



## ANNUAL FINANCIAL REPORT

# Coffee County, Tennessee

*For the Year Ended June 30, 2022*

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



**DIVISION OF  
LOCAL GOVERNMENT AUDIT**

**ANNUAL FINANCIAL REPORT**  
**COFFEE COUNTY, TENNESSEE**  
**FOR THE YEAR ENDED JUNE 30, 2022**

*COMPTROLLER OF THE TREASURY*  
*JASON E. MUMPOWER*

*DIVISION OF LOCAL GOVERNMENT AUDIT*  
*JAMES R. ARNETTE*  
*Director*

*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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## ***Summary of Audit Findings***

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

### ***Scope***

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

### ***Results***

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

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

### ***Findings***

The following are summaries of the audit findings:

#### **OFFICE OF COUNTY CLERK**

- ◆ The office did not review all of its software audit logs.
- ◆ Operations in the County Clerk's Office are currently being reviewed.



# INTRODUCTORY SECTION

Coffee County Officials  
June 30, 2022

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**Officials**

Gary Cordell, County Mayor  
Benton Bartlett, Road Superintendent  
Dr. Charles Lawson, Director of Schools  
John Marchesoni, Trustee  
Beverly Robertson, Assessor of Property  
Teresa McFadden, County Clerk  
Jenny Anthony, Circuit, General Sessions, and Juvenile Courts Clerk  
Shelia Proffitt, Clerk and Master  
Donna Toney, Register of Deeds  
Chad Partin, Sheriff  
Marianna Edinger, Director of Accounts and Budgets

**Board of County Commissioners**

Gary Cordell, County Mayor, Chairman  
Bobby Bryan  
Rosemary Crabtree  
Margaret Cunningham  
Helen Debellis  
Missy Deford  
Jackie Duncan  
Joey Hobbs  
Jimmy Hollandsworth  
Dennis Hunt  
Jeff Keele

Ashley Kraft  
Dwight Miller  
Claude Morse  
David Orrick  
Barbara Poston  
Michael Ray  
Lynn Sebourn  
Rose Ann Smith  
Tildon Stubblefield  
Timothy Stubblefield  
Scarlett Taylor

**Road Commission**

Carolyn Duke, Chairman  
Jeff Bush  
James Kennedy  
Clayton Qualls  
James Weaver

**Board of Education**

Gary Nester, Chairman  
Pat Barton  
Larry Crabtree  
Robert Gilley  
Brett Henley  
Freda Jones  
Sandra Klonaris

(Continued)

## Coffee County Officials (Cont.)

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### **Budget and Finance Committee**

Bobby Bryan, Chairman  
Joey Hobbs  
Dwight Miller  
David Orrick  
Lynn Sebourn

### **Audit Committee**

Gary Hunt, Chairman  
Margaret Cunningham  
Stan Teal

# FINANCIAL SECTION



JASON E. MUMPOWER  
*Comptroller*

Independent Auditor's Report

Coffee County Mayor and  
Board of County Commissioners  
Coffee 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 Coffee County, Tennessee, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Coffee County, Tennessee, as of June 30, 2022, and the respective changes in financial position and the respective budgetary comparison for the General Fund 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 Coffee County School Department (a discretely presented component unit), which represent .62 percent, .9 percent, and 1.83 percent, respectively, of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Coffee 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 Coffee 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 Coffee 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 Coffee County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Coffee County’s ability to continue as a going concern for a reasonable period of time.

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

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

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

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Coffee County’s basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the Rural Debt Service and General Capital Projects funds, combining and individual fund financial statements of the Coffee County School Department and the Water and Wastewater Treatment Authority of Coffee County, Tennessee (discretely presented component units), 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 Rural Debt Service and General Capital Projects funds, combining and individual fund financial statements of the Coffee County School Department and the Water and Wastewater Treatment Authority of Coffee County, Tennessee (discretely presented component units), and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2022, on our consideration of the Coffee County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Coffee 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 Coffee County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

November 21, 2022

JEM/gc

# **BASIC FINANCIAL STATEMENTS**

Exhibit A

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

	Primary Governmental Activities	Component Units	
		Coffee County School Department	Water and Wastewater Treatment Authority of Coffee County
<u>ASSETS</u>			
Cash	\$ 162,308	\$ 745,301	\$ 0
Equity in Pooled Cash and Investments	36,988,872	19,586,595	158,123
Inventories	3,175	0	0
Accounts Receivable	942,219	32,851	7,297
Allowance for Uncollectibles	(428,078)	0	0
Due from Other Governments	1,777,907	3,064,813	0
Property Taxes Receivable	17,026,681	9,783,613	0
Allowance for Uncollectible Property Taxes	(436,717)	(209,643)	0
Note Receivable - Current	28,081	0	0
Note Receivable - Long Term	112,324	0	0
Restricted Assets:			
Amounts Accumulated for Pension Benefits	0	561,964	0
Net Pension Asset - Agent Legacy Plan	5,399,672	5,815,553	0
Net Pension Asset - Agent Hybrid Plan	0	115,981	0
Net Pension Asset - Teacher Retirement Plan	0	418,086	0
Net Pension Asset - Teacher Legacy Pension Plan	0	20,173,882	0
Capital Assets:			
Assets Not Depreciated:			
Land	4,041,819	1,438,853	30,120
Construction in Progress	0	10,575,945	0
Assets Net of Accumulated Depreciation:			
Buildings and Improvements	26,588,700	41,411,176	332,157
Infrastructure	6,731,183	0	0
Other Capital Assets	3,141,365	3,721,269	2,165
Total Assets	<u>\$ 102,079,511</u>	<u>\$ 117,236,239</u>	<u>\$ 529,862</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Pension Changes in Experience	\$ 29,902	\$ 149,739	\$ 0
Pension Changes in Assumptions	1,106,731	6,779,360	0
Pension Changes in Proportion	0	29,131	0
Pension Contributions After Measurement Date	229,399	2,080,203	0
OPEB Changes in Experience	0	411,999	0
OPEB Changes in Assumptions	81,545	789,225	0
OPEB Changes in Proportion	0	68,772	0
OPEB Changes in Contributions after Measurement Date	15,082	319,231	0
Total Deferred Outflows of Resources	<u>\$ 1,462,659</u>	<u>\$ 10,627,660</u>	<u>\$ 0</u>

(Continued)

Exhibit A

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

	Primary Governmental Activities	Component Unit	
		Coffee County School Department	Water and Wastewater Treatment Authority of Coffee County
<b><u>LIABILITIES</u></b>			
Accounts Payable	\$ 735,382	\$ 339,236	\$ 927
Accrued Interest Payable	373,246	0	0
Accrued Payroll	0	1,790,327	0
Payroll Deductions Payable	112,344	1,291,802	0
Due to State of Tennessee	970	0	0
Noncurrent Liabilities:			
Due Within One Year - Debt	2,957,880	0	28,081
Due Within One Year - Other	49,164	109,648	0
Due in More Than One Year - Debt	66,565,515	0	112,324
Due in More Than One Year - Other	1,398,075	9,176,944	0
Total Liabilities	<u>\$ 72,192,576</u>	<u>\$ 12,707,957</u>	<u>\$ 141,332</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Deferred Current Property Taxes	\$ 16,374,946	\$ 9,471,784	\$ 0
Pension Changes in Experience	413,213	2,209,262	0
Pension Changes in Investment Earnings	3,407,356	20,079,696	0
Pension Changes in Proportion	0	119,020	0
OPEB Changes in Experience	276,758	1,812,765	0
OPEB Changes in Assumptions	152,681	836,257	0
OPEB Changes in Proportion	0	330,308	0
Total Deferred Inflow of Resources	<u>\$ 20,624,954</u>	<u>\$ 34,859,092</u>	<u>\$ 0</u>
<b><u>NET POSITION</u></b>			
Net Investment in Capital Assets	\$ 21,653,300	\$ 57,147,243	\$ 224,037
Restricted for:			
General Government	4,633,844	0	0
Finance	361,018	0	0
Administration of Justice	165,581	0	0
Public Safety	500,130	0	0
Public Health and Welfare	3,251,990	0	0
Highways/Public Works	2,955,141	0	0
Debt Service	10,769,239	0	0
Capital Projects	5,888,030	0	0
Education	827,792	3,583,907	0
Pensions	5,399,672	27,085,466	0
Unrestricted	(45,681,097)	(7,519,766)	164,493
Total Net Position	<u>\$ 10,724,640</u>	<u>\$ 80,296,850</u>	<u>\$ 388,530</u>

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

Exhibit B

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Units	Water and Wastewater Treatment Authority of Coffee County
Primary Government:							
Governmental Activities:							
General Government	\$ 3,937,687	\$ 1,086,523	\$ 38,171	\$ 282,916	\$ (2,530,077)	\$ 0	\$ 0
Finance	1,636,684	1,843,210	0	0	206,526	0	0
Administration of Justice	2,588,155	1,398,777	9,000	0	(1,180,378)	0	0
Public Safety	11,606,664	1,244,332	607,528	2,168,063	(7,586,741)	0	0
Public Health and Welfare	4,899,801	2,211,719	558,629	3,342,174	1,212,721	0	0
Social, Cultural, and Recreational Services	1,327,227	184,422	34,540	44,334	(1,063,931)	0	0
Agriculture and Natural Resources	288,516	0	0	0	(288,516)	0	0
Highways/Public Works	3,664,524	0	3,002,100	388,871	(273,553)	0	0
Education	0	0	0	361,050	361,050	0	0
Interest on Long-term Debt	2,670,129	0	0	0	(2,670,129)	0	0
Total Governmental Activities	\$ 32,619,387	\$ 7,968,983	\$ 4,249,968	\$ 6,587,408	\$ (13,813,028)	\$ 0	\$ 0
Total Primary Government	\$ 32,619,387	\$ 7,968,983	\$ 4,249,968	\$ 6,587,408	\$ (13,813,028)	\$ 0	\$ 0
Component Units:							
Coffee County School Department	\$ 43,206,410	\$ 291,316	\$ 12,946,865	\$ 484,287	\$ 0	\$ (29,483,942)	\$ 0
Water and Wastewater Treatment Authority	79,087	88,482	0	0	0	0	9,395
Total Component Units	\$ 43,285,497	\$ 379,798	\$ 12,946,865	\$ 484,287	\$ 0	\$ (29,483,942)	\$ 9,395

(Continued)

Exhibit B

Coffee County, Tennessee  
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Units	Water and Wastewater Treatment Authority of Coffee County
General Revenues:							
Taxes:							
Property Taxes Levied for General Purposes					\$ 14,615,455	\$ 9,271,181	\$ 0
Property Taxes Levied for Debt Service					1,431,207	0	0
Local Option Sales Taxes					5,092,429	6,162,590	0
Litigation Taxes					525,973	0	0
Wholesale Beer Tax					229,428	0	0
Mineral Severance Tax					48,168	0	0
Business Tax					1,319,129	0	0
Hotel/Motel Tax					552,629	0	0
Mixed Drink Tax					0	21,319	0
Grants and Contributions Not Restricted for Specific Programs					1,401,733	25,568,557	0
Unrestricted Investment Income					307,682	1,106	0
Miscellaneous					25,683	18,126	0
Sale of Equipment					4,295	0	0
Amortized Premium					697,575	0	0
Total General Revenues					\$ 26,251,386	\$ 41,042,879	\$ 0
Insurance Recovery					\$ 29,540	\$ 0	\$ 0
Change in Net Assets					\$ 12,467,898	\$ 11,558,937	\$ 9,395
Net Position, July 1, 2021					(1,743,258)	68,737,913	379,135
Net Position, June 30, 2022					\$ 10,724,640	\$ 80,296,850	\$ 388,530

