



## ANNUAL FINANCIAL REPORT

# Franklin County, Tennessee

*For the Year Ended June 30, 2023*

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



**DIVISION OF  
LOCAL GOVERNMENT AUDIT**

**ANNUAL FINANCIAL REPORT**  
**FRANKLIN 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*

*STEVE REEDER, CPA, CGFM, CFE*  
*Audit Manager*

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

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## FRANKLIN COUNTY, TENNESSEE TABLE OF CONTENTS

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	Exhibit	Page(s)
Summary of Audit Findings		6
<u>INTRODUCTORY SECTION</u>		7
Franklin County Officials		8-9
<u>FINANCIAL SECTION</u>		10
Independent Auditor's Report		11-14
BASIC FINANCIAL STATEMENTS:		15
Government-wide Financial Statements:		
Statement of Net Position	A	16-17
Statement of Activities	B	18-19
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C-1	20-22
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	C-2	23
Statement of Revenues, Expenditures, and Changes in Fund Balances	C-3	24-25
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	C-4	26
Statements of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
General Fund	C-5	27-29
Highway/Public Works Fund	C-6	30
Fiduciary Funds:		
Statement of Net Position	D-1	31
Statement of Changes in Net Position	D-2	32
Index and Notes to the Financial Statements		33-94
REQUIRED SUPPLEMENTARY INFORMATION:		95
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on Participation in the Public Employee Pension Plan of TCRS – Primary Government	E-1	96
Schedule of Contributions Based on Participation in the Public Employee Pension Plan of TCRS – Primary Government	E-2	97
Schedule of Contributions Based on Participation in the Teacher Retirement Plan of TCRS – Discretely Presented Franklin County School Department	E-3	98
Schedule of Contributions Based on Participation in the Teacher Legacy Pension Plan of TCRS – Discretely Presented Franklin County School Department	E-4	99

	Exhibit	Page(s)
Schedule of Proportionate Share of the Net Pension Asset in the Teacher Retirement Plan of TCRS – Discretely Presented Franklin County School Department	E-5	100
Schedule of Proportionate Share of the Net Pension Asset in the Teacher Legacy Pension Plan of TCRS – Discretely Presented Franklin County School Department	E-6	101
Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Government Plans - Primary Government	E-7	102
Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Education Plan - Discretely Presented Franklin County School Department	E-8	103
Notes to the Required Supplementary Information		104
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES:		105
Nonmajor Governmental Funds:		106-107
Combining Balance Sheet	F-1	108-111
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	F-2	112-115
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
Courthouse and Jail Maintenance Fund	F-3	116
Public Library Fund	F-4	117
Solid Waste/Sanitation Fund	F-5	118
Local Purpose Tax Fund	F-6	119
Drug Control Fund	F-7	120
Major Governmental Fund:		121
Schedules of Revenues, Expenditures, and Changes in Fund Balance – Actual and Budget:		
General Debt Service Fund	G	122
Fiduciary Funds:		123
Combining Statement of Net Position – Custodial Funds	H-1	124
Combining Statement of Changes in Net Position – Custodial Funds	H-2	125
Component Unit:		
Discretely Presented Franklin County School Department:		126
Statement of Activities	I-1	127
Balance Sheet – Governmental Funds	I-2	128-129
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	I-3	130
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	I-4	131
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	I-5	132
Combining Balance Sheet – Nonmajor Governmental Funds	I-6	133
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	I-7	134
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
General Purpose School Fund	I-8	135-136
School Federal Projects Fund	I-9	137
Central Cafeteria Fund	I-10	138

	Exhibit	Page(s)
Miscellaneous Schedules:		139
Schedule of Changes in Long-term Bonds, Notes, and Other Loans	J-1	140
Schedule of Long-term Debt Requirements by Year	J-2	141-142
Schedule of Transfers - Primary Government and Discretely Presented Franklin County School Department	J-3	143
Schedule of Salaries and Official Bonds of Principal Officials – Primary Government and Discretely Presented Franklin County School Department	J-4	144-145
Schedule of Detailed Revenues – All Governmental Fund Types	J-5	146-159
Schedule of Detailed Revenues – All Governmental Fund Types – Discretely Presented Franklin County School Department	J-6	160-163
Schedule of Detailed Expenditures – All Governmental Fund Types	J-7	164-189
Schedule of Detailed Expenditures – All Governmental Fund Types – Discretely Presented Franklin County School Department	J-8	190-203
 <u>SINGLE AUDIT SECTION</u>		 204
Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		205-206
Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by Uniform Guidance		207-210
Schedule of Expenditures of Federal Awards and State Grants		211-213
Summary Schedule of Prior-year Findings		214
Schedule of Findings and Questioned Costs		215-217
Management's Corrective Action Plan		218-219

# ***Summary of Audit Findings***

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

## ***Scope***

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

## ***Results***

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

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

## ***Findings***

The following is a summary of the audit finding:

### **OFFICE OF FINANCE DIRECTOR**

- ◆ Controls failed to detect revenue posted to incorrect fund.



# INTRODUCTORY SECTION

# Franklin County Officials

## June 30, 2023

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### **Officials**

Chris Guess, County Mayor  
Luke McCurry, Superintendent of Highways  
Stanley Bean, Director of Schools  
Kristie Bell, Trustee  
Bruce Spencer, Assessor of Property  
Tina Sanders, County Clerk  
Robert Baggett, Circuit, General Sessions, and Juvenile Courts Clerk  
Tappy Bailey, Clerk and Master  
Denise Ingle Marshall, Register of Deeds  
Tim Fuller, Sheriff  
Andrea Smith, Finance Director

### **Board of County Commissioners**

Chris Guess, County Mayor, Chairman  
William Anderson, Jr.  
Grant Benere  
Tyler Bauer  
David Eldridge, Jr.  
Johnny Hand  
Augustine Hosch  
Monica Jeffers  
Lydia Curtis Johnson

Charles Keller  
David Kelly  
Bruce McMillan  
Scottie Riddle  
Dale Schultz  
Jarad Shettters  
Glenn Summers  
Carolyn Wiseman

### **Highway Commission**

Chuck Tipps, Chairman  
Bobby Clark

Wade Hill  
Johnny Hughes

### **Board of Education**

Cleijo Walker, Chairman  
Erik Cole  
Linda Jones  
Sara Liechty

Sarah Marhevsky  
Caycee Roberts  
Sandy Schultz  
Lance Williams



## Franklin County Officials (Cont.)

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### **Financial Management Committee**

Chris Guess, County Mayor, Chairman  
Luke McCurry, Superintendent of Highways  
Stanley Bean, Director of Schools

David Eldridge, Jr.  
Scottie Riddle  
Dale Schultz  
Carolyn Wiseman

### **Audit Committee**

Helen Tinnerman, Chairman  
Jackie Axt  
Mitch Coby

Margaret Lynch  
Mike Rowland

# FINANCIAL SECTION



JASON E. MUMPOWER  
*Comptroller*

## Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Franklin 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 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 Franklin 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 Franklin County School Department (a discretely presented component unit), which represent .88 percent, .98 percent, and 2.37 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 amounts included for the Franklin County School Department's Internal School Fund, is based solely on the report of the other auditors.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Franklin County, Tennessee, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating

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

### ***Responsibilities of Management for the Financial Statements***

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

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

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

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

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

Accounting principles generally accepted in the United States of America require that the schedule of changes in the county's net pension liability (asset) and related ratios, schedules of county and school contributions, schedules of school's proportionate share of the net pension liability (asset), and schedules of county and school changes in 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 Franklin County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Franklin County School Department (a discretely presented component unit), and miscellaneous schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Franklin County School Department (a discretely presented component unit), and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

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

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

### ***Other Reporting Requirements by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2024, on our consideration of Franklin 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 Franklin 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 Franklin County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

February 27, 2024

JEM/gc

# BASIC FINANCIAL STATEMENTS

Exhibit A

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

	<u>Primary Governmental Activities</u>	<u>Component Unit Franklin County School Department</u>
<u>ASSETS</u>		
Cash	\$ 14,802	\$ 1,126,883
Equity in Pooled Cash and Investments	28,106,912	21,758,744
Inventories	0	2,786
Accounts Receivable	233,784	66,634
Due from Other Governments	1,648,254	4,035,232
Due from Primary Government	0	4,675
Due from Component Unit	24,335	0
Property Taxes Receivable	19,176,001	11,741,303
Allowance for Uncollectible Property Taxes	(535,474)	(325,832)
Prepaid Items	7,015	3,383
Net Pension Asset - Agent Plan	2,939,498	2,162,025
Net Pension Asset - Teacher Retirement Plan	0	110,642
Net Pension Asset - Teacher Legacy Pension Plan	0	6,449,428
Restricted Assets:		
Amounts Accumulated for Pension Benefits	0	463,896
Capital Assets:		
Assets Not Depreciated:		
Land	28,021,925	5,469,959
Construction in Progress	43,869	1,503,176
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	35,559,710	68,241,127
Infrastructure	15,114,187	0
Other Capital Assets	7,060,522	5,433,751
Total Assets	<u>\$ 137,415,340</u>	<u>\$ 128,247,812</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension Changes in Experience	\$ 483,676	\$ 1,422,706
Pension Changes in Assumptions	1,350,057	5,162,846
Pension Changes in Investment Earnings	86,356	208,672
Pension Changes in Proportion	0	183,771
Pension Contributions After Measurement Date	839,454	2,609,954
OPEB Changes in Experience	152,268	651,101
OPEB Changes in Assumptions	112,452	615,164
OPEB Changes in Proportion	0	226,564
OPEB Contributions After Measurement Date	55,698	339,330
Total Deferred Outflows of Resources	<u>\$ 3,079,961</u>	<u>\$ 11,420,108</u>

LIABILITIES

Accounts Payable	\$ 156,865	\$ 145,979
Accrued Payroll	407,557	44,464
Payroll Deductions Payable	113	0
Accrued Interest Payable	435,662	0
Due to Other Governments	4,149,204	0
Due to Primary Government	0	20,464
Due to Component Unit	4,675	0
Due to Litigants, Heirs and Others	37,981	0
Noncurrent Liabilities:		
Due Within One Year - Debt	2,920,000	0
Due Within One Year - Other	769,301	202,081
Due in More Than One Year - Debt	59,486,833	0
Due in More Than One Year - Other	1,044,308	8,666,463
Total Liabilities	<u>\$ 69,412,499</u>	<u>\$ 9,079,451</u>

(Continued)



Exhibit A

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

	<u>Primary Governmental Activities</u>	<u>Component Unit Franklin County School Department</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Current Property Taxes	\$ 18,199,299	\$ 11,161,317
Pension Changes in Experience	726,139	1,691,061
Pension Changes in Proportion	0	57,627
OPEB Changes in Experience	298,066	1,370,138
OPEB Changes in Assumptions	658,948	1,084,013
OPEB Changes in Proportion	0	489,882
Total Deferred Inflows of Resources	<u>\$ 19,882,452</u>	<u>\$ 15,854,038</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 69,086,705	\$ 80,648,013
Restricted for:		
Finance	17,616	0
Public Safety	1,059,848	0
Public Health and Welfare	1,341,237	0
Social, Cultural, and Recreational Services	249,192	0
Highways/Public Works	1,610,392	0
Debt Service	4,616,623	0
Capital Projects	72,766	3,557,780
Education	0	8,087,220
Pensions	2,939,498	9,185,991
Unrestricted	<u>(29,793,527)</u>	<u>13,255,427</u>
Total Net Position	<u>\$ 51,200,350</u>	<u>\$ 114,734,431</u>

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

Exhibit B

Franklin 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	Component Unit
					Government Total Governmental Activities	Franklin County School Department
Primary Government:						
Governmental Activities:						
General Government	\$ 4,906,206	\$ 746,466	\$ 146,352	\$ 0	\$ (4,013,388)	\$ 0
Finance	2,228,151	1,247,638	150,287	0	(830,226)	0
Administration of Justice	2,529,542	875,461	461,558	0	(1,192,523)	0
Public Safety	9,879,234	604,514	183,012	4,562	(9,087,146)	0
Public Health and Welfare	7,564,092	373,801	553,063	0	(6,637,228)	0
Social, Cultural, and Recreational Services	236,814	8,382	60,295	0	(168,137)	0
Agriculture and Natural Resources	230,651	0	0	0	(230,651)	0
Highways/Public Works	3,811,691	25	2,853,211	442,357	(516,098)	0
Education	1,273,325	0	0	0	(1,273,325)	0
Interest on Long-term Debt	2,135,511	0	0	0	(2,135,511)	0
<b>Total Primary Government</b>	<b>\$ 34,795,217</b>	<b>\$ 3,856,287</b>	<b>\$ 4,407,778</b>	<b>\$ 446,919</b>	<b>\$ (26,084,233)</b>	<b>\$ 0</b>
Component Unit:						
Franklin County School Department	\$ 59,207,938	\$ 839,226	\$ 15,147,779	\$ 1,273,325	\$ 0	\$ (41,947,608)
<b>Total Component Unit</b>	<b>\$ 59,207,938</b>	<b>\$ 839,226</b>	<b>\$ 15,147,779</b>	<b>\$ 1,273,325</b>	<b>\$ 0</b>	<b>\$ (41,947,608)</b>

(Continued)

Exhibit B

Franklin 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	Component Unit
					Government Total Governmental Activities	Franklin County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 15,897,019	\$ 11,507,290
Property Taxes Levied for Debt Service					2,792,791	0
Local Option Sales Taxes					1,740,941	7,768,548
Hotel/Motel Tax					636,244	0
Litigation Taxes					281,503	0
Mixed Drink Tax					60,676	59,289
Business Tax					589,807	0
Mineral Severance Tax					83,594	0
Wholesale Beer Tax					231,784	0
Other Local Taxes					380	0
Grants and Contributions Not Restricted to Specific Programs					2,764,763	29,717,257
Unrestricted Investment Earnings					1,093,819	121,075
Miscellaneous					68,989	98,074
Sale of Equipment					0	20,073
Donated Capital Assets					22,176	0
Amortized Premium					224,293	0
<b>Total General Revenues</b>					<b>\$ 26,488,779</b>	<b>\$ 49,291,606</b>
Change in Net Position					\$ 404,546	\$ 7,343,998
Net Position, July 1, 2022					50,795,804	107,390,433
Net Position, June 30, 2023					<b>\$ 51,200,350</b>	<b>\$ 114,734,431</b>

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

Exhibit C-1

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>ASSETS</u>					
Cash	\$ 3,980	\$ 3,665	\$ 0	\$ 7,157	\$ 14,802
Equity in Pooled Cash and Investments	17,634,924	2,819,955	4,544,569	3,105,398	28,104,846
Accounts Receivable	111,363	158	97,241	25,022	233,784
Due from Other Governments	306,628	951,082	317,440	73,104	1,648,254
Due from Other Funds	7,645	724	2,052	3,253	13,674
Due from Component Units	23,147	0	0	1,188	24,335
Property Taxes Receivable	12,851,364	702,354	2,862,521	2,759,762	19,176,001
Allowance for Uncollectible Property Taxes	(356,637)	(19,491)	(79,438)	(79,908)	(535,474)
Prepaid Items	6,765	0	0	250	7,015
Total Assets	<u>\$ 30,589,179</u>	<u>\$ 4,458,447</u>	<u>\$ 7,744,385</u>	<u>\$ 5,895,226</u>	<u>\$ 48,687,237</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 81,076	\$ 6,508	\$ 0	\$ 69,281	\$ 156,865
Accrued Payroll	348,962	20,270	0	38,325	407,557
Payroll Deductions Payable	0	113	0	0	113
Due to Other Funds	1,911	2,052	0	7,645	11,608
Due to Component Units	4,675	0	0	0	4,675
Due to Other Governments	4,149,204	0	0	0	4,149,204
Due to Litigants, Heirs, and Others	3,980	3,665	0	30,336	37,981
Total Liabilities	<u>\$ 4,589,808</u>	<u>\$ 32,608</u>	<u>\$ 0</u>	<u>\$ 145,587</u>	<u>\$ 4,768,003</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 12,216,545	\$ 667,660	\$ 2,721,121	\$ 2,593,973	\$ 18,199,299

(Continued)

Exhibit C-1

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>					
Deferred Delinquent Property Taxes	\$ 245,888	\$ 13,438	\$ 54,769	\$ 75,911	\$ 390,006
Other Deferred/Unavailable Revenue	52,345	247,362	162,000	0	461,707
Total Deferred Inflows of Resources	\$ 12,514,778	\$ 928,460	\$ 2,937,890	\$ 2,669,884	\$ 19,051,012
<u>FUND BALANCES</u>					
Nonspendable:					
Prepaid Items	\$ 6,765	\$ 0	\$ 0	\$ 250	\$ 7,015
Restricted:					
Restricted for Finance	17,616	0	0	0	17,616
Restricted for Public Safety	0	0	0	1,043,951	1,043,951
Restricted for Public Health and Welfare	315,780	0	0	1,008,193	1,323,973
Restricted for Social, Cultural, and Recreational Services	0	0	0	252,400	252,400
Restricted for Highways/Public Works	0	1,506,037	0	0	1,506,037
Restricted for Debt Service	0	0	4,806,495	28,396	4,834,891
Restricted for Capital Projects	72,766	0	0	0	72,766
Committed:					
Committed for Public Health and Welfare	0	0	0	206,497	206,497
Committed for Social, Cultural, and Recreational Services	0	0	0	17,456	17,456
Committed for Other Purposes	4,000,000	0	0	0	4,000,000
Assigned:					
Assigned for General Government	221,357	0	0	0	221,357
Assigned for Finance	27,374	0	0	0	27,374
Assigned for Administration of Justice	1,365	0	0	0	1,365
Assigned for Public Safety	192,185	0	0	508,842	701,027
Assigned for Public Health and Welfare	71,470	0	0	0	71,470

(Continued)

Exhibit C-1

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>FUND BALANCES (Cont.)</u>					
Assigned (Cont.):					
Assigned for Social, Cultural, and Recreational Services	\$ 3,284	\$ 0	\$ 0	\$ 13,770	\$ 17,054
Assigned for Other Operations	300,489	0	0	0	300,489
Assigned for Highways/Public Works	0	1,000,000	0	0	1,000,000
Assigned for Capital Outlay	0	769,124	0	0	769,124
Assigned for Capital Projects	310,340	0	0	0	310,340
Assigned for OPEB	937,705	222,218	0	0	1,159,923
Unassigned	7,006,097	0	0	0	7,006,097
Total Fund Balances	<u>\$ 13,484,593</u>	<u>\$ 3,497,379</u>	<u>\$ 4,806,495</u>	<u>\$ 3,079,755</u>	<u>\$ 24,868,222</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 30,589,179</u>	<u>\$ 4,458,447</u>	<u>\$ 7,744,385</u>	<u>\$ 5,895,226</u>	<u>\$ 48,687,237</u>

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

Exhibit C-2

Franklin 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)		\$ 24,868,222
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 28,021,925	
Add: construction in progress	43,869	
Add: buildings and improvements net of accumulated depreciation	35,559,710	
Add: infrastructure net of accumulated depreciation	15,114,187	
Add: other capital assets net of accumulated depreciation	<u>7,060,522</u>	85,800,213
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: bonds payable	\$ (56,775,000)	
Less: notes payable	(1,695,000)	
Less: other loans payable	(1,273,325)	
Less: landfill closure/postclosure care costs	(3,582)	
Less: net OPEB liability	(1,044,308)	
Less: compensated absences payable	(765,719)	
Less: accrued interest on bonds and notes	(435,662)	
Less: unamortized premium on debt	<u>(2,663,508)</u>	(64,656,104)
(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	\$ 2,759,543	
Less: deferred inflows of resources related to pensions	(726,139)	
Add: deferred outflows of resources related to OPEB	320,418	
Less: deferred inflows of resources related to OPEB	<u>(957,014)</u>	1,396,808
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.		2,939,498
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>851,713</u>
Net position of governmental activities (Exhibit A)		<u>\$ 51,200,350</u>

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

Exhibit C-3

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>Revenues</u>					
Local Taxes	\$ 13,659,186	\$ 776,682	\$ 5,677,527	\$ 3,460,393	\$ 23,573,788
Licenses and Permits	210,123	3,495	14,221	39,708	267,547
Fines, Forfeitures, and Penalties	169,422	0	0	15,711	185,133
Charges for Current Services	444,691	4,020	0	152,117	600,828
Other Local Revenues	264,937	4,461	1,007,161	228,045	1,504,604
Fees Received From County Officials	1,981,644	0	0	0	1,981,644
State of Tennessee	2,531,183	3,286,673	0	66,649	5,884,505
Federal Government	704,233	0	0	5,908	710,141
Other Governments and Citizens Groups	329,773	0	0	36,523	366,296
<b>Total Revenues</b>	<b>\$ 20,295,192</b>	<b>\$ 4,075,331</b>	<b>\$ 6,698,909</b>	<b>\$ 4,005,054</b>	<b>\$ 35,074,486</b>
<u>Expenditures</u>					
Current:					
General Government	\$ 2,931,428	\$ 0	\$ 0	\$ 0	\$ 2,931,428
Finance	2,213,483	0	0	0	2,213,483
Administration of Justice	2,531,641	0	0	0	2,531,641
Public Safety	8,630,283	0	0	633,070	9,263,353
Public Health and Welfare	554,527	0	0	2,273,696	2,828,223
Social, Cultural, and Recreational Services	87,531	0	0	408,282	495,813
Agriculture and Natural Resources	218,845	0	0	0	218,845
Other Operations	5,982,628	0	0	146,543	6,129,171
Highways	0	4,796,456	0	0	4,796,456
Debt Service:					
Principal on Debt	0	48,232	3,275,000	0	3,323,232
Interest on Debt	0	5,260	2,144,483	0	2,149,743
Other Debt Service	0	0	95,180	0	95,180

(Continued)



Exhibit C-3

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>Expenditures (Cont.)</u>					
Capital Projects	\$ 567,582	\$ 0	\$ 0	\$ 0	\$ 567,582
Capital Projects - Donated	0	0	0	1,273,325	1,273,325
Total Expenditures	\$ 23,717,948	\$ 4,849,948	\$ 5,514,663	\$ 4,734,916	\$ 38,817,475
Excess (Deficiency) of Revenues Over Expenditures					
	\$ (3,422,756)	\$ (774,617)	\$ 1,184,246	\$ (729,862)	\$ (3,742,989)
<u>Other Financing Sources (Uses)</u>					
Other Loans Issued	\$ 0	\$ 0	\$ 0	1,273,325	\$ 1,273,325
Proceeds from Sale of Capital Assets	10,020	0	0	1,450	11,470
Transfers In	113,606	8,610	120,000	0	242,216
Transfers Out	0	(63,803)	0	(178,413)	(242,216)
Total Other Financing Sources (Uses)	\$ 123,626	\$ (55,193)	\$ 120,000	\$ 1,096,362	\$ 1,284,795
Net Change in Fund Balances					
Fund Balance, July 1, 2022	\$ (3,299,130)	\$ (829,810)	\$ 1,304,246	\$ 366,500	\$ (2,458,194)
	16,783,723	4,327,189	3,502,249	2,713,255	27,326,416
Fund Balance, June 30, 2023					
	\$ 13,484,593	\$ 3,497,379	\$ 4,806,495	\$ 3,079,755	\$ 24,868,222

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

Exhibit C-4

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

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

Net change in fund balances - total governmental funds (Exhibit C-3)		\$ (2,458,194)
(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	\$ 3,031,817	
Less: current-year depreciation expense	<u>(2,707,823)</u>	323,994
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Add: assets donated and capitalized	\$ 22,176	
Less: book value of capital assets disposed	<u>(43,389)</u>	(21,213)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2023	\$ 851,713	
Less: deferred delinquent property taxes and other deferred June 30, 2022	<u>(973,669)</u>	(121,956)
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Add: principal payments on bonds	\$ 3,120,000	
Add: principal payments on notes	203,232	
Add: change in premium on debt issuance	224,293	
Less: other loan proceeds	<u>(1,273,325)</u>	2,274,200
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in accrued interest payable	\$ 14,232	
Change in OPEB liability	166,281	
Change in deferred outflows related to OPEB	(40,083)	
Change in deferred inflows related to OPEB	(29,378)	
Change in net pension liability/asset	(4,910,050)	
Change in deferred outflows related to pensions	55,962	
Change in deferred inflows related to pensions	5,128,930	
Change in compensated absences payable	(48,196)	
Change in landfill closure/postclosure care costs	<u>70,017</u>	407,715
Change in net position of governmental activities (Exhibit B)		<u>\$ 404,546</u>

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

Exhibit C-5

Franklin 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	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	\$ 13,659,186	\$ 0	\$ 0	\$ 13,659,186	\$ 13,834,945	\$ 13,834,945	\$ (175,759)
Licenses and Permits	210,123	0	0	210,123	148,600	197,370	12,753
Fines, Forfeitures, and Penalties	169,422	0	0	169,422	211,070	211,125	(41,703)
Charges for Current Services	444,691	0	0	444,691	453,605	497,887	(53,196)
Other Local Revenues	264,937	0	0	264,937	146,900	256,145	8,792
Fees Received From County Officials	1,981,644	0	0	1,981,644	2,307,000	2,307,000	(325,356)
State of Tennessee	2,531,183	0	0	2,531,183	2,816,239	3,078,491	(547,308)
Federal Government	704,233	0	0	704,233	4,897,007	5,850,891	(5,146,658)
Other Governments and Citizens Groups	329,773	0	0	329,773	177,000	326,093	3,680
Total Revenues	\$ 20,295,192	\$ 0	\$ 0	\$ 20,295,192	\$ 24,992,366	\$ 26,559,947	\$ (6,264,755)
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 251,193	\$ (12,202)	\$ 6,133	\$ 245,124	\$ 340,583	\$ 385,087	\$ 139,963
Beer Board	416	0	50	466	1,125	1,125	659
County Mayor/Executive	203,492	0	83	203,575	209,114	209,114	5,539
County Attorney	18,000	0	0	18,000	10,800	18,000	0
Election Commission	287,043	(921)	466	286,588	293,821	297,821	11,233
Register of Deeds	369,913	(4,581)	3,685	369,017	388,222	389,290	20,273
Planning	198,219	(5,001)	382	193,600	216,563	216,563	22,963
County Buildings	1,424,136	(24,501)	30,350	1,429,985	1,560,732	1,565,795	135,810
Other General Administration	178,043	(1,884)	621	176,780	178,365	178,365	1,585
Preservation of Records	973	0	0	973	0	973	0
<u>Finance</u>							
Property Assessor's Office	573,328	(5,354)	26,548	594,522	690,448	641,449	46,927
County Trustee's Office	351,884	0	208	352,092	360,801	360,801	8,709
County Clerk's Office	518,982	0	0	518,982	642,087	548,763	29,781
Other Finance	769,289	(819)	619	769,089	785,267	805,382	36,293
<u>Administration of Justice</u>							
Circuit Court	1,013,626	(396)	456	1,013,686	1,060,553	1,035,552	21,866

(Continued)

Exhibit C-5

Franklin 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	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>Administration of Justice (Cont.)</u>							
General Sessions Court	\$ 328,379	\$ (226)	\$ 368	\$ 328,521	\$ 335,996	\$ 336,396	\$ 7,875
Drug Court	94,038	0	0	94,038	108,352	108,352	14,314
Chancery Court	246,972	(388)	0	246,584	254,755	254,755	8,171
Juvenile Court	142,702	0	0	142,702	144,387	144,787	2,085
Judicial Commissioners	251,924	(450)	450	251,924	267,223	267,223	15,299
Other Administration of Justice	289,545	0	91	289,636	539,450	769,283	479,647
Probation Services	164,455	0	0	164,455	167,789	168,509	4,054
<u>Public Safety</u>							
Sheriff's Department	4,226,474	(56,039)	136,615	4,307,050	4,562,914	4,473,137	166,087
Administration of the Sexual Offender Registry	22,366	(1,000)	1,000	22,366	21,925	24,075	1,709
Jail	2,888,877	(40,956)	33,521	2,881,442	3,163,737	3,103,318	221,876
Correctional Incentive Program Improvements	300,648	(2,280)	230	298,598	390,531	378,767	80,169
Juvenile Services	16,055	0	11,476	27,531	42,500	50,500	22,969
Civil Defense	162,588	(691)	689	162,586	174,466	174,466	11,880
Rescue Squad	34,129	0	2,739	36,868	41,000	51,655	14,787
Other Emergency Management	850,966	(8,489)	3	842,480	891,736	891,736	49,256
County Coroner/Medical Examiner	32,304	0	0	32,304	57,500	57,500	25,196
Public Safety Grants Program	57,926	0	5,912	63,838	33,979	89,284	25,446
Other Public Safety	37,950	(3,750)	0	34,200	50,000	71,000	36,800
<u>Public Health and Welfare</u>							
Local Health Center	34,917	(3,029)	146	32,034	35,745	42,406	10,372
Rabies and Animal Control	247,745	(1,893)	39,498	285,350	285,410	298,160	12,810
Other Local Health Services	70,637	0	18	70,655	199,794	145,059	74,404
Appropriation to State	29,946	(29,946)	30,646	30,646	30,646	30,646	0
General Welfare Assistance	17,775	0	0	17,775	17,775	17,775	0
Waste Pickup	103,934	0	862	104,796	116,677	116,677	11,881
Other Waste Collection	49,573	0	300	49,873	52,202	52,202	2,329
<u>Social, Cultural, and Recreational Services</u>							
Senior Citizens Assistance	46,409	(11,525)	2,616	37,500	37,500	37,500	0
Parks and Fair Boards	41,122	(1,866)	667	39,923	53,639	53,639	13,716

