Other Public Safety

Communication	\$ 558	
Total Other Public Safety		558

Public Health and WelfareLocal Health Center

Communication	\$ 8,333	
Contracts with Government Agencies	19,659	
Contracts with Private Agencies	1,895	
Dues and Memberships	375	
Evaluation and Testing	36	
Janitorial Services	12,223	
Pest Control	14	
Internet Connectivity	2,126	
Disposal Fees	2,201	
Electricity	35,208	
Office Supplies	50	
Water and Sewer	1,029	
Other Supplies and Materials	215	
Other Charges	374	
Furniture and Fixtures	428	
Total Local Health Center		84,166

Rabies and Animal Control

Assistant(s)	\$ 42,786	
Longevity Pay	550	
Overtime Pay	176	
Social Security	2,560	

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

Extension Service Medicare	\$	599	
Pensions		3,263	
Employee and Dependent Insurance		12,864	
Communication		1,736	
Contracts with Government Agencies		25,463	
Data Processing Services		653	
Maintenance and Repair Services - Vehicles		1,971	
Towing Services		250	
Gasoline		2,429	
Uniforms		73	
Other Supplies and Materials		240	
Vehicle and Equipment Insurance		612	
Other Equipment		257	
Total Rabies and Animal Control			\$ 96,482

Ambulance/Emergency Medical Services

Supervisor/Director	\$	75,460
Accountants/Bookkeepers		36,917
Medical Personnel		1,507
Paraprofessionals		1,708,458
Part-time Personnel		2,278
Longevity Pay		5,000
Social Security		107,258
Extension Service Medicare		25,851
Pensions		127,748
Employee and Dependent Insurance		284,950
Advertising		20
Communication		7,693
Contracts with Government Agencies		5,500
Contracts with Private Agencies		69,415
Data Processing Services		3,752
Dues and Memberships		875
Evaluation and Testing		3,930
Licenses		2,680
Maintenance Agreements		450
Maintenance and Repair Services - Buildings		15
Maintenance and Repair Services - Equipment		2,387
Maintenance and Repair Services - Office Equipment		99
Maintenance and Repair Services - Vehicles		36,836
Pest Control		298
Postal Charges		181
Internet Connectivity		4,625
Towing Services		300
Travel		2,825
Disposal Fees		960
Other Contracted Services		32,442
Custodial Supplies		1,040

(Continued)

Exhibit K-7

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

General Fund (Cont.)Public Health and Welfare (Cont.)Ambulance/Emergency Medical Services (Cont.)

Diesel Fuel	\$	374	
Drugs and Medical Supplies		112,564	
Electricity		20,127	
Gasoline		73,898	
Natural Gas		6,647	
Office Supplies		309	
Tires and Tubes		5,931	
Uniforms		4,718	
Water and Sewer		1,359	
Other Supplies and Materials		62	
Vehicle and Equipment Insurance		14,542	
In Service/Staff Development		7,090	
Furniture and Fixtures		725	
Office Equipment		249	
Other Equipment		17,250	
Total Ambulance/Emergency Medical Services			\$ 2,817,595

Maternal and Child Health Services

Contracts with Government Agencies	\$	5,000	
Total Maternal and Child Health Services			5,000

Other Local Health Services

Paraprofessionals	\$	121,659	
Secretary(ies)		36,073	
Longevity Pay		900	
Social Security		9,525	
Extension Service Medicare		2,228	
Pensions		11,898	
Employee and Dependent Insurance		44,559	
Disability Insurance		489	
Travel		628	
Total Other Local Health Services			227,959

Other Public Health and Welfare

Contracts with Private Agencies	\$	51,240	
Contributions		46,000	
Total Other Public Health and Welfare			97,240

Social, Cultural, and Recreational ServicesSenior Citizens Assistance

Contributions	\$	91,500	
Total Senior Citizens Assistance			91,500

Libraries

Assistant(s)	\$	32,061	
Supervisor/Director		62,296	
Librarians		127,565	

(Continued)

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Part-time Personnel	\$	85,486	
Longevity Pay		3,300	
Social Security		19,017	
Extension Service Medicare		4,448	
Pensions		16,735	
Employee and Dependent Insurance		30,082	
Advertising		517	
Communication		2,287	
Data Processing Services		3,804	
Dues and Memberships		520	
Evaluation and Testing		419	
Maintenance and Repair Services - Equipment		180	
Maintenance and Repair Services - Office Equipment		851	
Pest Control		168	
Postal Charges		734	
Internet Connectivity		6,819	
Rentals		5,802	
Travel		1,503	
Disposal Fees		432	
Electricity		11,526	
Library Books/Media		19,067	
Natural Gas		3,544	
Office Supplies		11,868	
Periodicals		217	
Water and Sewer		1,086	
Other Supplies and Materials		10,444	
Vehicle and Equipment Insurance		1,249	
Office Equipment		2,558	
Total Libraries			\$ 466,585

Agriculture and Natural Resources

Agricultural Extension Service

Assistant(s)	\$	13,540	
Supervisor/Director		16,372	
Secretary(ies)		9,435	
Educational Assistants		14,158	
Social Security		3,189	
Extension Service Medicare		1,385	
Pensions		9,975	
Employee and Dependent Insurance		8,884	
Communication		3,251	
Dues and Memberships		878	
Janitorial Services		2,130	
Travel		5,674	
Electricity		6,745	
Natural Gas		5,788	
Office Supplies		742	

(Continued)

Exhibit K-7

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

General Fund (Cont.)Agriculture and Natural Resources (Cont.)Agricultural Extension Service (Cont.)

Water and Sewer	\$	1,148	
Other Supplies and Materials		896	
Total Agricultural Extension Service			\$ 104,190

Forest Service

Contributions	\$	2,000	
Total Forest Service			2,000

Soil Conservation

Supervisor/Director	\$	39,981	
Longevity Pay		1,000	
Social Security		2,477	
Extension Service Medicare		579	
Pensions		3,074	
Employee and Dependent Insurance		12,241	
Total Soil Conservation			59,352

Other OperationsTourism

Advertising	\$	2,000	
Contributions		38,100	
Total Tourism			40,100

Housing and Urban Development

Other Capital Outlay	\$	113,402	
Total Housing and Urban Development			113,402

Other Economic and Community Development

Contributions	\$	360,433	
Total Other Economic and Community Development			360,433

Veterans' Services

Supervisor/Director	\$	36,513	
Part-time Personnel		16,052	
Social Security		3,259	
Extension Service Medicare		762	
Pensions		2,739	
Communication		1,208	
Data Processing Services		3,542	
Maintenance Agreements		48	
Postal Charges		179	
Internet Connectivity		628	
Travel		274	
Office Supplies		1,744	
Vehicle and Equipment Insurance		569	
Office Equipment		1,758	
Total Veterans' Services			69,275

(Continued)