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

Exhibit C-1

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

	Major Funds			Nonmajor	Total
	General	Rural Debt Service	General Capital Projects	Other Govern- mental Funds	
<u>ASSETS</u>					
Cash	\$ 1,050	\$ 0	\$ 0	\$ 161,258	\$ 162,308
Equity in Pooled Cash and Investments	9,799,872	5,776,586	9,953,281	11,458,067	36,987,806
Inventories	3,175	0	0	0	3,175
Accounts Receivable	98,799	0	0	843,420	942,219
Allowance for Uncollectibles	0	0	0	(428,078)	(428,078)
Due from Other Governments	404,035	641,343	190,517	542,012	1,777,907
Due from Other Funds	60,496	0	0	32,499	92,995
Property Taxes Receivable	12,827,690	1,316,878	0	2,882,113	17,026,681
Allowance for Uncollectible Property Taxes	(268,058)	(50,932)	0	(117,727)	(436,717)
Notes Receivable - Current	0	28,081	0	0	28,081
Notes Receivable - Long-term	0	112,324	0	0	112,324
Total Assets	<u>\$ 22,927,059</u>	<u>\$ 7,824,280</u>	<u>\$ 10,143,798</u>	<u>\$ 15,373,564</u>	<u>\$ 56,268,701</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 350,240	\$ 2,000	\$ 999	\$ 382,143	\$ 735,382
Payroll Deductions Payable	85,124	0	0	27,220	112,344
Due to Other Funds	32,499	0	0	59,430	91,929
Due to State of Tennessee	744	0	0	226	970
Total Liabilities	<u>\$ 468,607</u>	<u>\$ 2,000</u>	<u>\$ 999</u>	<u>\$ 469,019</u>	<u>\$ 940,625</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 12,432,074	\$ 1,241,335	\$ 0	\$ 2,701,537	\$ 16,374,946

(Continued)

Exhibit C-1

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Rural Debt Service	General Capital Projects	Other Govern- mental Funds	
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>					
Deferred Delinquent Property Taxes	\$ 109,900	\$ 22,602	\$ 0	\$ 58,699	\$ 191,201
Other Deferred/Unavailable Revenue	170,544	354,813	102,803	586,739	1,214,899
Total Deferred Inflows of Resources	<u>\$ 12,712,518</u>	<u>\$ 1,618,750</u>	<u>\$ 102,803</u>	<u>\$ 3,346,975</u>	<u>\$ 17,781,046</u>
<u>FUND BALANCES</u>					
Nonspendable:					
Inventory	\$ 3,175	\$ 0	\$ 0	\$ 0	\$ 3,175
Long-term Notes Receivable	0	140,405	0	0	140,405
Restricted:					
Restricted for General Government	19,936	0	0	0	19,936
Restricted for General Government - American Rescue Plan Act	0	0	3,324,174	0	3,324,174
Restricted for Finance	361,018	0	0	0	361,018
Restricted for Administration of Justice	165,581	0	0	0	165,581
Restricted for Public Safety	58,936	0	0	441,194	500,130
Restricted for Public Health and Welfare	5,618	0	0	2,905,850	2,911,468
Restricted for Other Operations	0	0	0	1,286,559	1,286,559
Restricted for Highways/Public Works	0	0	0	2,725,062	2,725,062
Restricted for Education	0	0	827,792	0	827,792
Restricted for Capital Outlay	0	0	5,888,030	0	5,888,030
Restricted for Debt Service	0	6,063,125	0	4,179,090	10,242,215
Committed:					
Committed for Administration of Justice	15,606	0	0	0	15,606
Committed for Public Health and Welfare	51,149	0	0	0	51,149
Committed for Social, Cultural, and Recreational Services	482,427	0	0	0	482,427
Assigned:					
Assigned for General Government	42,511	0	0	0	42,511

(Continued)

Exhibit C-1

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Rural Debt Service	General Capital Projects	Other Govern- mental Funds	
<u>FUND BALANCES (Cont.)</u>					
Assigned (Cont.):					
Assigned for Finance	\$ 2,405	\$ 0	\$ 0	\$ 0	\$ 2,405
Assigned for Administration of Justice	6,987	0	0	0	6,987
Assigned for Public Safety	13,762	0	0	0	13,762
Assigned for Public Health and Welfare	0	0	0	19,815	19,815
Assigned for Social, Cultural, and Recreational Services	19,192	0	0	0	19,192
Unassigned	8,497,631	0	0	0	8,497,631
Total Fund Balances	<u>\$ 9,745,934</u>	<u>\$ 6,203,530</u>	<u>\$ 10,039,996</u>	<u>\$ 11,557,570</u>	<u>\$ 37,547,030</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 22,927,059</u>	<u>\$ 7,824,280</u>	<u>\$ 10,143,798</u>	<u>\$ 15,373,564</u>	<u>\$ 56,268,701</u>

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

Exhibit C-2

Coffee County, Tennessee  
Reconciliation of the Balance Sheet of Governmental  
Funds to the Statement of Net Position  
June 30, 2022

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

Total fund balances - balance sheet - governmental funds (Exhibit C-1)		\$	37,547,030
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	4,041,819	
Add: buildings and improvements net of accumulated depreciation		26,588,700	
Add: infrastructure net of accumulated depreciation		6,731,183	
Add: other capital assets net of accumulated depreciation		<u>3,141,365</u>	40,503,067
(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	\$	(59,480,000)	
Less: notes payable		(1,908,000)	
Less: other loans payable		(965,060)	
Less: compensated absences payable		(983,273)	
Less: net OPEB liability		(463,966)	
Less: accrued interest on bonds, notes, and other loans		(373,246)	
Less: unamortized premium on debt		<u>(7,170,335)</u>	(71,343,880)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$	1,366,032	
Less: deferred inflows of resources related to pensions		(3,820,569)	
Add: deferred outflows of resources related to OPEB		96,627	
Less: deferred inflows of resources related to OPEB		<u>(429,439)</u>	(2,787,349)
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.			5,399,672
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>1,406,100</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>10,724,640</u></u>

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

Exhibit C-3

Coffee County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2022

	Major Funds			Nonmajor	Total
	General	Rural Debt Service	General Capital Projects	Other Govern- mental Funds	
<b>Revenues</b>					
Local Taxes	\$ 15,164,592	\$ 4,510,624	\$ 987,331	\$ 3,619,089	\$ 24,281,636
Licenses and Permits	475,181	0	0	7,005	482,186
Fines, Forfeitures, and Penalties	351,886	0	0	91,717	443,603
Charges for Current Services	840,601	0	0	2,111,413	2,952,014
Other Local Revenues	77,617	9,284	0	494,963	581,864
Fees Received From County Officials	3,167,745	0	0	0	3,167,745
State of Tennessee	1,949,266	0	508,641	3,255,802	5,713,709
Federal Government	198,665	0	5,489,174	250,658	5,938,497
Other Governments and Citizens Groups	339,831	361,050	18,000	0	718,881
<b>Total Revenues</b>	<b>\$ 22,565,384</b>	<b>\$ 4,880,958</b>	<b>\$ 7,003,146</b>	<b>\$ 9,830,647</b>	<b>\$ 44,280,135</b>
<b>Expenditures</b>					
<b>Current:</b>					
General Government	\$ 2,381,291	\$ 0	\$ 0	\$ 78	\$ 2,381,369
Finance	1,617,031	0	0	126	1,617,157
Administration of Justice	2,597,450	0	0	0	2,597,450
Public Safety	10,447,030	0	0	190,837	10,637,867
Public Health and Welfare	684,499	0	0	3,913,095	4,597,594
Social, Cultural, and Recreational Services	1,265,497	0	0	0	1,265,497
Agriculture and Natural Resources	288,893	0	0	0	288,893
Other Operations	1,730,774	0	0	108,936	1,839,710
Highways	0	0	0	3,283,996	3,283,996
<b>Debt Service:</b>					
Principal on Debt	0	1,904,620	0	826,000	2,730,620
Interest on Debt	0	2,128,802	0	559,878	2,688,680
Other Debt Service	0	74,479	0	37,205	111,684

(Continued)

Exhibit C-3

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Rural Debt Service	General Capital Projects	Other Govern- mental Funds	
<u>Expenditures (Cont.)</u>					
Capital Projects	\$ 0	\$ 0	\$ 717,380	\$ 0	\$ 717,380
Total Expenditures	\$ 21,012,465	\$ 4,107,901	\$ 717,380	\$ 8,920,151	\$ 34,757,897
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,552,919	\$ 773,057	\$ 6,285,766	\$ 910,496	\$ 9,522,238
<u>Other Financing Sources (Uses)</u>					
Proceeds from Sale of Capital Assets	\$ 0	\$ 0	\$ 0	\$ 792	\$ 792
Insurance Recovery	20,736	0	0	8,804	29,540
Transfers In	0	138,384	0	15,000	153,384
Transfers Out	(138,384)	0	0	(15,000)	(153,384)
Total Other Financing Sources (Uses)	\$ (117,648)	\$ 138,384	\$ 0	\$ 9,596	\$ 30,332
Net Change in Fund Balances	\$ 1,435,271	\$ 911,441	\$ 6,285,766	\$ 920,092	\$ 9,552,570
Fund Balance, July 1, 2021	8,310,663	5,292,089	3,754,230	10,637,478	27,994,460
Fund Balance, June 30, 2022	\$ 9,745,934	\$ 6,203,530	\$ 10,039,996	\$ 11,557,570	\$ 37,547,030

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

Exhibit C-4

Coffee County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
of Governmental Funds to the Statement of Activities  
For the Year Ended June 30, 2022

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

Net change in fund balances - total governmental funds (Exhibit C-3)		\$ 9,552,570
(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: assets purchased	\$ 1,588,426	
Less: current-year depreciation expense	<u>(2,334,108)</u>	(745,682)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Less: book value of capital assets disposed		(4,716)
(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, 2022	\$ 1,406,100	
Less: deferred delinquent property taxes and other deferred June 30, 2021	<u>(1,326,065)</u>	80,035
(4) The issuance of long-term debt (e.g., notes, other loans, bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Add: change in premium on debt issuances	\$ 697,575	
Add: principal payments on bonds	2,370,000	
Add: principal payments on notes	156,000	
Add: principal payments on other loans	<u>204,620</u>	3,428,195
(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	\$ 18,551	
Change in compensated absences payable	(96,923)	
Change in net pension asset	2,757,484	
Change in deferred outflows related to pensions	808,664	
Change in deferred inflows related to pensions	(3,325,140)	
Change in OPEB liability	156,336	
Change in deferred outflows related to OPEB	(12,363)	
Change in deferred inflows related to OPEB	<u>(149,113)</u>	157,496
Change in net position of governmental activities (Exhibit B)		<u>\$ 12,467,898</u>

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

Exhibit C-5

Coffee County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Fund  
For the Year Ended June 30, 2022