(Continued)

Exhibit C-5

Franklin 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	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>Agriculture and Natural Resources</u>							
Agricultural Extension Service	\$ 127,290	\$ 0	\$ 0	\$ 127,290	\$ 139,500	\$ 143,500	\$ 16,210
Soil Conservation	91,555	0	0	91,555	102,284	102,284	10,729
<u>Other Operations</u>							
Industrial Development	42,085	(60)	200	42,225	86,458	86,458	44,233
Other Economic and Community Development	89,535	(27,832)	247,269	308,972	151,330	401,330	92,358
Airport	1,000	(13,693)	43,693	31,000	31,000	216,000	185,000
Veterans' Services	96,884	0	326	97,210	97,869	108,663	11,453
Other Charges	924,516	0	0	924,516	1,002,725	1,055,788	131,272
COVID-19 Grant #5	0	0	9,000	9,000	0	9,000	0
COVID-19 Grant #7	105,128	0	0	105,128	0	147,170	42,042
American Rescue Plan Act Grant #3	48,480	0	0	48,480	0	52,070	3,590
American Rescue Plan Act Grant #6	4,675,000	0	0	4,675,000	0	6,699,195	2,024,195
American Rescue Plan Act Grant B	0	0	0	0	0	152,000	152,000
<u>Capital Projects</u>							
Other General Government Projects	392,499	(110,110)	61,026	343,415	250,000	691,254	347,839
Highway and Street Capital Projects	175,083	(170,795)	199,314	203,602	153,000	216,510	12,908
<b>Total Expenditures</b>	<b>\$ 23,717,948</b>	<b>\$ (540,677)</b>	<b>\$ 898,276</b>	<b>\$ 24,075,547</b>	<b>\$ 20,830,275</b>	<b>\$ 28,944,109</b>	<b>\$ 4,868,562</b>
Excess (Deficiency) of Revenues							
Over Expenditures	\$ (3,422,756)	\$ 540,677	\$ (898,276)	\$ (3,780,355)	\$ 4,162,091	\$ (2,384,162)	\$ (1,396,193)
<u>Other Financing Sources (Uses)</u>							
Proceeds from Sale of Capital Assets	\$ 10,020	\$ 0	\$ 0	\$ 10,020	\$ 0	\$ 10,020	\$ 0
Transfers In	113,606	0	0	113,606	10,606	162,167	(48,561)
<b>Total Other Financing Sources</b>	<b>\$ 123,626</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 123,626</b>	<b>\$ 10,606</b>	<b>\$ 172,187</b>	<b>\$ (48,561)</b>
Net Change in Fund Balance							
Fund Balance, July 1, 2022	\$ (3,299,130)	\$ 540,677	\$ (898,276)	\$ (3,656,729)	\$ 4,172,697	\$ (2,211,975)	\$ (1,444,754)
	16,783,723	(540,677)	0	16,243,046	14,734,561	14,734,561	1,508,485
Fund Balance, June 30, 2023	\$ 13,484,593	\$ 0	\$ (898,276)	\$ 12,586,317	\$ 18,907,258	\$ 12,522,586	\$ 63,731

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

Exhibit C-6

Franklin County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Highway/Public Works Fund  
For the Year Ended June 30, 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	\$ 776,682	\$ 0	\$ 0	\$ 776,682	\$ 766,290	\$ 778,504	\$ (1,822)
Licenses and Permits	3,495	0	0	3,495	3,540	3,540	(45)
Charges for Current Services	4,020	0	0	4,020	15,080	15,080	(11,060)
Other Local Revenues	4,461	0	0	4,461	16,380	6,700	(2,239)
State of Tennessee	3,286,673	0	0	3,286,673	3,349,457	3,372,557	(85,884)
Total Revenues	\$ 4,075,331	\$ 0	\$ 0	\$ 4,075,331	\$ 4,150,747	\$ 4,176,381	\$ (101,050)
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 354,294	\$ (467)	\$ 301	\$ 354,128	\$ 388,168	\$ 373,168	\$ 19,040
Highway and Bridge Maintenance	970,440	(30,419)	534	940,555	1,165,839	1,061,383	120,828
Operation and Maintenance of Equipment	339,397	(6,762)	18,730	351,365	338,851	385,856	34,491
Quarry Operations	327,605	(18,109)	30,370	339,866	382,500	375,736	35,870
Other Charges	208,727	(48)	1,398	210,077	292,104	272,104	62,027
Capital Outlay	2,595,993	(299,139)	767,315	3,064,169	1,717,500	3,326,282	262,113
<u>Principal on Debt</u>							
Highways and Streets	48,232	0	0	48,232	30,000	48,232	0
<u>Interest on Debt</u>							
Highways and Streets	5,260	0	0	5,260	4,196	5,260	0
Total Expenditures	\$ 4,849,948	\$ (354,944)	\$ 818,648	\$ 5,313,652	\$ 4,319,158	\$ 5,848,021	\$ 534,369
Excess (Deficiency) of Revenues Over Expenditures	\$ (774,617)	\$ 354,944	\$ (818,648)	\$ (1,238,321)	\$ (168,411)	\$ (1,671,640)	\$ 433,319
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 8,610	\$ 0	\$ 0	\$ 8,610	\$ 0	\$ 8,610	\$ 0
Transfers Out	(63,803)	0	0	(63,803)	(3,803)	(63,803)	0
Total Other Financing Sources	\$ (55,193)	\$ 0	\$ 0	\$ (55,193)	\$ (3,803)	\$ (55,193)	\$ 0
Net Change in Fund Balance	\$ (829,810)	\$ 354,944	\$ (818,648)	\$ (1,293,514)	\$ (172,214)	\$ (1,726,833)	\$ 433,319
Fund Balance, July 1, 2022	4,327,189	(354,944)	0	3,972,245	3,779,246	3,779,246	192,999
Fund Balance, June 30, 2023	\$ 3,497,379	\$ 0	\$ (818,648)	\$ 2,678,731	\$ 3,607,032	\$ 2,052,413	\$ 626,318

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

Exhibit D-1

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

	<u>Custodial Funds</u>
<u>ASSETS</u>	
Cash	\$ 1,947,882
Due from Other Governments	<u>961,086</u>
Total Assets	<u>\$ 2,908,968</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	<u>\$ 961,086</u>
Total Liabilities	<u>\$ 961,086</u>
<u>NET POSITION</u>	
Restricted for Individuals, Organizations and Other Governments	<u>\$ 1,947,882</u>
Total Net Position	<u><u>\$ 1,947,882</u></u>

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

Franklin 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	\$ 6,002,693
Fines/Fees and Other Collections	<u>9,670,680</u>
Total Additions	<u>\$ 15,673,373</u>
<u>DEDUCTIONS</u>	
Payment of Sales Tax Collections to Other Governments	\$ 6,002,693
Payments to State	6,120,173
Payments to Cities, Individuals, and Others	<u>3,031,704</u>
Total Deductions	<u>\$ 15,154,570</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ 518,803
Net Position, July 1, 2022	<u>1,429,079</u>
Net Position, June 30, 2023	<u><u>\$ 1,947,882</u></u>

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



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

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Note	Page(s)
<b>I. Summary of Significant Accounting Policies</b>	
A. Reporting Entity	35
B. Government-wide and Fund Financial Statements	36
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	37
D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance	
1. Deposits and Investments	40
2. Receivables and Payables	41
3. Inventories and Prepaid Items	42
4. Restricted Assets	42
5. Capital Assets	42
6. Deferred Outflows/Inflows of Resources	43
7. Compensated Absences	44
8. Long-term Debt and Long-term Obligations	45
9. Net Position and Fund Balance	45
10. Minimum Fund Balance Policy	47
E. Pension Plans	48
F. Other Postemployment Benefit (OPEB) Plans	48
<b>II. Reconciliation of Government-wide and Fund Financial Statements</b>	
A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position	49
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	49
<b>III. Stewardship, Compliance, and Accountability</b>	
Budgetary Information	49
<b>IV. Detailed Notes on All Funds</b>	
A. Deposits and Investments	50
B. Capital Assets	55
C. Construction Commitments	58
D. Interfund Receivables, Payables, and Transfers	58
E. Long-term Debt	60
F. Long-term Obligations	63
G. On-Behalf Payments	64

(Continued)

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**FRANKLIN COUNTY, TENNESSEE**  
**Index of Notes to the Financial Statements (Cont.)**

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<b>Note</b>	<b>Page(s)</b>
<b>V. Other Information</b>	
A. Risk Management	65
B. Accounting Changes	66
C. Contingent Liabilities	66
D. Changes in Administration	67
E. Landfill Postclosure Care Costs	67
F. Joint Ventures	67
G. Retirement Commitments	
1. Tennessee Consolidated Retirement System (TCRS)	68
2. Deferred Compensation	85
H. Other Postemployment Benefits (OPEB)	85
I. Office of Central Accounting, Budgeting, and Purchasing	94
J. Purchasing Law	94
K. Subsequent Event	94

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

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Franklin 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 Franklin County:

**A. Reporting Entity**

Franklin County is a public municipal corporation governed by an elected 16-member board. As required by GAAP, these financial statements present Franklin County (the primary government) and its component units. The financial statements of the Franklin County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of their omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

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

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

Administrative Office:

Franklin County Emergency Communications District  
305 Edgewater Drive  
Winchester, TN 37398

**Related Organization** – The Franklin County Health and Educational Facilities Board is a related organization of Franklin County. The Franklin County Commission appoints the board members, but the county’s accountability for the organization does not extend beyond making the appointments.

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

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

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Franklin County issues all debt for the discretely presented Franklin County School Department. Net debt issues totaling \$1,273,325 were contributed by the county to the school department during the year ended June 30, 2023.

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

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

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

Fund financial statements of Franklin 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 outflows of resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. Franklin County has no proprietary funds to report.

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

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

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.

Franklin County reports the following major governmental funds:

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

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

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

Additionally, Franklin County reports the following fund types:

**Capital Projects Fund** – This fund accounts for and reports 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.

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

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

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

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

**Central Cafeteria Fund** – This special revenue fund is used to account for the cafeteria operations in each of the schools. USDA School Lunch and Breakfast Programs and payments received from the sale of meals are the foundational revenues of this fund.

Additionally, the Franklin County School Department reports the following fund type:

**Capital Projects Fund** – The Education Capital Projects Fund is used to account for the receipt of debt issued by Franklin County and contributed to the school department for 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 (FY23) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior year balances (FY22) are presented in this report. We do not believe using the prior year balances will affect the independent auditor's opinion on the Aggregate Discretely Presented Component Units. A more detailed reporting of the fund activities at each individual school may be found at <https://www.comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>.

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

**D. Assets, Liabilities, Deferred Outflow/Inflow of Resources, and Net Position/Fund Balance**

**1. Deposits and Investments**

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

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

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

Investments in the State Treasurer's Intermediate Term Investment Fund are reported at amortized cost using a floating net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding



Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Intermediate Term Investment Fund complied with accounting principles generally accepted in the United States of America. Franklin 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 at the end of the fiscal year is referred to as due to/from other funds.

All property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 2.5 percent of total taxes levied.

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

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

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

Additional costs attach to delinquent taxes after a court suit has been filed.

Most payables are disaggregated on the face of the financial statements.

**3. Inventories and Prepaid Items**

Inventories of Franklin County are recorded at cost, determined on the first-in, first-out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories are offset in the nonspendable fund balance account in governmental funds.

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

**4. Restricted Assets**

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

**5. Capital Assets**

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 (land improvements \$25,000; buildings, improvements, and infrastructure \$50,000) or more and an estimated useful life exceeding 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.

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	25 - 40
Other Capital Assets	5 - 20
Infrastructure:	
Roads	20
Bridges	40

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

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

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

OPEB changes in assumptions, 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 general government (excluding the highway department) to permit its employees to accumulate the following hours of vacation leave based on length of employment:

<u>Years of Service</u>	<u>Hours</u>
One	40
Two through Eight	80
Nine and Over	120

It is the policy of the highway department to permit its employees to accumulate the following days of vacation leave based on length of employment:

<u>Years of Service</u>	<u>Days</u>
One	5
Two through Nine	10
Ten and Over	15

In the general government, earned but unused vacation leave will be paid to the employee upon retirement, resignation, or termination. On each employee's anniversary date, all accumulated unused vacation leave will be converted to sick leave. In the highway department, employees are required to take at least five days of vacation per fiscal year. Any accumulated unused vacation leave is paid to the employee on June 30 of each year. All vacation leave is accrued when incurred in the government-wide statements for the general county government. The granting of sick leave has no guaranteed payment attached and therefore is not required to be accrued or recorded.

It is the policy of the discretely presented Franklin County School Department to permit its 11- and 12-month employees to accumulate up to a maximum of 30 days over a two-year period of earned but unused vacation leave, which will be paid upon retirement, resignation, or termination. Any accumulated unused vacation leave in excess of two years is forfeited. All vacation leave for 11- and 12-month employees is accrued when incurred in the government-wide statements for the school department. The policy of the school department does not allow their ten-month employees to accumulate vacation days beyond June 30. The granting of sick leave has no guaranteed payment attached and therefore is not required to be accrued or recorded. A

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

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

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

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

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

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors,

grantors, contributors, or laws or regulations of other governments; or  
(2) law through constitutional provisions or enabling legislation.

- c. Unrestricted net position – All other net position that does not meet the definition of restricted or net investment in capital assets.

The government-wide Statement of Net Position reports \$11,907,172 of restricted net position, of which \$28,396 is restricted by enabling legislation.

As of June 30, 2023, Franklin County has \$45,693,325 in outstanding debt for capital purposes for the discretely presented Franklin County School Department. This debt is a liability of Franklin County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Franklin 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 Financial Management 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 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 for unassigned fund balance:

**Primary Government**

General Fund – 2.5 percent of current-year expenditures and transfers to other funds.

Courthouse and Jail Maintenance, Public Library, Solid Waste/Sanitation, Local Purpose Tax, and Highway/Public Works funds – five percent of current-year expenditures and transfers to other funds.

Debt Service Funds – the county will typically have at least one-half year of future principal and interest payments as fund balance.

**Discretely Presented Franklin County School Department**

Central Cafeteria Fund – five percent of current-year expenditures and transfers to other funds.

**E. Pension Plans**

**Primary Government**

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

**Discretely Presented Franklin County School Department**

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

**F. Other Postemployment Benefit (OPEB) Plans**

**Primary Government**

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

**Discretely Presented Franklin 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 Franklin 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 Franklin 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 Franklin County School Department

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

## III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

### Budgetary Information

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

The county is required by state statute to adopt annual budgets. Annual budgets are prepared on the basis in which current available funds must be sufficient to meet

current expenditures. Expenditures and encumbrances may not legally exceed appropriations authorized by the county commission and any authorized revisions. Unencumbered appropriations lapse at the end of each fiscal year.

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

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

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

<u>Funds</u>	<u>Amount</u>
Primary Government:	
Major Funds:	
General	\$ 898,276
Highway/Public Works	818,648
Nonmajor Funds:	
Public Library	1,080
Solid Waste/Sanitation	842,103
Local Purpose Tax	168,664
Drug Control	11,926
School Department:	
Major Funds:	
General Purpose School	1,520,634
Central Cafeteria	1,915

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

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

## Deposits

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

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

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

## Investments

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

**Investment Balances.** As of June 30, 2023, Franklin County had the following investments carried at amortized cost using a Stable Net Asset Value. All investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Franklin County and the discretely presented Franklin County School Department since both pool their deposits and investments through the county trustee.

<u>Investment</u>	<u>Weighted Average Maturity</u>	<u>Maturities</u>	<u>Amortized Cost</u>
State Treasurer's Investment Pool	1 to 44 days	N/A	\$ 4,176,275

**Interest Rate Risk.** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State statutes limit the

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

**Credit Risk.** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments as previously explained. Franklin County has no investment policy that would further limit its investment choices. As of June 30, 2023, Franklin County's investment in the State Treasurer's Investment Pool was unrated.

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

### **TCRS Stabilization Trust**

**Legal Provisions.** The Franklin 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 Franklin 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 Franklin 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	\$ 143,807
Developed Market International Equity	N/A	N/A	64,945
Emerging Market International Equity	N/A	N/A	18,557
U.S. Fixed Income	N/A	N/A	92,779
Real Estate	N/A	N/A	46,390
Short-term Securities	N/A	N/A	4,639
NAV - Private Equity and Strategic Lending	N/A	N/A	92,779
 Total			\$ 463,896

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	\$ 27,981,125	\$ 42,500	\$ (1,700)	\$ 28,021,925
Construction in Progress	41,534	2,335	0	43,869
Total Capital Assets Not Depreciated	<u>\$ 28,022,659</u>	<u>\$ 44,835</u>	<u>\$ (1,700)</u>	<u>\$ 28,065,794</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 46,861,811	\$ 287,393	\$ 0	\$ 47,149,204
Infrastructure	50,642,218	1,789,423	0	52,431,641
Other Capital Assets	18,319,056	932,342	(177,265)	19,074,133
Total Capital Assets Depreciated	<u>\$ 115,823,085</u>	<u>\$ 3,009,158</u>	<u>\$ (177,265)</u>	<u>\$ 118,654,978</u>
Less Accumulated Depreciated For:				
Buildings and Improvements	\$ 10,773,819	\$ 815,675	\$ 0	\$ 11,589,494
Infrastructure	36,592,934	724,520	0	37,317,454
Other Capital Assets	10,981,559	1,167,628	(135,576)	12,013,611
Total Accumulated Depreciation	<u>\$ 58,348,312</u>	<u>\$ 2,707,823</u>	<u>\$ (135,576)</u>	<u>\$ 60,920,559</u>
Total Capital Assets Depreciated, Net	<u>\$ 57,474,773</u>	<u>\$ 301,335</u>	<u>\$ (41,689)</u>	<u>\$ 57,734,419</u>
Governmental Activities Capital Assets, Net	<u>\$ 85,497,432</u>	<u>\$ 346,170</u>	<u>\$ (43,389)</u>	<u>\$ 85,800,213</u>

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

**Governmental Activities:**

General Government	\$ 396,189
Finance	15,148
Administration of Justice	1,148
Public Safety	888,617
Public Health and Welfare	259,983
Social, Cultural, and Recreational Services	29,786
Agriculture and Natural Resources	9,862
Highways/Public Works	<u>1,107,090</u>
 Total Depreciation Expense - Governmental Activities	 <u><u>\$ 2,707,823</u></u>

**Net Investment in Capital Assets**

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Capital Assets	\$ 85,800,213
Add:	
Outstanding principal of school debt	45,693,325
Less:	
Outstanding principal of capital debt and other capital borrowings	(58,473,325)
Outstanding principal balance of debt and other borrowing used to refund capital-related debt	(1,270,000)
Unamortized balance of original issue premiums on outstanding capital-related debt	<u>(2,663,508)</u>
Net Investment of Capital Assets	<u><u>\$ 69,086,705</u></u>



**Discretely Presented Franklin County School Department**

**Governmental Activities:**

	Balance 7-1-22	Increases	Balance 6-30-23
Capital Assets Not Depreciated:			
Land	\$ 5,469,959	\$ 0	\$ 5,469,959
Construction in Progress	0	1,503,176	1,503,176
Total Capital Assets Not Depreciated	<u>\$ 5,469,959</u>	<u>\$ 1,503,176</u>	<u>\$ 6,973,135</u>
Capital Assets Depreciated:			
Buildings and Improvements	\$ 99,445,937	\$ 3,146,638	\$ 102,592,575
Other Capital Assets	10,846,440	1,543,612	12,390,052
Total Capital Assets Depreciated	<u>\$ 110,292,377</u>	<u>\$ 4,690,250</u>	<u>\$ 114,982,627</u>
Less Accumulated Depreciated For:			
Buildings and Improvements	\$ 32,337,043	\$ 2,014,405	\$ 34,351,448
Other Capital Assets	6,393,485	562,816	6,956,301
Total Accumulated Depreciation	<u>\$ 38,730,528</u>	<u>\$ 2,577,221</u>	<u>\$ 41,307,749</u>
Total Capital Assets Depreciated, Net	<u>\$ 71,561,849</u>	<u>\$ 2,113,029</u>	<u>\$ 73,674,878</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 77,031,808</u></u>	<u><u>\$ 3,616,205</u></u>	<u><u>\$ 80,648,013</u></u>

There were no decreases in capital assets to report during the year ended June 30, 2023.

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

**Governmental Activities:**

Instruction	\$ 1,237,750
Support Services	1,265,836
Operation of Non-instructional Services	<u>73,635</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 2,577,221</u></u>

**C. Construction Commitments**

At June 30, 2023, the Franklin County School Department had uncompleted construction contracts of approximately \$7,871,455 for the HVAC upgrades at the individual schools. Funding for these future expenditures is expected to be received from federal grants (\$3,275,000), fund balance (\$3,360,799), and other loan proceeds (\$1,235,656).

**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:		
General	Nonmajor governmental	\$ 7,645
Highway/Public Works	General	724
General Debt Service	Highway/Public Works	2,052
Nonmajor governmental	General	3,253
Discretely Presented School Department:		
Central Cafeteria	General Purpose School	138,757

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

The receivable in the Drug Control Fund total \$2,066 was in transit from the General Fund at June 30, 2023.

**Due to/from Primary Government and Component Unit:**

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Component Unit: School Department: General Purpose School	\$ 23,147
Nonmajor governmental	"	1,188
Component Unit:		
School Department: General Purpose School	Primary Government: General	4,675

The receivable from the General Purpose School Fund totaling \$23,147 represents amounts due for school resource officers' salaries. One receivable from the General Purpose School Fund totaling \$3,871 was in transit to the General Fund at June 30, 2023.

The receivable from the General Purpose School Fund total \$1,188 represents amounts due for reimbursement of mixed drink tax.

The receivable from the General Fund represents amounts due for utility costs.

**Interfund Transfers:**

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

**Primary Government**

Transfers Out	Transfers In			Purpose
	General Fund	Highway/ Public Works Fund	General Debt Service Fund	
Nonmajor governmental funds	\$ 49,803	\$ 0	\$ 0	Reimbursement
"	0	0	120,000	Debt payment
"	0	8,610	0	"
Highway/Public Works Fund	63,803	0	0	Reimbursement
<b>Total</b>	<b>\$ 113,606</b>	<b>\$ 8,610</b>	<b>\$ 120,000</b>	

**Discretely Presented Franklin County School Department**

Transfer Out	Transfer In	
	Nonmajor governmental funds	Purpose
General Purpose School	\$ 3,621,043	HVAC projects

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, Notes, and Other Loans**

General Obligation Bonds - Franklin County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 25 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2023, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements – Franklin County issues other loans to provide funds for the renovation of major capital facilities and other capital outlay purchases, such as equipment for the primary government and the discretely presented school department. Capital outlay notes are also issued to fund equipment purchases. Capital outlay notes and other loans 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 12 years for notes and up to 15 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes and other loans included in long-term debt as of June 30, 2023, will be retired from the General Debt Service and Highway/Public Works funds.

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

<u>Type</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Original Amount of Issue</u>	<u>Balance 6-30-23</u>
General Obligation Bonds	2 to 5 %	5-1-44	\$ 62,425,000	\$ 55,505,000
General Obligation Bonds - Refunding	2 to 5	6-1-38	5,425,000	1,270,000
Direct Borrowing and Direct Placement:				
Capital Outlay Notes	1.31 to 2.93	6-1-31	2,350,000	1,695,000
Other Loans	.5	4-21-38	1,273,325	1,273,325

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	\$ 2,730,000	\$ 1,985,075	\$ 4,715,075
2025	2,570,000	1,891,775	4,461,775
2026	2,700,000	1,763,275	4,463,275
2027	2,825,000	1,634,925	4,459,925
2028	2,965,000	1,500,575	4,465,575
2029-2033	15,690,000	5,861,926	21,551,926
2034-2038	11,485,000	3,718,680	15,203,680
2039-2043	12,955,000	1,812,868	14,767,868
2044	2,855,000	96,356	2,951,356
Total	<u>\$ 56,775,000</u>	<u>\$ 20,265,455</u>	<u>\$ 77,040,455</u>

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2024	\$ 190,000	\$ 44,969	\$ 234,969
2025	190,000	39,887	229,887
2026	200,000	34,807	234,807
2027	205,000	29,512	234,512
2028	215,000	24,073	239,073
2029-2031	695,000	37,036	732,036
Total	<u>\$ 1,695,000</u>	<u>\$ 210,284</u>	<u>\$ 1,905,284</u>

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2024	\$ 0	\$ 0	\$ 0
2025	173,448	12,072	185,520
2026	174,324	11,196	185,520
2027	175,188	10,332	185,520
2028	176,076	9,444	185,520
2029-2032	574,289	24,378	598,667
Total	<u>\$ 1,273,325</u>	<u>\$ 67,422</u>	<u>\$ 1,340,747</u>

There is \$4,806,495 available in the General Debt Service to service long-term debt. Bonded debt per capita totaled \$1,327, based on the 2020 federal census. Total debt per capita, including bonds, notes, and unamortized debt premiums, totaled \$1,459, based on the 2020 federal census.

Changes in Long-term Debt

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

<b>Governmental Activities:</b>	Bonds	Notes - Direct Placement	Other Loans - Direct Placement
Balance, July 1, 2022	\$ 59,895,000	\$ 1,898,232	\$ 0
Additions	0	0	1,273,325
Reductions	(3,120,000)	(203,232)	0
Balance, June 30, 2023	<u>\$ 56,775,000</u>	<u>\$ 1,695,000</u>	<u>\$ 1,273,325</u>
Balance Due Within One Year	<u>\$ 2,730,000</u>	<u>\$ 190,000</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2023	\$ 59,743,325
Less: Balance Due Within One Year - Debt	(2,920,000)
Add: Unamortized Premium on Debt	<u>2,663,508</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 59,486,833</u>

**F. Long-term Obligations**

Changes in Long-term Obligations

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

**Governmental Activities:**

	Landfill Postclosure Care Costs	Other Postemployment Benefits	Compensated Absences
Balance, July 1, 2022	\$ 73,599	\$ 1,210,589	\$ 717,523
Additions	0	117,872	748,568
Reductions	(70,017)	(284,153)	(700,372)
Balance, June 30, 2023	<u>\$ 3,582</u>	<u>\$ 1,044,308</u>	<u>\$ 765,719</u>
Balance Due Within One Year	<u>\$ 3,582</u>	<u>\$ 0</u>	<u>\$ 765,719</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2023	\$ 1,813,609
Less: Balance Due Within One Year - Other	<u>(769,301)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 1,044,308</u>

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

**Discretely Presented Franklin County School Department**

**Changes in Long-term Obligations**

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

**Governmental Activities:**

	Compensated Absences	Other Post- employment Benefits
Balance, July 1, 2022	\$ 230,994	\$ 9,123,205
Additions	215,624	725,883
Reductions	(244,537)	(1,182,625)
	<u>\$ 202,081</u>	<u>\$ 8,666,463</u>
Balance, June 30, 2023		
Balance Due Within One Year	<u>\$ 202,081</u>	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2023	\$ 8,868,544
Less: Balance Due Within One Year - Other	<u>(202,081)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 8,666,463</u>

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

**G. On-Behalf Payments - Discretely Presented Franklin County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Franklin County School Department. These payments are made by the state to the Local Education Group Insurance Plan. This 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 \$142,214. 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

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

The county carries commercial insurance for risks of loss relating to workers' compensation. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The county does not insure against environmental claims or losses.

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

The school department's risks of loss relating to workers' compensation are covered by participation in a public entity risk pool. The school department is a member of 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 workers' compensation coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

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

## **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. Attorneys for the county and school department estimate 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 July 1, 2022, Phillip Custer left the Office of County Clerk and was succeeded by Tina Sanders on September 1, 2022.

On August 31, 2022, David Alexander left the Office of County Mayor and was succeeded by Chris Guess, and Randy Kelly left the Office of Trustee and was succeeded by Kristie Bell.

**E. Landfill Postclosure Care Costs**

Franklin County has an active permit on file with the state Department of Environment and Conservation for a sanitary landfill. The county has provided financial assurances for estimated postclosure liabilities as required by the State of Tennessee. These financial assurances are on file with the Department of Environment and Conservation.

State and federal laws and regulations require the county to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. Franklin County closed its sanitary landfill in 1995. The \$3,582 reported as landfill postclosure care liability at June 30, 2023, represents amounts based on what it would cost to perform all postclosure care in 2023. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

**F. Joint Ventures**

The Interlocal Solid Waste Authority is jointly operated by the counties of Bedford, Franklin, Lincoln, and Moore and the municipalities of Tullahoma and Fayetteville for the purpose of developing a solid waste regional plan. Since inception, the municipalities of Shelbyville, Ardmore, Elkton, Petersburg, Pulaski, and Minor Hill have been admitted as “participants.” The authority’s board was appointed by each participating county commission or city council for varying terms of office. Franklin County made no contributions to the authority for the year ended June 30, 2023.