Exhibit K-7

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

General Fund (Cont.)Other Operations (Cont.)Other Charges

Life Insurance	\$	4,630	
Disability Insurance		25,739	
Unemployment Compensation		8,394	
On-behalf Payments to OPEB		810	
Data Processing Services		335	
Liability Insurance		239,411	
Trustee's Commission		257,071	
Workers' Compensation Insurance		201,007	
Liability Claims		5,528	
Other Charges		129,992	
Land		36	
Office Equipment		90	
Total Other Charges			\$ 873,043

Contributions to Other Agencies

Contributions	\$	517,370	
Total Contributions to Other Agencies			517,370

COVID-19 Grant A

Furniture and Fixtures	\$	251	
Office Equipment		12,793	
Other Equipment		22,016	
Total COVID-19 Grant A			35,060

Total General Fund \$ 17,442,090

Juvenile Services FundAdministration of JusticeJuvenile Court

Data Processing Services	\$	3,000	
Other Supplies and Materials		2,764	
Trustee's Commission		342	
Total Juvenile Court			\$ 6,106

Total Juvenile Services Fund 6,106

Solid Waste/Sanitation FundPublic Health and WelfareSanitation Management

Assistant(s)	\$	60,674	
Supervisor/Director		73,890	
Equipment Operators - Light		93,599	
Truck Drivers		111,051	
Secretary(ies)		35,403	
Maintenance Personnel		44,922	
Part-time Personnel		172,274	
Longevity Pay		2,550	

(Continued)

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Sanitation Management (Cont.)

Overtime Pay	\$ 28,570
Social Security	37,901
Extension Service Medicare	8,864
Pensions	33,544
Employee and Dependent Insurance	75,110
Life Insurance	348
Disability Insurance	1,444
Advertising	1,749
Communication	3,973
Contracts with Private Agencies	8,248
Contracts with Public Carriers	2,767
Data Processing Services	4,944
Dues and Memberships	1,052
Evaluation and Testing	911
Janitorial Services	4,300
Laundry Service	2,602
Legal Notices, Recording, and Court Costs	88
Licenses	650
Maintenance Agreements	179
Maintenance and Repair Services - Buildings	19,905
Maintenance and Repair Services - Equipment	33,099
Maintenance and Repair Services - Vehicles	55,851
Pest Control	84
Postal Charges	230
Printing, Stationery, and Forms	125
Internet Connectivity	1,199
Rentals	7,200
Travel	982
Disposal Fees	23,941
Brokerage Fees - Recyclables	6,036
Other Contracted Services	189,628
Custodial Supplies	525
Diesel Fuel	56,733
Electricity	53,004
Food Supplies	756
Garage Supplies	7,941
Gasoline	12,127
Natural Gas	10,985
Office Supplies	751
Propane Gas	2,184
Water and Sewer	12,109
Wire	27,494
Liability Insurance	9,314
Trustee's Commission	14,162
Vehicle and Equipment Insurance	10,861
Workers' Compensation Insurance	23,250
Liability Claims	5,000

(Continued)

Exhibit K-7

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

Solid Waste/Sanitation Fund (Cont.)Public Health and Welfare (Cont.)Sanitation Management (Cont.)

In Service/Staff Development	\$	200	
Building Improvements		152,983	
Motor Vehicles		239,020	
Office Equipment		2,974	
Other Equipment		67,008	
Total Sanitation Management			\$ 1,859,268

Total Solid Waste/Sanitation Fund \$ 1,859,268

Drug Control FundPublic SafetyDrug Enforcement

Remittance of Revenue Collected	\$	2,602	
Trustee's Commission		144	
Total Drug Enforcement			\$ 2,746

Total Drug Control Fund 2,746

Constitutional Officers - Fees FundFinanceCounty Trustee's Office

Constitutional Officers' Operating Expenses	\$	375	
Total County Trustee's Office			\$ 375

Administration of JusticeChancery Court

Special Commissioner Fees/Special Master Fees	\$	7,119	
Total Chancery Court			7,119

Total Constitutional Officers - Fees Fund 7,494

Highway/Public Works FundHighwaysAdministration

County Official/Administrative Officer	\$	95,035	
Assistant(s)		50,954	
Accountants/Bookkeepers		48,082	
Salary Supplements		6,000	
Longevity Pay		1,450	
Overtime Pay		5,400	
Social Security		12,814	
Extension Service Medicare		2,997	
Pensions		15,519	
Employee and Dependent Insurance		20,122	
Dues and Memberships		3,622	
Legal Notices, Recording, and Court Costs		273	
Maintenance and Repair Services - Office Equipment		730	

(Continued)

Exhibit K-7

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

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

Postal Charges	\$	756	
Travel		1,807	
Office Supplies		887	
Other Charges		861	
Office Equipment		980	
Total Administration			\$ 268,289

Highway and Bridge Maintenance

Foremen	\$	113,249	
Equipment Operators		552,480	
Truck Drivers		279,211	
Laborers		126,683	
Longevity Pay		10,500	
Overtime Pay		25,844	
Social Security		67,281	
Extension Service Medicare		15,734	
Pensions		83,098	
Employee and Dependent Insurance		240,417	
Evaluation and Testing		1,668	
Asphalt		369,979	
Crushed Stone		149,480	
Fertilizer, Lime, and Seed		8,993	
General Construction Materials		5,399	
Pipe		74,407	
Road Signs		20,000	
Salt		10,000	
Total Highway and Bridge Maintenance			2,154,423

Operation and Maintenance of Equipment

Foremen	\$	63,202	
Mechanic(s)		143,813	
Longevity Pay		2,150	
Overtime Pay		5,333	
Social Security		12,891	
Extension Service Medicare		3,015	
Pensions		16,087	
Employee and Dependent Insurance		56,606	
Evaluation and Testing		485	
Laundry Service		12,850	
Diesel Fuel		83,238	
Equipment and Machinery Parts		189,779	
Garage Supplies		46,222	
Gasoline		25,146	
Lubricants		14,785	
Tires and Tubes		54,492	
Other Supplies and Materials		21,605	
Total Operation and Maintenance of Equipment			751,699

(Continued)

Exhibit K-7

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

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

Communication	\$	7,144	
Electricity		11,109	
Water and Sewer		4,627	
Liability Insurance		8,264	
Trustee's Commission		40,947	
Vehicle and Equipment Insurance		33,454	
Total Other Charges			\$ 105,545

Employee Benefits

Life Insurance	\$	898	
Disability Insurance		5,130	
Workers' Compensation Insurance		54,971	
Total Employee Benefits			60,999

Capital Outlay

Bridge Construction	\$	296,812	
Highway Construction		33,133	
Highway Equipment		272	
Motor Vehicles		67,504	
Plant Operation Equipment		2,599	
State Aid Projects		351,124	
Total Capital Outlay			<u>751,444</u>

Total Highway/Public Works Fund \$ 4,092,399

General Debt Service FundPrincipal on DebtGeneral Government

Principal on Bonds	\$	333,190	
Total General Government			\$ 333,190

Education

Principal on Bonds	\$	810,000	
Principal on Notes		257,888	
Total Education			1,067,888

Interest on DebtGeneral Government

Interest on Bonds	\$	120,110	
Total General Government			120,110

Education

Interest on Bonds	\$	620,425	
Interest on Notes		2,056	
Total Education			622,481

(Continued)

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

General Debt Service Fund (Cont.)