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 15,164,592	\$ 0	\$ 0	\$ 15,164,592	\$ 14,801,414	\$ 14,892,110	\$ 272,482
Licenses and Permits	475,181	0	0	475,181	419,700	436,062	39,119
Fines, Forfeitures, and Penalties	351,886	0	0	351,886	327,845	328,145	23,741
Charges for Current Services	840,601	0	0	840,601	718,400	819,534	21,067
Other Local Revenues	77,617	0	0	77,617	59,500	87,874	(10,257)
Fees Received From County Officials	3,167,745	0	0	3,167,745	3,007,000	2,973,549	194,196
State of Tennessee	1,949,266	0	0	1,949,266	2,415,271	2,256,538	(307,272)
Federal Government	198,665	0	0	198,665	182,600	262,457	(63,792)
Other Governments and Citizens Groups	339,831	0	0	339,831	293,540	358,809	(18,978)
<b>Total Revenues</b>	<b>\$ 22,565,384</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 22,565,384</b>	<b>\$ 22,225,270</b>	<b>\$ 22,415,078</b>	<b>\$ 150,306</b>
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 62,010	\$ 0	\$ 0	\$ 62,010	\$ 64,890	\$ 67,862	\$ 5,852
Board of Equalization	1,346	0	0	1,346	1,083	1,621	275
Other Boards and Committees	72,013	0	0	72,013	74,575	74,575	2,562
County Mayor/Executive	402,187	(1,000)	1,056	402,243	406,150	408,603	6,360
County Attorney	45,800	0	0	45,800	56,800	56,800	11,000
Election Commission	366,329	(12,259)	1,910	355,980	412,260	412,260	56,280
Register of Deeds	325,459	(893)	2,467	327,033	327,392	337,573	10,540
Codes Compliance	176,758	(571)	0	176,187	180,262	193,986	17,799
County Buildings	739,081	(40,447)	36,428	735,062	753,734	819,286	84,224
Other General Administration	190,230	(1,645)	650	189,235	143,824	198,824	9,589
Preservation of Records	78	0	0	78	620	620	542
Other Risk Management	0	0	0	0	39,470	19,530	19,530
<u>Finance</u>							
Accounting and Budgeting	459,794	0	805	460,599	477,259	477,259	16,660
Property Assessor's Office	379,388	0	0	379,388	392,764	392,764	13,376
Reappraisal Program	61,636	0	0	61,636	74,996	74,996	13,360
County Trustee's Office	310,873	(873)	0	310,000	318,285	318,285	8,285

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Finance (Cont.)</u>							
County Clerk's Office	\$ 405,340	\$ (1,162)	\$ 1,600	\$ 405,778	\$ 436,461	\$ 439,936	\$ 34,158
<u>Administration of Justice</u>							
Circuit Court	1,237,077	(17,346)	4,645	1,224,376	1,293,384	1,254,924	30,548
General Sessions Judge	429,797	(1,238)	0	428,559	440,065	440,065	11,506
Drug Court	36,631	0	0	36,631	50,000	50,000	13,369
Chancery Court	340,113	(652)	1,617	341,078	344,289	354,289	13,211
Office of Public Defender	46,154	0	0	46,154	47,901	47,901	1,747
Judicial Commissioners	201,816	0	725	202,541	175,115	233,244	30,703
Probation Services	305,862	(1,818)	0	304,044	303,028	311,893	7,849
<u>Public Safety</u>							
Sheriff's Department	3,508,625	(11,572)	8,428	3,505,481	3,773,698	3,613,674	108,193
Traffic Control	7,226	(1,601)	0	5,625	15,000	15,000	9,375
Administration of the Sexual Offender Registry	1,311	0	0	1,311	16,400	16,400	15,089
Jail	4,751,050	(7,470)	1,021	4,744,601	5,747,366	5,125,011	380,410
Juvenile Services	364,374	(1,350)	0	363,024	349,416	386,272	23,248
Rural Fire Protection	452,000	0	0	452,000	455,000	455,000	3,000
Civil Defense	230,380	(15,790)	4,313	218,903	206,878	235,962	17,059
Rescue Squad	40,000	0	0	40,000	40,000	40,000	0
County Coroner/Medical Examiner	205,018	0	0	205,018	151,000	212,133	7,115
Other Public Safety	887,046	0	0	887,046	854,365	912,259	25,213
<u>Public Health and Welfare</u>							
Local Health Center	485,466	0	0	485,466	762,335	762,335	276,869
Rabies and Animal Control	74,144	0	0	74,144	115,940	109,594	35,450
Alcohol and Drug Programs	2,000	0	0	2,000	2,000	2,000	0
Appropriation to State	81,544	0	0	81,544	81,554	81,554	10
General Welfare Assistance	8,846	0	0	8,846	8,846	8,846	0
Other Waste Disposal	32,499	0	0	32,499	57,835	57,835	25,336
<u>Social, Cultural, and Recreational Services</u>							
Senior Citizens Assistance	196,730	0	0	196,730	219,250	219,250	22,520

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Social, Cultural, and Recreational Services (Cont.)</u>							
Libraries	\$ 1,056,749	\$ (45,365)	\$ 19,192	\$ 1,030,576	\$ 1,073,692	\$ 1,073,692	\$ 43,116
Other Social, Cultural, and Recreational	12,018	0	0	12,018	0	17,788	5,770
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	202,241	0	0	202,241	257,513	257,513	55,272
Soil Conservation	86,652	0	0	86,652	88,677	88,677	2,025
<u>Other Operations</u>							
Industrial Development	330,678	(129,353)	0	201,325	274,000	274,000	72,675
Veterans' Services	26,759	0	0	26,759	34,701	34,701	7,942
Other Charges	1,227,025	0	0	1,227,025	1,207,366	1,257,366	30,341
Contributions to Other Agencies	52,478	0	0	52,478	60,000	60,000	7,522
Payments to Cities	31,500	0	0	31,500	31,500	31,500	0
American Rescue Plan Act Grant #1	44,334	0	0	44,334	0	44,334	0
Miscellaneous	18,000	0	0	18,000	18,000	18,000	0
Total Expenditures	\$ 21,012,465	\$ (292,405)	\$ 84,857	\$ 20,804,917	\$ 22,716,939	\$ 22,397,792	\$ 1,592,875
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,552,919	\$ 292,405	\$ (84,857)	\$ 1,760,467	\$ (491,669)	\$ 17,286	\$ 1,743,181
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 20,736	\$ 0	\$ 0	\$ 20,736	\$ 0	\$ 52,696	\$ (31,960)
Transfers Out	(138,384)	0	0	(138,384)	(146,752)	(146,752)	8,368
Total Other Financing Sources	\$ (117,648)	\$ 0	\$ 0	\$ (117,648)	\$ (146,752)	\$ (94,056)	\$ (23,592)
Net Change in Fund Balance	\$ 1,435,271	\$ 292,405	\$ (84,857)	\$ 1,642,819	\$ (638,421)	\$ (76,770)	\$ 1,719,589
Fund Balance, July 1, 2021	8,310,663	(292,405)	0	8,018,258	6,992,234	6,992,234	1,026,024
Fund Balance, June 30, 2022	\$ 9,745,934	\$ 0	\$ (84,857)	\$ 9,661,077	\$ 6,353,813	\$ 6,915,464	\$ 2,745,613

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

Exhibit D-1

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

	<u>Custodial Funds</u>
<u>ASSETS</u>	
Cash	\$ 1,507,724
Equity in Pooled Cash and Investments	168,170
Accounts Receivable	1,204
Due from Other Governments	4,585,542
Property Taxes Receivable	9,921,711
Allowance for Uncollectible Property Taxes	<u>(205,814)</u>
Total Assets	<u>\$ 15,978,537</u>
<u>LIABILITIES</u>	
Accounts Payable	\$ 1,490
Due to Other Taxing Units	<u>4,590,381</u>
Total Liabilities	<u>\$ 4,591,871</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred Current Property Taxes	\$ 9,618,666
Deferred Delinquent Property Taxes	<u>83,322</u>
Total Deferred Inflows of Resources	<u>\$ 9,701,988</u>
<u>NET POSITION</u>	
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 1,684,678</u>
Total Net Position	<u><u>\$ 1,684,678</u></u>

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

Exhibit D-2

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

	<u>Custodial Funds</u>
<u>ADDITIONS</u>	
Sales Tax Collections for Other Governments	\$ 23,136,042
ADA - Educational Funds Collected for Cities	9,637,328
Fines/Fees and Other Collections	15,781,348
Drug Task Force Collections	179,892
District Attorney General Collections	14,837
Proceeds from Sale of Capital Assets	7,351
Total Additions	<u>\$ 48,756,798</u>
<u>DEDUCTIONS</u>	
Payment of Sales Tax Collections to Other Governments	\$ 23,136,042
Payments to City School Systems	9,637,328
Payments to State	9,000,778
Payments to County/City	2,429,217
Payments to Individuals and Others	4,104,838
Payment of Drug Task Force Expenses	306,257
Payment of District Attorney General Expenses	20,212
Total Deductions	<u>\$ 48,634,672</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ 122,126
Net Position, July 1, 2021	<u>1,562,552</u>
Net Position, June 30, 2022	<u><u>\$ 1,684,678</u></u>

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

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

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

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Coffee 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 Coffee County:

**A. Reporting Entity**

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

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

The Coffee County School Department operates the public school system in the county, and the voters of Coffee 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 Water and Wastewater Treatment Authority of Coffee County, Tennessee, was created by resolution of the Coffee County Commission as allowed by Section 68-221-601, *Tennessee Code Annotated*. The authority is governed by a five-member board, which includes four citizens and one member of the Coffee County Commission. The purpose of the authority is to oversee the operations of a sewer system that services the residents of the Wayside Acres Subdivision, and the financial transactions of the authority are maintained in an enterprise fund, the Wayside Acres Sewer Fund, which is administered by the county's director of accounts and budgets on behalf of the authority. The authority is funded primarily by service charges levied on the residents of the subdivision that utilize the system.

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

The Industrial Board of Coffee County provides and assists industry in Coffee County, and the Coffee County Commission appoints its board of directors. The board comprises three members each from the city of Tullahoma, the city of Manchester, and from rural areas. The board is primarily funded by appropriations from the county. The financial statements of the Industrial Board of Coffee County were not material to the component units' opinion unit and therefore have been omitted from this report.

The Coffee County Public Building Authority oversees the operations of the conference center, which benefits the citizens of the city of Manchester and Coffee County. The center is primarily funded by charges assessed for the use of the facility. Until December 2020, the Coffee County Commission appointed the seven-member board of directors, and Coffee County and the city of Manchester shared equally in the profits and losses of the conference center. The county commission dissolved the Public Building Authority of Coffee County effective December 31, 2020. All conference center operations are now under the Public Building Authority of Manchester, Tennessee. Although the authority is no longer a component unit of the county, the employees of the authority are still included in the calculations of pension liability reported in Note V.F.1. because of the date of the actuarial study being used for the calculations.

The Coffee County School Department and the Water and Wastewater Treatment Authority of Coffee County, Tennessee, do not issue separate financial statements from those of the county. Therefore, basic financial statements of the school department and the Water and Wastewater Treatment Authority are included in this report as listed in the table of contents. Complete financial statements of the Coffee County Emergency Communications District and the Industrial Board of Coffee County can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Coffee County Emergency Communications District  
911 Jack Welch Drive  
Manchester, TN 37355

Industrial Board of Coffee County  
1329 McArthur Street, Suite 4  
Manchester, TN 37355

**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 Coffee 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 Coffee County School Department, component unit, only reports governmental activities in the government-wide financial statements and the Water and Wastewater Treatment Authority of Coffee County, Tennessee, component unit, only reports business-type 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.