The Twelfth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twelfth Judicial District; Bledsoe, Franklin, Grundy, Marion, Rhea, and Sequatchie 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 the participating law enforcement agencies within the judicial district. Franklin County made no contributions to the DTF for the year ended June 30, 2023.

Franklin County does not have equity interests in any of the above-noted joint ventures. Complete financial statements for the Interlocal Solid Waste Authority and the Twelfth Judicial District Drug Task Force can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Interlocal Solid Waste Authority  
487 Joyce Lane  
Winchester, TN 37398

Office of District Attorney General  
Twelfth Judicial District Drug Task Force  
375 Church Street, Suite 300  
Dayton, TN 37321

**G. Retirement Commitments**

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

**Primary Government**

**General Information About the Pension Plan**

*Plan Description.* Employees of Franklin County and non-certified employees of the discretely presented Franklin County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 57.62 percent, the non-certified employees of the discretely presented school department comprise 42.38 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:

	<u>Total</u>
Inactive Employees Currently Receiving Benefit Payments	416
Inactive Employees Entitled To But Not Yet Receiving Benefit Payments	453
Active Employees Eligible for Benefits	<u>521</u>
 Total	 <u><u>1,390</u></u>

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees are non-contributory. Franklin 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 Franklin County were \$1,509,854 based on a rate of eight percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Franklin 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)**

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

*Actuarial Assumptions.* The total pension liability as of the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and 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 Franklin 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	\$ 58,629,776	\$ 71,499,997	\$ (12,870,221)
Changes for the Year:			
Service Cost	\$ 1,330,139	\$ 0	\$ 1,330,139
Interest	3,970,516	0	3,970,516
Differences Between Expected and Actual Experience	1,049,281	0	1,049,281
Contributions-Employer	0	1,349,817	(1,349,817)
Contributions-Employee	0	10	(10)
Net Investment Income	0	(2,716,629)	2,716,629
Benefit Payments, Including Refunds of Employee Contributions	(2,274,906)	(2,274,906)	0
Administrative Expense	0	(51,960)	51,960
Net Changes	\$ 4,075,030	\$ (3,693,668)	\$ 7,768,698
Balance, June 30, 2022	\$ 62,704,806	\$ 67,806,329	\$ (5,101,523)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	57.62%	\$ 36,130,509	\$ 39,070,007	\$ (2,939,498)
School Department	42.38%	26,574,297	28,736,322	(2,162,025)
Total		\$ 62,704,806	\$ 67,806,329	\$ (5,101,523)

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the net pension liability (asset) of Franklin 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
<u>Franklin County</u>	<u>5.75%</u>	<u>6.75%</u>	<u>7.75%</u>

Net Pension Liability (Asset)    \$   3,218,491    \$   (5,101,523)    \$   (11,991,578)

**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, Franklin County recognized pension expense (negative pension expense) of \$610,541.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2023, Franklin 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	\$ 839,425	\$ 1,260,220
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	149,871	0
Changes in Assumptions	2,343,035	0
Contributions Subsequent to the Measurement Date of June 30, 2022 (1)	<u>1,509,854</u>	<u>N/A</u>
Total	<u>\$ 4,842,185</u>	<u>\$ 1,260,220</u>

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2022,” will be recognized as a reduction (increase) to net pension liability (asset) in the subsequent fiscal period.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 2,759,543	\$ 726,139
School Department	2,082,642	534,081
Total	<u>\$ 4,842,185</u>	<u>\$ 1,260,220</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	\$ 108,593
2025	152,297
2026	99,386
2027	1,711,837
2028	0
Thereafter	0

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

**Discretely Presented Franklin County School Department**

**Non-certified Employees**

**General Information About the Pension Plan**

*Plan Description.* As noted above under the primary government, employees of Franklin County and non-certified employees of the discretely presented Franklin County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 57.62 percent and the non-certified employees of the discretely presented school department comprise 42.38 percent of the plan based on contribution data.

## **Certified Employees**

### **Teacher Retirement Plan**

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

*Plan Description.* Teachers of the Franklin 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 \$231,409, which is 2.76 percent of covered payroll. In addition, employer contributions of \$80,419, which is 0.96 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 (\$110,642) 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 .365245 percent. The proportion as of June 30, 2021, was .289101 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2023, the Franklin County School Department recognized pension expense (negative pension expense) of \$152,744.

*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	\$ 6,050	\$ 67,222
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	34,875	0
Changes in Assumptions	129,612	0
Changes in Proportion of Net Pension Liability (Asset)	11,188	54,640
LEA's Contributions Subsequent to the Measurement Date of June 30, 2022	231,409	N/A
Total	<u>\$ 413,134</u>	<u>\$ 121,862</u>

The school department's employer contributions of \$231,409, 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	\$ (1,082)
2025	(727)
2026	(6,458)
2027	54,286
2028	2,786
Thereafter	11,058

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

*Actuarial Assumptions.* The total pension liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and 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 school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75 percent, as well as what the school department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75 percent) or one percentage point higher (7.75 percent) than the current rate:

School Department's 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)    \$    580,806    \$    (110,642)    \$    (615,612)

*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 Franklin 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 Franklin County School Department for the year ended June 30, 2023, to the Teacher Legacy Pension Plan were \$1,708,145, which is 8.93 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 (\$6,449,428) 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 .525881 percent. The proportion measured at June 30, 2022, was .531971 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2022, the school department recognized pension expense (negative pension expense) of \$123,971.

*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	\$ 1,060,907	\$ 1,089,758
Changes in Assumptions	4,040,256	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	110,282	0
Changes in Proportion Net Pension Liability (Asset)	172,583	2,987
LEA's Contributions Subsequent to the Measurement Date of June 30, 2022	1,708,145	N/A
Total	<u>\$ 7,092,173</u>	<u>\$ 1,092,745</u>

The school department's employer contributions of \$1,708,145 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) in net pension liability (asset) in the year ending June 30, 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	\$ 713,589
2025	1,272,107
2026	(1,098,415)
2027	3,404,003
2028	0
Thereafter	0

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

*Actuarial Assumptions.* The total pension liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

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

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity 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 Franklin 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	Current Discount Rate	1% Increase
	5.75%	6.75%	7.75%

Net Pension Liability (Asset) \$ 12,774,095 \$ (6,449,428) \$ (22,461,346)

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

**2. Deferred Compensation**

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state’s 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher’s salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$100,081 and teachers contributed \$139,798 to this deferred compensation pension plan.

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

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

**OPEB Provided through State Administered Public Entity Risk Pools**

Retirees of Franklin County and the Franklin County Highway Department (Hwy) are provided healthcare under separate Local Government Plans (LGPs) until they reach Medicare eligibility. The primary government’s LGPs are combined for presentation purposes. Likewise, the school department provides healthcare benefits to its employees under the Local Education Plan (LEP) until they reach Medicare eligibility. The certified retirees of Franklin County School Department may then join the Tennessee Plan – Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare.

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

*Actuarial Assumptions and other inputs.* The total OPEB liability in the June 30, 2022, actuarial valuation of each plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	Salary increases used in the July 1, 2021, TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.54%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 8.37% for the pre-65 retirees in the 2022 calendar year, and decreasing annually over a 7-year period to an ultimate trend rate of 4.5%
Retirees Share of Benefit Related Cost	Discussed under each plan

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

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

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

disabled lives with a 10 percent load, projected generationally from 2018 with MP-2020.

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

### **Local Government OPEB Plan (Primary Government)**

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

*Benefits Provided.* Franklin County offers the LGPs to provide health insurance coverage to eligible pre-65 retirees and disabled participants of local governments. With the exception of a small group of grandfathered individuals, retirees are required to discontinue coverage under the LGPs upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-701 establishes and amends the benefit terms of the LGPs. 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 LGPs, 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. Franklin County does not provide a direct subsidy and is only subject to the implicit subsidy.

Employees Covered by Benefit Terms

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

	Franklin County	Hwy Dept	Total
Inactive Employees			
Currently Receiving Benefits	10	1	11
Inactive Employees Entitled To But Not Yet Receiving Benefits	0	0	0
Active Employees Eligible For Benefits	196	17	213
Total	206	18	224

An insurance committee, created in accordance with TCA 8-27-701, establishes the required payments to the LGPs by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2023, the county paid \$55,698 (Franklin County - \$50,526, Highway Dept - \$5,172) to the LGPs for OPEB benefits as they came due.

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

	Franklin County	Hwy Dept	Total OPEB Liability
Balance July 1, 2021	\$ 1,061,916	\$ 148,673	\$ 1,210,589
Changes for the Year:			
Service Cost	\$ 59,385	\$ 9,406	\$ 68,791
Interest	23,847	3,225	27,072
Difference between Expected and Actuarial Experience	25,764	(3,755)	22,009
Changes in Assumption and Other Inputs	(205,733)	(26,075)	(231,808)
Benefit Payments	(34,697)	(17,648)	(52,345)
Net Changes	\$ (131,434)	\$ (34,847)	\$ (166,281)
Balance June 30, 2022	\$ 930,482	\$ 113,826	\$ 1,044,308

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2023, the county recognized negative OPEB expense of (\$41,122) (Franklin County – (\$19,901), Highway Dept –



(\$21,221). At June 30, 2023, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience (DO - Franklin County \$147,578, Hwy \$4,690; DI - County \$255,004, Hwy \$43,062)	\$ 152,268	\$ 298,066
Changes of Assumptions/Inputs (DO - County \$104,030, Hwy \$8,422; DI - County \$567,937, Hwy \$91,011)	112,452	658,948
Net Difference Between Projected and Benefits paid after the measurement date of June 30, 2022 (DO - County \$50,526, Hwy \$5,172)	<u>55,698</u>	<u>0</u>
Total	<u>\$ 320,418</u>	<u>\$ 957,014</u>

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

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

Year Ending June 30	County	Hwy	Total Amount
2024	\$ (103,133)	\$ (33,852)	\$ (136,985)
2025	(103,133)	(32,791)	(135,924)
2026	(103,133)	(30,757)	(133,890)
2027	(126,211)	(20,221)	(146,432)
2028	(104,284)	(3,340)	(107,624)
Thereafter	(31,439)	0	(31,439)

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

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

<u>Discount Rate</u>	Current		
	1% Decrease	Discount Rate	1% Increase
	2.54%	3.54%	4.54%
County	\$ 1,004,509	\$ 930,482	\$ 861,256
Hwy	122,841	113,826	105,292
<b>Total OPEB Liability</b>	<b>\$ 1,127,350</b>	<b>\$ 1,044,308</b>	<b>\$ 966,548</b>

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

<u>Healthcare Cost Trend Rate</u>	Current		
	1% Decrease	Trend Rate	1% Increase
	7.37 to 3.5%	8.37 to 4.5%	9.37 to 5.5%
County	\$ 833,809	\$ 930,482	\$ 1,044,461
Hwy	101,653	113,826	128,059
<b>Total OPEB Liability</b>	<b>\$ 935,462</b>	<b>\$ 1,044,308</b>	<b>\$ 1,172,520</b>

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

*Plan Description.* Employees of the Franklin County School Department who were hired prior to July 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 Franklin 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 Section 8-27-301, TCA, establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven

health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. The Franklin County School Department does not provide a direct subsidy and is only subject to the implicit subsidy. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms

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

	<u>Total</u>
Inactive Employees Currently Receiving Benefit Payments	35
Inactive Employees Entitled To But Not Yet Receiving Benefit Payments	0
Active Employees Eligible for Benefits	<u>420</u>
 Total	 <u><u>455</u></u>

A state insurance committee, created in accordance with Section 8-27-301, TCA, 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 \$339,330 to the LEP for OPEB benefits as they came due.

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

	Share of Collective Liability		
	Franklin County School Department 72.1%	State of TN 27.9%	Total OPEB Liability
Balance July 1, 2021	\$ 9,123,205	\$ 3,379,131	\$ 12,502,336
Changes for the Year:			
Service Cost	522,654	202,273	724,927
Interest	203,228	78,652	281,880
Difference Between Expected and Actuarial Experience	(43,503)	(16,836)	(60,339)
Changes in Assumption and Other Inputs	(772,785)	(299,076)	(1,071,861)
Changes in Proportion	(109,333)	109,333	0
Benefit Payments	(257,003)	(99,463)	(356,466)
Net Changes	\$ (456,742)	\$ (25,117)	\$ (481,859)
Balance June 30, 2022	\$ 8,666,463	\$ 3,354,014	\$ 12,020,477

The Franklin 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 Franklin 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 \$230,953 in revenue for subsidies provided by non-employer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Franklin County School Department's proportionate share of the collective OPEB liability was 72.1 percent and the State of Tennessee's share was 27.9 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 \$613,977, 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	\$ 651,101	\$ 1,370,138
Changes of Assumptions and Other Inputs	615,164	1,084,013
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	226,564	489,882
Benefits Paid After the Measurement Date of June 30, 2022	339,330	0
Total	<u>\$ 1,832,159</u>	<u>\$ 2,944,033</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	\$ (342,858)
2025	(342,858)
2026	(342,858)
2027	(313,212)
2028	(112,457)
Thereafter	3,039

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	Current Discount Rate	1% Increase
	2.54%	3.54%	4.54%

Proportionate Share of the Collective Total OPEB Liability	\$	9,278,532	\$	8,666,463	\$	8,081,226
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*Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate.* The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

<u>Healthcare Cost Trend Rate</u>	1% Decrease	Current Rate	1% Increase
	7.37 to 3.5%	8.37 to 4.5%	9.37 to 5.5%

Proportionate Share of the Collective Total OPEB Liability	\$	7,798,667	\$	8,666,463	\$	9,671,820
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**I. Office of Central Accounting, Budgeting, and Purchasing**

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

**J. Purchasing Law**

The County Financial Management System of 1981 provides for the finance director or a deputy appointed by her to serve as the county purchasing agent. The finance director serves as the purchasing agent for Franklin County. All purchase orders are issued by the finance department. Purchases exceeding \$25,000 for the Office of County Mayor, the Office of the Superintendent of Highways, and the discretely presented school department are required to be competitively bid.

**K. Subsequent Event**

Director of Schools Stanley Bean retired June 30, 2023, and was succeeded by Cary Holman effective July 1, 2023.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

Exhibit E-1

Franklin 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
<b>Total Pension Liability</b>									
Service Cost	\$ 934,637	\$ 986,760	\$ 1,016,893	\$ 1,063,243	\$ 1,169,906	\$ 1,171,754	\$ 1,242,174	\$ 1,202,607	\$ 1,330,139
Interest	2,724,212	2,849,313	2,978,769	3,137,383	3,320,351	3,530,549	3,727,801	3,865,394	3,970,516
Differences Between Actual and Expected Experience	(714,099)	(717,567)	(352,407)	184,310	200,689	(119,369)	(981,970)	(1,405,933)	1,049,281
Changes in Assumptions	0	0	0	1,153,166	0	0	0	3,905,059	0
Benefit Payments, Including Refunds of Employee Contributions	(1,326,831)	(1,330,894)	(1,514,230)	(1,635,261)	(1,721,930)	(1,865,085)	(2,000,185)	(2,101,041)	(2,274,906)
Net Change in Total Pension Liability	\$ 1,617,919	\$ 1,787,612	\$ 2,129,025	\$ 3,902,841	\$ 2,969,016	\$ 2,717,849	\$ 1,987,820	\$ 5,466,086	\$ 4,075,030
Total Pension Liability, Beginning	36,051,608	37,669,527	39,457,139	41,586,164	45,489,005	48,458,021	51,175,870	53,163,690	58,629,776
Total Pension Liability, Ending (a)	\$ 37,669,527	\$ 39,457,139	\$ 41,586,164	\$ 45,489,005	\$ 48,458,021	\$ 51,175,870	\$ 53,163,690	\$ 58,629,776	\$ 62,704,806
<b>Plan Fiduciary Net Position</b>									
Contributions - Employer	\$ 1,756,198	\$ 1,782,002	\$ 1,863,363	\$ 2,074,079	\$ 2,178,287	\$ 2,169,331	\$ 1,930,881	\$ 1,877,599	\$ 1,349,817
Contributions - Employee	0	0	0	0	0	0	0	0	10
Net Investment Income	5,394,799	1,180,304	1,057,642	4,683,164	3,852,371	3,767,338	2,700,045	14,689,839	(2,716,629)
Benefit Payments, Including Refunds of Employee Contributions	(1,326,831)	(1,330,894)	(1,514,230)	(1,635,261)	(1,721,930)	(1,865,085)	(2,000,185)	(2,101,041)	(2,274,906)
Administrative Expense	(19,389)	(25,333)	(38,726)	(43,759)	(50,435)	(45,150)	(45,016)	(44,702)	(51,960)
Other	0	0	0	5,163	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 5,804,777	\$ 1,606,079	\$ 1,368,049	\$ 5,083,386	\$ 4,258,293	\$ 4,026,434	\$ 2,585,725	\$ 14,421,695	\$ (3,693,668)
Plan Fiduciary Net Position, Beginning	32,345,559	38,150,336	39,756,415	41,124,464	46,207,850	50,466,143	54,492,577	57,078,302	71,499,997
Plan Fiduciary Net Position, Ending (b)	\$ 38,150,336	\$ 39,756,415	\$ 41,124,464	\$ 46,207,850	\$ 50,466,143	\$ 54,492,577	\$ 57,078,302	\$ 71,499,997	\$ 67,806,329
Net Pension Liability (Asset), Ending (a - b)	\$ (480,809)	\$ (299,276)	\$ 461,700	\$ (718,845)	\$ (2,008,122)	\$ (3,316,707)	\$ (3,914,612)	\$ (12,870,221)	\$ (5,101,523)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	101.28%	100.76%	98.89%	101.58%	104.14%	106.48%	107.36%	121.95%	108.14%
Covered Payroll	\$ 13,284,415	\$ 13,520,502	\$ 14,184,250	\$ 14,814,839	\$ 15,559,190	\$ 15,495,212	\$ 15,993,131	\$ 15,635,387	\$ 16,872,719
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(3.62)%	(2.21)%	3.26%	(4.85)%	(12.91)%	(21.40)%	(24.48)%	(82.31)%	(30.24)%

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

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



Exhibit E-2

Franklin 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	\$ 1,756,198	\$ 1,782,002	\$ 1,863,363	\$ 1,951,114	\$ 2,175,175	\$ 2,167,781	\$ 1,924,444	\$ 1,755,555	\$ 934,748	\$ 1,509,854
Less: Contributions in Relation to the Actuarially Determined Contribution	(1,756,198)	(1,782,002)	(1,863,363)	(2,074,079)	(2,178,287)	(2,169,331)	(1,930,881)	(1,877,599)	(1,349,817)	(1,509,854)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ (122,965)	\$ (3,112)	\$ (1,550)	\$ (6,437)	\$ (122,044)	\$ (415,069)	\$ 0
Covered Payroll	\$ 13,284,415	\$ 13,520,502	\$ 14,184,250	\$ 14,814,839	\$ 15,559,190	\$ 15,495,212	\$ 15,993,131	\$ 15,635,387	\$ 16,872,719	\$ 18,870,271
Contributions as a Percentage of Covered Payroll	13.22%	13.18%	13.14%	14.00%	14.00%	14.00%	12.07%	12.01%	8.00%	8.00%

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

Exhibit E-3

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

	2015	2016	2017	2018	2019	2020	2021	2022	2022
Contractually Required Contribution	\$ 25,890	\$ 59,257	\$ 80,206	\$ 101,341	\$ 59,381	\$ 69,635	\$ 84,282	\$ 125,370	\$ 231,409
Less: Contributions in Relation to the Contractually Required Contribution	(25,890)	(59,257)	(80,206)	(101,341)	(59,381)	(69,635)	(84,282)	(125,370)	(231,409)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 647,261	\$ 1,481,438	\$ 2,005,148	\$ 2,533,521	\$ 3,060,894	\$ 3,430,280	\$ 4,172,374	\$ 6,237,299	\$ 8,369,757
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.00%	1.94%	2.03%	2.02%	2.01%	2.76%

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

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually Required Contribution	\$ 1,861,081	\$ 1,779,184	\$ 1,758,044	\$ 1,751,126	\$ 1,744,158	\$ 1,989,865	\$ 1,977,519	\$ 1,793,161	\$ 1,782,560	\$ 1,708,145
Less: Contributions in Relation to the Contractually Required Contribution	(1,861,081)	(1,779,184)	(1,758,044)	(1,751,126)	(1,744,158)	(1,989,865)	(1,977,519)	(1,793,161)	(1,782,560)	(1,708,145)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 20,958,110	\$ 19,681,280	\$ 19,447,359	\$ 19,370,899	\$ 19,208,753	\$ 19,023,543	\$ 18,595,123	\$ 17,460,187	\$ 17,306,405	\$ 19,123,450
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%	8.93%

Exhibit E-5

Franklin County, Tennessee  
Schedule of Proportionate Share of the Net Pension Asset  
in the Teacher Retirement Plan of TCRS  
Discretely Presented Franklin 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)	0.533966%	0.305093%	0.336686%	0.305505%	0.289917%	0.289254%	0.271831%	0.289101%	0.365245%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ 86,767	\$ (12,532)	\$ (35,050)	\$ (80,604)	\$ (131,485)	\$ (163,280)	\$ (154,574)	\$ (313,158)	\$ (110,642)
Covered Payroll	\$ 20,958,110	\$ 647,261	\$ 1,481,438	\$ 2,005,148	\$ 2,533,521	\$ 3,060,894	\$ 3,430,280	\$ 4,172,374	\$ 6,237,299
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0.41%	(1.94)%	(2.37)%	(4.02)%	(5.19)%	(5.33)%	(4.51)%	(7.51)%	(1.77)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	100.08%	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

Franklin County, Tennessee  
Schedule of Proportionate Share of the Net Pension Asset  
in the Teacher Legacy Pension Plan of TCRS  
Discretely Presented Franklin 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)	0.533966%	0.525744%	0.538739%	0.547981%	0.548560%	0.567335%	0.558947%	0.531971%	0.525881%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (86,767)	\$ 215,363	\$ 3,366,820	\$ (179,290)	\$ (1,930,336)	\$ (5,833,229)	\$ (4,262,381)	\$ (22,945,172)	\$ (6,449,428)
Covered Payroll	\$ 20,958,110	\$ 19,681,280	\$ 19,447,359	\$ 19,370,899	\$ 19,208,753	\$ 19,023,543	\$ 18,595,123	\$ 17,460,187	\$ 17,306,405
School Department's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	(0.41)%	1.09%	17.31%	(0.93)%	(10.05)%	(30.66)%	(22.92)%	(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.

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

**Franklin County Plan**

	2017	2018	2019	2020	2021	2022
<b>Total OPEB Liability</b>						
Service Cost	\$ 67,834	\$ 62,479	\$ 74,409	\$ 89,065	\$ 121,589	\$ 59,385
Interest	35,144	42,025	38,712	52,299	34,759	23,847
Changes in Benefit Terms	0	58,327	0	0	0	0
Differences Between Actual and Expected Experience	0	(64,968)	275,038	(216,504)	(135,027)	25,764
Changes in Assumptions or Other Inputs	(62,243)	(181,825)	38,893	144,097	(402,724)	(205,733)
Benefit Payments	(59,139)	(57,757)	(20,541)	(21,641)	(15,673)	(34,697)
Net Change in Total OPEB Liability	\$ (18,404)	\$ (141,719)	\$ 406,511	\$ 47,316	\$ (397,076)	\$ (131,434)
Total OPEB Liability, Beginning	1,165,288	1,146,884	1,005,165	1,411,676	1,458,992	1,061,916
Total OPEB Liability, Ending	\$ 1,146,884	\$ 1,005,165	\$ 1,411,676	\$ 1,458,992	\$ 1,061,916	\$ 930,482
Covered Employee Payroll	\$ 8,053,146	\$ 8,156,420	\$ 8,675,185	\$ 8,576,747	\$ 8,729,646	\$ 9,516,428
Net OPEB Liability as a Percentage of Covered Employee Payroll	14.24%	12.32%	16.27%	17.01%	12.16%	9.78%

**Highway Department Plan**

	2017	2018	2019	2020	2021	2022
<b>Total OPEB Liability</b>						
Service Cost	\$ 15,922	\$ 14,627	\$ 12,095	\$ 13,123	\$ 13,491	\$ 9,406
Interest	8,505	10,669	7,293	6,957	4,512	3,225
Changes in Benefit Terms	0	1,916	0	0	0	0
Differences Between Actual and Expected Experience	0	(52,271)	(19,534)	(20,333)	7,132	(3,755)
Changes in Assumptions or Other Inputs	(13,043)	(67,396)	90	15,723	(59,847)	(26,075)
Benefit Payments	0	(3,333)	(3,154)	(5,353)	(14,467)	(17,648)
Net Change in Total OPEB Liability	\$ 11,384	\$ (95,788)	\$ (3,210)	\$ 10,117	\$ (49,179)	\$ (34,847)
Total OPEB Liability, Beginning	275,349	286,733	190,945	187,735	197,852	148,673
Total OPEB Liability, Ending	\$ 286,733	\$ 190,945	\$ 187,735	\$ 197,852	\$ 148,673	\$ 113,826
Covered Employee Payroll	\$ 857,370	\$ 920,666	\$ 939,354	\$ 959,976	\$ 942,206	\$ 976,744
Net OPEB Liability as a Percentage of Covered Employee Payroll	33.44%	20.74%	19.99%	20.61%	15.78%	11.65%

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

Note 2: Changes in assumptions.

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

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

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

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

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

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

	2017	2018	2019	2020	2021	2022
<b>Total OPEB Liability</b>						
Service Cost	\$ 690,876	\$ 639,011	\$ 586,492	\$ 503,837	\$ 556,547	\$ 724,927
Interest	357,976	439,661	413,748	366,685	240,511	281,880
Changes in Benefit Terms	0	(224,851)	0	0	294,698	0
Differences Between Actual and Expected Experience	0	(1,580,961)	(744,374)	(1,149,253)	1,180,103	(60,339)
Changes in Assumptions or Other Inputs	(546,251)	273,083	(735,566)	1,053,258	87,072	(1,071,861)
Benefit Payments	(311,888)	(408,418)	(423,241)	(417,155)	(363,788)	(356,466)
Net Change in Total OPEB Liability	\$ 190,713	\$ (862,475)	\$ (902,941)	\$ 357,372	\$ 1,995,143	\$ (481,859)
Total OPEB Liability, Beginning	11,724,524	11,915,237	11,052,762	10,149,821	10,507,193	12,502,336
<b>Total OPEB Liability, Ending</b>	<b>\$ 11,915,237</b>	<b>\$ 11,052,762</b>	<b>\$ 10,149,821</b>	<b>\$ 10,507,193</b>	<b>\$ 12,502,336</b>	<b>\$ 12,020,477</b>
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 2,865,436	\$ 2,605,457	\$ 3,000,733	\$ 2,872,677	\$ 3,379,131	\$ 3,354,014
Employer Proportionate Share of the Total OPEB Liability	9,049,801	8,447,305	7,149,088	7,634,516	9,123,205	8,666,463
Covered Employee Payroll	\$ 25,921,354	\$ 28,502,562	\$ 28,372,631	\$ 27,731,245	\$ 30,744,543	\$ 35,870,307
Net OPEB Liability as a Percentage of Covered Employee Payroll	34.91%	29.64%	25.20%	27.53%	29.67%	24.16%

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

Note 2: Changes in assumptions.

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

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

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

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

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

**FRANKLIN 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

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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.

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Courthouse and Jail Maintenance Fund – The Courthouse and Jail Maintenance Fund is used to account for a special tax levied by private act on litigation.

Public Library Fund – The Public Library Fund is used to account for transactions for the Franklin County Public Library.

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions involving solid waste collection.

Local Purpose Tax Fund – The Local Purpose Tax Fund is used to account for a special property tax levied to provide funding for rural fire protection.

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

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

# Capital Projects Funds

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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.

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Education Capital Projects Fund – The Education Capital Projects Fund is used to account for debt issued by Franklin County that is subsequently contributed to the discretely presented Franklin County School Department for renovation projects.

Other Capital Projects Fund – The Other Capital Projects Fund is used to account for improvements, renovations, and equipping of county buildings and facilities.