Other Debt Service

Education

Contracts with Private Agencies	\$	2,120	
Trustee's Commission		54,692	
Other Debt Issuance Charges		3,002	
Total Education			\$ 59,814

Capital Projects - Donated

Capital Projects Donated to School Department

Contributions	\$	4,172,389	
Total Capital Projects Donated to School Department			4,172,389

Total General Debt Service Fund \$ 6,375,872

Community Development/Industrial Park Fund

Other Operations

American Rescue Plan Act Grant J

Contracts with Government Agencies	\$	23,067	
Total American Rescue Plan Act Grant J			\$ 23,067

Total Community Development/Industrial Park Fund 23,067

Highway Capital Projects Fund

Capital Projects

Highway and Street Capital Projects

Highway Construction	\$	156,088	
Total Highway and Street Capital Projects			\$ 156,088

Total Highway Capital Projects Fund 156,088

Other Capital Projects Fund

Capital Projects

Public Safety Projects

Motor Vehicles	\$	41,408	
Total Public Safety Projects			\$ 41,408

Public Health and Welfare Projects

Motor Vehicles	\$	106,428	
Other Equipment		324,642	
Total Public Health and Welfare Projects			431,070

Other General Government Projects

Trustee's Commission	\$	24,091	
Motor Vehicles		399,684	
Office Equipment		150,550	
Other Equipment		56,045	
Total Other General Government Projects			630,370

(Continued)

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

<u>Other Capital Projects Fund (Cont.)</u>			
<u>Capital Projects (Cont.)</u>			
<u>Highway and Street Capital Projects</u>			
Highway Equipment	\$	<u>576,075</u>	
Total Highway and Street Capital Projects			<u>\$ 576,075</u>
Total Other Capital Projects Fund			<u>\$ 1,678,923</u>
Total Governmental Funds - Primary Government			<u><u>\$ 31,644,053</u></u>

Exhibit K-8

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

General Purpose School FundInstructionRegular Instruction Program

Teachers	\$ 15,336,055	
Career Ladder Program	39,098	
Homebound Teachers	9,695	
Educational Assistants	825,086	
Longevity Pay	200,375	
Other Salaries and Wages	130,176	
Certified Substitute Teachers	19,989	
Non-certified Substitute Teachers	290,492	
Social Security	959,145	
Pensions	1,348,621	
Medical Insurance	3,254,370	
Dental Insurance	10,497	
Unemployment Compensation	8,838	
Employer Medicare	230,850	
Maintenance and Repair Services - Equipment	140,888	
Travel	3,225	
Tuition	5,258	
Other Contracted Services	339,468	
Instructional Supplies and Materials	393,601	
Textbooks - Bound	863,083	
Other Supplies and Materials	1,424	
Regular Instruction Equipment	4,147	
Other Equipment	105,973	
Total Regular Instruction Program		\$ 24,520,354

Alternative Instruction Program

Teachers	\$ 63,598	
Longevity Pay	650	
Non-certified Substitute Teachers	1,870	
Social Security	3,759	
Pensions	5,583	
Medical Insurance	16,227	
Dental Insurance	46	
Unemployment Compensation	27	
Employer Medicare	879	
Other Contracted Services	1,182	
Instructional Supplies and Materials	400	
Total Alternative Instruction Program		94,221

Special Education Program

Teachers	\$ 1,333,999	
Career Ladder Program	5,500	
Homebound Teachers	2,985	
Educational Assistants	398,056	
Speech Pathologist	187,224	
Longevity Pay	32,050	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)Instruction (Cont.)Special Education Program (Cont.)

Certified Substitute Teachers	\$	5,300	
Non-certified Substitute Teachers		28,420	
Social Security		110,515	
Pensions		158,953	
Medical Insurance		638,675	
Dental Insurance		2,025	
Unemployment Compensation		1,369	
Employer Medicare		26,116	
Instructional Supplies and Materials		6,400	
Total Special Education Program			\$ 2,937,587

Career and Technical Education Program

Teachers	\$	1,079,434	
Career Ladder Program		3,000	
Educational Assistants		9,683	
Longevity Pay		12,500	
Non-certified Substitute Teachers		9,230	
Social Security		64,813	
Pensions		93,997	
Medical Insurance		228,171	
Dental Insurance		752	
Unemployment Compensation		479	
Employer Medicare		15,181	
Maintenance and Repair Services - Equipment		387	
Instructional Supplies and Materials		109,081	
Regular Instruction Equipment		15,012	
Total Career and Technical Education Program			1,641,720

Support ServicesAttendance

Supervisor/Director	\$	68,527	
Career Ladder Program		600	
Social Workers		79,747	
Clerical Personnel		42,026	
Longevity Pay		3,700	
Social Security		8,999	
Pensions		11,348	
Medical Insurance		23,154	
Dental Insurance		137	
Unemployment Compensation		80	
Employer Medicare		2,717	
Travel		1,171	
Other Contracted Services		27,829	
Other Supplies and Materials		2,699	
In Service/Staff Development		1,063	
Attendance Equipment		946	
Total Attendance			274,743

(Continued)

Exhibit K-8

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

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

Supervisor/Director	\$	106,185	
Career Ladder Program		550	
Medical Personnel		254,129	
Longevity Pay		3,350	
Social Security		18,595	
Pensions		25,530	
Medical Insurance		77,462	
Dental Insurance		292	
Unemployment Compensation		292	
Employer Medicare		4,914	
Travel		2,808	
Other Contracted Services		40,000	
Other Supplies and Materials		15,122	
Health Equipment		9,290	
Total Health Services			\$ 558,519

Other Student Support

Career Ladder Program	\$	2,000	
Guidance Personnel		706,919	
Longevity Pay		9,800	
Other Salaries and Wages		1,450	
Social Security		41,192	
Pensions		61,237	
Medical Insurance		179,323	
Dental Insurance		369	
Unemployment Compensation		256	
Employer Medicare		9,634	
Contracts with Government Agencies		120,703	
Evaluation and Testing		24,664	
Other Contracted Services		50,386	
Other Supplies and Materials		3,988	
In Service/Staff Development		1,700	
Other Charges		10,324	
Other Equipment		55,851	
Total Other Student Support			1,279,796

Regular Instruction Program

Supervisor/Director	\$	320,719	
Career Ladder Program		5,000	
Librarians		534,330	
Secretary(ies)		24,155	
Longevity Pay		18,225	
Other Salaries and Wages		7,590	
Social Security		51,823	
Pensions		77,790	
Medical Insurance		187,927	

(Continued)

Exhibit K-8

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

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

Dental Insurance	\$	556	
Unemployment Compensation		339	
Employer Medicare		12,131	
Travel		8,500	
Library Books/Media		21,953	
Other Supplies and Materials		8,275	
In Service/Staff Development		31,197	
Total Regular Instruction Program			\$ 1,310,510