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

Separate financial statements are provided for governmental funds 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 funds financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund financial statements of Coffee 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 inflows 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. Coffee 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. 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. Coffee County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt, including lease obligations, are recognized as fund liabilities when due or when amounts have been accumulated in the debt service funds for payments to be made early in the following year.

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

The 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.

Coffee 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.

**Rural 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 issued for school projects outside the territorial limits of the special school districts.

**General Capital Projects Fund** – This fund accounts for general capital expenditures of the county. These include various construction projects and purchases of capital assets.

Additionally, Coffee County reports the following fund types:

**Special Revenue Funds** – These funds 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.

**Custodial Funds** – These funds account for amounts collected in a custodial capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Coffee County, the city school systems’ share of educational revenues, state grants and other restricted revenues held for the benefit of the Fourteenth Judicial District Drug Task Force, and restricted revenues held for the benefit of the Office of District Attorney General.

The discretely presented Coffee County School Department reports the following major governmental fund:

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

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

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

**Capital Projects Fund** – The Education Capital Projects Fund is used to account for the receipt of debt issued by Coffee 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 (FY 22) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior year balances (FY 21) are presented in this report. We do not believe using the prior year balances will affect the independent auditor's opinion on the Aggregate Discretely Presented Component Units. A more detailed reporting of the fund activities at each individual school may be found at <https://www.comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>.

The discretely presented Water and Wastewater Treatment Authority of Coffee County, Tennessee, reports the following major proprietary fund:

**Enterprise Fund** – The Wayside Acres Sewer Fund is used to account for the transactions of the Wayside Acres sewer operation.

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

The discretely presented Water and Wastewater Treatment Authority of Coffee County, Tennessee's proprietary fund (enterprise fund) distinguishes operating revenues and expenses from nonoperating items. This fund is used to account for the operation of the sewer system servicing the Wayside Acres Subdivision. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges for services. Operating expenses for the enterprise fund include payments to vendors, administration expenses, and debt payments.

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

**1. Deposits and Investments**

For purposes of the Statement of Cash Flows for the discretely presented Water and Wastewater Treatment Authority of Coffee County, Tennessee, cash includes cash on deposit with the county trustee.

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

The county trustee maintains a cash and internal investment pool that is used by all funds, the discretely presented Coffee County School Department, and the discretely presented Water and Wastewater Treatment Authority of Coffee County, Tennessee. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General Debt Service Fund. In addition, investments are held separately by the General and General Capital Project funds. Coffee 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. Coffee County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

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

## **2. Receivables and Payables**

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

All ambulance and property taxes receivables are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to 1.19 percent of total taxes levied.

The Water and Wastewater Treatment Authority of Coffee County, Tennessee's accounts receivable for sewer services are shown without an allowance for uncollectibles. The authority does not provide an allowance for uncollectible accounts because of its ability to stop service for nonpaying customers.

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

estimated allowance for uncollectible taxes, is reported as a deferred inflow of resources as of June 30.

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

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

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

**3. Inventories**

Inventories of Coffee 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.

**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 Coffee 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 Coffee County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Coffee 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 and business-type columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 (\$10,000 for the discretely presented Coffee County School Department) or more and an estimated useful life of more than 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, the discretely presented school department, and the discretely presented Water and Wastewater Authority are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	10 - 50
Land Improvements	10 - 50
Infrastructure	15 - 40
Other Capital Assets	3 - 20

**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, pension and OPEB changes in assumptions, pension and OPEB changes in proportionate share, and employer contributions made to the pension and OPEB plans after the measurement date.

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

The general policy of Coffee County allows employees to accumulate a limited number of unused vacation days; however, the unused vacation days that exceed the limit allowed by county policy are transferred to sick days on the employee's anniversary date. The remaining unused vacation days are paid to employees when they separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements for the county. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

County employees hired prior to July 1, 2014, are allowed to accumulate unlimited sick leave days; however, the granting of sick leave has no guaranteed payment attached and therefore is not required to be accrued or recorded. County employees hired after July 1, 2014, are allowed to accumulate up to 960 hours of sick leave (1,250 for ambulance and EMS employees). Following five continuous years of service, employees are eligible to receive a percentage of their accumulated sick leave upon termination of employment. The percentages begin at 25 percent after year five and cap at 50 percent after year ten.

The general policy of the discretely presented Coffee County School Department does not allow for the accumulation of vacation days beyond year-end for professional employees. Support staff are allowed to accumulate unused vacation days. Vacation pay is accrued for support staff when incurred in the government-wide financial statements for the school department. A liability for vacation pay is reported in the governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements. All professional personnel (teachers) of the school department are allowed

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

**8. Long-term Debt and Long-term Obligations**

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

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

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

**9. Net Position and Fund Balance**

In the government-wide financial statements and the Water and Wastewater Treatment Authority's proprietary fund in the fund financial statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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

As of June 30, 2022, Coffee County had \$45,050,060 in outstanding debt for capital purposes for the discretely presented Coffee County School Department. This debt is a liability of Coffee County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Coffee County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

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

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

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

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

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

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

**10. Minimum Fund Balance Policy**

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

General Fund – twelve and one-half percent of current-year appropriations.

Debt Service Funds – an amount equal to debt requirements for the first six months of the subsequent fiscal year.

**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 Coffee County’s participation in the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Coffee 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 Coffee 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 Coffee County. For this purpose, Coffee County recognizes benefit payments when due and payable in accordance with benefit terms. Coffee County's OPEB plan is not administered through a trust.

**Discretely Presented Coffee 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 Coffee 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 Coffee 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 Coffee County School Department**

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

**III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds except the Constitutional Officers – Fees and the school department’s Internal School Fund (special revenue funds), which are not budgeted, and the discretely presented school department’s Education Capital Projects Fund which adopts 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 the GAAP basis is presented on the face of each budgetary schedule.

At June 30, 2022, Coffee County and the Coffee County School Department reported the following encumbrances:

<u>Funds</u>	<u>Amount</u>
Primary Government:	
Major Funds:	
General	\$ 84,857
General Capital Projects	1,882,178
Nonmajor Funds:	
Ambulance Service	19,815
Highway/Public Works	78,950
School Department:	
Major Fund:	
General Purpose School	875,744

**B. Pending Investigation**

The Comptroller’s Division of Investigations is currently reviewing certain operations of the Office of Coffee County Clerk. Findings, if any, resulting from these reviews will be included in subsequent reports.

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

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

**Deposits**

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

the aggregate rather than against each account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

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

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

### **Investments**

**Legal Provisions.** Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and federal chartered banks and savings and loan associations; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes. These investments may not have a maturity greater than two years. The county may make investments with longer maturities if various restrictions set out in state

law are followed. Counties are also authorized to make investments in the State Treasurer’s Investment Pool, the State Treasurer’s Intermediate Term Investment Fund, and in repurchase agreements. The primary oversight responsibility for the investments and operations of the State Treasurer’s Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the State Treasurer’s Investment Pool are reported both by the pool and the county at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the Intermediate Term Investment Fund are reported both by the pool and the county at amortized cost using a floating net asset value. Repurchase agreements must be approved by the state Comptroller’s Office and executed in accordance with procedures established by the State Funding Board. Securities purchased under a repurchase agreement must be obligations of the U.S. government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the fair value of the securities on the day of purchase.

**Investment Balances.** As of June 30, 2022, Coffee County had the following investments carried at amortized cost using a Stable Net Asset Value. These investments are in the county trustee’s investment pool and represent American Rescue Plan Act funds that are reflected in the county’s General Capital Projects Fund, and the interest earned from those funds are reflected in the General Fund.

Investment	Weighted Average Maturity	Maturities	Amortized Cost
Investments at Amortized Cost:			
State Treasurer's Investment Pool	1 to 44 days	N/A	<u>\$ 3,331,141</u>

**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. Coffee 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. Coffee County has no investment policy that would further limit its investment choices. As of June 30, 2022,

Coffee 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 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 Coffee 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 Coffee County School Department may not impose any restrictions on investments placed by the trust on their behalf. It is the intent of the plan trustees to allocate these funds in the future to offset pension costs.

On June 30, 2022, the Coffee 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	\$ 174,209
Developed Market International Equity	N/A	N/A	78,675
Emerging Market International Equity	N/A	N/A	22,478
U.S. Fixed Income	N/A	N/A	112,393
Real Estate	N/A	N/A	56,196
Short-term Securities	N/A	N/A	5,620
NAV - Private Equity and Strategic Lending	N/A	N/A	112,393
 Total			 \$ 561,964

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/2022/ag21066.pdf>.

**B. Notes Receivable**

Notes receivable of \$140,405 in the Rural Debt Service Fund resulted from a note issued by Coffee County to the discretely presented Water and Wastewater Treatment Authority of Coffee County, Tennessee, to refund the authority's outstanding debt. The amount of the notes that is not expected to be collected within one year is \$112,324. Notes receivable are reflected in the financial statements of the Rural Debt Service Fund as nonspendable fund equity.

**C. Capital Assets**

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

**Primary Government - Governmental Activities:**

	Balance 7-1-21	Increases	Decreases	Balance 6-30-22
Capital Assets Not Depreciated:				
Land	\$ 3,993,219	\$ 48,600	\$ 0	\$ 4,041,819
Total Capital Assets Not Depreciated	<u>\$ 3,993,219</u>	<u>\$ 48,600</u>	<u>\$ 0</u>	<u>\$ 4,041,819</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 40,137,259	\$ 528,300	\$ 0	\$ 40,665,559
Infrastructure	19,231,788	577,515	0	19,809,303
Other Capital Assets	8,373,480	434,011	(9,500)	8,797,991
Total Capital Assets Depreciated	<u>\$ 67,742,527</u>	<u>\$ 1,539,826</u>	<u>\$ (9,500)</u>	<u>\$ 69,272,853</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 13,355,662	\$ 721,197	\$ 0	\$ 14,076,859
Infrastructure	11,963,560	1,114,560	0	13,078,120
Other Capital Assets	5,163,059	498,351	(4,784)	5,656,626
Total Accumulated Depreciation	<u>\$ 30,482,281</u>	<u>\$ 2,334,108</u>	<u>\$ (4,784)</u>	<u>\$ 32,811,605</u>
Total Capital Assets Depreciated, Net	<u>\$ 37,260,246</u>	<u>\$ (794,282)</u>	<u>\$ (4,716)</u>	<u>\$ 36,461,248</u>
Governmental Activities Capital Assets, Net	<u>\$ 41,253,465</u>	<u>\$ (745,682)</u>	<u>\$ (4,716)</u>	<u>\$ 40,503,067</u>

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

**Governmental Activities:**

General Government	\$ 293,141
Finance	6,002
Administration of Justice	24,238
Public Safety	513,523
Public Health and Welfare	281,321
Social, Cultural, and Recreational	22,013
Highways/Public Works	<u>1,193,870</u>
 Total Depreciation Expense - Governmental Activities	 <u>\$ 2,334,108</u>

**Net Investment in Capital Assets**

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Capital Assets	\$ 40,503,067
Less:	
Outstanding principal of capital debt and other capital borrowings	(8,580,000)
Outstanding principal balance of debt and other borrowing used to refund capital-related debt	(8,723,000)
Unamortized balance of original issue premiums on outstanding capital-related debt	<u>(1,546,767)</u>
Net Investment in Capital Assets	<u>\$ 21,653,300</u>