Exhibit F-1

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

	Special Revenue Funds			
	Courthouse and Jail Maintenance	Public Library	Solid Waste / Sanitation	Local Purpose Tax
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 4,115	\$ 0
Equity in Pooled Cash and Investments	28,396	287,255	1,244,714	1,390,767
Accounts Receivable	0	2,440	9,151	11,828
Due from Other Governments	0	2,481	30,162	40,461
Due from Other Funds	0	1,187	0	0
Due from Component Units	0	1,188	0	0
Property Taxes Receivable	0	424,839	1,888,107	446,816
Allowance for Uncollectible Property Taxes	0	(11,790)	(54,662)	(13,456)
Prepaid Items	0	250	0	0
Total Assets	<u>\$ 28,396</u>	<u>\$ 707,850</u>	<u>\$ 3,121,587</u>	<u>\$ 1,876,416</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 0	\$ 1,012	\$ 45,807	\$ 0
Accrued Payroll	0	7,980	30,345	0
Due to Other Funds	0	3,000	0	0
Due to Litigants, Heirs, and Others	0	0	4,115	0
Total Liabilities	<u>\$ 0</u>	<u>\$ 11,992</u>	<u>\$ 80,267</u>	<u>\$ 0</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 0	\$ 403,853	\$ 1,774,745	\$ 415,375
Deferred Delinquent Property Taxes	0	8,129	51,885	15,897
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 411,982</u>	<u>\$ 1,826,630</u>	<u>\$ 431,272</u>

(Continued)

Exhibit F-1

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

	Special Revenue Funds			
	Courthouse and Jail Maintenance	Public Library	Solid Waste / Sanitation	Local Purpose Tax
<u>FUND BALANCES</u>				
Nonspendable:				
Prepaid Items	\$ 0	\$ 250	\$ 0	\$ 0
Restricted:				
Restricted for Public Safety	0	0	0	936,302
Restricted for Public Health and Welfare	0	0	1,008,193	0
Restricted for Social, Cultural, and Recreational Services	0	252,400	0	0
Restricted for Debt Service	28,396	0	0	0
Committed:				
Committed for Public Health and Welfare	0	0	206,497	0
Committed for Social, Cultural, and Recreational Services	0	17,456	0	0
Assigned:				
Assigned for Public Safety	0	0	0	508,842
Assigned for Social, Cultural, and Recreational Services	0	13,770	0	0
Total Fund Balances	<u>\$ 28,396</u>	<u>\$ 283,876</u>	<u>\$ 1,214,690</u>	<u>\$ 1,445,144</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 28,396</u>	<u>\$ 707,850</u>	<u>\$ 3,121,587</u>	<u>\$ 1,876,416</u>

(Continued)

Exhibit F-1

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

	<u>Special Revenue Funds (Cont.)</u>		
	<u>Drug Control</u>	<u>Constitu - tional Officers - Fees</u>	<u>Total Nonmajor Governmental Funds</u>
<u>ASSETS</u>			
Cash	\$ 0	\$ 3,042	\$ 7,157
Equity in Pooled Cash and Investments	154,266	0	3,105,398
Accounts Receivable	0	1,603	25,022
Due from Other Governments	0	0	73,104
Due from Other Funds	2,066	0	3,253
Due from Component Units	0	0	1,188
Property Taxes Receivable	0	0	2,759,762
Allowance for Uncollectible Property Taxes	0	0	(79,908)
Prepaid Items	0	0	250
Total Assets	<u>\$ 156,332</u>	<u>\$ 4,645</u>	<u>\$ 5,895,226</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 22,462	\$ 0	\$ 69,281
Accrued Payroll	0	0	38,325
Due to Other Funds	0	4,645	7,645
Due to Litigants, Heirs, and Others	26,221	0	30,336
Total Liabilities	<u>\$ 48,683</u>	<u>\$ 4,645</u>	<u>\$ 145,587</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 2,593,973
Deferred Delinquent Property Taxes	0	0	75,911
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,669,884</u>

(Continued)

Exhibit F-1

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

FUND BALANCES

<u>Special Revenue Funds (Cont.)</u>			Total Nonmajor Governmental Funds		
Drug Control	Constitu- tional Officers - Fees				
\$	0	\$	0	\$	250
	107,649		0		1,043,951
	0		0		1,008,193
	0		0		252,400
	0		0		28,396
	0		0		206,497
	0		0		17,456
	0		0		508,842
	0		0		13,770
<u>\$</u>	<u>107,649</u>	<u>\$</u>	<u>0</u>	<u>\$</u>	<u>3,079,755</u>
<u>\$</u>	<u>156,332</u>	<u>\$</u>	<u>4,645</u>	<u>\$</u>	<u>5,895,226</u>

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

Exhibit F-2

Franklin 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				
	Courthouse and Jail Maintenance	Public Library	Solid Waste / Sanitation	Local Purpose Tax	Drug Control
<u>Revenues</u>					
Local Taxes	\$ 122,012	\$ 419,241	\$ 1,844,331	\$ 1,074,809	\$ 0
Licenses and Permits	0	2,107	13,475	24,126	0
Fines, Forfeitures, and Penalties	0	0	0	0	15,711
Charges for Current Services	0	7,481	144,549	0	0
Other Local Revenues	0	5,790	222,255	0	0
State of Tennessee	0	0	66,649	0	0
Federal Government	0	1,772	0	0	4,136
Other Governments and Citizens Groups	0	36,523	0	0	0
Total Revenues	<u>\$ 122,012</u>	<u>\$ 472,914</u>	<u>\$ 2,291,259</u>	<u>\$ 1,098,935</u>	<u>\$ 19,847</u>
<u>Expenditures</u>					
Current:					
Public Safety	\$ 0	\$ 0	\$ 0	\$ 602,354	\$ 30,629
Public Health and Welfare	0	0	2,273,696	0	0
Social, Cultural, and Recreational Services	0	408,282	0	0	0
Other Operations	1,228	41,936	102,860	0	519
Capital Projects - Donated	0	0	0	0	0
Total Expenditures	<u>\$ 1,228</u>	<u>\$ 450,218</u>	<u>\$ 2,376,556</u>	<u>\$ 602,354</u>	<u>\$ 31,148</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 120,784</u>	<u>\$ 22,696</u>	<u>\$ (85,297)</u>	<u>\$ 496,581</u>	<u>\$ (11,301)</u>

(Continued)



Exhibit F-2

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

	Special Revenue Funds				
	Courthouse and Jail Maintenance	Public Library	Solid Waste / Sanitation	Local Purpose Tax	Drug Control
<u>Other Financing Sources (Uses)</u>					
Other Loans Issued	\$ 0	\$ 0	\$ 0	\$ 0	0
Proceeds from Sale of Capital Assets	0	0	1,450	0	0
Transfers Out	(120,000)	(46,000)	(3,803)	0	0
Total Other Financing Sources (Uses)	\$ (120,000)	\$ (46,000)	\$ (2,353)	\$ 0	0
Net Change in Fund Balances	\$ 784	\$ (23,304)	\$ (87,650)	\$ 496,581	\$ (11,301)
Fund Balance, July 1, 2022	27,612	307,180	1,302,340	948,563	118,950
Fund Balance, June 30, 2023	\$ 28,396	\$ 283,876	\$ 1,214,690	\$ 1,445,144	\$ 107,649

(Continued)

Exhibit F-2

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

	Special Revenue Funds (Cont.)		Capital Projects Funds				Total Nonmajor Governmental Funds
	Constitu- tional Officers - Fees	Total	Education Capital Projects	Other Capital Projects -	Total		
<u>Revenues</u>							
Local Taxes	\$ 0	\$ 3,460,393	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,460,393
Licenses and Permits	0	39,708	0	0	0	0	39,708
Fines, Forfeitures, and Penalties	0	15,711	0	0	0	0	15,711
Charges for Current Services	87	152,117	0	0	0	0	152,117
Other Local Revenues	0	228,045	0	0	0	0	228,045
State of Tennessee	0	66,649	0	0	0	0	66,649
Federal Government	0	5,908	0	0	0	0	5,908
Other Governments and Citizens Groups	0	36,523	0	0	0	0	36,523
Total Revenues	\$ 87	\$ 4,005,054	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,005,054
<u>Expenditures</u>							
Current:							
Public Safety	\$ 87	\$ 633,070	\$ 0	\$ 0	\$ 0	\$ 0	\$ 633,070
Public Health and Welfare	0	2,273,696	0	0	0	0	2,273,696
Social, Cultural, and Recreational Services	0	408,282	0	0	0	0	408,282
Other Operations	0	146,543	0	0	0	0	146,543
Capital Projects - Donated	0	0	1,273,325	0	1,273,325	0	1,273,325
Total Expenditures	\$ 87	\$ 3,461,591	\$ 1,273,325	\$ 0	\$ 1,273,325	\$ 0	\$ 4,734,916
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 0	\$ 543,463	\$ (1,273,325)	\$ 0	\$ (1,273,325)	\$ 0	\$ (729,862)

(Continued)

Exhibit F-2

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

	Special Revenue Funds (Cont.)		Capital Projects Funds			Total Nonmajor Governmental Funds
	Constitu - tional Officers - Fees	Total	Education Capital Projects	Other Capital Projects -	Total	
<u>Other Financing Sources (Uses)</u>						
Other Loans Issued	\$ 0	\$ 0	\$ 1,273,325	\$ 0	\$ 1,273,325	\$ 1,273,325
Proceeds from Sale of Capital Assets	0	1,450	0	0	0	1,450
Transfers Out	0	(169,803)	0	(8,610)	(8,610)	(178,413)
Total Other Financing Sources (Uses)	\$ 0	\$ (168,353)	\$ 1,273,325	\$ (8,610)	\$ 1,264,715	\$ 1,096,362
Net Change in Fund Balances	\$ 0	\$ 375,110	\$ 0	\$ (8,610)	\$ (8,610)	\$ 366,500
Fund Balance, July 1, 2022	0	2,704,645	0	8,610	8,610	2,713,255
Fund Balance, June 30, 2023	\$ 0	\$ 3,079,755	\$ 0	\$ 0	\$ 0	\$ 3,079,755

Exhibit F-3

Franklin County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Courthouse and Jail Maintenance Fund  
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 122,012	\$ 140,000	\$ 140,000	\$ (17,988)
Total Revenues	\$ 122,012	\$ 140,000	\$ 140,000	\$ (17,988)
<u>Expenditures</u>				
<u>Other Operations</u>				
Other Charges	\$ 1,228	\$ 1,450	\$ 1,450	\$ 222
Total Expenditures	\$ 1,228	\$ 1,450	\$ 1,450	\$ 222
Excess (Deficiency) of Revenues Over Expenditures	\$ 120,784	\$ 138,550	\$ 138,550	\$ (17,766)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (120,000)	\$ (135,000)	\$ (135,000)	\$ 15,000
Total Other Financing Sources	\$ (120,000)	\$ (135,000)	\$ (135,000)	\$ 15,000
Net Change in Fund Balance	\$ 784	\$ 3,550	\$ 3,550	\$ (2,766)
Fund Balance, July 1, 2022	27,612	29,245	29,245	(1,633)
Fund Balance, June 30, 2023	\$ 28,396	\$ 32,795	\$ 32,795	\$ (4,399)

Exhibit F-4

Franklin County, Tennessee  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Actual (Budgetary Basis) and Budget  
 Public Library 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	\$ 419,241	\$ 0	\$ 0	\$ 419,241	\$ 427,538	\$ 427,538	\$ (8,297)
Licenses and Permits	2,107	0	0	2,107	2,110	2,110	(3)
Charges for Current Services	7,481	0	0	7,481	7,900	7,900	(419)
Other Local Revenues	5,790	0	0	5,790	1,545	1,545	4,245
Federal Government	1,772	0	0	1,772	1,600	3,372	(1,600)
Other Governments and Citizens Groups	36,523	0	0	36,523	29,500	30,409	6,114
Total Revenues	\$ 472,914	\$ 0	\$ 0	\$ 472,914	\$ 470,193	\$ 472,874	\$ 40
<u>Expenditures</u>							
<u>Social, Cultural, and Recreational Services</u>							
Libraries	\$ 408,282	\$ (5,375)	\$ 1,080	\$ 403,987	\$ 411,361	\$ 426,005	\$ 22,018
<u>Other Operations</u>							
Other Charges	41,936	0	0	41,936	43,995	48,245	6,309
Total Expenditures	\$ 450,218	\$ (5,375)	\$ 1,080	\$ 445,923	\$ 455,356	\$ 474,250	\$ 28,327
Excess (Deficiency) of Revenues Over Expenditures	\$ 22,696	\$ 5,375	\$ (1,080)	\$ 26,991	\$ 14,837	\$ (1,376)	\$ 28,367
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (46,000)	\$ 0	\$ 0	\$ (46,000)	\$ (3,000)	\$ (46,000)	\$ 0
Total Other Financing Sources	\$ (46,000)	\$ 0	\$ 0	\$ (46,000)	\$ (3,000)	\$ (46,000)	\$ 0
Net Change in Fund Balance	\$ (23,304)	\$ 5,375	\$ (1,080)	\$ (19,009)	\$ 11,837	\$ (47,376)	\$ 28,367
Fund Balance, July 1, 2022	307,180	(5,375)	0	301,805	297,564	297,564	4,241
Fund Balance, June 30, 2023	\$ 283,876	\$ 0	\$ (1,080)	\$ 282,796	\$ 309,401	\$ 250,188	\$ 32,608

Exhibit F-5

Franklin 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>							
Local Taxes	\$ 1,844,331	\$ 0	\$ 0	\$ 1,844,331	\$ 1,866,245	\$ 1,860,245	\$ (15,914)
Licenses and Permits	13,475	0	0	13,475	13,500	13,500	(25)
Charges for Current Services	144,549	0	0	144,549	177,000	152,000	(7,451)
Other Local Revenues	222,255	0	0	222,255	661,500	256,200	(33,945)
State of Tennessee	66,649	0	0	66,649	25,000	116,392	(49,743)
Total Revenues	\$ 2,291,259	\$ 0	\$ 0	\$ 2,291,259	\$ 2,743,245	\$ 2,398,337	\$ (107,078)
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Sanitation Education/Information	\$ 3,196	\$ 0	\$ 0	\$ 3,196	\$ 3,200	\$ 3,200	\$ 4
Convenience Centers	350,624	(250)	5,096	355,470	399,887	399,887	44,417
Transfer Stations	1,909,061	(54,245)	836,994	2,691,810	2,600,924	2,743,573	51,763
Postclosure Care Costs	10,815	(5,809)	0	5,006	10,000	17,000	11,994
<u>Other Operations</u>							
Other Charges	102,860	0	13	102,873	113,323	108,423	5,550
Total Expenditures	\$ 2,376,556	\$ (60,304)	\$ 842,103	\$ 3,158,355	\$ 3,127,334	\$ 3,272,083	\$ 113,728
Excess (Deficiency) of Revenues Over Expenditures	\$ (85,297)	\$ 60,304	\$ (842,103)	\$ (867,096)	\$ (384,089)	\$ (873,746)	\$ 6,650
<u>Other Financing Sources (Uses)</u>							
Proceeds from Sale of Capital Assets	\$ 1,450	\$ 0	\$ 0	\$ 1,450	\$ 0	\$ 1,450	\$ 0
Transfers Out	(3,803)	0	0	(3,803)	(3,803)	(3,803)	0
Total Other Financing Sources	\$ (2,353)	\$ 0	\$ 0	\$ (2,353)	\$ (3,803)	\$ (2,353)	\$ 0
Net Change in Fund Balance	\$ (87,650)	\$ 60,304	\$ (842,103)	\$ (869,449)	\$ (387,892)	\$ (876,099)	\$ 6,650
Fund Balance, July 1, 2022	1,302,340	(60,304)	0	1,242,036	1,196,703	1,196,703	45,333
Fund Balance, June 30, 2023	\$ 1,214,690	\$ 0	\$ (842,103)	\$ 372,587	\$ 808,811	\$ 320,604	\$ 51,983

Exhibit F-6

Franklin County, Tennessee  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Actual (Budgetary Basis) and Budget  
 Local Purpose Tax 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	
<b>Revenues</b>							
Local Taxes	\$ 1,074,809	\$ 0	\$ 0	\$ 1,074,809	\$ 1,035,134	\$ 1,035,134	\$ 39,675
Licenses and Permits	24,126	0	0	24,126	24,125	24,125	1
Total Revenues	<u>\$ 1,098,935</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,098,935</u>	<u>\$ 1,059,259</u>	<u>\$ 1,059,259</u>	<u>\$ 39,676</u>
<b>Expenditures</b>							
<b>Public Safety</b>							
Fire Prevention and Control	\$ 602,354	\$ (45,000)	\$ 168,664	\$ 726,018	\$ 731,500	\$ 731,500	\$ 5,482
Total Expenditures	<u>\$ 602,354</u>	<u>\$ (45,000)</u>	<u>\$ 168,664</u>	<u>\$ 726,018</u>	<u>\$ 731,500</u>	<u>\$ 731,500</u>	<u>\$ 5,482</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 496,581</u>	<u>\$ 45,000</u>	<u>\$ (168,664)</u>	<u>\$ 372,917</u>	<u>\$ 327,759</u>	<u>\$ 327,759</u>	<u>\$ 45,158</u>
Net Change in Fund Balance	\$ 496,581	\$ 45,000	\$ (168,664)	\$ 372,917	\$ 327,759	\$ 327,759	\$ 45,158
Fund Balance, July 1, 2022	948,563	(45,000)	0	903,563	878,374	878,374	25,189
Fund Balance, June 30, 2023	<u>\$ 1,445,144</u>	<u>\$ 0</u>	<u>\$ (168,664)</u>	<u>\$ 1,276,480</u>	<u>\$ 1,206,133</u>	<u>\$ 1,206,133</u>	<u>\$ 70,347</u>

Exhibit F-7

Franklin County, Tennessee  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Actual (Budgetary Basis) and Budget  
 Drug Control Fund  
 For the Year Ended June 30, 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	
<b>Revenues</b>							
Fines, Forfeitures, and Penalties	\$ 15,711	\$ 0	\$ 0	\$ 15,711	\$ 27,475	\$ 27,475	\$ (11,764)
Charges for Current Services	0	0	0	0	2,500	2,500	(2,500)
Other Local Revenues	0	0	0	0	20,100	100	(100)
Federal Government	4,136	0	0	4,136	5,000	5,000	(864)
Other Governments and Citizens Groups	0	0	0	0	500	500	(500)
<b>Total Revenues</b>	<b>\$ 19,847</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 19,847</b>	<b>\$ 55,575</b>	<b>\$ 35,575</b>	<b>\$ (15,728)</b>
<b>Expenditures</b>							
<b>Public Safety</b>							
Drug Enforcement	\$ 30,629	\$ (12,531)	\$ 11,926	\$ 30,024	\$ 71,500	\$ 55,050	\$ 25,026
<b>Other Operations</b>							
Other Charges	519	0	0	519	825	825	306
<b>Total Expenditures</b>	<b>\$ 31,148</b>	<b>\$ (12,531)</b>	<b>\$ 11,926</b>	<b>\$ 30,543</b>	<b>\$ 72,325</b>	<b>\$ 55,875</b>	<b>\$ 25,332</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ (11,301)	\$ 12,531	\$ (11,926)	\$ (10,696)	\$ (16,750)	\$ (20,300)	\$ 9,604
Net Change in Fund Balance	\$ (11,301)	\$ 12,531	\$ (11,926)	\$ (10,696)	\$ (16,750)	\$ (20,300)	\$ 9,604
Fund Balance, July 1, 2022	118,950	(12,531)	0	106,419	112,665	112,665	(6,246)
<b>Fund Balance, June 30, 2023</b>	<b>\$ 107,649</b>	<b>\$ 0</b>	<b>\$ (11,926)</b>	<b>\$ 95,723</b>	<b>\$ 95,915</b>	<b>\$ 92,365</b>	<b>\$ 3,358</b>



# **Major Governmental Fund**

## **General Debt Service Fund**

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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.

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Exhibit G

Franklin 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	\$ 5,677,527	\$ 5,830,851	\$ 5,830,851	\$ (153,324)
Licenses and Permits	14,221	14,275	14,275	(54)
Other Local Revenues	1,007,161	260,000	758,340	248,821
Total Revenues	<u>\$ 6,698,909</u>	<u>\$ 6,105,126</u>	<u>\$ 6,603,466</u>	<u>\$ 95,443</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 1,640,000	\$ 1,640,000	\$ 1,640,000	\$ 0
Highways and Streets	0	30,000	30,000	30,000
Education	1,635,000	1,635,000	1,635,000	0
<u>Interest on Debt</u>				
General Government	577,464	577,464	577,464	0
Highways and Streets	0	4,195	4,195	4,195
Education	1,567,019	1,567,019	1,567,019	0
<u>Other Debt Service</u>				
General Government	94,730	101,500	101,500	6,770
Highways and Streets	0	1,500	1,500	1,500
Education	450	2,000	2,000	1,550
Total Expenditures	<u>\$ 5,514,663</u>	<u>\$ 5,558,678</u>	<u>\$ 5,558,678</u>	<u>\$ 44,015</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,184,246</u>	<u>\$ 546,448</u>	<u>\$ 1,044,788</u>	<u>\$ 139,458</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 120,000	\$ 135,000	\$ 135,000	\$ (15,000)
Total Other Financing Sources	<u>\$ 120,000</u>	<u>\$ 135,000</u>	<u>\$ 135,000</u>	<u>\$ (15,000)</u>
Net Change in Fund Balance	\$ 1,304,246	\$ 681,448	\$ 1,179,788	\$ 124,458
Fund Balance, July 1, 2022	<u>3,502,249</u>	<u>2,674,195</u>	<u>3,502,249</u>	<u>0</u>
Fund Balance, June 30, 2023	<u>\$ 4,806,495</u>	<u>\$ 3,355,643</u>	<u>\$ 4,682,037</u>	<u>\$ 124,458</u>

# Custodial Funds

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

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

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

Exhibit H-1

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

	<u>Custodial Funds</u>		
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Total
<u>ASSETS</u>			
Cash	\$ 0	\$ 1,947,882	\$ 1,947,882
Due from Other Governments	961,086	0	961,086
Total Assets	<u>\$ 961,086</u>	<u>\$ 1,947,882</u>	<u>\$ 2,908,968</u>
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 961,086	\$ 0	\$ 961,086
Total Liabilities	<u>\$ 961,086</u>	<u>\$ 0</u>	<u>\$ 961,086</u>
<u>NET POSITION</u>			
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 1,947,882	\$ 1,947,882
Total Net Position	<u>\$ 0</u>	<u>\$ 1,947,882</u>	<u>\$ 1,947,882</u>

Exhibit H-2

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

	<u>Custodial Funds</u>		
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Total
<u>Additions</u>			
Sales Tax Collections for Other Governments	\$ 6,002,693	\$ 0	\$ 6,002,693
Fines/Fees and Other Collections	0	9,670,680	9,670,680
Total Additions	<u>\$ 6,002,693</u>	<u>\$ 9,670,680</u>	<u>\$ 15,673,373</u>
<u>Deductions</u>			
Payment of Sales Tax Collections for Other Governments	\$ 6,002,693	\$ 0	\$ 6,002,693
Payments to State	0	6,120,173	6,120,173
Payments to Cities, Individuals, and Others	0	3,031,704	3,031,704
Total Deductions	<u>\$ 6,002,693</u>	<u>\$ 9,151,877</u>	<u>\$ 15,154,570</u>
Change in Net Position	\$ 0	\$ 518,803	\$ 518,803
Net Position July 1, 2022	0	1,429,079	1,429,079
Net Position June 30, 2023	<u>\$ 0</u>	<u>\$ 1,947,882</u>	<u>\$ 1,947,882</u>

# Franklin County School Department

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

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

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

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

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

Franklin County, Tennessee  
Statement of Activities  
Discretely Presented Franklin 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	\$ 31,384,486	\$ 0	\$ 7,335,258	\$ 1,273,325	\$ (22,775,903)
Support Services	20,980,566	73,254	2,035,460	0	(18,871,852)
Operation of Non-instructional Services	6,842,886	765,972	5,777,061	0	(299,853)
<b>Total Governmental Activities</b>	<b>\$ 59,207,938</b>	<b>\$ 839,226</b>	<b>\$ 15,147,779</b>	<b>\$ 1,273,325</b>	<b>\$ (41,947,608)</b>
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 11,507,290
Local Option Sales Taxes					7,768,548
Mixed Drink Tax					59,289
Grants and Contributions Not Restricted to Specific Programs					29,717,257
Unrestricted Investment Earnings					121,075
Miscellaneous					98,074
Sale of Equipment					20,073
<b>Total General Revenues</b>					<b>\$ 49,291,606</b>
Change in Net Position					\$ 7,343,998
Net Position, July 1, 2022					107,390,433
Net Position, June 30, 2023					<b>\$ 114,734,431</b>

Exhibit I-2

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	Other Governmental Funds	
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 1,634	\$ 1,125,249	\$ 1,126,883
Equity in Pooled Cash and Investments	12,588,724	33,994	5,590,056	3,545,970	21,758,744
Inventories	0	0	0	2,786	2,786
Accounts Receivable	46,319	0	8,505	11,810	66,634
Due from Other Governments	2,805,721	1,158,607	70,904	0	4,035,232
Due from Other Funds	0	0	138,757	0	138,757
Due from Primary Government	4,675	0	0	0	4,675
Property Taxes Receivable	11,741,303	0	0	0	11,741,303
Allowance for Uncollectible Property Taxes	(325,832)	0	0	0	(325,832)
Prepaid Items	3,383	0	0	0	3,383
Restricted Assets	463,896	0	0	0	463,896
Total Assets	\$ 27,328,189	\$ 1,192,601	\$ 5,809,856	\$ 4,685,815	\$ 39,016,461
<u>LIABILITIES</u>					
Accounts Payable	\$ 124,166	\$ 21,255	\$ 558	\$ 0	\$ 145,979
Accrued Payroll	44,464	0	0	0	44,464
Due to Other Funds	138,757	0	0	0	138,757
Due to Primary Government	20,464	0	0	0	20,464
Total Liabilities	\$ 327,851	\$ 21,255	\$ 558	\$ 0	\$ 349,664
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 11,161,317	\$ 0	\$ 0	\$ 0	\$ 11,161,317
Deferred Delinquent Property Taxes	224,649	0	0	0	224,649

(Continued)



Exhibit I-2

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	Other Govern- mental Funds	
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>					
Other Deferred/Unavailable Revenue	\$ 655,000	\$ 0	\$ 0	\$ 0	\$ 655,000
Total Deferred Inflows of Resources	\$ 12,040,966	\$ 0	\$ 0	\$ 0	\$ 12,040,966
<u>FUND BALANCES</u>					
Nonspendable:					
Inventory	\$ 0	\$ 0	\$ 0	\$ 2,786	\$ 2,786
Prepaid Items	3,383	0	0	0	3,383
Restricted:					
Restricted for Education	1,088,541	61,346	5,809,298	1,125,249	8,084,434
Restricted for Capital Outlay	0	0	0	3,557,780	3,557,780
Restricted for Hybrid Retirement Stabilization Funds	463,896	0	0	0	463,896
Committed:					
Committed for Education	3,260,983	1,110,000	0	0	4,370,983
Assigned:					
Assigned for Education	1,520,634	0	0	0	1,520,634
Unassigned	8,621,935	0	0	0	8,621,935
Total Fund Balances	\$ 14,959,372	\$ 1,171,346	\$ 5,809,298	\$ 4,685,815	\$ 26,625,831
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 27,328,189	\$ 1,192,601	\$ 5,809,856	\$ 4,685,815	\$ 39,016,461

Exhibit I-3

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

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

Total fund balances - balance sheet - governmental funds (Exhibit I-2)		\$ 26,625,831	
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$ 5,469,959		
Add: construction in progress	1,503,176		
Add: buildings and improvements net of accumulated depreciation	68,241,127		
Add: other capital assets net of accumulated depreciation	<u>5,433,751</u>	80,648,013	
(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	\$ (202,081)		
Less: net OPEB liability	<u>(8,666,463)</u>	(8,868,544)	
(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	\$ 9,587,949		
Less: deferred inflows of resources related to pensions	(1,748,688)		
Add: deferred outflows of resources related to OPEB	1,832,159		
Less: deferred inflows of resources related to OPEB	<u>(2,944,033)</u>	6,727,387	
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent plan	\$ 2,162,025		
Add: net pension asset - teacher retirement plan	110,642		
Add: net pension asset - teacher legacy pension plan	<u>6,449,428</u>	8,722,095	
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			
			<u>879,649</u>
Net position of governmental activities (Exhibit A)			<u>\$ 114,734,431</u>

Exhibit I-4

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	Other Govern- mental Funds	
<u>Revenues</u>					
Local Taxes	\$ 19,419,009	\$ 0	\$ 0	\$ 0	\$ 19,419,009
Licenses and Permits	61,104	0	0	0	61,104
Charges for Current Services	225,875	0	572,938	0	798,813
Other Local Revenues	291,683	0	86,706	1,636,310	2,014,699
State of Tennessee	29,946,427	0	28,045	0	29,974,472
Federal Government	690,936	8,927,834	3,234,353	0	12,853,123
Other Governments and Citizens Groups	62,719	0	5,611	1,273,325	1,341,655
Total Revenues	<u>\$ 50,697,753</u>	<u>\$ 8,927,834</u>	<u>\$ 3,927,653</u>	<u>\$ 2,909,635</u>	<u>\$ 66,462,875</u>
<u>Expenditures</u>					
Current:					
Instruction	\$ 27,727,742	\$ 4,241,568	\$ 0	\$ 0	\$ 31,969,310
Support Services	18,015,065	4,468,268	0	0	22,483,333
Operation of Non-Instructional Services	1,817,755	0	3,553,323	1,516,558	6,887,636
Capital Outlay	1,223,384	161,090	0	0	1,384,474
Capital Projects	0	0	0	2,281,493	2,281,493
Total Expenditures	<u>\$ 48,783,946</u>	<u>\$ 8,870,926</u>	<u>\$ 3,553,323</u>	<u>\$ 3,798,051</u>	<u>\$ 65,006,246</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,913,807</u>	<u>\$ 56,908</u>	<u>\$ 374,330</u>	<u>\$ (888,416)</u>	<u>\$ 1,456,629</u>
<u>Other Financing Sources (Uses)</u>					
Transfers In	\$ 0	\$ 0	\$ 0	\$ 3,621,043	\$ 3,621,043
Transfers Out	(3,621,043)	0	0	0	(3,621,043)
Total Other Financing Sources (Uses)	<u>\$ (3,621,043)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,621,043</u>	<u>\$ 0</u>
Net Change in Fund Balances	\$ (1,707,236)	\$ 56,908	\$ 374,330	\$ 2,732,627	\$ 1,456,629
Fund Balance, July 1, 2022	16,666,608	1,114,438	5,434,968	1,953,188	25,169,202
Fund Balance, June 30, 2023	<u>\$ 14,959,372</u>	<u>\$ 1,171,346</u>	<u>\$ 5,809,298</u>	<u>\$ 4,685,815</u>	<u>\$ 26,625,831</u>