Special Education Program

Career Ladder Program	\$	500	
Psychological Personnel		61,765	
Longevity Pay		1,750	
Other Salaries and Wages		16,074	
Social Security		108	
Pensions		5,499	
Unemployment Compensation		63	
Employer Medicare		1,161	
Contracts with Other Public Agencies		159,520	
Total Special Education Program			246,440

Career and Technical Education Program

Supervisor/Director	\$	91,679	
Secretary(ies)		27,276	
Longevity Pay		950	
Social Security		6,926	
Pensions		10,095	
Medical Insurance		28,489	
Dental Insurance		91	
Unemployment Compensation		42	
Employer Medicare		1,620	
Communication		438	
Travel		197	
Other Contracted Services		2,354	
Other Charges		435	
Total Career and Technical Education Program			170,592

Technology

Supervisor/Director	\$	82,208	
Data Processing Personnel		205,994	
Longevity Pay		1,200	
Social Security		17,117	
Pensions		22,009	
Medical Insurance		45,756	
Dental Insurance		187	
Unemployment Compensation		140	

(Continued)

Exhibit K-8

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

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

Employer Medicare	\$	4,003	
Maintenance and Repair Services - Equipment		57,151	
Internet Connectivity		122,683	
Other Contracted Services		7,048	
Software		10,026	
In Service/Staff Development		1,977	
Other Equipment		172,444	
Total Technology			\$ 749,943

Other Programs

On-behalf Payments to OPEB	\$	104,503	
Total Other Programs			104,503

Board of Education

Board and Committee Members Fees	\$	35,423	
Social Security		1,949	
Employer Medicare		513	
Legal Services		8,070	
Other Contracted Services		16,250	
Liability Insurance		105,840	
Trustee's Commission		299,991	
Workers' Compensation Insurance		159,723	
In Service/Staff Development		625	
Criminal Investigation of Applicants - TBI		8,532	
Other Charges		3,981	
Total Board of Education			640,897

Director of Schools

County Official/Administrative Officer	\$	140,630	
Career Ladder Program		1,000	
Secretary(ies)		52,817	
Longevity Pay		1,550	
Social Security		11,616	
Pensions		16,379	
Medical Insurance		35,371	
Dental Insurance		382	
Unemployment Compensation		42	
Employer Medicare		2,717	
Communication		600	
Dues and Memberships		6,790	
In Service/Staff Development		288	
Other Charges		3,114	
Total Director of Schools			273,296

Office of the Principal

Principals	\$	858,910	
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(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)Support Services (Cont.)Office of the Principal (Cont.)

Career Ladder Program	\$	11,000	
Assistant Principals		934,731	
Clerical Personnel		436,847	
Longevity Pay		37,300	
Social Security		133,455	
Pensions		192,276	
Medical Insurance		401,418	
Dental Insurance		1,240	
Unemployment Compensation		817	
Employer Medicare		31,211	
Other Contracted Services		11,700	
Office Supplies		7,591	
Other Charges		134,051	
Administration Equipment		11,527	
Total Office of the Principal			\$ 3,204,074

Fiscal Services

Supervisor/Director	\$	82,208	
Accountants/Bookkeepers		199,909	
Longevity Pay		2,500	
Social Security		16,553	
Pensions		21,169	
Medical Insurance		60,177	
Dental Insurance		146	
Unemployment Compensation		124	
Employer Medicare		3,871	
Data Processing Services		57,597	
Travel		744	
Other Contracted Services		900	
Data Processing Supplies		8,440	
In Service/Staff Development		1,635	
Administration Equipment		2,014	
Total Fiscal Services			457,987

Human Services/Personnel

Supervisor/Director	\$	82,208	
Clerical Personnel		48,290	
Longevity Pay		1,200	
Social Security		7,645	
Pensions		9,877	
Medical Insurance		28,462	
Dental Insurance		91	
Unemployment Compensation		42	
Employer Medicare		1,788	
Travel		348	
Office Supplies		3,197	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)Support Services (Cont.)Human Services/Personnel (Cont.)

Other Supplies and Materials	\$	623	
In Service/Staff Development		350	
Other Charges		6,835	
Total Human Services/Personnel			\$ 190,956

Operation of Plant

Custodial Personnel	\$	912,815	
Longevity Pay		15,175	
Other Salaries and Wages		56,793	
Social Security		54,596	
Pensions		66,241	
Medical Insurance		295,486	
Dental Insurance		876	
Unemployment Compensation		958	
Employer Medicare		13,112	
Disposal Fees		125,532	
Other Contracted Services		12,955	
Custodial Supplies		232,411	
Electricity		1,243,903	
Natural Gas		122,924	
Water and Sewer		200,352	
Boiler Insurance		6,354	
Building and Contents Insurance		246,970	
Plant Operation Equipment		3,573	
Total Operation of Plant			3,611,026

Maintenance of Plant

Supervisor/Director	\$	82,208	
Clerical Personnel		34,670	
Maintenance Personnel		449,167	
Longevity Pay		6,050	
Other Salaries and Wages		28,750	
Social Security		34,833	
Pensions		42,686	
Medical Insurance		113,815	
Dental Insurance		351	
Unemployment Compensation		338	
Employer Medicare		8,239	
Communication		4,749	
Dues and Memberships		400	
Maintenance and Repair Services - Buildings		640,716	
Maintenance and Repair Services - Equipment		42,029	
Travel		4,700	
Other Contracted Services		289,497	
Other Supplies and Materials		4,466	
In Service/Staff Development		1,395	

(Continued)

Exhibit K-8

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

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

Other Charges	\$	5,242	
Administration Equipment		15,135	
Maintenance Equipment		1,746	
Total Maintenance of Plant			\$ 1,811,182

Transportation

Supervisor/Director	\$	82,208	
Mechanic(s)		127,010	
Bus Drivers		838,426	
Clerical Personnel		34,702	
Longevity Pay		19,800	
Other Salaries and Wages		62,117	
Social Security		63,646	
Pensions		83,702	
Medical Insurance		401,486	
Dental Insurance		1,254	
Unemployment Compensation		1,033	
Employer Medicare		15,218	
Communication		1,692	
Medical and Dental Services		6,125	
Travel		2,119	
Other Contracted Services		37,616	
Diesel Fuel		279,096	
Gasoline		73,553	
Tires and Tubes		46,307	
Vehicle Parts		66,922	
Vehicle and Equipment Insurance		61,743	
In Service/Staff Development		1,175	
Other Charges		45,553	
Total Transportation			2,352,503

Central and Other

Clerical Personnel	\$	25,238	
Longevity Pay		450	
Social Security		1,421	
Pensions		1,927	
Life Insurance		13,975	
Medical Insurance		95,458	
Unemployment Compensation		21	
Employer Medicare		332	
Other Fringe Benefits		52,934	
Communication		712	
Postal Charges		5,511	
Office Supplies		2,826	
Other Charges		17,153	
Total Central and Other			217,958

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)Operation of Non-Instructional ServicesFood Service