**Discretely Presented Coffee County School Department –  
Governmental Activities:**

	Balance 7-1-21	Increases	Decreases	Balance 6-30-22
Capital Assets Not Depreciated:				
Land	\$ 1,438,853	\$ 0	\$ 0	\$ 1,438,853
Construction in Progress	8,966,733	1,609,212	0	10,575,945
Total Capital Assets Not Depreciated	<u>\$ 10,405,586</u>	<u>\$ 1,609,212</u>	<u>\$ 0</u>	<u>\$ 12,014,798</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 60,106,009	\$ 797,944	\$ 0	\$ 60,903,953
Other Capital Assets	6,871,110	591,650	(319,915)	7,142,845
Total Capital Assets Depreciated	<u>\$ 66,977,119</u>	<u>\$ 1,389,594</u>	<u>\$ (319,915)</u>	<u>\$ 68,046,798</u>
Less Accumulated Depreciation:				
Buildings and Improvements	\$ 18,238,945	\$ 1,253,832	\$ 0	\$ 19,492,777
Other Capital Assets	3,356,192	355,386	(290,002)	3,421,576
Total Accumulated Depreciation	<u>\$ 21,595,137</u>	<u>\$ 1,609,218</u>	<u>\$ (290,002)</u>	<u>\$ 22,914,353</u>
Total Capital Assets Depreciated, Net	<u>\$ 45,381,982</u>	<u>\$ (219,624)</u>	<u>\$ (29,913)</u>	<u>\$ 45,132,445</u>
Governmental Activities Capital Assets, Net	<u>\$ 55,787,568</u>	<u>\$ 1,389,588</u>	<u>\$ (29,913)</u>	<u>\$ 57,147,243</u>

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

**Governmental Activities:**

Instruction	\$ 8,088
Support Services	1,570,839
Operation of Non-instructional Services	<u>30,291</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,609,218</u>

**Discretely Presented Water and Wastewater Treatment Authority of  
Coffee County, Tennessee – Business-type Activities:**

	Balance 7-1-21	Increases	Balance 6-30-22
Capital Assets Not Depreciated:			
Land	\$ 30,120	\$ 0	\$ 30,120
Total Capital Assets Not Depreciated	<u>\$ 30,120</u>	<u>\$ 0</u>	<u>\$ 30,120</u>
Capital Assets Depreciated:			
Infrastructure	\$ 710,775	\$ 13,922	\$ 724,697
Other Capital Assets	5,350	0	5,350
Total Capital Assets Depreciated	<u>\$ 716,125</u>	<u>\$ 13,922</u>	<u>\$ 730,047</u>
Less Accumulated Depreciation For:			
Infrastructure	\$ 363,593	\$ 28,947	\$ 392,540
Other Capital Assets	2,357	828	3,185
Total Accumulated Depreciation	<u>\$ 365,950</u>	<u>\$ 29,775</u>	<u>\$ 395,725</u>
Total Capital Assets Depreciated, Net	<u>\$ 350,175</u>	<u>\$ (15,853)</u>	<u>\$ 334,322</u>
Business-type Activities Capital Assets, Net	<u>\$ 380,295</u>	<u>\$ (15,853)</u>	<u>\$ 364,442</u>

The authority had no decreases in capital assets during the year ended June 30, 2022.

Depreciation expense totaled \$29,775 for the year ended June 30, 2022.

**Net Investment in Capital Assets**

Capital Assets	\$ 364,442
Less:	
Outstanding principal of capital debt and other capital borrowings	(140,405)
Net Investment in Capital Assets	<u>\$ 224,037</u>

**D. Construction Commitments**

At June 30, 2022, the school department had uncompleted construction contracts of approximately \$320,087 for North Coffee Elementary School and New Union Elementary School for renovations and an addition. Funding has been received for these future expenditures.

At June 30, 2022, the school department had uncompleted construction contracts of approximately \$564,374 for Coffee County Central High School for renovations. Funding for these future expenditures is expected to be received from federal grants.

**E. Interfund Receivables, Payables, and Transfers**

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

**Due to/from Other Funds:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Nonmajor governmental	\$ 60,496
Nonmajor governmental	General	32,499
Discretely Presented School Department:		
General Purpose School	School Federal Projects	12,000

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.

Receivables in the General Fund totaling \$1,066 were in transit from the Solid Waste/Sanitation Fund (\$12), the Ambulance Service Fund (\$42), and the Highway/Public Works Fund (\$1,012) at June 30, 2022.

**Interfund Transfers:**

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

**Primary Government**

Transfers Out	Transfers In		Purpose
	Rural Debt Service Fund	Nonmajor Governmental Fund	
General Fund	\$ 138,384	\$ 0	Federal interest subsidy
Nonmajor Governmental Fund	0	15,000	Litter vehicle
Total	<u>\$ 138,384</u>	<u>\$ 15,000</u>	

**Discretely Presented Coffee County School Department**

Transfers Out	Transfers In	
	General Purpose School Fund	Purpose
School Federal Projects	\$ 288,622	Indirect costs
"	<u>743,208</u>	Reimburse for books/equipment
Total	<u>\$ 1,031,830</u>	

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

**F. Long Term Debt**

**Primary Government**

**General Obligation Bonds, Notes, and Other Loans**

General Obligation Bonds - Coffee 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 23 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included

in long-term debt as of June 30, 2022, will be retired from the General Debt Service and Rural Debt Service funds.

Direct Borrowing and Direct Placements - Coffee County issues other loans to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes, and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes, and other loans outstanding were issued for original terms of up to 12 years for notes and up to 17 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes, and other loans included in long-term debt as of June 30, 2022, will be retired from the General Debt Service and Rural Debt Service funds.

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

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-22
General Obligation Bonds	4 to 5 %	7-1-38	\$ 9,510,000	\$ 8,580,000
General Obligation Bonds - Refunding	2.253 to 5	6-1-44	56,500,000	50,900,000
Direct Borrowing and Direct Placement:				
Capital Outlay Notes	1.75	8-1-32	2,064,000	1,908,000
Other Loans	0	7-1-27	3,027,000	965,060

On October 7, 2010, Coffee County entered into a loan agreement with the Tennessee State School Board Authority. Under this loan agreement, the authority loaned Coffee County \$3,027,000 from Qualified School Construction Bonds, Series 2010 for rehabilitation and repairs of county school buildings. This loan earns interest monthly based upon the local government investment pool rate, which is netted against the annual principal payment. The county pays an annual administrative fee of \$2,422 under this agreement. The loan retirement schedule also includes equal monthly payments of interest of approximately 4.85 percent, which is offset by a federal interest rate subsidy.

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2023	\$ 2,610,000	\$ 2,382,056	\$ 4,992,056
2024	3,150,000	2,271,981	5,421,981
2025	3,320,000	2,135,106	5,455,106
2026	3,470,000	1,979,256	5,449,256
2027	2,950,000	1,829,106	4,779,106
2028-2032	16,035,000	7,064,494	23,099,494
2033-2037	16,940,000	3,881,351	20,821,351
2038-2042	8,290,000	1,272,988	9,562,988
2043-2044	2,715,000	151,150	2,866,150
Total	\$ 59,480,000	\$ 22,967,488	\$ 82,447,488

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2023	\$ 159,000	\$ 31,999	\$ 190,999
2024	162,000	29,190	191,190
2025	164,000	26,338	190,338
2026	167,000	23,441	190,441
2027	170,000	20,493	190,493
2028-2032	897,000	56,359	953,359
2033	189,000	1,552	190,552
Total	\$ 1,908,000	\$ 189,372	\$ 2,097,372

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2023	\$ 188,880	\$ 146,749	\$ 335,629
2024	188,880	146,749	335,629
2025	188,880	146,749	335,629
2026	188,880	146,749	335,629
2027	207,473	146,749	354,222
2028	2,067	73,374	75,441
Total	\$ 965,060	\$ 807,119	\$ 1,772,179

There is \$10,382,620 available in the county's debt service funds to service long-term debt. Bonded debt per capita totaled \$1,027, based on the 2020 federal census. Total debt per capita, including bonds, notes, other loans, and unamortized debt premiums, totaled \$1,201 based on the 2020 federal census.

#### Changes in Long-term Debt

Long-term debt activity for the year ended June 30, 2022, was as follows:

Governmental Activities:

	Bonds	Notes - Direct Placement	Other Loans - Direct Placement
Balance, July 1, 2021	\$ 61,850,000	\$ 2,064,000	\$ 1,169,680
Reductions	(2,370,000)	(156,000)	(204,620)
Balance, June 30, 2022	<u>\$ 59,480,000</u>	<u>\$ 1,908,000</u>	<u>\$ 965,060</u>
Balance Due Within One Year	<u>\$ 2,610,000</u>	<u>\$ 159,000</u>	<u>\$ 188,880</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt - June 30, 2022	\$ 62,353,060
Add: Unamortized Premium on Debt	7,170,335
Less: Balance Due Within One Year - Debt	<u>(2,957,880)</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 66,565,515</u>

**Discretely Presented Water and Wastewater Treatment Authority of Coffee County, Tennessee**

General Obligation Notes

On November 8, 2016, Coffee County issued a note from its Rural Debt Service Fund to the Water and Wastewater Treatment Authority of Coffee County, Tennessee. The purpose of this note was to refund the outstanding debt of the authority.

Notes issued are direct obligations of the authority and are to be retired by the authority. The note was issued for a term of 10 years and for an interest rate of zero percent. Repayment terms for this note call for the authority to make equal monthly installments to the county's Rural Debt Service Fund over the period of the debt.

Notes outstanding as of June 30, 2022, 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 6-30-22</u>
Notes	0	% 6-15-27	\$ 280,819	\$ 140,405

The annual requirements to amortize all notes outstanding as of June 30, 2022, are presented in the following table:

Year Ending June 30	Notes		
	Principal	Interest	Total
2023	\$ 28,081	\$ 0	\$ 28,081
2024	28,081	0	28,081
2025	28,081	0	28,081
2026	28,081	0	28,081
2027	28,081	0	28,081
Total	\$ 140,405	\$ 0	\$ 140,405

Changes in Long-term Debt

Long-term obligations activity for the discretely presented Water and Wastewater Treatment Authority of Coffee County, Tennessee, for the year ended June 30, 2022, was as follows:

	Notes
Balance, July 1, 2021	\$ 168,487
Reductions	(28,082)
Balance, June 30, 2022	\$ 140,405
Balance Due Within One Year	\$ 28,081

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt - June 30, 2022	\$ 140,405
Less: Balance Due Within One Year - Debt	(28,081)
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	\$ 112,324

**G. Long Term Obligations**

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2022, was as follows:

Governmental Activities:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2021	\$ 886,350	\$ 620,302
Additions	919,105	86,744
Reductions	<u>(822,182)</u>	<u>(243,080)</u>
Balance, June 30, 2022	<u>\$ 983,273</u>	<u>\$ 463,966</u>
Balance Due Within One Year	<u>\$ 49,164</u>	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other - June 30, 2022	\$ 1,447,239
Less: Balance Due Within One Year - Other	<u>(49,164)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 1,398,075</u>

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

**Discretely Presented Coffee County School Department**

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2021	\$ 98,981	\$ 9,005,768
Additions	136,608	863,923
Reductions	<u>(125,941)</u>	<u>(692,747)</u>
Balance, June 30, 2022	<u>\$ 109,648</u>	<u>\$ 9,176,944</u>
Balance Due Within One Year	<u>\$ 109,648</u>	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other - June 30, 2022	\$ 9,286,592
Less: Balance Due Within One Year - Other	<u>(109,648)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 9,176,944</u>

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

**H. On-Behalf Payments - Discretely Presented Coffee County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Coffee County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both plans are 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 and the Medicare Supplement Plan for the year ended June 30, 2022, were \$114,575 and \$58,674, respectively. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

**V. OTHER INFORMATION**

**A. Risk Management**

**Primary Government**

Coffee County's policy (except for the highway department and ambulance service) is to purchase commercial insurance for the risks of losses to which it is exposed. These risks include general liability, property, casualty, workers' compensation, and environmental. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The highway department's risk of loss relating to general liability, property, and casualty is covered by participation in the Local Government Property and Casualty Fund (LGPCF), which is a public entity risk pool established by the Tennessee County Services Association, an association of member counties. The highway department pays an annual premium to the LGPCF for its general liability, property, and casualty insurance coverage. The creation of the LGPCF provides for it to be self-sustaining through member premiums. The LGPCF reinsures through commercial insurance companies for claims exceeding \$250,000 for property and \$450,000 for liability for each insured event.