Exhibit I-5

Franklin County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
of Governmental Funds to the Statement of Activities  
Discretely Presented Franklin 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)		\$ 1,456,629
(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	\$ 6,193,426	
Less: current-year depreciation expense	<u>(2,577,221)</u>	3,616,205
(2) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2023	\$ 879,649	
Less: deferred delinquent property taxes and other deferred June 30, 2022	<u>(879,327)</u>	322
(3) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in compensated absences payable	\$ 28,913	
Change in net pension liability - agent plan	(2,858,648)	
Change in net pension liability - teacher retirement plan	(202,516)	
Change in net pension liability - teacher legacy pension plan	(16,495,744)	
Change in deferred outflows related to pensions	(617,873)	
Change in deferred inflows related to pensions	22,460,404	
Change in net OPEB liability	456,742	
Change in deferred outflows related to OPEB	(200,228)	
Change in deferred inflows related to OPEB	<u>(300,208)</u>	<u>2,270,842</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 7,343,998</u>

Exhibit I-6

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

	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	Total Nonmajor Governmental Funds
	Internal School	Education Capital Projects	
<u>ASSETS</u>			
Cash	\$ 1,125,249	\$ 0	\$ 1,125,249
Equity in Pooled Cash and Investments	0	3,545,970	3,545,970
Inventories	2,786	0	2,786
Accounts Receivable	0	11,810	11,810
Total Assets	<u>\$ 1,128,035</u>	<u>\$ 3,557,780</u>	<u>\$ 4,685,815</u>
<u>FUND BALANCES</u>			
Nonspendable:			
Inventory	\$ 2,786	\$ 0	\$ 2,786
Restricted:			
Restricted for Education	1,125,249	0	1,125,249
Restricted for Capital Outlay	0	3,557,780	3,557,780
Total Fund Balances	<u>\$ 1,128,035</u>	<u>\$ 3,557,780</u>	<u>\$ 4,685,815</u>

Exhibit I-7

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

	Special Revenue Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
	Internal School	Education Capital Projects	
<u>Revenues</u>			
Other Local Revenues	\$ 1,573,979	\$ 62,331	\$ 1,636,310
Other Governments and Citizens Groups	0	1,273,325	1,273,325
Total Revenues	<u>\$ 1,573,979</u>	<u>\$ 1,335,656</u>	<u>\$ 2,909,635</u>
<u>Expenditures</u>			
Current:			
Operation of Non-Instructional Services	\$ 1,516,558	\$ 0	\$ 1,516,558
Capital Projects	0	2,281,493	2,281,493
Total Expenditures	<u>\$ 1,516,558</u>	<u>\$ 2,281,493</u>	<u>\$ 3,798,051</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 57,421</u>	<u>\$ (945,837)</u>	<u>\$ (888,416)</u>
<u>Other Financing Sources (Uses)</u>			
Transfers In	\$ 0	\$ 3,621,043	\$ 3,621,043
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 3,621,043</u>	<u>\$ 3,621,043</u>
Net Change in Fund Balances	\$ 57,421	\$ 2,675,206	\$ 2,732,627
Fund Balance, July 1, 2022	1,070,614	882,574	1,953,188
Fund Balance, June 30, 2023	<u>\$ 1,128,035</u>	<u>\$ 3,557,780</u>	<u>\$ 4,685,815</u>

Exhibit I-8

Franklin County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Franklin 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	\$ 19,419,009	\$ 0	\$ 0	\$ 19,419,009	\$ 18,889,088	\$ 18,889,088	\$ 529,921
Licenses and Permits	61,104	0	0	61,104	62,160	74,160	(13,056)
Charges for Current Services	225,875	0	0	225,875	220,000	220,000	5,875
Other Local Revenues	291,683	0	0	291,683	102,089	193,246	98,437
State of Tennessee	29,946,427	0	0	29,946,427	29,327,548	32,658,721	(2,712,294)
Federal Government	690,936	0	0	690,936	168,356	769,836	(78,900)
Other Governments and Citizens Groups	62,719	0	0	62,719	0	64,256	(1,537)
<b>Total Revenues</b>	<b>\$ 50,697,753</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 50,697,753</b>	<b>\$ 48,769,241</b>	<b>\$ 52,869,307</b>	<b>\$ (2,171,554)</b>
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 21,891,490	\$ (163,121)	\$ 47,022	\$ 21,775,391	\$ 22,308,482	\$ 22,673,846	\$ 898,455
Alternative Instruction Program	219,677	0	0	219,677	222,653	222,852	3,175
Special Education Program	3,511,955	0	0	3,511,955	4,018,622	3,831,500	319,545
Career and Technical Education Program	1,550,569	(1,300)	0	1,549,269	1,652,377	4,017,955	2,468,686
Student Body Education Program	554,051	(14,073)	5,200	545,178	588,938	583,435	38,257
<u>Support Services</u>							
Attendance	217,223	0	0	217,223	258,781	258,781	41,558
Health Services	602,736	0	0	602,736	640,423	658,202	55,466
Other Student Support	1,398,720	(45,428)	8,156	1,361,448	1,240,970	1,584,097	222,649
Regular Instruction Program	1,414,942	(24,042)	0	1,390,900	1,431,878	1,465,598	74,698
Special Education Program	792,819	0	12,599	805,418	721,844	866,281	60,863
Career and Technical Education Program	135,222	0	260	135,482	142,775	142,775	7,293
Technology	1,268,232	(133,512)	163,206	1,297,926	1,330,787	1,468,006	170,080
Other Programs	220,196	0	0	220,196	210,000	288,708	68,512
Board of Education	1,079,136	(6,294)	6,299	1,079,141	1,227,120	1,202,300	123,159
Director of Schools	355,713	(5,934)	5,433	355,212	384,825	390,825	35,613
Office of the Principal	2,677,419	0	0	2,677,419	2,693,044	2,742,305	64,886
Fiscal Services	11,561	0	0	11,561	11,561	11,561	0

(Continued)

Exhibit I-8

Franklin County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Franklin 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>							
Human Services/Personnel	\$ 269,381	\$ 0	\$ 660	\$ 270,041	\$ 275,032	\$ 276,052	\$ 6,011
Operation of Plant	3,467,244	(1,871)	6,340	3,471,713	3,749,213	3,730,822	259,109
Maintenance of Plant	1,149,270	(55,634)	234,415	1,328,051	1,404,035	1,542,557	214,506
Transportation	2,836,423	(9,644)	3,295	2,830,074	2,987,393	3,281,830	451,756
Central and Other	118,828	0	0	118,828	133,396	154,479	35,651
<u>Operation of Non-Instructional Services</u>							
Food Service	12,601	0	0	12,601	0	18,512	5,911
Community Services	882,783	(9,987)	2,467	875,263	536,036	1,691,342	816,079
Early Childhood Education	922,371	0	0	922,371	1,153,769	932,469	10,098
<u>Capital Outlay</u>							
Regular Capital Outlay	1,223,384	(834,561)	1,025,282	1,414,105	500,000	2,048,512	634,407
Total Expenditures	\$ 48,783,946	\$ (1,305,401)	\$ 1,520,634	\$ 48,999,179	\$ 49,823,954	\$ 56,085,602	\$ 7,086,423
<u>Excess (Deficiency) of Revenues</u>							
Over Expenditures	\$ 1,913,807	\$ 1,305,401	\$ (1,520,634)	\$ 1,698,574	\$ (1,054,713)	\$ (3,216,295)	\$ 4,914,869
<u>Other Financing Sources (Uses)</u>							
Proceeds from Sale of Capital Assets	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,304	\$ (6,304)
Insurance Recovery	0	0	0	0	0	83	(83)
Transfers Out	(3,621,043)	0	0	(3,621,043)	0	(3,621,043)	0
Total Other Financing Sources	\$ (3,621,043)	\$ 0	\$ 0	\$ (3,621,043)	\$ 0	\$ (3,614,656)	\$ (6,387)
<u>Net Change in Fund Balance</u>							
Fund Balance, July 1, 2022	\$ 16,666,608	(1,305,401)	0	15,361,207	14,876,098	14,876,098	485,109
Fund Balance, June 30, 2023	\$ 14,959,372	\$ 0	\$ (1,520,634)	\$ 13,438,738	\$ 13,821,385	\$ 8,045,147	\$ 5,393,591



Exhibit I-9

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 8,927,834	\$ 1,892,105	\$ 16,661,530	\$ (7,733,696)
Total Revenues	\$ 8,927,834	\$ 1,892,105	\$ 16,661,530	\$ (7,733,696)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 2,849,298	\$ 6,210	\$ 4,984,627	\$ 2,135,329
Special Education Program	1,301,764	833,368	1,403,618	101,854
Career and Technical Education Program	90,506	45,000	151,852	61,346
<u>Support Services</u>				
Health Services	260,022	0	308,346	48,324
Other Student Support	247,004	34,999	538,709	291,705
Regular Instruction Program	1,040,967	378,963	1,505,422	464,455
Special Education Program	532,673	337,647	804,593	271,920
Career and Technical Education Program	4,279	0	4,285	6
Operation of Plant	1,952,959	0	2,691,526	738,567
Maintenance of Plant	116,096	0	198,139	82,043
Transportation	314,268	255,918	331,573	17,305
<u>Operation of Non-Instructional Services</u>				
Food Service	0	0	2,419	2,419
<u>Capital Outlay</u>				
Regular Capital Outlay	161,090	0	3,736,421	3,575,331
Total Expenditures	\$ 8,870,926	\$ 1,892,105	\$ 16,661,530	\$ 7,790,604
Excess (Deficiency) of Revenues Over Expenditures	\$ 56,908	\$ 0	\$ 0	\$ 56,908
Net Change in Fund Balance	\$ 56,908	\$ 0	\$ 0	\$ 56,908
Fund Balance, July 1, 2022	1,114,438	1,110,334	1,110,334	4,104
Fund Balance, June 30, 2023	\$ 1,171,346	\$ 1,110,334	\$ 1,110,334	\$ 61,012

Exhibit I-10

Franklin County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Franklin 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	\$ 572,938	\$ 0	\$ 0	\$ 572,938	\$ 845,000	\$ 845,000	\$ (272,062)
Other Local Revenues	86,706	0	0	86,706	27,000	27,000	59,706
State of Tennessee	28,045	0	0	28,045	73,119	73,119	(45,074)
Federal Government	3,234,353	0	0	3,234,353	2,971,010	2,976,621	257,732
Other Governments and Citizens Groups	5,611	0	0	5,611	0	0	5,611
<b>Total Revenues</b>	<b>\$ 3,927,653</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,927,653</b>	<b>\$ 3,916,129</b>	<b>\$ 3,921,740</b>	<b>\$ 5,913</b>
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 3,553,323	\$ (80,160)	\$ 1,915	\$ 3,475,078	\$ 3,916,129	\$ 3,921,740	\$ 446,662
<b>Total Expenditures</b>	<b>\$ 3,553,323</b>	<b>\$ (80,160)</b>	<b>\$ 1,915</b>	<b>\$ 3,475,078</b>	<b>\$ 3,916,129</b>	<b>\$ 3,921,740</b>	<b>\$ 446,662</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 374,330	\$ 80,160	\$ (1,915)	\$ 452,575	\$ 0	\$ 0	\$ 452,575
Net Change in Fund Balance	\$ 374,330	\$ 80,160	\$ (1,915)	\$ 452,575	\$ 0	\$ 0	\$ 452,575
Fund Balance, July 1, 2022	5,434,968	(80,160)	0	5,354,808	5,369,291	5,369,291	(14,483)
<b>Fund Balance, June 30, 2023</b>	<b>\$ 5,809,298</b>	<b>\$ 0</b>	<b>\$ (1,915)</b>	<b>\$ 5,807,383</b>	<b>\$ 5,369,291</b>	<b>\$ 5,369,291</b>	<b>\$ 438,092</b>

# MISCELLANEOUS SCHEDULES

Exhibit J-1

Franklin County, Tennessee  
 Schedule of Changes in Long-term Bonds, Notes, and Other Loans  
 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	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-23
<b><u>BONDS PAYABLE</u></b>								
<b><u>Payable through General Debt Service Fund</u></b>								
General Obligation Improvements, Series 2017	\$ 8,190,000	2 to 5 %	6-27-17	6-1-32	\$ 6,335,000	\$ 0	\$ 525,000	\$ 5,810,000
General Obligation Improvements, Series 2017	7,200,000	2.59	12-27-17	6-1-33	5,940,000	0	425,000	5,515,000
General Obligation School Bonds, Series 2018	47,035,000	2 to 5	3-27-19	5-1-44	45,590,000	0	1,410,000	44,180,000
Refunding Bonds, Series 2017	4,160,000	2 to 5	6-27-17	6-1-38	1,565,000	0	535,000	1,030,000
School Refunding Bonds, Series 2017	1,265,000	2 to 5	6-27-17	6-2-24	465,000	0	225,000	240,000
Total Bonds Payable					<u>\$ 59,895,000</u>	<u>\$ 0</u>	<u>\$ 3,120,000</u>	<u>\$ 56,775,000</u>
<b><u>NOTES PAYABLE</u></b>								
<b><u>Payable through General Debt Service Fund</u></b>								
Jail Construction/Remodel	2,000,000	2.93	7-12-19	6-1-31	\$ 1,560,000	\$ 0	\$ 155,000	\$ 1,405,000
Total Payable through General Debt Service Fund					<u>\$ 1,560,000</u>	<u>\$ 0</u>	<u>\$ 155,000</u>	<u>\$ 1,405,000</u>
<b><u>Payable through Highway/Public Works Fund</u></b>								
Quarry Land	177,000	4.875	11-10-11	2-1-23	\$ 18,232	\$ 0	\$ 18,232	\$ 0
Highway Equipment	350,000	1.31	5-20-21	5-1-31	320,000	0	30,000	290,000
Total Payable through Highway/Public Works Fund					<u>\$ 338,232</u>	<u>\$ 0</u>	<u>\$ 48,232</u>	<u>\$ 290,000</u>
Total Notes Payable					<u>\$ 1,898,232</u>	<u>\$ 0</u>	<u>\$ 203,232</u>	<u>\$ 1,695,000</u>
<b><u>OTHER LOANS PAYABLE</u></b>								
<b><u>Payable through General Debt Service Fund</u></b>								
Energy Efficient School Initiative	(1) 1,273,325	0.5	4-21-23	4-21-38	\$ 0	\$ 1,273,325	\$ 0	\$ 1,273,325
Total Other Loans Payable					<u>\$ 0</u>	<u>\$ 1,273,325</u>	<u>\$ 0</u>	<u>\$ 1,273,325</u>

(1) Total amount approved was \$2,508,981, of which \$1,235,656 remains available as of June 30, 2023.

Exhibit J-2

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2024	\$ 2,730,000	\$ 1,985,075	\$ 4,715,075
2025	2,570,000	1,891,775	4,461,775
2026	2,700,000	1,763,275	4,463,275
2027	2,825,000	1,634,925	4,459,925
2028	2,965,000	1,500,575	4,465,575
2029	3,060,000	1,396,375	4,456,375
2030	3,185,000	1,281,275	4,466,275
2031	3,300,000	1,161,425	4,461,425
2032	3,400,000	1,062,425	4,462,425
2033	2,745,000	960,426	3,705,426
2034	2,165,000	878,076	3,043,076
2035	2,225,000	813,126	3,038,126
2036	2,295,000	746,376	3,041,376
2037	2,360,000	677,426	3,037,426
2038	2,440,000	603,676	3,043,676
2039	2,425,000	527,425	2,952,425
2040	2,505,000	448,612	2,953,612
2041	2,585,000	367,200	2,952,200
2042	2,675,000	279,956	2,954,956
2043	2,765,000	189,675	2,954,675
2044	2,855,000	96,356	2,951,356
<b>Total</b>	<b>\$ 56,775,000</b>	<b>\$ 20,265,455</b>	<b>\$ 77,040,455</b>

Year Ending June 30	Notes		
	Principal	Interest	Total
2024	\$ 190,000	\$ 44,969	\$ 234,969
2025	190,000	39,887	229,887
2026	200,000	34,807	234,807
2027	205,000	29,512	234,512
2028	215,000	24,073	239,073
2029	225,000	18,337	243,337
2030	230,000	12,395	242,395
2031	240,000	6,304	246,304
<b>Total</b>	<b>\$ 1,695,000</b>	<b>\$ 210,284</b>	<b>\$ 1,905,284</b>

(Continued)

Exhibit J-2

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

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2024	\$ 0	\$ 0	0
2025	173,448	12,072	185,520
2026	174,324	11,196	185,520
2027	175,188	10,332	185,520
2028	176,076	9,444	185,520
2029	176,952	8,568	185,520
2030	177,840	7,680	185,520
2031	178,728	6,792	185,520
2032	40,769	1,338	42,107
Total	\$ 1,273,325	\$ 67,422	\$ 1,340,747

Exhibit J-3

Franklin County, Tennessee  
Schedule of Transfers  
Primary Government and Discretely Presented Franklin 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>			
Solid Waste/Sanitation	General	Reimbursement	\$ 3,803
Highway/Public Works	"	"	3,803
"	"	County match for road projects	60,000
Public Library	"	Reimbursement	3,000
"	"	Building purchase	43,000
Other Capital Projects	Highway/Public Works	Debt payments	8,610
Courthouse and Jail Maintenance	General Debt Service	"	<u>120,000</u>
Total Transfers Primary Government			<u>\$ 242,216</u>
<u>DISCRETELY PRESENTED FRANKLIN COUNTY SCHOOL DEPARTMENT</u>			
General Purpose School	Education Capital Projects	Construction projects	<u>\$ 3,621,043</u>
Total Transfers Discretely Presented Franklin County School Department			<u>\$ 3,621,043</u>

Exhibit J-4

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

Official	Authorization	Bond	Surety
<b>County Mayor - David Alexander (7/1/22-8/31/22)</b>	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	\$ 17,224		
<b>County Mayor - Chris Guess (9/1/22-6/30/23)</b>	Section 8-24-102, TCA	(1)	"
Base salary/Total compensation	\$ 86,122		
Total compensation	<u>\$ 103,346</u>		
<b>Superintendent of Highways</b>	Section 8-24-102, TCA	(1)	"
Base salary	\$ 98,425		
Longevity	1,200		
Safety bonus	150		
Total compensation	<u>\$ 99,775</u>		
<b>Director of Schools</b>	State Board of Education and County Board of Education	(1)	"
Base salary	\$ 123,126		
Accrued leave	14,207		
Health insurance adjustment	800		
Chief executive officer training supplement	1,000		
Total compensation	<u>\$ 139,133</u>		
<b>Trustee - Randy Kelly (7/1/22-8/31/22)</b>	Section 8-24-102, TCA	(1)	"
Base salary/Total compensation	\$ 14,913		
<b>Trustee - Kristie Bell (9/1/22-6/30/23)</b>	Section 8-24-102, TCA	(1)	"
Base salary/Total compensation	\$ 74,564		
Total Trustee Compensation	<u>\$ 89,477</u>		
<b>Assessor of Property</b>	Section 8-24-102, TCA	(1)	"
Base salary/Total compensation	<u>\$ 89,477</u>		

(Continued)



Exhibit J-4

Franklin County, Tennessee  
Schedule of Salaries and Official Bonds of Principal Officials  
Primary Government and Discretely Presented Franklin County School Department (Cont.)

Official	Authorization	Bond	Surety
<b>County Clerk - Phillip Custer (7/1/22)</b>	Section 8-24-102, TCA	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	\$ 710		
<b>County Clerk - Vacant (7/2/22-8/31/22)</b>			
<b>County Clerk - Tina Sanders (9/1/22-6/30/23)</b>	Section 8-24-102, TCA	(1)	"
Base salary/Total compensation	\$ 74,564		
Total County Clerk Compensation	\$ 75,274		
<b>Finance Director</b>	County Commission	(1)	"
Base salary	\$ 89,477		
Longevity	1,200		
Education incentive	950		
Bonus	200		
Total compensation	\$ 91,827		
<b>Circuit, General Sessions and Juvenile Courts Clerk</b>	Section 8-24-102, TCA	(1)	"
Base salary/Total compensation	\$ 89,477		
<b>Clerk and Master</b>	Section 8-24-102, TCA	(1)	"
Base salary/Total compensation	\$ 89,477		
<b>Register of Deeds</b>	Section 8-24-102, TCA	(1)	"
Base salary/Total compensation	\$ 89,477		
<b>Sheriff</b>	Section 8-24-102, TCA	(1)	"
Base salary	\$ 98,425		
Law enforcement training supplement	800		
Total compensation	\$ 99,225		
Employee Blanket Bonds:			
Employee Fidelity - County Departments		400,000	Tennessee Risk Management Trust
Employee Fidelity - School Department		400,000	"

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

Exhibit J-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Public Library	Solid Waste / Sanitation	Local Purpose Tax	Drug Control
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 12,076,722	\$ 0	\$ 399,243	\$ 1,755,649	\$ 416,799	\$ 0
Trustee's Collections - Prior Year	213,267	0	7,055	27,993	6,778	0
Trustee's Collections - Bankruptcy	139	0	5	29	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	200,592	0	6,629	35,512	7,712	0
Interest and Penalty	41,763	0	1,381	5,601	1,279	0
Payments in-Lieu-of Taxes - T.V.A.	4,086	0	135	862	264	0
Payments in-Lieu-of Taxes - Local Utilities	41,376	0	1,371	0	0	0
Payments in-Lieu-of Taxes - Other	15,575	0	516	103	31	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	0	0	0	0	0
Hotel/Motel Tax	0	0	0	0	636,244	0
Litigation Tax - General	94,952	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	122,012	0	0	0	0
Business Tax	589,807	0	0	0	0	0
Mixed Drink Tax	60,676	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	88,067	0	2,906	18,582	5,702	0
Wholesale Beer Tax	231,784	0	0	0	0	0
Other Statutory Local Taxes	380	0	0	0	0	0
Total Local Taxes	\$ 13,659,186	\$ 122,012	\$ 419,241	\$ 1,844,331	\$ 1,074,809	\$ 0
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 63,845	\$ 0	\$ 2,107	\$ 13,475	\$ 4,126	\$ 0

(Continued)

Exhibit J-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Public Library	Solid Waste / Sanitation	Local Purpose Tax	Drug Control
<u>Licenses and Permits (Cont.)</u>						
<u>Permits</u>						
Beer Permits	\$ 3,363	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Building Permits	116,145	0	0	0	20,000	0
Other Permits	26,770	0	0	0	0	0
Total Licenses and Permits	\$ 210,123	\$ 0	\$ 2,107	\$ 13,475	\$ 24,126	\$ 0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 1,677	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	19,731	0	0	0	0	0
Drug Control Fines	0	0	0	0	0	534
Drug Court Fees	1,705	0	0	0	0	0
Jail Fees	6,241	0	0	0	0	0
DUI Treatment Fines	1,246	0	0	0	0	0
Data Entry Fee - Circuit Court	1,920	0	0	0	0	0
Courtroom Security Fee	94	0	0	0	0	0
Victims Assistance Assessments	2,257	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	13,076	0	0	0	0	0
Fines for Littering	48	0	0	0	0	0
Officers Costs	49,743	0	0	0	0	0
Game and Fish Fines	678	0	0	0	0	0
Drug Control Fines	0	0	0	0	0	5,144
Drug Court Fees	7,157	0	0	0	0	0
Jail Fees	14,898	0	0	0	0	0
DUI Treatment Fines	5,947	0	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Public Library	Solid Waste / Sanitation	Local Purpose Tax	Drug Control
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Data Entry Fee - General Sessions Court	\$ 8,385	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Courtroom Security Fee	962	0	0	0	0	0
Victims Assistance Assessments	20,644	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	265	0	0	0	0	0
Officers Costs	2,782	0	0	0	0	0
Data Entry Fee - Juvenile Court	1,556	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	190	0	0	0	0	0
Data Entry Fee - Chancery Court	4,820	0	0	0	0	0
<u>Other Courts - In-county</u>						
Drug Court Fees	2,520	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	0	10,033
Other Fines, Forfeitures, and Penalties	880	0	0	0	0	0
<b>Total Fines, Forfeitures, and Penalties</b>	<b>\$ 169,422</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 15,711</b>
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Commercial and Industrial Waste Collection Charge	\$ 0	\$ 0	\$ 0	\$ 101,310	\$ 0	\$ 0
Transfer Waste Stations Collection Charge	0	0	0	15,000	0	0
Tipping Fees	0	0	0	20,062	0	0
Solid Waste Disposal Fee	0	0	0	8,177	0	0
Other General Service Charges	113,217	0	7,481	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Public Library	Solid Waste / Sanitation	Local Purpose Tax	Drug Control
<u>Charges for Current Services (Cont.)</u>						
<u>Fees</u>						
Telephone Commissions	\$ 63,765	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Additional Fees - Titling and Registration	35,333	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	0
Data Processing Fee - Register	16,302	0	0	0	0	0
Probation Fees	159,149	0	0	0	0	0
Data Processing Fee - Sheriff	2,804	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	7,200	0	0	0	0	0
Data Processing Fee - County Clerk	42,835	0	0	0	0	0
Vehicle Registration Reinstatement Fees	4,086	0	0	0	0	0
<b>Total Charges for Current Services</b>	<b>\$ 444,691</b>	<b>\$ 0</b>	<b>\$ 7,481</b>	<b>\$ 144,549</b>	<b>\$ 0</b>	<b>\$ 0</b>
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 80,770	\$ 0	\$ 4,834	\$ 0	\$ 0	\$ 0
Lease/Rentals	40,125	0	0	0	0	0
Sale of Materials and Supplies	0	0	0	0	0	0
Commissary Sales	20,916	0	0	0	0	0
Sale of Maps	25	0	0	0	0	0
Sale of Recycled Materials	0	0	0	222,055	0	0
Miscellaneous Refunds	67,540	0	55	0	0	0
<u>Nonrecurring Items</u>						
Sale of Property	0	0	0	200	0	0
Contributions and Gifts	2,565	0	0	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	52,996	0	901	0	0	0
<b>Total Other Local Revenues</b>	<b>\$ 264,937</b>	<b>\$ 0</b>	<b>\$ 5,790</b>	<b>\$ 222,255</b>	<b>\$ 0</b>	<b>\$ 0</b>

(Continued)

Exhibit J-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Public Library	Solid Waste / Sanitation	Local Purpose Tax	Drug Control
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 439,885	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	152,154	0	0	0	0	0
General Sessions Court Clerk	220,106	0	0	0	0	0
Clerk and Master	141,824	0	0	0	0	0
Juvenile Court Clerk	27,128	0	0	0	0	0
Register	256,240	0	0	0	0	0
Sheriff	18,808	0	0	0	0	0
Trustee	725,499	0	0	0	0	0
Total Fees Received From County Officials	<u>\$ 1,981,644</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	912	0	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	31,200	0	0	0	0	0
Other Public Safety Grants	4,562	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	70,331	0	0	0	0	0
<u>Public Works Grants</u>						
State Aid Program	0	0	0	0	0	0
Litter Program	12,895	0	0	0	0	0
<u>Other State Revenues</u>						
Vehicle Certificate of Title Fees	8,436	0	0	0	0	0
Alcoholic Beverage Tax	118,181	0	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Public Library	Solid Waste / Sanitation	Local Purpose Tax	Drug Control
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues (Cont.)</u>						
Opioid Settlement Funds - TN Abatement Council	\$ 316,074	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
State Revenue Sharing - T.V.A.	1,384,583	0	0	0	0	0
State Revenue Sharing - Telecommunications	67,019	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	40,060	0	0	0	0	0
Contracted Prisoner Boarding	449,688	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	0	0	0	30,162	0	0
Other State Revenues	3,078	0	0	36,487	0	0
<b>Total State of Tennessee</b>	<b>\$ 2,531,183</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 66,649</b>	<b>\$ 0</b>	<b>\$ 0</b>
<u>Federal Government</u>						
<u>Federal Through State</u>						
Civil Defense Reimbursement	\$ 41,931	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Homeland Security Grants	37,730	0	0	0	0	0
COVID-19 Grant #5	8,700	0	0	0	0	0
COVID-19 Grant B	105,128	0	0	0	0	0
Other Federal through State	170,773	0	1,772	0	0	0
<u>Direct Federal Revenue</u>						
Forest Service	2,874	0	0	0	0	0
Other Direct Federal Revenue	337,097	0	0	0	0	4,136
<b>Total Federal Government</b>	<b>\$ 704,233</b>	<b>\$ 0</b>	<b>\$ 1,772</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 4,136</b>