Supervisor/Director	\$	4,565	
Cafeteria Personnel		7,856	
Social Security		770	
Pensions		864	
Unemployment Compensation		2	
Employer Medicare		180	
Food Supplies		482	
Total Food Service			\$ 14,719

Community Services

Supervisor/Director	\$	68,450	
Teachers		153,792	
Educational Assistants		5,445	
Social Security		13,434	
Pensions		19,076	
Unemployment Compensation		90	
Employer Medicare		3,142	
Food Supplies		239	
Instructional Supplies and Materials		2,994	
Other Supplies and Materials		397	
In Service/Staff Development		10	
Other Charges		40	
Total Community Services			267,109

Early Childhood Education

Teachers	\$	113,858	
Career Ladder Program		500	
Educational Assistants		28,939	
Longevity Pay		1,600	
Certified Substitute Teachers		262	
Non-certified Substitute Teachers		3,475	
Social Security		8,685	
Pensions		12,247	
Medical Insurance		16,224	
Dental Insurance		268	
Unemployment Compensation		126	
Employer Medicare		2,045	
Instructional Supplies and Materials		931	
Other Charges		174	
Other Equipment		424	
Total Early Childhood Education			189,758

Capital OutlayRegular Capital Outlay

Other Capital Outlay	\$	1,872,727	
Total Regular Capital Outlay			<u>1,872,727</u>

Total General Purpose School Fund \$ 48,993,120

(Continued)

Exhibit K-8

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

School Federal Projects FundInstructionRegular Instruction Program

Teachers	\$	439,277	
Educational Assistants		108,172	
Other Salaries and Wages		718,955	
Certified Substitute Teachers		81	
Non-certified Substitute Teachers		5,224	
Social Security		65,489	
Pensions		95,333	
Medical Insurance		258,103	
Dental Insurance		885	
Unemployment Compensation		603	
Employer Medicare		16,315	
Instructional Supplies and Materials		102,439	
Other Supplies and Materials		24,512	
Regular Instruction Equipment		160,829	
Total Regular Instruction Program			\$ 1,996,217

Special Education Program

Teachers	\$	197,187	
Educational Assistants		387,765	
Other Salaries and Wages		11,500	
Social Security		32,148	
Pensions		46,026	
Medical Insurance		261,468	
Dental Insurance		803	
Unemployment Compensation		766	
Employer Medicare		7,518	
Contracts with Other Public Agencies		70,514	
Instructional Supplies and Materials		37,637	
Other Supplies and Materials		2,332	
Special Education Equipment		22,222	
Total Special Education Program			1,077,886

Career and Technical Education Program

Instructional Supplies and Materials	\$	975	
Vocational Instruction Equipment		83,478	
Total Career and Technical Education Program			84,453

Support ServicesAttendance

Other Salaries and Wages	\$	73,294	
Social Security		4,423	
Pensions		5,497	
Medical Insurance		6,707	
Dental Insurance		78	
Unemployment Compensation		40	
Employer Medicare		1,034	
Total Attendance			91,073

(Continued)

Exhibit K-8

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

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

Medical Personnel	\$	27,071	
Social Security		1,473	
Pensions		1,422	
Medical Insurance		11,703	
Dental Insurance		27	
Employer Medicare		345	
Drugs and Medical Supplies		9,366	
Health Equipment		26,127	
Other Equipment		9,450	
Total Health Services			\$ 86,984

Other Student Support

Travel	\$	3,214	
Other Contracted Services		99	
In Service/Staff Development		6,881	
Other Charges		8,187	
Total Other Student Support			18,381

Regular Instruction Program

Supervisor/Director	\$	34,361	
Secretary(ies)		41,670	
Other Salaries and Wages		16,068	
Social Security		4,464	
Pensions		6,111	
Medical Insurance		26,248	
Dental Insurance		27	
Unemployment Compensation		50	
Employer Medicare		1,277	
Travel		140	
Other Contracted Services		184,250	
Other Supplies and Materials		67,709	
In Service/Staff Development		42,663	
Other Charges		2,329	
Other Equipment		1,356	
Total Regular Instruction Program			428,723

Special Education Program

Supervisor/Director	\$	34,361	
Secretary(ies)		5,132	
Clerical Personnel		29,893	
Other Salaries and Wages		5,287	
Social Security		4,266	
Pensions		6,081	
Medical Insurance		26,919	
Dental Insurance		78	
Unemployment Compensation		30	

(Continued)

Exhibit K-8

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

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

Employer Medicare	\$	998	
Contracts with Other Public Agencies		2,054	
Evaluation and Testing		7,533	
Travel		433	
Other Supplies and Materials		703	
In Service/Staff Development		5,063	
Total Special Education Program			\$ 128,831

Career and Technical Education Program

Supervisor/Director	\$	4,255	
In Service/Staff Development		343	
Total Career and Technical Education Program			4,598

Technology

Cabling	\$	44,835	
Other Equipment		105,880	
Total Technology			150,715

Transportation

Bus Drivers	\$	64,457	
Other Salaries and Wages		42,958	
Social Security		5,775	
Pensions		8,056	
Medical Insurance		48,276	
Dental Insurance		182	
Unemployment Compensation		125	
Employer Medicare		1,351	
Total Transportation			171,180

Capital OutlayRegular Capital Outlay

Consultants	\$	172,045	
Building Improvements		3,398,126	
Other Capital Outlay		1,194,726	
Total Regular Capital Outlay			4,764,897

Total School Federal Projects Fund \$ 9,003,938

Central Cafeteria FundOperation of Non-Instructional ServicesFood Service

Supervisor/Director	\$	114,880	
Clerical Personnel		78,750	
Cafeteria Personnel		979,874	
Longevity Pay		23,700	
Social Security		67,202	

(Continued)

Exhibit K-8

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

Central Cafeteria Fund (Cont.)Operation of Non-Instructional Services (Cont.)Food Service (Cont.)

Pensions	\$	73,571	
Medical Insurance		409,438	
Dental Insurance		1,368	
Unemployment Compensation		1,570	
Employer Medicare		15,738	
Other Fringe Benefits		190	
Communication		1,530	
Transportation - Other than Students		15,610	
Travel		605	
Other Contracted Services		58,235	
Food Supplies		1,453,037	
Office Supplies		4,404	
Uniforms		1,579	
USDA - Commodities		315,927	
Other Supplies and Materials		135,778	
In Service/Staff Development		2,406	
Food Service Equipment		118,881	
Total Food Service			\$ 3,874,273

Total Central Cafeteria Fund \$ 3,874,273

Internal School FundOperation of Non-Instructional ServicesCommunity Services

Other Charges	\$	1,573,662	
Total Community Services			\$ 1,573,662

Total Internal School Fund 1,573,662

Education Capital Projects FundCapital ProjectsEducation Capital Projects

Building Improvements	\$	658,527	
Transportation Equipment		385,336	
Total Education Capital Projects			\$ 1,043,863