The highway department participates in the Local Government Workers' Compensation Fund (LWCF), a public entity risk pool established under provisions of Section 29-20-401, Tennessee Code Annotated, by the Tennessee County Services Association to provide a program of workers' compensation coverage to employees of local governments. The highway department pays an annual premium to the LWCF for its workers' compensation insurance coverage. The LWCF is to be self-sustaining through member premiums. The LWCF reinsures through commercial insurance companies for claims exceeding \$500,000.

The Coffee County Ambulance Service purchases commercial insurance for the risk of losses to which it is exposed. These risks include general liability, property, casualty, and accident. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

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

### **Discretely Presented Coffee County School Department**

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

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

The school department provides a self-insured dental and vision plan for all full-time employees through the General Purpose School, School Federal Projects, and Central Cafeteria funds. Retirees are not allowed to participate

in the program. The cost of this plan was provided by appropriations made for that purpose and payroll deductions. Payroll deductions were made from employees' compensation for the portion of premiums relating to single and family coverage that the employee is responsible for. The dental and vision plan provides maximum yearly benefit amounts for participants. The maximum calendar year benefit under the dental plan is \$1,500 per person. The vision plan also contains limits on benefits and the number of procedures covered by the plan. Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. The self-insurance program funds established claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled and of claims that have been incurred but not reported. Claims liabilities include specific, incremental claim adjustments and expenditures, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

	Beginning of Fiscal Year Liability	Current Year Claims and Estimates	Payments	End of Fiscal Year Liability
2020-21	\$ 27,291	\$ 357,837	\$ 332,183	\$ 52,945
2021-22	52,945	361,096	359,502	54,539

**B. Accounting Changes**

GASB Statement No. 87, *Leases*, became effective for fiscal year ending June 30, 2022. Leases should be recognized and measured using the facts and circumstances that exist at the beginning of the period of implementation. GASB Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. Under this statement, a government entity that is a lessee must recognize (1) a lease liability, (2) an intangible asset representing the lessee's right to use the leased asset, (3) report the amortization expense for using the lease asset over the shorter of the term of the lease or the useful life of the underlying asset, (4) interest expense on the lease liability and (5) note disclosures about the lease. A lessor must recognize (1) a lease receivable (measured at the present value of lease payments expected to be received during the lease term), (2) deferred inflow of resources, (3) interest revenue on the lease receivable and (4) note disclosures of leasing arrangements and the total inflows of resources recognized from leases. This statement provides exceptions for leases of assets held as investments, certain regulated leases, short-term leases and leases that transfer ownership of the underlying asset. A lessor should not derecognize the asset underlying the lease. This statement also addresses accounting for lease terminations and modifications, sale-leaseback transactions, non-lease components embedded in lease contracts (such as service agreements) and leases with related parties.

GASB Statement No. 92, *Omnibus 2020*, became effective during the fiscal year. This statement enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics and includes specific provision about the following:

- The effective date of GASB Statement No. 87, *Leases*, and Implementation Guide No. 2019-3, *Leases*, for interim financial reports
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan
- The applicability of GASB Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*, as amended, and GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits
- The applicability of certain requirements of GASB Statement No. 84 to postemployment benefit arrangements
- Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers
- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Terminology used to refer to derivative instruments

GASB Statement 93, *Replacement of Interbank Offered Rates*, became effective during the year. This statement was necessary due to the eventual ceasing of the London Interbank Offered Rate (LIBOR) and the replacement with another interbank offered rate (IBOR). The objective of this Statement is to address the accounting and financial reporting effects that result from the replacement of IBORs with other reference rates in order to preserve the reliability, relevance, consistency, and comparability of reported information.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* (except for paragraphs 4 and 5 which became effective in the prior fiscal year) became effective during the year. This Statement (a) clarifies how the absence of a governing board should be considered in determining whether a primary government is financially accountable for purposes of evaluating potential component units and (b) modifies the applicability of certain component unit criteria as they relate to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans (for example, certain Section 457 plans). This statement also establishes accounting and financial reporting requirements for Section 457 plans that meet the definition of a pension plan and for benefits

provided through those plans and modifies the investment valuation requirements for all Section 457 plans.

GASB Statement No 98, *The Comprehensive Annual Financial Report*, became effective during the year. This statement replaces the terms comprehensive annual financial report and comprehensive annual financial reports in NCGA and GASB pronouncements with annual comprehensive financial report and annual comprehensive financial reports, respectively. The associated acronyms in NCGA and GASB pronouncements are replaced with ACFR and ACFRs.

**C. Contingent Liabilities**

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

The county and school department are involved in several pending lawsuits. Attorneys for both estimate that the potential claims against the county and school department not covered by insurance resulting from such litigation would not materially affect the financial statements.

**D. Joint Ventures**

The Fourteenth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Fourteenth Judicial District, Coffee County, and various cities within the county. 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, sheriff, and police chiefs of participating law enforcement agencies within each judicial district. Coffee County made no contributions to the DTF for the year ended June 30, 2022.

Coffee County is a participant with Warren, Cannon, and Rutherford counties in a multi-county Municipal Solid Waste Planning Region. This entity was created to promote the preparation of municipal solid waste regional plans to effectively and efficiently manage solid waste. This entity is governed by a 13-member board comprising appointees from Cannon County (2), Coffee County (2), Rutherford County (3), Warren County (2), the city of Manchester (1), the city of McMinnville (1), the city of Murfreesboro (1), and the city of Woodbury (1). Funding is provided from member contributions and grants. There are no separately issued financial statements for the Municipal Solid

Waste Planning Region. Rutherford County has been designated as the fiscal agent for the Planning Region and accounts for its activities through the Joint Venture Fund (agency fund), which is included in the financial statements reflected in Rutherford County's comprehensive annual financial report.

Coffee County does not have an equity interest in the above-noted joint ventures. Complete financial statements for the DTF and the Municipal Solid Waste Planning Region can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Office of District Attorney General  
Fourteenth Judicial District  
409 Madison St.  
Manchester, TN 37349

Municipal Solid Waste Planning Region  
c/o Joe Carr, Rutherford County Mayor  
County Courthouse, Room 101  
Murfreesboro, TN 37130

**Discretely Presented Coffee County School Department**

The Coffee County School Department participates in the Volunteer State Cooperative (VOLCO), which represents a cost-sharing arrangement. The cooperative was established through a contractual agreement between the Boards of Education of Coffee County, Dickson County, Fayetteville City, Hickman County, Houston County, Humphreys County, Manchester City, Marshall County, Maury County, Robertson County, and Stewart County. The cooperative was authorized through Chapter 49 of *Tennessee Code Annotated*. The cooperative was established to obtain lower prices for food supplies, materials, equipment, and services by combining the purchasing requirements of each member's school food service systems. The cooperative has contracted with a coordinating district (Stewart County School Department) and a service provider to offer these services. The cooperative is governed by a Representative Committee, comprising one representative from each of the member districts; and an Executive Council, consisting of the chair, vice chair, secretary, treasurer, and a member-at-large from the Representative Committee.

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

Administrative Office:

Volunteer State Cooperative  
220 McLemore Street  
Dickson, TN 37055

**E. Jointly Governed Organization**

The Tri-County Railroad Authority is jointly operated by Coffee County, in conjunction with Warren and White counties. The authority's board comprises the county mayor/executive of each county and one member selected by the governing body of each county; however, the counties do not have any ongoing financial interest or responsibility for the entity.

**F. Retirement Commitments**

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

**Primary Government**

**Public Employee Legacy Retirement Plan**

**General Information About the Pension Plan**

*Plan Description.* Employees hired before July 1, 2014, of Coffee County, non-certified employees of the discretely presented Coffee County School Department, the discretely presented Public Building Authority of Coffee County, and the discretely presented Industrial Development Board of Coffee County are provided a defined benefit pension plan (Coffee County Legacy Retirement Plan) through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 47.78 percent, the non-certified employees of the discretely presented school department comprised 51.46 percent, employees of the discretely presented Public Building Authority of Coffee County comprised .21 percent, and the employees of the discretely presented Industrial Development Board of Coffee County comprised .55 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, 2021, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	271
Inactive Employees Entitled to But Not Yet Receiving Benefits	313
Active Employees	230
Total	814

Coffee County withdrew from the TCRS Coffee County Plan effective July 1, 2014. Employees hired after the date of withdrawal are not eligible to participate in the Coffee County Legacy Retirement Plan. Employees active as of the withdrawal date will continue to accrue salary and services credit in TCRS. The employer remains responsible for the pension liability for employees and retirees that were active as of the withdrawal date.

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Coffee County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2022, the employer contribution for Coffee County was \$504,052 based on a rate of 5 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Coffee 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)**

Coffee County's net pension liability (asset) was measured as of June 30, 2021, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability as of the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the June 30, 2021, actuarial valuation, were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

*Changes of Assumptions.* In 2021, the following assumptions were changed: decreased inflation rate from 2.5 percent to 2.25 percent; decreased the investment rate of return from 7.25 percent to 6.75 percent; decreased the cost-of-living adjustment from 2.25 percent to 2.125 percent; and modified mortality assumptions.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and 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 Coffee County will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2020	\$ 48,489,972	\$ 52,687,252	\$ (4,197,280)
Changes for the Year:			
Service Cost	\$ 807,744	\$ 0	\$ 807,744
Interest	3,485,937	0	3,485,937
Differences Between Expected and Actual Experience	(650,143)	0	(650,143)
Changes in Assumptions	3,474,460	0	3,474,460
Contributions-Employer	0	428,546	(428,546)
Contributions-Employees	0	429,275	(429,275)
Net Investment Income	0	13,385,857	(13,385,857)
Benefit Payments, Including Refunds of Employee Contributions	(2,431,641)	(2,431,641)	0
Administrative Expense	0	(21,846)	21,846
Net Changes	\$ 4,686,357	\$ 11,790,191	\$ (7,103,834)
Balance, June 30, 2021	\$ 53,176,329	\$ 64,477,443	\$ (11,301,114)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	47.78%	\$ 25,407,650	\$ 30,807,322	\$ (5,399,672)
IDB	0.55%	292,470	354,626	(62,156)
PBA	0.21%	111,670	135,403	(23,732)
School Department	51.46%	27,364,539	33,180,092	(5,815,554)
Total		\$ 53,176,329	\$ 64,477,443	\$ (11,301,114)

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

Net Pension Liability (Asset)    \$ (4,592,109)    \$ (11,301,114)    \$ (16,906,353)

**Pension Expense (Negative Pension Expense) and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions**

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2022, Coffee County recognized (negative pension expense) of (\$1,353,740).