(Continued)

Exhibit J-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Public Library	Solid Waste / Sanitation	Local Purpose Tax	Drug Control
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 281,985	\$ 0	\$ 28,500	\$ 0	\$ 0	\$ 0
<u>Citizens Groups</u>						
Donations	47,746	0	8,023	0	0	0
<u>Other</u>						
Other	42	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 329,773</u>	<u>\$ 0</u>	<u>\$ 36,523</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total	<u>\$ 20,295,192</u>	<u>\$ 122,012</u>	<u>\$ 472,914</u>	<u>\$ 2,291,259</u>	<u>\$ 1,098,935</u>	<u>\$ 19,847</u>

(Continued)



Exhibit J-5

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

	<u>Special Revenue Funds</u>		<u>Debt Service</u>	<u>Total</u>
	<u>Constitu -</u> <u>Officers -</u> <u>Fees</u>	<u>Highway /</u> <u>Public</u> <u>Works</u>	<u>General</u> <u>Debt</u> <u>Service</u>	
<u>Local Taxes</u>				
<u>County Property Taxes</u>				
Current Property Tax	\$ 0	\$ 660,018	\$ 2,689,986	\$ 17,998,417
Trustee's Collections - Prior Year	0	11,649	47,499	314,241
Trustee's Collections - Bankruptcy	0	8	31	212
Circuit Clerk/Clerk and Master Collections - Prior Years	0	10,970	44,676	306,091
Interest and Penalty	0	2,281	9,302	61,607
Payments in-Lieu-of Taxes - T.V.A.	0	224	910	6,481
Payments in-Lieu-of Taxes - Local Utilities	0	2,264	9,212	54,223
Payments in-Lieu-of Taxes - Other	0	852	1,047,814	1,064,891
<u>County Local Option Taxes</u>				
Local Option Sales Tax	0	0	1,743,941	1,743,941
Hotel/Motel Tax	0	0	0	636,244
Litigation Tax - General	0	0	64,539	159,491
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	122,012
Business Tax	0	0	0	589,807
Mixed Drink Tax	0	0	0	60,676
Mineral Severance Tax	0	83,594	0	83,594
<u>Statutory Local Taxes</u>				
Bank Excise Tax	0	4,822	19,617	139,696
Wholesale Beer Tax	0	0	0	231,784
Other Statutory Local Taxes	0	0	0	380
Total Local Taxes	\$ 0	\$ 776,682	\$ 5,677,527	\$ 23,573,788
<u>Licenses and Permits</u>				
<u>Licenses</u>				
Cable TV Franchise	\$ 0	\$ 3,495	\$ 14,221	\$ 101,269

(Continued)

Exhibit J-5

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

	Special Revenue Funds		Debt Service Fund		Total
	Constituti - onal Officers - Fees	Highway / Public Works	General Debt Service		
<u>Licenses and Permits (Cont.)</u>					
<u>Permits</u>					
Beer Permits	\$ 0	\$ 0	\$ 0	\$ 0	3,363
Building Permits	0	0	0	0	136,145
Other Permits	0	0	0	0	26,770
Total Licenses and Permits	\$ 0	\$ 3,495	\$ 14,221	\$ 0	267,547
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	\$ 0	\$ 0	\$ 0	\$ 0	1,677
Officers Costs	0	0	0	0	19,731
Drug Control Fines	0	0	0	0	534
Drug Court Fees	0	0	0	0	1,705
Jail Fees	0	0	0	0	6,241
DUI Treatment Fines	0	0	0	0	1,246
Data Entry Fee - Circuit Court	0	0	0	0	1,920
Courtroom Security Fee	0	0	0	0	94
Victims Assistance Assessments	0	0	0	0	2,257
<u>General Sessions Court</u>					
Fines	0	0	0	0	13,076
Fines for Littering	0	0	0	0	48
Officers Costs	0	0	0	0	49,743
Game and Fish Fines	0	0	0	0	678
Drug Control Fines	0	0	0	0	5,144
Drug Court Fees	0	0	0	0	7,157
Jail Fees	0	0	0	0	14,898
DUI Treatment Fines	0	0	0	0	5,947

(Continued)

Exhibit J-5

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

	Special Revenue Funds		Debt Service Fund	Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>				
<u>General Sessions Court (Cont.)</u>				
Data Entry Fee - General Sessions Court	\$ 0	\$ 0	\$ 0	8,385
Courtroom Security Fee	0	0	0	962
Victims Assistance Assessments	0	0	0	20,644
<u>Juvenile Court</u>				
Fines	0	0	0	265
Officers Costs	0	0	0	2,782
Data Entry Fee - Juvenile Court	0	0	0	1,556
<u>Chancery Court</u>				
Officers Costs	0	0	0	190
Data Entry Fee - Chancery Court	0	0	0	4,820
<u>Other Courts - In-county</u>				
Drug Court Fees	0	0	0	2,520
<u>Other Fines, Forfeitures, and Penalties</u>				
Proceeds from Confiscated Property	0	0	0	10,033
Other Fines, Forfeitures, and Penalties	0	0	0	880
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	185,133
<u>Charges for Current Services</u>				
<u>General Service Charges</u>				
Commercial and Industrial Waste Collection Charge	\$ 0	\$ 0	\$ 0	101,310
Transfer Waste Stations Collection Charge	0	0	0	15,000
Tipping Fees	0	0	0	20,062
Solid Waste Disposal Fee	0	0	0	8,177
Other General Service Charges	0	4,020	0	124,718

(Continued)

Exhibit J-5

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

	<u>Special Revenue Funds</u>		<u>Debt Service</u>	<u>Total</u>
	<u>Constitu -</u> <u>tional</u> <u>Officers -</u> <u>Fees</u>	<u>Highway /</u> <u>Public</u> <u>Works</u>	<u>Fund</u>  <u>General</u> <u>Debt</u> <u>Service</u>	
<u>Charges for Current Services (Cont.)</u>				
<u>Fees</u>				
Telephone Commissions	\$ 0	\$ 0	\$ 0	\$ 63,765
Additional Fees - Titling and Registration	0	0	0	35,333
Constitutional Officers' Fees and Commissions	87	0	0	87
Data Processing Fee - Register	0	0	0	16,302
Probation Fees	0	0	0	159,149
Data Processing Fee - Sheriff	0	0	0	2,804
Sexual Offender Registration Fee - Sheriff	0	0	0	7,200
Data Processing Fee - County Clerk	0	0	0	42,835
Vehicle Registration Reinstatement Fees	0	0	0	4,086
<b>Total Charges for Current Services</b>	<b>\$ 87</b>	<b>\$ 4,020</b>	<b>\$ 0</b>	<b>\$ 600,828</b>
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
Investment Income	\$ 0	\$ 1,054	\$ 1,007,161	\$ 1,093,819
Lease/Rentals	0	0	0	40,125
Sale of Materials and Supplies	0	2,340	0	2,340
Commissary Sales	0	0	0	20,916
Sale of Maps	0	0	0	25
Sale of Recycled Materials	0	837	0	222,892
Miscellaneous Refunds	0	230	0	67,825
<u>Nonrecurring Items</u>				
Sale of Property	0	0	0	200
Contributions and Gifts	0	0	0	2,565
<u>Other Local Revenues</u>				
Other Local Revenues	0	0	0	53,897
<b>Total Other Local Revenues</b>	<b>\$ 0</b>	<b>\$ 4,461</b>	<b>\$ 1,007,161</b>	<b>\$ 1,504,604</b>

(Continued)

Exhibit J-5

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

	<u>Special Revenue Funds</u>		<u>Debt Service</u>	
	<u>Constitu -</u>	<u>Highway /</u>	<u>Fund</u>	
	<u>tional</u>	<u>Public</u>	<u>General</u>	
	<u>Officers -</u>	<u>Works</u>	<u>Debt</u>	
	<u>Fees</u>		<u>Service</u>	<u>Total</u>
<u>Fees Received From County Officials</u>				
<u>Fees In-Lieu-of Salary</u>				
County Clerk	\$ 0	\$ 0	\$ 0	\$ 439,885
Circuit Court Clerk	0	0	0	152,154
General Sessions Court Clerk	0	0	0	220,106
Clerk and Master	0	0	0	141,824
Juvenile Court Clerk	0	0	0	27,128
Register	0	0	0	256,240
Sheriff	0	0	0	18,808
Trustee	0	0	0	725,499
Total Fees Received From County Officials	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,981,644</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	912
<u>Public Safety Grants</u>				
Law Enforcement Training Programs	0	0	0	31,200
Other Public Safety Grants	0	0	0	4,562
<u>Health and Welfare Grants</u>				
Health Department Programs	0	0	0	70,331
<u>Public Works Grants</u>				
State Aid Program	0	429,462	0	429,462
Litter Program	0	0	0	12,895
<u>Other State Revenues</u>				
Vehicle Certificate of Title Fees	0	0	0	8,436
Alcoholic Beverage Tax	0	0	0	118,181

(Continued)

Exhibit J-5

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

	Special Revenue Funds		Debt Service	Total
	Constitu - tional - Officers - Fees	Highway / Public Works	General Debt Service	
<u>State of Tennessee (Cont.)</u>				
<u>Other State Revenues (Cont.)</u>				
Opioid Settlement Funds - TN Abatement Council	\$ 0	\$ 0	\$ 0	\$ 316,074
State Revenue Sharing - T.V.A.	0	0	0	1,384,583
State Revenue Sharing - Telecommunications	0	0	0	67,019
State Shared Sports Gaming Privilege Tax	0	0	0	40,060
Contracted Prisoner Boarding	0	0	0	449,688
Gasoline and Motor Fuel Tax	0	2,828,870	0	2,828,870
Petroleum Special Tax	0	28,341	0	28,341
Registrar's Salary Supplement	0	0	0	15,164
Other State Grants	0	0	0	30,162
Other State Revenues	0	0	0	39,565
Total State of Tennessee	\$ 0	\$ 3,286,673	\$ 0	\$ 5,884,505
<u>Federal Government</u>				
<u>Federal Through State</u>				
Civil Defense Reimbursement	\$ 0	\$ 0	\$ 0	\$ 41,931
Homeland Security Grants	0	0	0	37,730
COVID-19 Grant #5	0	0	0	8,700
COVID-19 Grant B	0	0	0	105,128
Other Federal through State	0	0	0	172,545
<u>Direct Federal Revenue</u>				
Forest Service	0	0	0	2,874
Other Direct Federal Revenue	0	0	0	341,233
Total Federal Government	\$ 0	\$ 0	\$ 0	\$ 710,141

(Continued)

Exhibit J-5

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

	<u>Special Revenue Funds</u>		<u>Debt Service</u>	<u>Total</u>
	<u>Constitu -</u> <u>tional</u> <u>Officers -</u> <u>Fees</u>	<u>Highway /</u> <u>Public</u> <u>Works</u>	<u>General</u> <u>Debt</u> <u>Service</u>	
<u>Other Governments and Citizens Groups</u>				
<u>Other Governments</u>				
Contributions	\$ 0	\$ 0	\$ 0	\$ 310,485
<u>Citizens Groups</u>				
Donations	0	0	0	55,769
<u>Other</u>				
Other	0	0	0	42
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 366,296</u>
Total	<u>\$ 87</u>	<u>\$ 4,075,331</u>	<u>\$ 6,698,909</u>	<u>\$ 35,074,486</u>

Exhibit J-6

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

	Special Revenue Funds				Capital	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Projects Fund Education Capital Projects	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 11,033,583	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,033,583
Trustee's Collections - Prior Year	194,819	0	0	0	0	194,819
Trustee's Collections - Bankruptcy	124	0	0	0	0	124
Circuit Clerk/Clerk and Master Collections - Prior Years	183,251	0	0	0	0	183,251
Interest and Penalty	38,155	0	0	0	0	38,155
Payments in-Lieu-of Taxes - T.V.A.	3,733	0	0	0	0	3,733
Payments in-Lieu-of Taxes - Local Utilities	34,876	0	0	0	0	34,876
Payments in-Lieu-of Taxes - Other	17,160	0	0	0	0	17,160
<u>County Local Option Taxes</u>						
Local Option Sales Tax	7,773,548	0	0	0	0	7,773,548
Mixed Drink Tax	59,289	0	0	0	0	59,289
<u>Statutory Local Taxes</u>						
Bank Excise Tax	80,471	0	0	0	0	80,471
Total Local Taxes	\$ 19,419,009	\$ 0	\$ 0	\$ 0	\$ 0	\$ 19,419,009
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 2,736	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,736
Cable TV Franchise	58,368	0	0	0	0	58,368
Total Licenses and Permits	\$ 61,104	\$ 0	\$ 0	\$ 0	\$ 0	\$ 61,104
<u>Charges for Current Services</u>						
<u>Education Charges</u>						
Tuition - Other	\$ 178,621	\$ 0	\$ 0	\$ 0	\$ 0	\$ 178,621

(Continued)



Exhibit J-6

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

	Special Revenue Funds				Capital	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Projects Fund Education Capital Projects	
<u>Charges for Current Services (Cont.)</u>						
<u>Education Charges (Cont.)</u>						
Lunch Payments - Children	\$ 0	\$ 0	\$ 285,703	\$ 0	\$ 0	\$ 285,703
Lunch Payments - Adults	0	0	41,037	0	0	41,037
A la Carte Sales	0	0	246,198	0	0	246,198
School Based Health Services - FFS	9,304	0	0	0	0	9,304
Receipts from Individual Schools	37,950	0	0	0	0	37,950
<b>Total Charges for Current Services</b>	<b>\$ 225,875</b>	<b>\$ 0</b>	<b>\$ 572,938</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 798,813</b>
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 58,744	\$ 0	\$ 71,153	\$ 0	\$ 62,331	\$ 192,228
Lease/Rentals	26,000	0	0	0	0	26,000
Rebates	0	0	14,413	0	0	14,413
Miscellaneous Refunds	96,934	0	1,140	0	0	98,074
<u>Nonrecurring Items</u>						
Sale of Equipment	20,073	0	0	0	0	20,073
Contributions and Gifts	89,932	0	0	0	0	89,932
<u>Other Local Revenues</u>						
Other Local Revenues	0	0	0	1,573,979	0	1,573,979
<b>Total Other Local Revenues</b>	<b>\$ 291,683</b>	<b>\$ 0</b>	<b>\$ 86,706</b>	<b>\$ 1,573,979</b>	<b>\$ 62,331</b>	<b>\$ 2,014,699</b>
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
On-behalf Contributions for OPEB	\$ 142,214	\$ 0	\$ 0	\$ 0	\$ 0	\$ 142,214

(Continued)

Exhibit J-6

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

	Special Revenue Funds				Capital	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Projects Fund Education Capital Projects	
<u>State of Tennessee (Cont.)</u>						
<u>State Education Funds</u>						
Basic Education Program	\$ 28,017,920	\$ 0	\$ 0	\$ 0	\$ 0	\$ 28,017,920
Early Childhood Education	821,161	0	0	0	0	821,161
School Food Service	0	0	28,045	0	0	28,045
Other State Education Funds	675,448	0	0	0	0	675,448
Career Ladder Program	77,599	0	0	0	0	77,599
Other Vocational	47,509	0	0	0	0	47,509
<u>Other State Revenues</u>						
State Revenue Sharing - T.V.A.	50,000	0	0	0	0	50,000
Other State Grants	114,576	0	0	0	0	114,576
Total State of Tennessee	\$ 29,946,427	\$ 0	\$ 28,045	\$ 0	\$ 0	\$ 29,974,472
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,850,041	\$ 0	\$ 0	\$ 1,850,041
USDA - Commodities	0	0	293,285	0	0	293,285
Breakfast	0	0	835,840	0	0	835,840
USDA - Other	0	0	255,187	0	0	255,187
Vocational Education - Basic Grants to States	0	185,531	0	0	0	185,531
Title I Grants to Local Education Agencies	0	1,448,480	0	0	0	1,448,480
Special Education - Grants to States	0	1,755,160	0	0	0	1,755,160
Special Education Preschool Grants	0	146,788	0	0	0	146,788
English Language Acquisition Grants	0	24,133	0	0	0	24,133
Eisenhower Professional Development State Grants	0	321,483	0	0	0	321,483
COVID-19 Grant B	0	2,273,118	0	0	0	2,273,118

(Continued)

Exhibit J-6

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

	Special Revenue Funds				Capital	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Projects Fund Education Capital Projects	
<u>Federal Government (Cont.)</u>						
<u>Federal Through State (Cont.)</u>						
COVID-19 Grant D	\$ 0	\$ 124,398	\$ 0	\$ 0	\$ 0	\$ 124,398
American Rescue Plan Act Grant #1	0	2,164,590	0	0	0	2,164,590
American Rescue Plan Act Grant #2	0	28,467	0	0	0	28,467
American Rescue Plan Act Grant #3	0	2	0	0	0	2
American Rescue Plan Act Grant #4	0	17,565	0	0	0	17,565
Other Federal through State	690,936	438,119	0	0	0	1,129,055
Total Federal Government	\$ 690,936	\$ 8,927,834	\$ 3,234,353	\$ 0	\$ 0	\$ 12,853,123
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	1,273,325	\$ 1,273,325
<u>Citizens Groups</u>						
Donations	62,719	0	5,611	0	0	68,330
Total Other Governments and Citizens Groups	\$ 62,719	\$ 0	\$ 5,611	\$ 0	1,273,325	\$ 1,341,655
Total	\$ 50,697,753	\$ 8,927,834	\$ 3,927,653	\$ 1,573,979	\$ 1,335,656	\$ 66,462,875

Exhibit J-7

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

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	70,103	
Social Security		4,062	
Pensions		377	
Medical Insurance		392	
Unemployment Compensation		2	
Employer Medicare		1,014	
Audit Services		17,965	
Dues and Memberships		12,961	
Lease Payments		3,872	
Legal Services		2,520	
Legal Notices, Recording, and Court Costs		5,858	
Travel		4,706	
Other Contracted Services		5,550	
Office Supplies		11,966	
Refunds		16,564	
In Service/Staff Development		1,200	
Tax Relief Program		82,734	
Other Charges		9,347	
Total County Commission			\$ 251,193

Beer Board

Legal Notices, Recording, and Court Costs	\$	363	
Other Charges		53	
Total Beer Board			416

County Mayor/Executive

County Official/Administrative Officer	\$	103,346	
Assistant(s)		40,322	
Longevity Pay		420	
Other Salaries and Wages		9,168	
Social Security		9,395	
Pensions		12,233	
Life Insurance		102	
Medical Insurance		17,006	
Unemployment Compensation		24	
Employer Medicare		2,197	
Other Fringe Benefits		288	
Communication		32	
Dues and Memberships		1,800	
Lease Payments		2,666	
Postal Charges		98	
Travel		444	
Gasoline		902	
Office Supplies		1,333	
Premiums on Corporate Surety Bonds		50	
In Service/Staff Development		350	
Other Charges		1,316	
Total County Mayor/Executive			203,492

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

County Attorney

Legal Services	\$ 18,000	
Total County Attorney		\$ 18,000

Election Commission

County Official/Administrative Officer	\$ 80,529	
Deputy(ies)	40,178	
Educational Incentive - Official/Admin Officer	950	
Longevity Pay	1,740	
Overtime Pay	4,997	
Other Salaries and Wages	13,623	
Election Commission	2,686	
Election Workers	37,586	
Social Security	10,756	
Pensions	10,112	
Life Insurance	77	
Medical Insurance	16,459	
Unemployment Compensation	174	
Employer Medicare	2,566	
Other Fringe Benefits	500	
Communication	367	
Data Processing Services	20,102	
Lease Payments	3,154	
Legal Notices, Recording, and Court Costs	18,146	
Maintenance Agreements	975	
Maintenance and Repair Services - Equipment	493	
Postal Charges	4,194	
Printing, Stationery, and Forms	3,944	
Travel	122	
Other Contracted Services	7,045	
Office Supplies	3,992	
Other Supplies and Materials	1,476	
In Service/Staff Development	100	
Total Election Commission		287,043

Register of Deeds

County Official/Administrative Officer	\$ 89,477
Deputy(ies)	146,343
Educational Incentive - Other County Employees	950
Longevity Pay	1,200
Social Security	14,287
Pensions	19,102
Life Insurance	234
Medical Insurance	32,918
Unemployment Compensation	84
Employer Medicare	3,341
Other Fringe Benefits	800
Communication	436

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Data Processing Services	\$	16,995	
Dues and Memberships		893	
Lease Payments		3,795	
Postal Charges		1,000	
Travel		2,164	
Other Contracted Services		19,732	
Office Supplies		5,951	
In Service/Staff Development		1,025	
Other Charges		4,116	
Other Capital Outlay		5,070	
Total Register of Deeds	\$		369,913

Planning

Assistant(s)	\$	24,037	
Supervisor/Director		71,530	
Deputy(ies)		44,391	
Educational Incentive - Official/Admin Officer		950	
Educational Incentive - Other County Employees		950	
Longevity Pay		2,220	
Social Security		8,864	
Pensions		11,574	
Life Insurance		125	
Medical Insurance		16,459	
Unemployment Compensation		82	
Employer Medicare		2,073	
Other Fringe Benefits		600	
Communication		299	
Dues and Memberships		25	
Lease Payments		2,390	
Legal Notices, Recording, and Court Costs		2,479	
Maintenance Agreements		1,313	
Postal Charges		800	
Gasoline		418	
Office Supplies		1,383	
Premiums on Corporate Surety Bonds		50	
In Service/Staff Development		200	
Other Capital Outlay		5,007	
Total Planning			198,219

County Buildings

Supervisor/Director	\$	39,652	
Custodial Personnel		187,358	
Maintenance Personnel		66,887	
Longevity Pay		4,020	
Other Salaries and Wages		587	
Social Security		17,905	
Pensions		21,180	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Life Insurance	\$	441	
Medical Insurance		73,904	
Unemployment Compensation		187	
Employer Medicare		4,233	
Other Fringe Benefits		1,900	
Communication		67,354	
Maintenance Agreements		78,134	
Maintenance and Repair Services - Buildings		100,343	
Maintenance and Repair Services - Equipment		8,153	
Maintenance and Repair Services - Vehicles		668	
Pest Control		13,895	
Disposal Fees		19,193	
Other Contracted Services		38,582	
Custodial Supplies		19,368	
Gasoline		2,720	
Uniforms		1,233	
Utilities		581,984	
Other Supplies and Materials		1,543	
Other Charges		2,851	
Other Capital Outlay		69,861	
Total County Buildings			\$ 1,424,136

Other General Administration

Communication	\$	2,817	
Maintenance Agreements		15,430	
Other Contracted Services		151,783	
Other Charges		262	
Data Processing Equipment		7,751	
Total Other General Administration			178,043

Preservation of Records

Other Supplies and Materials	\$	973	
Total Preservation of Records			973

Finance

Property Assessor's Office

County Official/Administrative Officer	\$	89,477	
Deputy(ies)		256,185	
Part-time Personnel		12,267	
Educational Incentive - Other County Employees		1,900	
Longevity Pay		780	
Overtime Pay		1,223	
Board and Committee Members Fees		4,540	
Social Security		21,130	
Pensions		26,184	
Life Insurance		356	
Medical Insurance		65,660	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Unemployment Compensation	\$	212	
Employer Medicare		5,120	
Other Fringe Benefits		1,400	
Contracts with Government Agencies		15,557	
Contracts with Private Agencies		35,567	
Dues and Memberships		1,800	
Lease Payments		9,279	
Legal Notices, Recording, and Court Costs		307	
Maintenance Agreements		5,242	
Maintenance and Repair Services - Vehicles		126	
Postal Charges		9,649	
Gasoline		2,192	
Office Supplies		1,112	
Premiums on Corporate Surety Bonds		100	
In Service/Staff Development		100	
Other Charges		985	
Office Equipment		4,878	
Total Property Assessor's Office	\$		573,328

County Trustee's Office

County Official/Administrative Officer	\$	89,477	
Deputy(ies)		143,856	
Educational Incentive - Other County Employees		950	
Longevity Pay		360	
Other Salaries and Wages		3,028	
Social Security		14,040	
Pensions		18,971	
Life Insurance		230	
Medical Insurance		41,148	
Unemployment Compensation		88	
Employer Medicare		3,303	
Other Fringe Benefits		800	
Data Processing Services		10,742	
Dues and Memberships		913	
Lease Payments		1,192	
Postal Charges		9,961	
Travel		1,344	
Other Contracted Services		5,658	
Office Supplies		5,236	
In Service/Staff Development		585	
Other Charges		2	
Total County Trustee's Office			351,884

County Clerk's Office

County Official/Administrative Officer	\$	75,274	
Deputy(ies)		270,481	
Educational Incentive - Other County Employees		2,750	

(Continued)



Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

Longevity Pay	\$	3,240	
Social Security		20,911	
Pensions		27,732	
Life Insurance		374	
Medical Insurance		49,378	
Unemployment Compensation		147	
Employer Medicare		4,891	
Other Fringe Benefits		1,400	
Communication		473	
Data Processing Services		26,896	
Dues and Memberships		918	
Lease Payments		3,328	
Postal Charges		17,000	
Travel		1,462	
Other Contracted Services		99	
Office Supplies		10,444	
In Service/Staff Development		1,155	
Other Charges		629	
Total County Clerk's Office			\$ 518,982

Other Finance

Supervisor/Director	\$	89,477	
Deputy(ies)		54,955	
Accountants/Bookkeepers		372,807	
Educational Incentive - Official/Admin Officer		950	
Educational Incentive - Other County Employees		4,750	
Longevity Pay		7,260	
Social Security		30,898	
Pensions		41,310	
Life Insurance		489	
Medical Insurance		85,071	
Unemployment Compensation		251	
Employer Medicare		7,226	
Other Fringe Benefits		2,200	
Communication		2,664	
Data Processing Services		28,314	
Dues and Memberships		908	
Lease Payments		7,216	
Postal Charges		5,057	
Travel		2,235	
Other Contracted Services		1,116	
Office Supplies		17,609	
In Service/Staff Development		2,215	
Other Charges		3,302	
Other Capital Outlay		1,009	
Total Other Finance			769,289

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	89,477	
Deputy(ies)		594,007	
Part-time Personnel		13,517	
Educational Incentive - Other County Employees		7,600	
Longevity Pay		7,500	
Overtime Pay		22	
Jury and Witness Expense		2,624	
Social Security		42,337	
Pensions		51,180	
Life Insurance		690	
Medical Insurance		119,464	
Unemployment Compensation		378	
Employer Medicare		9,901	
Other Fringe Benefits		2,900	
Communication		955	
Data Processing Services		42,578	
Dues and Memberships		1,148	
Lease Payments		8,344	
Legal Notices, Recording, and Court Costs		484	
Postal Charges		7,006	
Travel		2,541	
Other Contracted Services		375	
Library Books/Media		924	
Office Supplies		5,796	
Premiums on Corporate Surety Bonds		50	
In Service/Staff Development		1,640	
Other Charges		188	
Total Circuit Court			\$ 1,013,626

General Sessions Court

County Official/Administrative Officer	\$	172,258	
Deputy(ies)		84,600	
Longevity Pay		900	
Social Security		15,785	
Pensions		20,653	
Life Insurance		136	
Medical Insurance		24,689	
Unemployment Compensation		42	
Employer Medicare		3,692	
Other Fringe Benefits		400	
Lease Payments		1,145	
Travel		974	
Library Books/Media		1,191	
Office Supplies		1,308	
In Service/Staff Development		380	
Other Charges		226	
Total General Sessions Court			328,379

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Drug Court

Supervisor/Director	\$	43,798	
Other Salaries and Wages		24,546	
Social Security		4,164	
Pensions		5,190	
Life Insurance		62	
Medical Insurance		14,496	
Unemployment Compensation		42	
Employer Medicare		974	
Other Fringe Benefits		400	
Communication		366	
Total Drug Court			\$ 94,038

Chancery Court

County Official/Administrative Officer	\$	89,477	
Deputy(ies)		77,570	
Longevity Pay		660	
Social Security		10,105	
Pensions		13,449	
Life Insurance		140	
Medical Insurance		24,689	
Unemployment Compensation		63	
Employer Medicare		2,363	
Other Fringe Benefits		400	
Communication		32	
Data Processing Services		15,655	
Dues and Memberships		958	
Lease Payments		3,509	
Legal Notices, Recording, and Court Costs		2,083	
Postal Charges		1,500	
Travel		719	
Other Contracted Services		148	
Library Books/Media		795	
Office Supplies		2,557	
Premiums on Corporate Surety Bonds		100	
Total Chancery Court			246,972

Juvenile Court

Assistant(s)	\$	53,726	
Deputy(ies)		48,786	
Longevity Pay		2,280	
Social Security		5,677	
Pensions		8,415	
Life Insurance		94	
Medical Insurance		16,459	
Unemployment Compensation		42	
Employer Medicare		1,328	
Other Fringe Benefits		400	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court (Cont.)