Total Education Capital Projects Fund 1,043,863

Total Governmental Funds - Marshall County School Department \$ 64,488,856

Exhibit K-9

Marshall County, Tennessee
Schedule of Detailed Revenues and Expenses
Discretely Presented Marshall County Board of Public Utilities
For the Year Ended June 30, 2023

RevenuesOperating RevenuesCharges for Current ServicesGeneral Service Charges

Sewer Fees	\$ 107,480
Water Sales	3,416,374
Water Tap Sales	172,360
Service Charges	286,016
Total Charges for Current Services	<u>\$ 3,982,230</u>

Other Local RevenuesRecurring Items

Miscellaneous Refunds	\$ 60,027
Total Other Local Revenues	<u>\$ 60,027</u>

Total Operating Revenues

\$ 4,042,257Nonoperating Revenues

Investment Income	\$ 48,708
Total Nonoperating Revenues	<u>\$ 48,708</u>

Capital Contributions

Tap Income Over Cost	\$ 111,340
Contribution from Primary Government	300,000
Total Capital Contributions	<u>\$ 411,340</u>

Total Revenues

\$ 4,502,305ExpensesOperating ExpensesOther Economic and Community Development

Assistants	\$ 42,446
Supervisor/Director	58,128
Accountants/Bookkeepers	179,630
Foremen	131,498
Equipment Operators	41,839
Laborers	200,906
Longevity Pay	6,500
Overtime Pay	37,327
Bonus Payments	22,750
Board and Committee Members Fees	4,250
Social Security	43,988
Extension Service Medicare	10,288
State Retirement	36,420
Employee and Dependent Insurance	109,735
Life Insurance	382
Disability Insurance	2,238
Audit Services	2,112
Communication	10,369

(Continued)

Marshall County, Tennessee
Schedule of Detailed Revenues and Expenses
Discretely Presented Marshall County Board of Public Utilities (Cont.)

Expenses (Cont.)

Operating Expenses (Cont.)

Other Economic and Community Development (Cont.)

Contracts with Government Agencies	\$ 1,095,117
Contracts with Private Agencies	82,278
Data Processing Services	42,743
Debt Collection Services	231
Dues and Memberships	3,813
Engineering Services	2,755
Evaluation and Testing	8,661
Legal Services	12,000
Legal Notices, Recording and Court Costs	1,473
Licenses	450
Maintenance and Repair Services - Buildings	1,462
Maintenance and Repair Services - Equipment	11,653
Maintenance and Repair Services - Office Equipment	145
Maintenance and Repair Services - Vehicles	6,424
Pest Control	168
Postal Charges	24,001
Travel	3,440
Custodial Supplies	603
Diesel Fuel	6,265
Electricity	41,783
Fertilizer, Lime, and Seed	382
Gasoline	40,062
General Construction Materials	90,717
Natural Gas	2,929
Office Supplies	4,351
Small Tools	1,751
Tires and Tubes	3,886
Uniforms	3,144
Water and Sewer	1,796
Indirect Cost	2
Liability Insurance	12,540
Trustee's Commission	44,582
Vehicle and Equipment Insurance	13,658
Workers' Compensation Insurance	11,936
Depreciation	592,452
In-Service/Staff Development	3,385
Fines, Assessments, and Penalties	6,528
Other Charges	3,311
Office Equipment	6,544
Plant Operation Equipment	7,000
Other Equipment	2,000
Other Construction	2,993
Total Other Economic and Community Development	<u>\$ 3,142,220</u>
Total Operating Expenses	<u>\$ 3,142,220</u>

Nonoperating Expenses

General Government Debt Service

Interest on Debt	\$ 120,110
Total Nonoperating Expenses	<u>\$ 120,110</u>

Total Expenses	<u><u>\$ 3,262,330</u></u>
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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

Marshall County Mayor and
Board of County Commissioners
Marshall 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 Marshall County, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Marshall County's basic financial statements as listed in the table of contents, and have issued our report thereon dated January 9, 2024. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the Marshall County School Department (a discretely presented component unit), as described in our report on Marshall 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 Marshall County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Marshall County's internal control. Accordingly, we do not express an opinion on the effectiveness of Marshall County's internal control.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiencies, described in the accompanying Schedule of Findings and Questioned Costs, to be material weaknesses: 2023-001 and 2023-003.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency, described in the accompanying Schedule of Findings and Questioned Costs, to be a significant deficiency: 2023-004.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Marshall County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2023-002 and 2023-005.

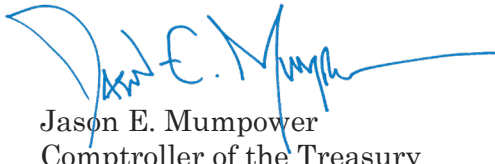
Marshall County's Responses to Findings

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

Purpose of this Report

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

January 9, 2024

JEM/tg



JASON E. MUMPOWER
Comptroller

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

Independent Auditor's Report

Marshall County Mayor and
Board of County Commissioners
Marshall 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 Marshall 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 Marshall County's major federal programs for the year ended June 30, 2023. Marshall 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, Marshall 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 Marshall 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 Marshall 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 Marshall 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 Marshall 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 Marshall 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 Marshall 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 Marshall 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 Marshall 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 Marshall County, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Marshall County's basic financial statements. We issued our report thereon dated January 9, 2024, 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

January 9, 2024

JEM/tg

Marshall County, Tennessee, the Marshall County School Department, and the Marshall County Board of Public Utilities
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3)
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: (5)			
School Breakfast Program	10.553	(4)	\$ 541,613
National School Lunch Program	10.555	(4)	2,011,369 (6)
COVID 19 - Pandemic EBT Administrative Costs	10.649	(4)	5,950
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (5)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	(4)	315,927 (6)
Passed-through State Department of Health:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-23-46135-01	52,755
Total U.S. Department of Agriculture			<u>\$ 2,927,614</u>
U.S. Department of Housing and Urban Development:			
Passed-through Tennessee Housing Development Agency:			
Home Investment Partnerships Program	14.239	(4)	\$ 113,402
Total U.S. Department of Housing and Urban Development			<u>\$ 113,402</u>
U.S. Department of Justice:			
Passed-through State Department of Finance and Administration:			
COVID 19 - Coronavirus Emergency Supplemental Funding Program	16.034	(4)	\$ 43,762
Total U.S. Department of Justice			<u>\$ 43,762</u>
U.S. Department of Transportation:			
Passed-through State Department of Military:			
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	(4)	\$ 3,570
Total U.S. Department of Transportation			<u>\$ 3,570</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	(4)	\$ 1,053,274
Special Education Cluster: (5)			
Special Education - Grants to States	84.027	(4)	1,201,593 (6)
COVID 19 - Special Education - Grants to States (ARP)	84.027	(4)	191,574 (6)
Special Education - Preschool Grants	84.173	(4)	33,084 (6)
COVID 19 - Special Education - Preschool Grants (ARP)	84.173	(4)	15,529 (6)
Career and Technical Education - Basic Grants to States	84.048	(4)	99,245
Twenty-first Century Community Learning Centers	84.287	(4)	197,218
English Language Acquisition State Grants	84.365	(4)	18,304
Supporting Effective Instruction State Grants	84.367	(4)	182,161
Striving Readers Comprehensive Literacy Grant Programs	84.371	(4)	83,000
Student Support and Academic Enrichment Program	84.424	(4)	92,788
COVID 19 - Education Stabilization Fund - Elementary and Secondary School			
Emergency Relief Fund (Early Literacy Networks)	84.425	(4)	40,000 (6)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary			
School Emergency Relief Fund - Discretionary Grants	84.425B	(4)	12,000 (6)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary			
School Emergency Relief Fund (ESSER II)	84.425D	(4)	1,335,202 (6)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary			
School Emergency Relief Fund (ESSER ARP)	84.425U	(4)	4,123,953 (6)
Total U.S. Department of Education			<u>\$ 8,678,925</u>