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2022, Coffee 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	\$ 62,581	\$ 864,825
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	7,131,343
Changes in Assumptions	2,316,307	0
Contributions Subsequent to the Measurement Date of June 30, 2021 (1)	504,052	N/A
Total	<u>\$ 2,882,940</u>	<u>\$ 7,996,168</u>

(1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2021,” will be recognized as a reduction (increase) to net pension liability (asset) in the subsequent fiscal period.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 1,366,032	\$ 3,820,569
IDB	14,272	43,979
PBA	4,995	16,792
School Department	1,497,641	4,114,828
Total	<u>\$ 2,882,940</u>	<u>\$ 7,996,168</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
2023	\$ (1,017,872)
2024	(984,040)
2025	(1,690,597)
2026	(1,924,775)
2027	0
Thereafter	0

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

**Payable to the Pension Plan**

At June 30, 2022, Coffee County reported a payable of \$39,971 for the outstanding amount of contributions due to the pension plan at the year ended June 30, 2022.

**Discretely Presented Coffee County School Department**

**Non-certified Employees**

**General Information About the Pension Plans**

*Plan Description – Coffee County Legacy Plan.* As noted above under the primary government, employees of Coffee County, non-certified employees of the discretely presented Coffee County School Department, employees of the discretely presented Public Building

Authority of Coffee County, and the employees of the discretely presented Industrial Development Board of Coffee County are provided a defined benefit pension plan (Coffee County Legacy Plan) through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 47.78 percent, the non-certified employees of the discretely presented school department comprise 51.46 percent, employees of the discretely presented Public Building Authority of Coffee County comprise .21 percent, and the employees of the discretely presented Industrial Development Board of Coffee County comprise .55 percent, of the plan based on contribution data.

Coffee County withdrew from the Coffee County Legacy Plan effective July 1, 2014. Employees of Coffee County, employees of the discretely presented Public Building Authority of Coffee County, and the employees of the discretely presented Industrial Development Board of Coffee County hired after the date of withdrawal are not eligible to participate in the TCRS Coffee County Legacy Plan. Employees active as of the withdrawal date will continue to accrue salary and services credit in TCRS. The employer remains responsible for the pension liability for employees and retirees that were active as of the withdrawal date.

*Plan Description. Coffee County Schools Hybrid Plan.* Non-certified employees of the discretely presented Coffee County School Department hired after July 1, 2014, are provided a defined benefit pension plan (Coffee County Schools Hybrid Plan) through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

*Benefits Provided.* TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80 in which the member's age and service credits total 80. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility.

The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

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

*Employees Covered by Benefit Terms.* At the measurement date of June 30, 2021, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	0
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	70
Active Employees	122
 Total	 <u>192</u>

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. The school department makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation and statutory provisions. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2022, to the Hybrid Retirement Plan were \$63,066 which is 2.58 percent of covered payroll. In addition, employer contributions of \$32,267, which is 1.42 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The

employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

### **Net Pension Liability (Asset)**

*Pension Liabilities (Assets).* The school department's net pension liability (asset) was measured at June 30, 2021, and the total pension liability used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability as of the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the June 30, 2021, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

*Changes of Assumptions.* In 2021, the following assumptions were changed: decreased inflation rate from 2.5 percent to 2.25 percent; decreased the investment rate of return from 7.25 percent to 6.75 percent; decreased the cost-of-living adjustment from 2.25 percent to 2.125 percent; and modified mortality assumptions.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and 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 the school department will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2020	\$ 442,903	\$ 523,928	\$ (81,025)
Changes for the Year:			
Service Cost	\$ 122,486	\$ 0	\$ 122,486
Interest	40,245	0	40,245
Differences Between Expected and Actual Experience	38,902	0	38,902
Changes in Assumptions	51,017	0	51,017
Contributions-Employer	0	48,765	(48,765)
Contributions-Employees	0	99,186	(99,186)
Net Investment Income	0	150,223	(150,223)
Benefit Payments, Including Refunds of Employee Contributions	(20,584)	(20,584)	0
Administrative Expense	0	(10,568)	10,568
Net Changes	\$ 232,066	\$ 267,022	\$ (34,956)
Balance, June 30, 2021	\$ 674,969	\$ 790,950	\$ (115,981)

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the net pension liability (asset) of the school department 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:

	Current		
	1% Decrease	Discount Rate	1% Increase
Coffee County School Department	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$ 24,472	\$ (115,981)	\$ (226,003)

**Pension Expense (Negative Pension Expense) and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions**

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2022, the school department recognized pension expense of \$23,357.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>Resources</u>	<u>Resources</u>
Difference Between Expected and Actual Experience	\$ 42,467	\$ 5,155
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	81,026
Changes in Assumptions	46,464	0
Contributions Subsequent to the Measurement Date of June 30, 2021 (1)	<u>63,066</u>	<u>N/A</u>
Total	<u>\$ 151,997</u>	<u>\$ 86,181</u>

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2021,” will be recognized as a reduction (increase) to net pension liability (asset) in the subsequent fiscal period.

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

Year Ending June 30	<u>Amount</u>
2023	\$ (7,769)
2024	(7,359)
2025	(7,239)
2026	(9,247)
2027	12,354
Thereafter	22,009

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

### **Certified Employees**

### **Teacher Retirement Plan**

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

*Plan Description.* Teachers of the Coffee 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 Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

*Benefits Provided.* TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is

granted if the CPI change is between one-half percent and one percent. Members who leave employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLAs, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

*Contributions.* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2022, to the Teacher Retirement Plan were \$129,134, which is 2.01 percent of covered payroll. In addition, employer contributions of \$127,848, which is 1.99 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

*Pension Liabilities (Assets).* At June 30, 2022, the school department reported a liability (asset) of (\$418,086) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2021, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2021, the school department's proportion was .385969 percent. The proportion as of June 30, 2020, was .391662 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2022, the school department recognized pension expense of \$51,488.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 7,273	\$ 76,501
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	240,661
Changes in Assumptions	150,800	0
Changes in Proportion of Net Pension Liability (Asset)	12,538	6,948
LEA's Contributions Subsequent to the Measurement Date of June 30, 2021	129,134	N/A
Total	<u>\$ 299,745</u>	<u>\$ 324,110</u>

The school department's employer contributions of \$129,134 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) of net pension asset in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2023	\$ (52,144)
2024	(50,827)
2025	(50,452)
2026	(56,508)
2027	7,683
Thereafter	48,750

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

*Actuarial Assumptions.* The total pension liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the June 30, 2021, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

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

*Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the 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	Current Discount Rate	1% Increase
	5.75%	6.75%	7.75%

Net Pension Liability (Asset) \$ 143,727 \$ (418,086) \$ (832,443)

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

**Payable to the Pension Plan**

At June 30, 2022, the Coffee County School Department reported a payable of \$63,948 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2022.

**Teacher Legacy Pension Plan**

**General Information About the Pension Plan**

*Plan Description.* Teachers of the Coffee 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 Coffee County School Department for the year ended June 30, 2022, to the Teacher Legacy Pension Plan were \$1,614,538, which is 10.3 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

*Pension Liability (Assets).* At June 30, 2022, the school department reported a liability (asset) of (\$20,173,882) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of

June 30, 2021, the school department's proportion was .467720 percent. The proportion measured at June 30, 2020, was .447494 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2022, the school department recognized pension expense (negative pension expense) of (\$3,192,998).

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 67,795	\$ 1,682,567
Changes in Assumptions	5,390,124	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	16,088,220
Changes in Proportion of Net Pension Liability (Asset)	16,593	112,072
LEA's Contributions Subsequent to the Measurement Date of June 30, 2021	1,614,538	N/A
Total	<u>\$ 7,089,050</u>	<u>\$ 17,882,859</u>

The school department's employer contributions of \$1,614,538 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) of net pension asset in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2023	\$ (2,959,912)
2024	(2,799,830)
2025	(2,306,858)
2026	(4,341,747)
2027	0
Thereafter	0

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

*Actuarial Assumptions.* The total pension liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the June 30, 2021, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

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

*Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the 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	Current Discount Rate	1% Increase
	5.75%	6.75%	7.75%

Net Pension Liability (Asset) \$ (3,590,272) \$ (20,173,882) \$ (33,974,753)

*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

Coffee County offers its employees two deferred compensation plans, one established pursuant to IRC Section 457 and the other pursuant to IRC Section 401(k). All costs of administering and funding these programs are the responsibility of plan participants. The Section 401(k) and Section 457 plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 401(k) and 457 establish participation, contribution, and withdrawal provisions for the plans.

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$451,692 and teachers contributed \$285,303 to this deferred compensation pension plan.

Coffee County School Department offers its employees three deferred compensation plans, one established pursuant to IRC Section 401(k), one established pursuant to IRC Section 403(b), and one established pursuant to IRC Section 408(a), Roth IRA. All costs of administering and funding these programs are the responsibility of plan participants. The Section 401(k), Section 403(b), and Section 408(a) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 401(k), 403(b), and 408(a) establish participation, contribution, and withdrawal provisions for the plans.

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

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

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

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

The county and school department’s total OPEB liability was measured as of June 30, 2021, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the June 30, 2021, actuarial valuation of 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	2.16%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 7.36% for pre-65 retirees in the 2022 calendar year, and decreasing annually over a 10-year period to an ultimate trend rate of 4.5%
Retirees Share of Benefit Related Cost	Discussed under each plan

The discount rate was 2.16 percent, based on an average rating of AA/Aa as shown on the Bond Buyers 20-Year Municipal GO AA index closest to but not later than the measurement date.

Mortality rates were based on the results of a statewide experience study undertaken on behalf of the Tennessee Consolidated Retirement System (TCRS). These mortality rates were used in the July 1, 2021, actuarial valuation of the TCRS.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2021, valuations were the same as those employed in the July 1, 2020, Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (TCRS). These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-Weighted Employee mortality table for General Employees for non-disabled pre-retirement mortality, with mortality improvement projected generationally with MP-2020 from 2010. Post-retirement tables for non-teachers are Headcount-Weighted Below Median Healthy Annuitant and adjusted with a 6% to load for males and a 14% load for females, projected generationally from 2010 with MP-2020. Post-retirement tables for teachers are Headcount-Weighted Below Median Healthy Annuitant and adjusted with a 19 to load for males and a 18% load for females, projected generationally from 2010 with MP-2020. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10% load, projected generationally from 2018 with MP-2020.

*Changes in Assumptions.* The discount rate changed from 2.21 percent as of the beginning of the measurement period to 2.16 percent as of the measurement date of June 30, 2021. This change in assumption increased the total OPEB liability. Other changes in assumptions include adjustments to initial per capita costs and health trend rates. The trend rate applicable to the 2021 plan year was revised from 9.02 percent to 7.36 percent. The assumed long term inflation rate was changed from 2.1 percent to 2.25 percent.

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

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

*Benefits Provided.* Coffee County offers the LGP 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 LGP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment

benefit provided to retirees. An insurance committee created in accordance with *TCA 8-27-701* establishes and amends the benefit terms of the LGP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members, of the LGP, receives 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. Coffee 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, 2021, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	2
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	297
Total	299

An insurance committee, created in accordance with *TCA 8-27-701*, establishes the required payments to the LGP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2022, the county paid \$15,082 to the LGP for OPEB benefits as they came due.