Communication	\$	418	
Dues and Memberships		80	
Travel		1,521	
Library Books/Media		723	
Office Supplies		236	
Other Supplies and Materials		1,813	
In Service/Staff Development		704	
Total Juvenile Court			\$ 142,702

Judicial Commissioners

County Official/Administrative Officer	\$	164,166	
Part-time Personnel		26,957	
Longevity Pay		1,800	
Overtime Pay		267	
Social Security		10,874	
Pensions		11,714	
Life Insurance		176	
Medical Insurance		31,610	
Unemployment Compensation		167	
Employer Medicare		2,593	
Other Fringe Benefits		1,000	
Dues and Memberships		600	
Total Judicial Commissioners			251,924

Other Administration of Justice

Contracts with Government Agencies	\$	103,625	
Contracts with Private Agencies		158,716	
Remittance of Revenue Collected		22,900	
Other Contracted Services		4,000	
Other Supplies and Materials		304	
Total Other Administration of Justice			289,545

Probation Services

Supervisor/Director	\$	50,885	
Deputy(ies)		65,292	
Longevity Pay		1,080	
Social Security		7,128	
Pensions		9,429	
Life Insurance		140	
Medical Insurance		24,689	
Unemployment Compensation		63	
Employer Medicare		1,667	
Other Fringe Benefits		600	
Communication		16	
Drugs and Medical Supplies		1,928	
Office Supplies		1,538	
Total Probation Services			164,455

(Continued)

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

General Fund (Cont.)

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	98,425	
Assistant(s)		69,572	
Deputy(ies)		745,223	
Investigator(s)		315,513	
Captain(s)		126,036	
Sergeant(s)		252,325	
Accountants/Bookkeepers		88,400	
Instructional Computer Personnel		47,054	
Salary Supplements		45,200	
Mechanic(s)		27,439	
Guards		255,973	
Part-time Personnel		70,237	
School Resource Officer		582,593	
Educational Incentive - Other County Employees		950	
Longevity Pay		22,980	
Overtime Pay		97,128	
Other Salaries and Wages		74,099	
Social Security		174,458	
Pensions		203,104	
Life Insurance		2,202	
Medical Insurance		333,712	
Unemployment Compensation		1,435	
Employer Medicare		41,047	
Other Fringe Benefits		9,600	
Communication		27,308	
Contracts with Private Agencies		11,740	
Dues and Memberships		2,807	
Lease Payments		9,283	
Maintenance Agreements		12,374	
Maintenance and Repair Services - Equipment		2,243	
Maintenance and Repair Services - Vehicles		113,776	
Medical and Dental Services		2,150	
Postal Charges		1,627	
Travel		31,702	
Diesel Fuel		10,758	
Gasoline		217,884	
Law Enforcement Supplies		7,519	
Office Supplies		9,713	
Propane Gas		39	
Tires and Tubes		26,161	
Uniforms		14,720	
Other Supplies and Materials		369	
Premiums on Corporate Surety Bonds		2,203	
In Service/Staff Development		14,996	
Constitutional Officers' Operating Expenses		220	
Other Charges		10,141	
Other Equipment		12,036	
Total Sheriff's Department			\$ 4,226,474

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Administration of the Sexual Offender Registry

Guards	\$	18,427	
Social Security		1,149	
Unemployment Compensation		21	
Employer Medicare		269	
Other Fringe Benefits		100	
Remittance of Revenue Collected		2,400	
Total Administration of the Sexual Offender Registry			\$ 22,366

Jail

Assistant(s)	\$	65,020	
Deputy(ies)		45,617	
Salary Supplements		3,000	
Guards		1,057,650	
Cafeteria Personnel		55,148	
Maintenance Personnel		40,289	
Part-time Personnel		44,991	
Longevity Pay		5,100	
Overtime Pay		61,946	
Other Salaries and Wages		43,813	
Social Security		85,318	
Pensions		91,540	
Life Insurance		1,509	
Medical Insurance		221,924	
Unemployment Compensation		946	
Employer Medicare		19,976	
Other Fringe Benefits		6,600	
Maintenance Agreements		25,463	
Maintenance and Repair Services - Buildings		50,390	
Maintenance and Repair Services - Equipment		23,080	
Medical and Dental Services		1,200	
Pest Control		3,360	
Transportation - Other than Students		12,159	
Travel		1,928	
Disposal Fees		5,308	
Other Contracted Services		35,693	
Custodial Supplies		80,534	
Food Supplies		412,805	
Law Enforcement Supplies		2,468	
Prisoners Clothing		8,026	
Uniforms		4,910	
Other Supplies and Materials		2,942	
Medical Claims		354,883	
In Service/Staff Development		221	
Other Charges		3,518	
Other Equipment		9,602	
Total Jail			2,888,877

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Correctional Incentive Program Improvements

Supervisor/Director	\$	6,860	
Other Salaries and Wages		213,238	
Social Security		13,088	
Pensions		10,331	
Life Insurance		168	
Medical Insurance		13,734	
Unemployment Compensation		171	
Employer Medicare		3,160	
Other Fringe Benefits		400	
Communication		868	
Lease Payments		2,770	
Other Contracted Services		22,037	
Other Supplies and Materials		2,165	
Indirect Cost		4,063	
In Service/Staff Development		1,886	
Other Charges		4,943	
Other Capital Outlay		766	
Total Correctional Incentive Program Improvements	\$		300,648

Juvenile Services

Contracts with Private Agencies	\$	9,765	
Other Contracted Services		6,290	
Total Juvenile Services			16,055

Civil Defense

Supervisor/Director	\$	57,840	
Deputy(ies)		44,380	
Longevity Pay		420	
Social Security		6,156	
Pensions		8,243	
Life Insurance		94	
Medical Insurance		16,459	
Unemployment Compensation		42	
Employer Medicare		1,440	
Other Fringe Benefits		400	
Communication		3,724	
Dues and Memberships		110	
Lease Payments		2,610	
Maintenance and Repair Services - Buildings		504	
Maintenance and Repair Services - Equipment		420	
Maintenance and Repair Services - Vehicles		651	
Other Contracted Services		6,701	
Diesel Fuel		666	
Gasoline		2,707	
Other Supplies and Materials		1,022	
In Service/Staff Development		700	
Other Equipment		7,299	
Total Civil Defense			162,588

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Rescue Squad

Dues and Memberships	\$	700	
Maintenance and Repair Services - Equipment		1,637	
Other Contracted Services		5,823	
Diesel Fuel		178	
Gasoline		257	
Other Supplies and Materials		2,332	
Other Charges		222	
Other Equipment		22,416	
Other Capital Outlay		564	
Total Rescue Squad			\$ 34,129

Other Emergency Management

Assistant(s)	\$	47,400	
Supervisor/Director		63,000	
Dispatchers/Radio Operators		445,298	
Educational Incentive - Official/Admin Officer		950	
Educational Incentive - Other County Employees		3,800	
Longevity Pay		4,560	
Overtime Pay		39,252	
Other Salaries and Wages		24,316	
Social Security		37,599	
Pensions		47,357	
Life Insurance		667	
Medical Insurance		83,816	
Unemployment Compensation		358	
Employer Medicare		8,793	
Other Fringe Benefits		2,900	
Communication		10,599	
Contracts with Private Agencies		7,584	
Lease Payments		5,013	
Maintenance and Repair Services - Equipment		3,726	
Maintenance and Repair Services - Vehicles		942	
Travel		1,465	
Gasoline		712	
Office Supplies		2,937	
Uniforms		801	
In Service/Staff Development		4,245	
Other Charges		262	
Other Equipment		2,614	
Total Other Emergency Management			850,966

County Coroner/Medical Examiner

Other Contracted Services	\$	5,500	
Medical Claims		26,804	
Total County Coroner/Medical Examiner			32,304

(Continued)



Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Public Safety Grants Program

Overtime Pay	\$	6,212	
Social Security		376	
Pensions		385	
Medical Insurance		560	
Unemployment Compensation		5	
Employer Medicare		88	
Other Equipment		6,659	
Other Capital Outlay		43,641	
Total Public Safety Grants Program			\$ 57,926

Other Public Safety

Other Contracted Services	\$	11,750	
Other Supplies and Materials		26,180	
Other Charges		20	
Total Other Public Safety			37,950

Public Health and Welfare

Local Health Center

Communication	\$	1,092	
Dues and Memberships		375	
Maintenance and Repair Services - Buildings		7,133	
Disposal Fees		2,184	
Custodial Supplies		4,808	
Office Supplies		522	
Utilities		10,859	
Building and Contents Insurance		4,918	
Liability Insurance		523	
Other Charges		2,503	
Total Local Health Center			34,917

Rabies and Animal Control

Assistant(s)	\$	98,328	
Supervisor/Director		14,250	
Longevity Pay		960	
Overtime Pay		13,896	
Other Salaries and Wages		1,094	
Social Security		7,699	
Pensions		10,330	
Life Insurance		143	
Medical Insurance		17,689	
Unemployment Compensation		67	
Employer Medicare		1,801	
Other Fringe Benefits		600	
Communication		2,138	
Dues and Memberships		190	
Licenses		245	
Maintenance and Repair Services - Buildings		626	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

Maintenance and Repair Services - Vehicles	\$	395	
Postal Charges		153	
Other Contracted Services		35,973	
Animal Food and Supplies		7,880	
Diesel Fuel		2,001	
Drugs and Medical Supplies		8,492	
Gasoline		7,941	
Office Supplies		360	
Propane Gas		622	
Uniforms		797	
Other Supplies and Materials		9,037	
In Service/Staff Development		250	
Other Charges		1,053	
Other Equipment		2,735	
Total Rabies and Animal Control			\$ 247,745

Other Local Health Services

Secretary(ies)	\$	53,756	
Longevity Pay		540	
Social Security		3,269	
Pensions		2,911	
Life Insurance		47	
Medical Insurance		8,230	
Unemployment Compensation		42	
Employer Medicare		765	
Other Fringe Benefits		300	
Travel		109	
Other Contracted Services		668	
Total Other Local Health Services			70,637

Appropriation to State

Contracts with Government Agencies	\$	29,946	
Total Appropriation to State			29,946

General Welfare Assistance

Other Contracted Services	\$	17,775	
Total General Welfare Assistance			17,775

Waste Pickup

Laborers	\$	69,234	
Other Salaries and Wages		1,428	
Social Security		4,223	
Pensions		5,368	
Life Insurance		82	
Medical Insurance		14,915	
Unemployment Compensation		51	
Employer Medicare		988	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Waste Pickup (Cont.)

Other Fringe Benefits	\$	400	
Advertising		1,000	
Travel		46	
Disposal Fees		6	
Other Supplies and Materials		6,193	
Total Waste Pickup			\$ 103,934

Other Waste Collection

Laborers	\$	35,909	
Social Security		1,854	
Pensions		2,889	
Life Insurance		47	
Medical Insurance		8,219	
Unemployment Compensation		21	
Employer Medicare		434	
Other Fringe Benefits		200	
Total Other Waste Collection			46,573

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Maintenance and Repair Services - Buildings	\$	1,500	
Other Contracted Services		43,575	
Custodial Supplies		1,334	
Total Senior Citizens Assistance			46,409

Parks and Fair Boards

Supervisor/Director	\$	6,158	
Other Salaries and Wages		16,476	
Social Security		1,394	
Pensions		725	
Unemployment Compensation		21	
Employer Medicare		326	
Communication		277	
Maintenance Agreements		359	
Maintenance and Repair Services - Buildings		3,086	
Other Supplies and Materials		11,884	
Other Charges		416	
Total Parks and Fair Boards			41,122

Agriculture and Natural Resources

Agricultural Extension Service

Other Salaries and Wages	\$	88,267	
Other Fringe Benefits		29,417	
Communication		486	
Dues and Memberships		505	
Lease Payments		5,615	
Travel		3,000	
Total Agricultural Extension Service			127,290

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Soil Conservation

Secretary to Board	\$	33,273	
Other Salaries and Wages		34,435	
Social Security		3,949	
Pensions		4,190	
Life Insurance		86	
Medical Insurance		8,230	
Unemployment Compensation		63	
Employer Medicare		924	
Other Fringe Benefits		400	
Dues and Memberships		325	
Travel		4,460	
In Service/Staff Development		1,220	
Total Soil Conservation			\$ 91,555

Other Operations

Industrial Development

Assistant(s)	\$	11,668	
Other Salaries and Wages		16,393	
Social Security		1,731	
Pensions		895	
Life Insurance		15	
Medical Insurance		2,592	
Unemployment Compensation		40	
Employer Medicare		405	
Other Fringe Benefits		412	
Advertising		655	
Communication		625	
Dues and Memberships		150	
Pest Control		225	
Travel		1,580	
Other Contracted Services		1,321	
Office Supplies		138	
Premiums on Corporate Surety Bonds		200	
In Service/Staff Development		1,021	
Other Charges		2,019	
Total Industrial Development			42,085

Other Economic and Community Development

Other Contracted Services	\$	40,000	
Other Capital Outlay		49,535	
Total Other Economic and Community Development			89,535

Airport

Other Contracted Services	\$	1,000	
Total Airport			1,000

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services

Assistant(s)	\$	36,197	
Supervisor/Director		19,525	
Part-time Personnel		11,847	
Longevity Pay		420	
Social Security		3,008	
Pensions		2,945	
Life Insurance		47	
Medical Insurance		6,751	
Unemployment Compensation		60	
Employer Medicare		988	
Other Fringe Benefits		400	
Communication		480	
Contracts with Private Agencies		898	
Lease Payments		2,488	
Transportation - Other than Students		5,549	
Travel		608	
Office Supplies		1,394	
Other Charges		3,279	
Total Veterans' Services			\$ 96,884

Other Charges

Other Fringe Benefits	\$	96,522	
Medical and Dental Services		4,028	
Building and Contents Insurance		105,524	
Liability Insurance		117,887	
Medical Claims		5,681	
Trustee's Commission		292,394	
Vehicle and Equipment Insurance		74,994	
Workers' Compensation Insurance		222,133	
Other Charges		5,353	
Total Other Charges			924,516

COVID-19 Grant #7

Other Capital Outlay	\$	105,128	
Total COVID-19 Grant #7			105,128

American Rescue Plan Act Grant #3

Other Salaries and Wages	\$	41,860	
Social Security		2,595	
Pensions		3,349	
Life Insurance		27	
Unemployment Compensation		42	
Employer Medicare		607	
Total American Rescue Plan Act Grant #3			48,480

American Rescue Plan Act Grant #6

Other Capital Outlay	\$	4,675,000	
Total American Rescue Plan Act Grant #6			4,675,000

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Capital Projects

Other General Government Projects

Other Equipment	\$ 27,150	
Other Capital Outlay	365,349	
Total Other General Government Projects		\$ 392,499

Highway and Street Capital Projects

Other Capital Outlay	\$ 175,083	
Total Highway and Street Capital Projects		175,083

Total General Fund \$ 23,717,948

Courthouse and Jail Maintenance Fund

Other Operations

Other Charges

Trustee's Commission	\$ 1,228	
Total Other Charges		\$ 1,228

Total Courthouse and Jail Maintenance Fund 1,228

Public Library Fund

Social, Cultural, and Recreational Services

Libraries

Assistant(s)	\$ 107,389
Supervisor/Director	53,521
Education Media Personnel	40,453
Part-time Personnel	36,264
Educational Incentive - Official/Admin Officer	950
Longevity Pay	2,100
Other Salaries and Wages	2,674
Social Security	14,611
Pensions	16,647
Life Insurance	234
Medical Insurance	39,669
Unemployment Compensation	180
Employer Medicare	3,417
Other Fringe Benefits	1,375
Communication	1,653
Dues and Memberships	75
Lease Payments	4,815
Maintenance and Repair Services - Buildings	26,463
Travel	1,182
Other Contracted Services	2,835
Custodial Supplies	2,792
Library Books/Media	30,876
Office Supplies	1,515
Periodicals	2,155
Other Supplies and Materials	8,031
In Service/Staff Development	140

(Continued)

Exhibit J-7

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

Public Library Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Other Charges	\$	2,709	
Other Equipment		<u>3,557</u>	
Total Libraries	\$		408,282

Other Operations

Other Charges

Pest Control	\$	800	
Disposal Fees		2,082	
Utilities		21,597	
Building and Contents Insurance		3,787	
Liability Insurance		938	
Trustee's Commission		8,409	
Workers' Compensation Insurance		<u>4,323</u>	
Total Other Charges			<u>41,936</u>

Total Public Library Fund \$ 450,218

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Education/Information

Advertising	\$	2,200	
Other Supplies and Materials		<u>996</u>	
Total Sanitation Education/Information	\$		3,196

Convenience Centers

Laborers	\$	238,769	
Overtime Pay		246	
Social Security		12,696	
Unemployment Compensation		504	
Employer Medicare		3,502	
Other Fringe Benefits		2,475	
Communication		5,851	
Lease Payments		1,177	
Maintenance and Repair Services - Buildings		2,450	
Maintenance and Repair Services - Equipment		14,182	
Other Contracted Services		4,686	
Utilities		15,632	
Other Supplies and Materials		3,584	
Building Construction		918	
Solid Waste Equipment		42,909	
Other Capital Outlay		<u>1,043</u>	
Total Convenience Centers			350,624

Transfer Stations

Supervisor/Director	\$	73,030	
Deputy(ies)		39,554	
Foremen		52,951	

(Continued)

Exhibit J-7

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Transfer Stations (Cont.)

Equipment Operators - Light	\$	123,602	
Truck Drivers		200,403	
Laborers		68,167	
Part-time Personnel		18,164	
Educational Incentive - Official/Admin Officer		950	
Educational Incentive - Other County Employees		1,900	
Longevity Pay		2,280	
Overtime Pay		759	
Other Salaries and Wages		423	
Social Security		35,333	
Pensions		40,892	
Life Insurance		589	
Medical Insurance		82,494	
Unemployment Compensation		381	
Employer Medicare		8,263	
Other Fringe Benefits		2,800	
Communication		4,104	
Contracts with Government Agencies		602,215	
Contracts with Private Agencies		80,562	
Dues and Memberships		590	
Lease Payments		2,497	
Maintenance Agreements		1,366	
Maintenance and Repair Services - Buildings		299	
Maintenance and Repair Services - Equipment		47,306	
Maintenance and Repair Services - Vehicles		33,361	
Pest Control		960	
Postal Charges		151	
Travel		2,932	
Diesel Fuel		81,107	
Equipment and Machinery Parts		13,404	
Garage Supplies		2,261	
Gasoline		5,309	
Lubricants		5,432	
Office Supplies		1,737	
Tires and Tubes		17,502	
Uniforms		2,149	
Utilities		21,430	
Vehicle Parts		8,394	
Other Supplies and Materials		19,720	
In Service/Staff Development		2,142	
Other Charges		153	
Solid Waste Equipment		199,043	
Total Transfer Stations			\$ 1,909,061

Postclosure Care Costs

Contracts with Private Agencies	\$	10,815	
Total Postclosure Care Costs			10,815

(Continued)



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

Solid Waste/Sanitation Fund (Cont.)

Other Operations

Other Charges

Medical and Dental Services	\$	891	
Building and Contents Insurance		22,118	
Liability Insurance		17,203	
Trustee's Commission		37,829	
Vehicle and Equipment Insurance		9,960	
Workers' Compensation Insurance		14,594	
Other Charges		265	
Total Other Charges			<u>\$ 102,860</u>

Total Solid Waste/Sanitation Fund \$ 2,376,556

Local Purpose Tax Fund

Public Safety

Fire Prevention and Control

Contracts with Government Agencies	\$	2,000	
Other Contracted Services		575,890	
Trustee's Commission		15,325	
In Service/Staff Development		500	
Other Charges		1,379	
Other Capital Outlay		7,260	
Total Fire Prevention and Control			<u>\$ 602,354</u>

Total Local Purpose Tax Fund 602,354

Drug Control Fund

Public Safety

Drug Enforcement

Contributions	\$	1,000	
Other Contracted Services		8,482	
Animal Food and Supplies		1,796	
Instructional Supplies and Materials		5,908	
Law Enforcement Supplies		6,158	
Refunds		575	
Other Charges		5,364	
Law Enforcement Equipment		1,346	
Total Drug Enforcement			<u>\$ 30,629</u>

Other Operations

Other Charges

Trustee's Commission	\$	519	
Total Other Charges			<u>519</u>

Total Drug Control Fund 31,148

(Continued)

Exhibit J-7

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

Constitutional Officers - Fees Fund

Public Safety

Sheriff's Department

Constitutional Officers' Operating Expenses	\$ 87	
Total Sheriff's Department		\$ 87

Total Constitutional Officers - Fees Fund \$ 87

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 98,425	
Assistant(s)	129,474	
Educational Incentive - Other County Employees	950	
Longevity Pay	2,700	
Overtime Pay	778	
Other Salaries and Wages	2,474	
Board and Committee Members Fees	28,800	
Social Security	15,454	
Pensions	18,215	
Life Insurance	179	
Medical Insurance	32,210	
Dental Insurance	932	
Employer Medicare	3,719	
Other Fringe Benefits	750	
Dues and Memberships	4,921	
Lease Payments	2,408	
Legal Notices, Recording, and Court Costs	144	
Postal Charges	10	
Travel	1,214	
Other Contracted Services	6,301	
Office Supplies	1,166	
In Service/Staff Development	1,853	
Other Charges	1,217	
Total Administration		\$ 354,294

Highway and Bridge Maintenance

Foremen	\$ 45,127
Equipment Operators - Heavy	128,026
Equipment Operators - Light	116,279
Truck Drivers	263,121
Laborers	28,118
Longevity Pay	7,020
Overtime Pay	12,964
Other Salaries and Wages	4,146
Social Security	36,600
Pensions	45,909
Life Insurance	670
Medical Insurance	123,852
Dental Insurance	3,580

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Employer Medicare	\$	8,560	
Other Fringe Benefits		3,917	
Other Contracted Services		2,150	
Asphalt - Liquid		5,175	
Concrete		3,500	
Crushed Stone		1,724	
General Construction Materials		1,076	
Other Road Materials		58,763	
Pipe		44,798	
Propane Gas		237	
Road Signs		19,084	
Small Tools		2,667	
Other Supplies and Materials		3,377	
Total Highway and Bridge Maintenance			\$ 970,440

Operation and Maintenance of Equipment

Foremen	\$	46,181	
Longevity Pay		600	
Overtime Pay		46	
Other Salaries and Wages		16,643	
Social Security		3,932	
Pensions		3,836	
Life Insurance		47	
Medical Insurance		8,230	
Dental Insurance		238	
Employer Medicare		920	
Other Fringe Benefits		200	
Maintenance and Repair Services - Buildings		1,580	
Maintenance and Repair Services - Equipment		4,411	
Diesel Fuel		108,317	
Equipment and Machinery Parts		64,021	
Garage Supplies		11,328	
Gasoline		16,920	
Lubricants		9,977	
Small Tools		15,005	
Tires and Tubes		26,965	
Total Operation and Maintenance of Equipment			339,397

Quarry Operations

Foremen	\$	46,062	
Equipment Operators - Heavy		44,614	
Equipment Operators - Light		3,038	
Truck Drivers		25,415	
Longevity Pay		2,400	
Overtime Pay		2,494	
Other Salaries and Wages		2,214	
Social Security		7,677	

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Quarry Operations (Cont.)

Pensions	\$	10,093	
Life Insurance		126	
Medical Insurance		22,310	
Dental Insurance		646	
Employer Medicare		1,795	
Other Fringe Benefits		400	
Communication		447	
Explosive and Drilling Services		28,445	
Lease Payments		12,000	
Maintenance and Repair Services - Buildings		1,606	
Maintenance and Repair Services - Equipment		23,563	
Rentals		3,322	
Diesel Fuel		4,122	
Electricity		51,696	
Equipment and Machinery Parts		25,430	
Garage Supplies		2,548	
Lubricants		3,252	
Tires and Tubes		826	
Water and Sewer		1,064	
Total Quarry Operations			\$ 327,605

Other Charges

Other Fringe Benefits	\$	10,793	
Communication		9,311	
Medical and Dental Services		340	
Pest Control		380	
Disposal Fees		4,066	
Permits		2,164	
Uniforms		7,051	
Utilities		20,570	
Building and Contents Insurance		40,215	
Liability Insurance		31,278	
Trustee's Commission		43,165	
Vehicle and Equipment Insurance		17,873	
Workers' Compensation Insurance		20,508	
Other Charges		1,013	
Total Other Charges			208,727

Capital Outlay

Communication Equipment	\$	9,250	
Highway Construction		1,448,593	
Highway Equipment		285,000	
Motor Vehicles		55,928	
Office Equipment		1,325	
State Aid Projects		549,921	
Other Equipment		244,338	
Other Construction		1,638	
Total Capital Outlay			2,595,993

(Continued)

Exhibit J-7

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

<u>Highway/Public Works Fund (Cont.)</u>		
<u>Principal on Debt</u>		
<u>Highways and Streets</u>		
Principal on Notes	\$ 48,232	
Total Highways and Streets		\$ 48,232
<u>Interest on Debt</u>		
<u>Highways and Streets</u>		
Interest on Notes	\$ 5,260	
Total Highways and Streets		5,260
Total Highway/Public Works Fund		\$ 4,849,948
<u>General Debt Service Fund</u>		
<u>Principal on Debt</u>		
<u>General Government</u>		
Principal on Bonds	\$ 1,485,000	
Principal on Notes	155,000	
Total General Government		\$ 1,640,000
<u>Education</u>		
Principal on Bonds	\$ 1,635,000	
Total Education		1,635,000
<u>Interest on Debt</u>		
<u>General Government</u>		
Interest on Bonds	\$ 531,756	
Interest on Notes	45,708	
Total General Government		577,464
<u>Education</u>		
Interest on Bonds	\$ 1,567,019	
Total Education		1,567,019
<u>Other Debt Service</u>		
<u>General Government</u>		
Trustee's Commission	\$ 93,930	
Other Debt Service	800	
Total General Government		94,730
<u>Education</u>		
Other Debt Service	\$ 450	
Total Education		450
Total General Debt Service Fund		5,514,663
<u>Education Capital Projects Fund</u>		
<u>Capital Projects - Donated</u>		
<u>Capital Projects Donated to School Department</u>		
Contributions	\$ 1,273,325	
Total Capital Projects Donated to School Department		\$ 1,273,325
Total Education Capital Projects Fund		1,273,325
Total Governmental Funds - Primary Government		<u>\$ 38,817,475</u>

Exhibit J-8

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 13,978,421	
Career Ladder Program	43,832	
Homebound Teachers	72,563	
Educational Assistants	660,609	
Bonus Payments	69,288	
Other Salaries and Wages	6,000	
Certified Substitute Teachers	145,485	
Non-certified Substitute Teachers	226,030	
Social Security	865,066	
Pensions	1,220,527	
Life Insurance	11,853	
Medical Insurance	2,351,500	
Employer Medicare	207,170	
Lease Payments	42,179	
Tuition	283,924	
Other Contracted Services	31,032	
Instructional Supplies and Materials	416,957	
Textbooks - Bound	588,516	
Software	235,096	
Other Supplies and Materials	27,010	
Fee Waivers	107,402	
Other Charges	777	
Regular Instruction Equipment	300,253	
Total Regular Instruction Program		\$ 21,891,490

Alternative Instruction Program

Teachers	\$ 58,582	
Career Ladder Program	2,000	
Bonus Payments	2,420	
Other Salaries and Wages	97,473	
Non-certified Substitute Teachers	180	
Social Security	9,363	
Pensions	13,782	
Life Insurance	120	
Medical Insurance	31,770	
Employer Medicare	2,308	
Lease Payments	791	
Instructional Supplies and Materials	588	
Other Supplies and Materials	300	
Total Alternative Instruction Program		219,677

Special Education Program

Teachers	\$ 1,318,314
Career Ladder Program	8,000
Homebound Teachers	53,602
Educational Assistants	655,137

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Speech Pathologist	\$	533,519	
Bonus Payments		12,662	
Certified Substitute Teachers		12,631	
Non-certified Substitute Teachers		29,395	
Social Security		148,224	
Pensions		208,989	
Life Insurance		2,839	
Medical Insurance		436,917	
Employer Medicare		35,920	
Other Contracted Services		30,857	
Instructional Supplies and Materials		23,168	
Other Supplies and Materials		282	
Special Education Equipment		1,499	
Total Special Education Program			\$ 3,511,955

Career and Technical Education Program

Teachers	\$	1,047,765	
Bonus Payments		6,667	
Other Salaries and Wages		5,000	
Certified Substitute Teachers		1,890	
Non-certified Substitute Teachers		21,605	
Social Security		63,315	
Pensions		88,404	
Life Insurance		851	
Medical Insurance		176,141	
Employer Medicare		14,870	
Other Contracted Services		4,908	
Instructional Supplies and Materials		26,544	
Other Supplies and Materials		6,000	
Other Charges		15,068	
Vocational Instruction Equipment		71,541	
Total Career and Technical Education Program			1,550,569

Student Body Education Program

Other Salaries and Wages	\$	366,719	
Social Security		23,151	
Pensions		22,560	
Employer Medicare		5,384	
Other Contracted Services		84,208	
Other Supplies and Materials		3,161	
Other Charges		48,868	
Total Student Body Education Program			554,051

Support Services

Attendance

Clerical Personnel	\$	83,662	
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(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Attendance (Cont.)