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Health and Human Services:			
Passed-through State Department of Education:			
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ARP)	93.323	(4)	\$ 607,023
Temporary Assistance for Needy Families	93.558	(4)	130,247
Passed-through State Department of Health:			
Maternal and Child Health Services Block Grant to the States	93.994	GG-23-76135-01	27,130
Total U.S. Department of Health and Human Services			<u>\$ 764,400</u>
Total Expenditures of Federal Grants			<u>\$ 12,531,673</u>
		Contract Number	
<u>State Grants</u>			
Tennessee Certified Recovery Court Program - State Department of Mental Health and Substance Abuse Services	N/A	(4)	\$ 135,607
Safe Schools Act - State Department of Education	N/A	(4)	133,049
Early Childhood Education - State Department of Education	N/A	(4)	197,976
Coordinated School Health - State Department of Education	N/A	(4)	90,000
Lottery for Education Afterschool Programs - State Department of Education	N/A	(4)	54,116
COVID 19 - Summer Learning Camps - State Department of Education	N/A	(4)	390,741
COVID 19 - Learning Camps Transportation - State Department of Education	N/A	(4)	88,121
Innovative School Models - State Department of Education	N/A	(4)	5,000
SPARC: Supporting Postsecondary Access Rural Communities - Tennessee Higher Education Commission	N/A	(4)	95,158
Litter Program - State Department of Transportation	N/A	(4)	38,947
Technology Opportunities for Public Grant - Tennessee State Library and Archives	N/A	(4)	5,634
Juvenile Justice - State Commission on Children and Youth	N/A	(4)	9,000
Local Health Services - State Department of Health	N/A	GG-23-76135-01	148,880
Total State Grants			<u>\$ 1,392,229</u>

FAL = Federal Assistance Listing

N/A = Not Applicable

(1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.

(2) Marshall County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.

(3) No amounts (\$0) were passed-through to subrecipients.

(4) Information not available.

(5) Child Nutrition Cluster total \$2,868,909; Special Education Cluster total \$1,441,780.

(6) Total for FAL No. 10.555 is \$2,327,296; Total for FAL No. 84.027 is \$1,393,167; Total for FAL No. 84.173 is \$48,613;

Total for FAL No. 84.425 is \$5,511,155.

Marshall 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 Marshall 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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OFFICES OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS

2022	223	2022-001	The General Fund required material audit adjustments for proper financial statement presentation.	N/A	Not Corrected - See Explanation on Corrective Action Plan
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OFFICE OF DIRECTOR OF SCHOOLS

2022	224	2022-002	The School Federal Projects Fund required material audit adjustments for proper financial statement presentation.	N/A	Corrected
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Prior-year Federal Awards Findings

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

MARSHALL 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 Marshall County is unmodified.
2. Internal Control Over Financial Reporting:
 - * Material weakness identified? **YES**
 - * Significant deficiency identified? **YES**
3. Noncompliance material to the financial statements noted? **NO**

Federal Awards:

4. Internal Control Over Major Federal Programs:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
 - * Assistance Listing Numbers: 84.027 and 84.173 Special Education Cluster: Special Education - Grants to States and Special Education - Preschool Grants
 - * Assistance Listing Number: 84.425 COVID 19 - Education Stabilization Fund
 - * Assistance Listing Number: 93.323 COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ARP)
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **NO**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

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

OFFICES OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS

FINDING 2023-001

THE GENERAL FUND REQUIRED MATERIAL AUDIT ADJUSTMENTS FOR PROPER FINANCIAL STATEMENT PRESENTATION

(Internal Control – Material Weakness Under *Government Auditing Standards*)

At June 30, 2023, certain general ledger account balances in the General Fund were not materially correct, and audit adjustments totaling \$1,707,875, related to overstated ambulance service receivables, were required for the financial statements to be materially correct at year-end. Generally accepted accounting principles require Marshall County to have adequate internal controls over the maintenance of its accounting records. Material audit adjustments were required because the county's financial reporting system did not prevent, detect, or correct potential misstatements in the accounting records. It is a strong indicator of a material weakness in internal controls if the county has ineffective controls over the maintenance of its accounting records, which are used to prepare the financial statements, including the related notes to the financial statements. This deficiency is the result of a lack of management oversight. We presented audit adjustments to management that they approved and posted to properly present the financial statements in this report.

RECOMMENDATION

Marshall County should have appropriate processes in place to ensure its general ledgers are materially correct.

MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

We concur with this finding. See Corrective Action Plan.

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 2023-002

FUNDS WERE TRANSFERRED FROM THE GENERAL PURPOSE SCHOOL FUND TO THE SCHOOL FEDERAL PROJECTS FUND WITHOUT COUNTY COMMISSION AND BOARD OF EDUCATION APPROVAL

(Noncompliance Under *Government Auditing Standards*)

During January and June 2023, the General Purpose School Fund transferred \$58,646 and \$203,895, respectively, to the School Federal Projects Fund without the approval of the county commission and the Board of Education. Section 5-9-401, *Tennessee Code Annotated*, provides that “all funds from whatever source derived, including, but not limited to, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs of the various departments, commissions, institutions, boards, offices and agencies of county governments shall be appropriated to such use by the county legislative bodies.” These funds were transferred by management to provide funding for the 2022-23 budget year. The School Federal Projects Fund transferred the \$58,646 back to the General Purpose School Fund on June 16, 2023, and the \$203,895 back to the General Purpose School Fund on June 30, 2023.

RECOMMENDATION

All school department transfers between funds should be approved by the county commission and the Board of Education.

MANAGEMENT’S RESPONSE – DIRECTOR OF SCHOOLS

We agree with finding 2023-002 and will ensure proper board approval for transfers between funds going forward.

OFFICE OF THE BOARD OF PUBLIC UTILITIES

FINDING 2023-003

THE PUBLIC UTILITY FUND REQUIRED MATERIAL AUDIT ADJUSTMENTS FOR PROPER FINANCIAL STATEMENT PRESENTATION

(Internal Control – Material Weakness Under *Government Auditing Standards*)

At June 30, 2023, certain general ledger account balances in the Public Utility Fund were not materially correct, and audit adjustments totaling \$1,606,074 and \$141,073, related to contracts payable and retainage payable, respectively, were required for the financial statements to be materially correct at year-end. Generally accepted accounting principles require the Board of Public Utility to have adequate internal controls over the maintenance of its accounting records. Material audit adjustments were required because the county’s financial reporting system did not prevent, detect, or correct potential misstatements in the accounting records. It is a strong indicator of a material weakness in internal controls if the county has ineffective controls over the maintenance of its accounting records, which are used to prepare the financial statements, including the related notes to the financial statements. This deficiency is the result of a lack of management oversight. We presented audit

adjustments to management that they approved and posted to properly present the financial statements in this report.

RECOMMENDATION

The Board of Public Utility should have appropriate processes in place to ensure its general ledgers are materially correct.

MANAGEMENT'S RESPONSE – BOARD OF PUBLIC UTILITY

In response to finding 2023-003 management will make sure appropriate processes are in place to ensure its general ledgers are materially correct. There will be good communication between management and financial personnel to make sure this will not happen in the future.

OFFICE OF REGISTER OF DEEDS

FINDING 2023-004

DUTIES WERE NOT SEGREGATED ADEQUATELY

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

Duties were not segregated adequately among the official and employees in the Office of Register of Deeds. The official and employees responsible for maintaining the accounting records in this office were also involved in receipting, depositing, and/or disbursing funds. Accounting standards provide that internal controls be designed to provide reasonable assurance to provide reliability in financial reporting, effectiveness, and efficiency of operations. This lack of segregation of duties is the result of management's decision based on the availability of financial resources and is a significant deficiency in internal controls that increases the risk of unauthorized transactions.

RECOMMENDATION

The register of deeds should segregate duties to the extent possible using available resources.

MANAGEMENT'S RESPONSE – REGISTER OF DEEDS

I concur with this finding.

FINDING 2023-005

AN INVESTIGATION REVEALED THAT THE REGISTER APPROVED TIME NOT WORKED BY HIS SPOUSE

(Noncompliance Under *Government Auditing Standards*)

On September 22, 2023, the Comptroller's Division of Investigations issued an investigative report on the Marshall County Register of Deed's Office. This report disclosed the Register's spouse received at least \$299.05 in improper payroll payments while being absent from work at the register's office on three occasions from September 23, 2022, through February 3, 2023. The report is available at www.comptroller.tn.gov/ia.

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.

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

We reviewed the financial statement and federal award findings and recommendations with management to provide an opportunity for their response as required by the auditee requirements within Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Management's corrective action plans for all financial statement findings and federal award findings are presented in this section and have been indexed below. The corrective action plans were prepared by management and have been presented as they were submitted.

Finding Number	Title of Finding	Corrective Action Plan Page Number
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OFFICE OF DIRECTOR OF EMS

2023-001	The General Fund required material audit adjustments for proper financial statement presentation.	218
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OFFICE OF DIRECTOR OF SCHOOLS

2023-002	Funds were transferred from the General Purpose School Fund to the School Federal Projects Fund without county commission and board of education approval.	219
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OFFICE OF THE BOARD OF PUBLIC UTILITIES

2023-003	The Public Utility Fund required material audit adjustments for proper financial statement presentation.	220
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OFFICE OF REGISTER OF DEEDS

2023-004	Duties were not segregated adequately.	221
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**John Reese, CCP
Director**
Marshall County EMS
728 South Ellington Parkway
Lewisburg, TN 37091
Office: 931.993.5168
Cell: 931.580.6131
Fax: 931.359.0546
ems@marshallcountyttn.com

Corrective Action Plan

Finding: 2023-001

Response and Corrective Action Plan Prepared by:

John Reese, EMS Director

Person Responsible for Implementing the Corrective Action:

John Reese, EMS Director

Anticipated Completion Date of Corrective Action:

Completed 10/01/2023

Repeat Finding:

Yes

Planned Corrective Action:

Management noted during the year end process that ambulance service receivables were significantly lower than the prior year. Personnel will review monthly reports and year-end reports to verify all write offs have been accounted for by the reporting agency. Personnel will reconcile report balances to determine that receivables are being properly reported. Marshall County has changed billing and collections agencies as of October 1, 2023.

Signature.



Corrective Action Plan

FINDING:2023-002 FUNDS WERE TRANSFERRED FROM THE GENERAL PURPOSE SCHOOL FUND TO THE SCHOOL FEDERAL PROJECTS FUND WITHOUT COUNTY COMMISSION AND BOARD OF EDUCATION APPROVAL

Response and Corrective Action Plan Prepared by:
Jacob Sorrells (Director of Schools)

Person Responsible for Implementing the Corrective Action:
Chris Lowe, Schools Finance Director

Anticipated Completion Date of Corrective Action:
June 30, 2024

Repeat Finding:
No

Planned Corrective Action:
All transfers between funds will receive proper County Commission and Board of Education approval going forward.

Signature: _____

MARSHALL COUNTY BOARD OF PUBLIC UTILITIES

624 West Commerce St.
Lewisburg, TN 37091
(931) 359-6905

Corrective Action Plan

FINDING: 2023-003

Response and Corrective Action Plan Prepared by:

Gayle Miller, Office Manger

Person Responsible for Implementing the Corrective Action:

Gayle Miller

Anticipated Completion Date of Corrective Action:

Effective immediately

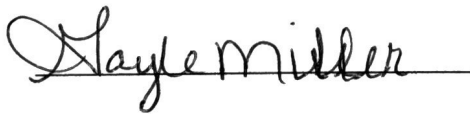
Repeat Finding:

NO

Planned Corrective Action:

The Board of Public Utilities will have appropriate processes in place to ensure its general ledgers are materially correct. This finding is construction in progress and it was an over sight to not book these expenses at end of fiscal year.

Signature:

A handwritten signature in black ink, appearing to read "Gayle Miller", written over a horizontal line.

**DORRIS WAYNE WEAVER
MARSHALL COUNTY REGISTER OF DEEDS
1103 COURTHOUSE ANNEX
LEWISBURG, TENNESSEE 37091
931-359-4933**

Corrective Action Plan

FINDING:

**Response and Corrective Action Plan Prepared by:
Dorris Wayne Weaver, Marshall County Register of Deeds**

**Person Responsible for Implementing the Corrective Action:
Dorris Wayne Weaver, Marshall County Register of Deeds**

**Anticipated Completion Date of Corrective Action:
March 1, 2024**

**Repeat Finding:
No**

Planned Correction Action:

- * Revisit the current segregation of duties within the office of the Marshall County Register of Deeds.**
- * Establish a new chart of segregation of duties by referring to the chart according to the Tennessee Comptroller.**
- * Once these steps have been made and the new chart is prepared, I will contact my local auditor and make them aware that it has been completed and ready to review.**
- * A meeting will take place between the Register and employees to make sure that they understand their duties and provide them copies of the new revised chart.**


**Dorris Wayne Weaver
Marshall County Register of Deeds**

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 Marshall County.

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

Marshall 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. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Marshall County. Therefore, 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.