Bonus Payments	\$	804	
Other Salaries and Wages		53,808	
Social Security		8,357	
Pensions		11,053	
Life Insurance		177	
Medical Insurance		28,402	
Employer Medicare		1,955	
Travel		438	
Software		27,605	
Other Supplies and Materials		350	
In Service/Staff Development		612	
Total Attendance			\$ 217,223

Health Services

Supervisor/Director	\$	74,706	
Medical Personnel		342,684	
Other Salaries and Wages		5,929	
Non-certified Substitute Teachers		15,428	
Social Security		24,896	
Pensions		34,257	
Life Insurance		468	
Medical Insurance		73,198	
Employer Medicare		5,822	
Travel		3,020	
Other Supplies and Materials		11,384	
In Service/Staff Development		5,033	
Other Charges		911	
Other Equipment		5,000	
Total Health Services			602,736

Other Student Support

Career Ladder Program	\$	2,000	
Guidance Personnel		640,144	
Secretary(ies)		107,394	
School Resource Officer		16,668	
Bonus Payments		2,672	
Other Salaries and Wages		171,987	
Social Security		55,089	
Pensions		74,530	
Life Insurance		721	
Medical Insurance		134,786	
Employer Medicare		12,884	
Contracts with Government Agencies		37,000	
Evaluation and Testing		12,395	
Other Contracted Services		1,179	
Other Supplies and Materials		2,729	

(Continued)



Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

In Service/Staff Development	\$	203	
Other Charges		14,575	
Other Equipment		111,764	
Total Other Student Support			\$ 1,398,720

Regular Instruction Program

Supervisor/Director	\$	241,226	
Career Ladder Program		5,000	
Librarians		632,956	
Clerical Personnel		42,867	
Educational Assistants		17,873	
Bonus Payments		8,313	
Other Salaries and Wages		83,313	
Certified Substitute Teachers		90	
Non-certified Substitute Teachers		2,550	
Social Security		58,268	
Pensions		86,798	
Life Insurance		647	
Medical Insurance		145,548	
Employer Medicare		13,946	
Dues and Memberships		1,490	
Travel		11,475	
Other Contracted Services		20,000	
Other Supplies and Materials		70	
In Service/Staff Development		42,123	
Other Charges		389	
Total Regular Instruction Program			1,414,942

Special Education Program

Supervisor/Director	\$	100,730	
Psychological Personnel		62,466	
Medical Personnel		130,394	
Clerical Personnel		35,962	
Bonus Payments		827	
Other Salaries and Wages		106,426	
Social Security		25,695	
Pensions		35,300	
Life Insurance		280	
Medical Insurance		62,246	
Employer Medicare		6,009	
Contracts with Private Agencies		21,632	
Maintenance and Repair Services - Equipment		940	
Travel		11,510	
Other Contracted Services		89,977	
Other Supplies and Materials		8,998	
In Service/Staff Development		10,650	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Other Charges	\$	2,874	
Other Equipment		79,903	
Total Special Education Program			\$ 792,819

Career and Technical Education Program

Supervisor/Director	\$	48,761	
Secretary(ies)		42,857	
Bonus Payments		804	
Other Salaries and Wages		324	
Social Security		5,476	
Pensions		7,723	
Life Insurance		70	
Medical Insurance		14,444	
Employer Medicare		1,281	
Travel		1,310	
Other Contracted Services		5,908	
In Service/Staff Development		6,082	
Other Charges		182	
Total Career and Technical Education Program			135,222

Technology

Supervisor/Director	\$	86,975	
Clerical Personnel		4,231	
Bonus Payments		2,923	
Other Salaries and Wages		318,311	
Social Security		23,026	
Pensions		33,549	
Life Insurance		321	
Medical Insurance		60,108	
Employer Medicare		5,385	
Dues and Memberships		150	
Lease Payments		2,108	
Internet Connectivity		88,360	
Travel		3,618	
Other Contracted Services		246,309	
Cabling		4,913	
Software		30,290	
Other Supplies and Materials		50,873	
In Service/Staff Development		18,312	
Other Charges		3,207	
Other Equipment		285,263	
Total Technology			1,268,232

Other Programs

Teachers	\$	60,625	
Social Security		3,726	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Programs (Cont.)

Pensions	\$	4,771	
Life Insurance		43	
Medical Insurance		7,261	
Employer Medicare		871	
On-behalf Payments to OPEB		142,214	
Retirement - Hybrid Stabilization		685	
Total Other Programs			\$ 220,196

Board of Education

Secretary to Board	\$	652	
Board and Committee Members Fees		30,550	
Social Security		1,229	
Pensions		52	
Employer Medicare		452	
Other Fringe Benefits		89,693	
Audit Services		20,438	
Dues and Memberships		13,558	
Legal Services		33,223	
Other Contracted Services		8,475	
Other Supplies and Materials		3,057	
Liability Insurance		128,290	
Trustee's Commission		372,375	
Workers' Compensation Insurance		344,482	
In Service/Staff Development		14,843	
Criminal Investigation of Applicants - TBI		11,750	
Other Charges		6,017	
Total Board of Education			1,079,136

Director of Schools

County Official/Administrative Officer	\$	137,333	
Deputy(ies)		5,000	
Career Ladder Program		1,000	
Secretary(ies)		41,244	
Clerical Personnel		32,831	
Bonus Payments		1,604	
Social Security		13,087	
Pensions		17,151	
Life Insurance		103	
Medical Insurance		20,322	
Employer Medicare		3,083	
Communication		19,928	
Dues and Memberships		3,706	
Lease Payments		11,267	
Postal Charges		1,066	
Travel		1,525	
Other Contracted Services		9,985	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

Office Supplies	\$	8,285	
Other Supplies and Materials		2,419	
In Service/Staff Development		8,591	
Other Charges		16,183	
Total Director of Schools			\$ 355,713

Office of the Principal

Principals	\$	985,019	
Career Ladder Program		4,083	
Accountants/Bookkeepers		299,218	
Assistant Principals		557,938	
Secretary(ies)		139,347	
Bonus Payments		10,321	
Other Salaries and Wages		56,111	
Social Security		118,899	
Pensions		172,612	
Life Insurance		1,530	
Medical Insurance		302,952	
Employer Medicare		27,857	
Travel		1,532	
Total Office of the Principal			2,677,419

Fiscal Services

Data Processing Services	\$	11,561	
Total Fiscal Services			11,561

Human Services/Personnel

Supervisor/Director	\$	98,341	
Clerical Personnel		89,241	
Bonus Payments		2,408	
Social Security		11,577	
Pensions		15,869	
Life Insurance		100	
Medical Insurance		21,668	
Employer Medicare		2,707	
Dues and Memberships		50	
Lease Payments		3,597	
Travel		424	
Other Contracted Services		3,960	
Software		17,959	
In Service/Staff Development		1,480	
Total Human Services/Personnel			269,381

Operation of Plant

Custodial Personnel	\$	850,968	
Bonus Payments		3,292	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant (Cont.)

Non-certified Substitute Teachers	\$	4,422	
Social Security		50,933	
Pensions		63,042	
Life Insurance		1,159	
Medical Insurance		187,305	
Unemployment Compensation		201	
Employer Medicare		11,978	
Retirement - Hybrid Stabilization		3	
Disposal Fees		54,345	
Custodial Supplies		193,690	
Electricity		1,494,830	
Natural Gas		119,947	
Propane Gas		22,644	
Water and Sewer		128,917	
Boiler Insurance		9,159	
Building and Contents Insurance		270,409	
Total Operation of Plant			\$ 3,467,244

Maintenance of Plant

Supervisor/Director	\$	21,314	
Maintenance Personnel		514,419	
Overtime Pay		619	
Bonus Payments		2,668	
Other Salaries and Wages		50,069	
Social Security		34,215	
Pensions		46,315	
Life Insurance		474	
Medical Insurance		84,525	
Employer Medicare		8,002	
Retirement - Hybrid Stabilization		31	
Laundry Service		1,984	
Lease Payments		1,063	
Maintenance and Repair Services - Buildings		126,274	
Maintenance and Repair Services - Equipment		29,249	
Maintenance and Repair Services - Vehicles		20,315	
Other Contracted Services		119,110	
Gasoline		26,934	
Other Supplies and Materials		25,861	
Other Charges		21,325	
Building Improvements		6,000	
Maintenance Equipment		8,504	
Total Maintenance of Plant			1,149,270

Transportation

Supervisor/Director	\$	24,256
Bus Drivers		129,975

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Other Salaries and Wages	\$	53,532	
Non-certified Substitute Teachers		4,468	
Social Security		11,481	
Pensions		15,613	
Life Insurance		188	
Medical Insurance		31,648	
Employer Medicare		2,673	
Retirement - Hybrid Stabilization		132	
Communication		688	
Contracts with Parents		1,284	
Contracts with Vehicle Owners		2,050,959	
Maintenance and Repair Services - Vehicles		110,550	
Other Contracted Services		10,122	
Gasoline		38,478	
Other Supplies and Materials		757	
Vehicle and Equipment Insurance		111,083	
In Service/Staff Development		954	
Other Charges		5,510	
Transportation Equipment		232,072	
Total Transportation			\$ 2,836,423

Central and Other

Other Salaries and Wages	\$	83,647	
Social Security		5,058	
Pensions		7,036	
Life Insurance		120	
Medical Insurance		21,784	
Employer Medicare		1,183	
Total Central and Other			118,828

Operation of Non-Instructional Services

Food Service

Cafeteria Personnel	\$	11,038	
Social Security		684	
Pensions		719	
Employer Medicare		160	
Total Food Service			12,601

Community Services

Supervisor/Director	\$	12,074	
Other Salaries and Wages		261,578	
Social Security		15,712	
Pensions		11,696	
Life Insurance		120	
Medical Insurance		10,949	
Employer Medicare		3,893	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services (Cont.)

Communication	\$	554	
Lease Payments		29,921	
Travel		6,147	
Other Contracted Services		355,433	
Other Supplies and Materials		75,520	
Indirect Cost		10,892	
In Service/Staff Development		5,347	
Other Charges		77,947	
Other Capital Outlay		5,000	
Total Community Services	\$		882,783

Early Childhood Education

Teachers	\$	453,404	
Educational Assistants		176,912	
Bonus Payments		3,482	
Certified Substitute Teachers		4,410	
Non-certified Substitute Teachers		13,815	
Social Security		40,773	
Pensions		58,905	
Life Insurance		681	
Medical Insurance		143,532	
Employer Medicare		9,538	
Instructional Supplies and Materials		1,708	
Other Supplies and Materials		15,211	
Total Early Childhood Education			922,371

Capital Outlay

<u>Regular Capital Outlay</u>			
Other Contracted Services	\$	29,952	
Building Improvements		151,832	
Vocational Instruction Equipment		598	
Other Capital Outlay		1,041,002	
Total Regular Capital Outlay			1,223,384

Total General Purpose School Fund \$ 48,783,946

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	1,258,529	
Educational Assistants		442,795	
Bonus Payments		6,504	
Other Salaries and Wages		40,000	
Non-certified Substitute Teachers		1,050	
Social Security		110,464	
Pensions		158,181	

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Regular Instruction Program (Cont.)

Life Insurance	\$	2,359	
Medical Insurance		352,623	
Employer Medicare		27,327	
Instructional Supplies and Materials		226,113	
Textbooks - Bound		26,328	
Other Supplies and Materials		25,490	
Regular Instruction Equipment		171,535	
Total Regular Instruction Program			\$ 2,849,298

Special Education Program

Educational Assistants	\$	522,719	
Speech Pathologist		17,575	
Other Salaries and Wages		25,417	
Social Security		33,261	
Pensions		45,047	
Life Insurance		1,124	
Medical Insurance		143,854	
Employer Medicare		7,779	
Maintenance and Repair Services - Equipment		9,950	
Instructional Supplies and Materials		169,340	
Other Supplies and Materials		88,850	
Other Charges		1,809	
Special Education Equipment		235,039	
Total Special Education Program			1,301,764

Career and Technical Education Program

Maintenance and Repair Services - Equipment	\$	1,626	
Instructional Supplies and Materials		9,224	
Other Supplies and Materials		1,158	
Vocational Instruction Equipment		78,498	
Total Career and Technical Education Program			90,506

Support Services

Health Services

Contracts with Private Agencies	\$	55,891	
Drugs and Medical Supplies		12,242	
Other Supplies and Materials		7,244	
In Service/Staff Development		2,396	
Health Equipment		83,242	
Other Equipment		99,007	
Total Health Services			260,022

Other Student Support

Psychological Personnel	\$	33,225	
Bus Drivers		775	
Other Salaries and Wages		54,838	

(Continued)



Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Social Security	\$	5,476	
Pensions		7,117	
Life Insurance		70	
Medical Insurance		12,765	
Employer Medicare		1,281	
Travel		16,373	
Other Contracted Services		21,814	
Other Supplies and Materials		61,196	
In Service/Staff Development		8,280	
Other Charges		19,856	
Other Equipment		3,938	
Total Other Student Support			\$ 247,004

Regular Instruction Program

Supervisor/Director	\$	47,670	
Bonus Payments		2,420	
Other Salaries and Wages		582,826	
Social Security		19,146	
Pensions		28,128	
Life Insurance		180	
Medical Insurance		47,137	
Employer Medicare		4,788	
Travel		3,787	
Other Contracted Services		185,000	
Instructional Supplies and Materials		51,620	
Library Books/Media		2,092	
Other Supplies and Materials		15,233	
In Service/Staff Development		50,940	
Total Regular Instruction Program			1,040,967

Special Education Program

Medical Personnel	\$	3,099	
Clerical Personnel		40,803	
Bonus Payments		804	
Other Salaries and Wages		30,067	
Social Security		4,116	
Pensions		5,404	
Life Insurance		43	
Medical Insurance		7,232	
Employer Medicare		1,066	
Contracts with Private Agencies		2,096	
Evaluation and Testing		24,269	
Travel		723	
Other Supplies and Materials		47,659	
In Service/Staff Development		12,996	
Other Charges		77,746	
Other Equipment		274,550	
Total Special Education Program			532,673

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program

In Service/Staff Development	\$ 4,279	
Total Career and Technical Education Program		\$ 4,279

Operation of Plant

Maintenance and Repair Services - Equipment	\$ 32,584	
Other Contracted Services	1,793,136	
Other Charges	27,239	
Plant Operation Equipment	100,000	
Total Operation of Plant		1,952,959

Maintenance of Plant

Other Salaries and Wages	\$ 46,191	
Social Security	2,860	
Pensions	3,735	
Employer Medicare	669	
Maintenance and Repair Services - Vehicles	62,641	
Total Maintenance of Plant		116,096

Transportation

Other Salaries and Wages	\$ 118,389	
Social Security	6,910	
Pensions	9,471	
Life Insurance	220	
Medical Insurance	50,828	
Employer Medicare	1,616	
Transportation Equipment	126,834	
Total Transportation		314,268

Capital Outlay

Regular Capital Outlay

Architects	\$ 100,000	
Other Capital Outlay	61,090	
Total Regular Capital Outlay		161,090

Total School Federal Projects Fund \$ 8,870,926

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$ 54,366
Clerical Personnel	26,735
Cafeteria Personnel	917,223
Bonus Payments	260
Other Salaries and Wages	29,127
In-service Training	4,650
Social Security	59,631

(Continued)

Exhibit J-8

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

<u>Central Cafeteria Fund (Cont.)</u>		
<u>Operation of Non-Instructional Services (Cont.)</u>		
<u>Food Service (Cont.)</u>		
Pensions	\$ 73,582	
Life Insurance	1,787	
Medical Insurance	261,801	
Employer Medicare	14,398	
Maintenance and Repair Services - Equipment	10,218	
Travel	148	
Disposal Fees	33,642	
Other Contracted Services	24,589	
Food Supplies	1,583,396	
Gasoline	535	
Office Supplies	1,079	
USDA - Commodities	293,285	
Other Supplies and Materials	11,336	
In Service/Staff Development	21,008	
Other Charges	10,746	
Food Service Equipment	<u>119,781</u>	
Total Food Service		<u>\$ 3,553,323</u>
Total Central Cafeteria Fund		\$ 3,553,323
<u>Internal School Fund</u>		
<u>Operation of Non-Instructional Services</u>		
<u>Community Services</u>		
Other Charges	\$ <u>1,516,558</u>	
Total Community Services		<u>\$ 1,516,558</u>
Total Internal School Fund		1,516,558
<u>Education Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>Education Capital Projects</u>		
Building Construction	\$ 13,000	
Building Improvements	1,776,448	
Other Equipment	56,266	
Other Construction	<u>435,779</u>	
Total Education Capital Projects		<u>\$ 2,281,493</u>
Total Education Capital Projects Fund		<u>2,281,493</u>
Total Governmental Funds - Franklin County School Department		<u>\$ 65,006,246</u>

# SINGLE AUDIT SECTION



JASON E. MUMPOWER  
*Comptroller*

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

Independent Auditor's Report

Franklin County Mayor and  
Board of County Commissioners  
Franklin 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 Franklin County, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Franklin County's basic financial statements as listed in the table of contents, and have issued our report thereon dated February 27, 2024. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the Franklin County School Department (a discretely presented component unit) as described in our report on Franklin 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 Franklin 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 Franklin County's internal control. Accordingly, we do not express an opinion on the effectiveness of Franklin County's internal control.

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

in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify the following deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be a significant deficiency: 2023-001.

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

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

### **Franklin County’s Response to Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on Franklin County’s response to the finding identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Franklin County’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

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

February 27, 2024

JEM/gc



JASON E. MUMPOWER  
*Comptroller*

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

Independent Auditor's Report

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

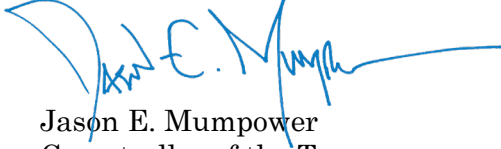
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

## **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 Franklin County, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Franklin County's basic financial statements. We issued our report thereon dated February 27, 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

February 27, 2024

JEM/gc

Franklin County, Tennessee and the Franklin County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (7)  
For the Year Ended June 30, 2023

Federal/Pass-through Agency/State Grantor Program Title	Federal Assistance Listing Number	Passed-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures
U.S. Department of Agriculture:				
Passed-through State Department of Education:				
Child Nutrition Cluster: (4)				
School Breakfast Program	10.553	(3)	\$ 0	\$ 835,840
National School Lunch Program	10.555	(3)	0	2,023,864 (5)
Fresh Fruit and Vegetable Program	10.582	(3)	0	59,696
COVID 19 - Pandemic EBT Administrative Costs	10.649	(3)	0	3,135
Passed-through State Department of Agriculture:				
Child Nutrition Cluster: (4)				
National School Lunch Program (Commodities - Noncash Assistance)	10.555	(3)	0	293,285 (5)
Rebate of Storage and Distribution Fees	10.555	(3)	0	18,533 (5)
Total U.S. Department of Agriculture				<u>\$ 3,234,353</u>
U.S. Department of Justice:				
Direct Programs:				
Missing Alzheimer's Disease Patient Assistance Program	16.015	N/A	0	\$ 82,081
Equitable Sharing Program	16.922	N/A	0	4,135
Passed-through Tennessee Commission on Children and Youth:				
Juvenile Justice and Delinquency Prevention	16.540	(3)	0	39,529
Passed-through State Department of Finance and Administration:				
Crime Victim Assistance	16.575	(3)	0	121,142
Drug Court Discretionary Grant Program	16.585	(3)	0	15,342
Passed-through Tennessee Bureau of Investigation:				
Comprehensive Opioid, Stimulant, and Substance Abuse Program	16.838	(3)	0	51,393
Total U.S. Department of Justice				<u>\$ 313,622</u>
U.S. Department of Labor:				
Passed-through South Central Tennessee Development District:				
WIOA Cluster: (4)				
WIOA Adult Program	17.258	(3)	0	<u>\$ 22,000</u>
Total U.S. Department of Labor				<u>\$ 22,000</u>
U.S. Department of Transportation:				
Passed-through State Department of Transportation:				
Airport Improvement Program	20.106	(3)	12,171	\$ 12,171 (8)
Passed-through State Department of Safety and Homeland Security:				
Alcohol Open Container Requirements	20.607	(3)	0	10,541
Total U.S. Department of Transportation				<u>\$ 22,712</u>
U.S. Institute of Museum and Library Services:				
Passed-through Tennessee Secretary of State:				
Grants to States	45.310	(3)	0	<u>\$ 1,772</u>
Total U.S. Institute of Museum and Library Services				<u>\$ 1,772</u>
U.S. Department of Education:				
Passed-through State Department of Education:				
Title I Grants to Local Educational Agencies				
Title I Grants to Local Educational Agencies	84.010	(3)	0	\$ 1,448,480
Special Education Cluster: (4)				
Special Education - Grants to States				
COVID 19 - Special Education - Grants to States (ARP)	84.027	(3)	0	1,835,160 (5)
Special Education - Preschool Grants	84.173	(3)	0	29,902 (5)
COVID 19 - Special Education - Preschool Grants (ARP)	84.173	(3)	0	66,724 (5)
Career and Technical Education - Basic Grants to States	84.048	(3)	0	66 (5)
English Language Acquisition State Grants	84.048	(3)	0	124,185
Improving Teacher Quality State Grants	84.365	(3)	0	24,133
Student Support and Academic Enrichment Program	84.367	(3)	0	321,483
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary	84.424	(3)	0	23,794
School Emergency Relief Fund (Literacy Network Grant) (ESSER ARP)	84.425B	(3)	0	122,398 (5)
COVID 19 - Education Stabilization Fund Program - Rethink K12 Education	84.425B	(3)	0	40,000 (5)
Models Grant	84.425B	(3)	0	
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary	84.425D	(3)	0	2,564,295 (5)
School Emergency Relief Fund (ESSER II)	84.425D	(3)	0	
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary	84.425U	(3)	0	1,835,766 (5)
School Emergency Relief Fund (ESSER ARP)	84.425U	(3)	0	
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary	84.425W	(3)	0	17,565 (5)
School Emergency Relief Fund - Homeless Children and Youth (ESSER ARP)	84.425W	(3)	0	
Passed-through State Department of Human Services:				
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	(3)	0	109,273
Total U.S. Department of Education				<u>\$ 8,563,224</u>

(Continued)

Franklin County, Tennessee and the Franklin County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (7) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal Assistance Listing Number	Passed-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures
U.S. Election Assistance Commission:				
Passed-through Tennessee Secretary of State:				
HAVA Election Security Grants	90.404	(3)	\$ 0	\$ 13,619
Total U.S. Election Assistance Commission				<u>\$ 13,619</u>
U.S. Department of Health and Human Services:				
Direct Program:				
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	N/A	0	\$ 228,874
Passed-through State Department of Education:				
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	(3)	0	337,633 (5)
Temporary Assistance for Needy Families	93.558	(3)	0	175,962
Passed-through State Department of Health:				
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	(3)	0	105,128 (5)
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	(3)	0	79,342
Passed-through State Department of Human Services:				
CCDF Cluster: (4)				
COVID 19 - Child Care and Development Block Grant (ARP)	93.575	(3)	0	13,147
Passed-through State Department of Mental Health and Substance Abuse Services:				
Opioid STR	93.788	(3)	0	116,748
Block Grants for Prevention and Treatment of Substance Abuse	93.959	(6)	0	184,884
Total U.S. Department of Health and Human Services				<u>\$ 1,241,718</u>
U.S. Executive Office of the President:				
Passed-through Financial Commission for Appalachia:				
High Intensity Drug Trafficking Areas Program	95.001	(3)	0	\$ 8,600
Total U.S. Executive Office of the President				
U.S. Department of Homeland Security:				
Passed-through State Department of Military:				
Emergency Management Performance Grants	97.042	(3)	0	\$ 41,931
Homeland Security Grant Program	97.067	(3)	0	37,730
Total U.S. Department of Homeland Security				<u>\$ 79,661</u>
Total Expenditures of Federal Awards				<u>\$ 13,501,281</u>

State Grants	Contract Number	Amount
Archives Development - Tennessee Secretary of State	N/A	\$ 912
Juvenile Services Program - State Department of Children's Services	N/A	9,000
Voluntary Pre-K - State Department of Education	N/A	821,161
Family Resource Center - State Department of Education	N/A	29,612
Safe Schools Act - State Department of Education	N/A	88,347
Litter Program - State Department of Transportation	N/A	12,895
Material Management Used Oil Grant - State Department of Environment and Conservation	N/A	30,162
FY23 Training Equipment Grant - Tennessee Corrections Institute	N/A	4,562
SPARC - Tennessee Higher Education Commission	N/A	95,158
Lifeline Peer Project - State Department of Mental Health and Substance Abuse Serv	N/A	65,979
Established Coalition - State Department of Mental Health and Substance Abuse Servi	N/A	19,418
Summer Learning Camps - State Department of Education	N/A	312,821
Rural Local Health Services - State Department of Health	N/A	70,331
Coordinated School Health - State Department of Education	N/A	123,140
Innovative School Models - State Department of Education	N/A	47,509
Total State Grants		<u>\$ 1,731,007</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) Franklin County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) Information not available.
- (4) Child Nutrition Cluster total \$3,231,218; WIOA Cluster total \$22,000; Special Education Cluster total \$1,931,852; CCDF Cluster total \$13,147.
- (5) Total for FAL No. 10.555 is \$2,335,682; Total for FAL No. 84.027 is \$1,865,062; Total for FAL No. 84.173 is \$66,790; Total for FAL No. 84.425 is \$4,580,024;  
Total for FAL No. 93.323 is \$442,761.
- (6) DGA 74156-2022-2023-007 is \$73,000; DGA 73278-2021-2023-014 is \$34,769; No pass-through ID number is \$77,115.

(Continued)

Franklin County, Tennessee and the Franklin County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (7) (Cont.)

(7) CONSOLIDATED ADMINISTRATION

The following amounts were consolidated for administration purposes:

Program Title	FAL Number	Amount Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	\$ 64,496
English Language Acquisition State Grants	84.365	352
Improving Teacher Quality State Grants	84.367	97
Student Support and Academic Enrichment Program	84.424	97
Total amounts consolidated for administration purposes		\$ 65,042

(8) SUBRECIPIENT AMOUNTS

The following amounts were paid to subrecipients from the Airport Improvement Program Grants:

Subrecipient	FAL Number	Amount Provided to Subrecipient
The University of the South	20.106	\$ 12,171

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

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

Fiscal Year	Page Number	Finding Number	Title of Finding	FAL Number	Current Status
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**OFFICE OF FINANCE DIRECTOR**

2022	216	2022-001	Subsidiary accounting records were not closed and available for audit by August 31, 2022.	N/A	Corrected
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***Prior-year Federal Awards Findings***

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

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**FRANKLIN COUNTY, TENNESSEE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2023**

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**PART I, SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements:**

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

**Federal Awards:**

4. Internal Control Over Major Federal Programs:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
  - \* Assistance Listing Numbers: 10.553, 10.555, and 10.582 Child Nutrition Cluster: School Breakfast Program, National School Lunch Program, and Fresh Fruit and Vegetable Program
  - \* Assistance Listing Number: 84.425 COVID 19 - Education Stabilization Fund
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **YES**

## **PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS**

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

### **OFFICE OF FINANCE DIRECTOR**

#### **FINDING 2023-001**

#### **CONTROLS FAILED TO DETECT REVENUE POSTED TO INCORRECT FUND**

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

While performing year end audit procedures, it was discovered that a payment for a federal supply chain grant of \$138,757 was posted to the General Purpose School Fund instead of the proper Central Cafeteria Fund. This revenue is reflected in the correct fund in the accompanying financial statements. Sound business practice requires anticipated revenue to be tracked and accounted for in a timely manner. This deficiency can be attributed to a lack of management oversight.

#### **RECOMMENDATION**

Adequate controls should be implemented to ensure all anticipated revenues are properly posted to the correct fund.

#### **MANAGEMENT'S RESPONSE – FINANCE DIRECTOR**

I concur with this finding.



### **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.

**Franklin 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 FINANCE DIRECTOR**

2023-001	Controls failed to detect revenue posted to incorrect fund.	219
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**FRANKLIN COUNTY GOVERNMENT  
FINANCE DEPARTMENT**

Andrea L. Smith, Finance Director

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**Corrective Action Plan**

**FINDING: 2023-001                      CONTROLS FAILED TO DETECT REVENUE POSTED  
TO INCORRECT FUND**

**Response and Corrective Action Plan Prepared by:  
Andrea L Smith, Finance Director**

**Person Responsible for Implementing the Corrective Action:  
Andrea L Smith, Finance Director**

**Anticipated Completion Date of Corrective Action:  
February 26,2024**

**Repeat Finding:  
No**

**Reason Corrective Action was Not Taken in the Prior Year:  
Not Applicable**

**Planned Corrective Action:**

**Franklin County has been in a transition year with new staff responsible for providing the Franklin County Trustee with Revenue Accounts for proceeds received by ACH. We will from this point forward strive to check with the responsible program manager to ensure the proper revenue account line is used, thus avoiding the situation again regarding this finding.**

Signature:

A handwritten signature in black ink that reads "Andrea L. Smith". The signature is written in a cursive, flowing style. Below the signature is a horizontal line.

Finance Director