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

	<u>Coffee County</u>
Balance July 1, 2020	\$ 620,302
Changes for the Year:	
Service Cost	\$ 71,569
Interest	15,175
Difference between Expected and Actuarial Experience	(73,630)
Changes in Assumption and Other Inputs	(158,938)
Benefit Payments	(10,512)
Net Changes	<u>\$ (156,336)</u>
Balance June 30, 2021	<u>\$ 463,966</u>

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2022, the county recognized OPEB expense of \$20,222. At June 30, 2022, 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	\$ 0	\$ 276,758
Changes of Assumptions/Inputs	81,545	152,681
Net Difference Between Projected and Benefits paid after the measurement date of June 30, 2021	<u>15,082</u>	<u>0</u>
Total	<u>\$ 96,627</u>	<u>\$ 429,439</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	Total Amount
2023	\$ (66,522)
2024	(66,522)
2025	(66,522)
2026	(66,522)
2027	(37,996)
Thereafter	(43,810)

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

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

<u>Discount Rate</u>	1% Decrease	Current Discount Rate	1% Increase
<u>Coffee County</u>	1.16%	2.16%	3.16%
Total OPEB Liability	\$ 500,056	\$ 463,966	\$ 429,857

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

<u>Healthcare Cost Trend Rate</u>	1% Decrease	Current Trend Rates	1% Increase
	6.36 to 3.5%	7.36 to 4.5%	8.36 to 5.5%
Total OPEB Liability	\$ 409,346	\$ 463,966	\$ 528,807

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

*Plan Description.* Employees of the Coffee County School Department who were hired prior to July 1, 2015, are provided with pre-65 retiree health insurance benefits through the closed Local Education Plan (LEP) administered by the Tennessee Department of Finance and Administration. All eligible pre-65 retired teachers, support staff, and disability participants of local education agencies, who choose coverage, participate in the LEP. This

plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

*Benefits Provided.* The Coffee County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-301 establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. Coffee County 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, 2021, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	33
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	406
Total	439

A state insurance committee, created in accordance with TCA 8-27-301, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$319,231 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		
	<u>Coffee County</u>	<u>State of</u>	<u>Total OPEB</u>
	<u>School Department</u>	<u>TN</u>	
	73.88%	26.12%	Liability
Balance July 1, 2020	\$ 9,005,768	\$ 2,978,864	\$ 11,984,632
Changes for the Year:			
Service Cost	\$ 493,244	\$ 174,384	\$ 667,628
Interest	203,483	71,940	275,423
Difference between Expected and Actuarial Experience	167,193	59,110	226,303
Changes in Proportion	(151,423)	151,423	0
Changes in Assumption and Other Inputs	(259,458)	(91,730)	(351,188)
Benefit Payments	(281,813)	(99,634)	(381,447)
Net Changes	<u>\$ 171,226</u>	<u>\$ 265,493</u>	<u>\$ 436,719</u>
Balance June 30, 2021	<u>\$ 9,176,994</u>	<u>\$ 3,244,357</u>	<u>\$ 12,421,351</u>

The Coffee 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 Coffee County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employers' long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$196,718 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Coffee County School Department's proportionate share of the collective OPEB liability was 73.88 percent and the State of Tennessee's share was 26.12 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2022, the school department recognized OPEB expense of \$608,881, which includes expenses funded by subsidies provided by the state. At June 30, 2022, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 411,999	\$ 1,812,765
Changes of Assumptions/Inputs	789,225	836,257
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	68,772	330,308
Benefits Paid After the Measurement Date of June 30, 2021	<u>319,231</u>	<u>0</u>
Total	<u>\$ 1,589,227</u>	<u>\$ 2,979,330</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
2023	\$ (284,567)
2024	(284,567)
2025	(284,567)
2026	(284,567)
2027	(275,050)
Thereafter	(296,016)

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
	1.16%	2.16%	3.16%

Proportionate Share of the Collective Total OPEB Liability	\$ 9,853,057	\$ 9,176,944	\$ 8,525,203
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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
	6.36 to 3.5%	7.36 to 4.5%	8.36 to 5.5%

Proportionate Share of the Collective Total OPEB Liability	\$ 8,120,560	\$ 9,176,944	\$ 10,420,245
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## H. Office of Central Accounting and Budgeting

### Office of Director of Accounts and Budgets

Coffee County operates under the provisions of a local resolution, which creates the Office of Director of Accounts and Budgets. Under this resolution, the director of accounts and budgets directs the operation of the funds under the control of the county mayor. For years, the director of accounts and budgets has also performed all accounting and budgeting functions for the county's highway department; however, there is no state law or local resolution governing this arrangement in Coffee County. The nature and operation of this informal arrangement has created a type of Office of Central Accounting, Budgeting, and Purchasing similar to that created by the adoption of the County Fiscal Procedure Law of 1957.

## I. Purchasing Laws

### Offices of County Mayor and Road Superintendent

Purchasing procedures for these offices are governed by provisions of the County Purchasing Law of 1957, Section 5-14-101, et seq., *Tennessee Code*

*Annotated (TCA)*. Purchasing procedures in the highway department are also governed by the Uniform Road Law, Section 54-7-113, *TCA*. These statutes provide for the purchasing agent to make purchases for these departments, with purchases exceeding \$10,000 for the Office of County Mayor and \$25,000 for the highway department to be made on the basis of competitive bids solicited through public advertisement.

Office of Director of Schools

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

**J. Subsequent Event**

On August 31, 2022, Gary Cordell left the office of County Mayor and was succeeded by Judd Matheny.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

Exhibit E-1

Coffee 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
<b>Total Pension Liability</b>								
Service Cost	\$ 1,124,029	\$ 1,074,064	\$ 1,081,961	\$ 1,042,833	\$ 1,019,771	\$ 971,981	\$ 893,380	\$ 807,744
Interest	2,652,435	2,713,685	2,877,607	2,994,156	3,167,650	3,285,940	3,430,204	3,485,937
Differences Between Actual and Expected Experience	(1,472,065)	(70,073)	(706,040)	519,461	(559,706)	250,330	(862,794)	(650,143)
Changes in Assumptions	0	0	0	1,001,203	0	0	0	3,474,460
Benefit Payments, Including Refunds of Employee Contributions	(1,384,888)	(1,490,656)	(1,589,244)	(1,731,594)	(1,798,280)	(2,098,402)	(2,781,199)	(2,431,641)
Net Change in Total Pension Liability	\$ 919,511	\$ 2,227,020	\$ 1,664,284	\$ 3,826,059	\$ 1,829,435	\$ 2,409,849	\$ 679,591	\$ 4,686,357
Total Pension Liability, Beginning	34,934,223	35,853,734	38,080,754	39,745,038	43,571,097	45,400,532	47,810,381	48,489,972
Total Pension Liability, Ending (a)	\$ 35,853,734	\$ 38,080,754	\$ 39,745,038	\$ 43,571,097	\$ 45,400,532	\$ 47,810,381	\$ 48,489,972	\$ 53,176,329
<b>Plan Fiduciary Net Position</b>								
Contributions - Employer	\$ 1,094,055	\$ 1,110,181	\$ 1,035,664	\$ 765,884	\$ 728,320	\$ 669,646	\$ 415,549	\$ 428,546
Contributions - Employee	644,561	673,024	590,953	580,404	551,758	507,309	426,681	429,275
Net Investment Income	5,551,086	1,215,059	1,083,599	4,724,157	3,808,814	3,644,392	2,536,222	13,385,857
Benefit Payments, Including Refunds of Employee Contributions	(1,384,888)	(1,490,656)	(1,589,244)	(1,731,594)	(1,798,280)	(2,098,402)	(2,781,199)	(2,431,641)
Administrative Expense	(18,439)	(22,769)	(30,436)	(31,150)	(33,003)	(28,066)	(24,160)	(21,846)
Other	0	0	9,122	9,109	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 5,886,375	\$ 1,484,839	\$ 1,099,658	\$ 4,316,810	\$ 3,257,609	\$ 2,694,879	\$ 573,093	\$ 11,790,191
Plan Fiduciary Net Position, Beginning	33,373,989	39,260,364	40,745,203	41,844,861	46,161,671	49,419,280	52,114,159	52,687,252
Plan Fiduciary Net Position, Ending (b)	\$ 39,260,364	\$ 40,745,203	\$ 41,844,861	\$ 46,161,671	\$ 49,419,280	\$ 52,114,159	\$ 52,687,252	\$ 64,477,443
Net Pension Liability (Asset), Ending (a - b)	\$ (3,406,630)	\$ (2,664,449)	\$ (2,099,823)	\$ (2,590,574)	\$ (4,018,748)	\$ (4,303,778)	\$ (4,197,280)	\$ (11,301,114)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	109.50%	107.00%	105.28%	105.95%	108.85%	109.0%	108.66%	121.3%
Covered Payroll	\$ 12,841,020	\$ 12,644,430	\$ 11,861,811	\$ 11,604,290	\$ 11,035,141	\$ 10,146,155	\$ 9,152,087	\$ 8,533,464
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(26.53)%	(21.07)%	(17.70)%	(22.32)%	(36.42)%	(42.42)%	(45.86)%	(132.43)%

Note 1: Ten years of information 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, discretely presented Public Building Authority of Coffee County (through December 31, 2020), discretely presented Industrial Development Board of Coffee County, and non-certified employees of the discretely presented school department.

Exhibit E-2

Coffee County, Tennessee  
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on  
Participation in the Public Employee Pension Plan of TCRS  
Discretely Presented Coffee County School Department  
For the Fiscal Year Ended June 30

	2016	2017	2018	2019	2020	2021
<b>Total Pension Liability</b>						
Service Cost	\$ 48,148	\$ 53,999	\$ 70,863	\$ 83,869	\$ 102,743	\$ 122,486
Interest	3,611	8,089	13,371	21,254	30,196	40,245
Differences Between Actual and Expected Experience	2,833	(4,062)	12,859	(479)	(3,766)	38,902
Changes in Assumptions	0	3,644	0	0	0	51,017
Benefit Payments, Including Refunds of Employee Contributions	0	(1,488)	(2,424)	(305)	(52)	(20,584)
Net Change in Total Pension Liability	\$ 54,592	\$ 60,182	\$ 94,669	\$ 104,339	\$ 129,121	\$ 232,066
Total Pension Liability, Beginning	0	54,592	114,774	209,443	313,782	442,903
Total Pension Liability, Ending (a)	\$ 54,592	\$ 114,774	\$ 209,443	\$ 313,782	\$ 442,903	\$ 674,969
<b>Plan Fiduciary Net Position</b>						
Contributions - Employer	\$ 27,681	\$ 36,683	\$ 46,318	\$ 30,958	\$ 47,187	\$ 48,765
Contributions - Employee	34,601	45,854	57,899	70,361	89,708	99,186
Net Investment Income	799	11,193	16,194	22,734	21,747	150,223
Benefit Payments, Including Refunds of Employee Contributions	0	(1,488)	(2,424)	(305)	(52)	(20,584)
Administrative Expense	(3,472)	(5,400)	(7,145)	(7,624)	(9,402)	(10,568)
Other	0	1,323	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 59,609	\$ 88,165	\$ 110,842	\$ 116,124	\$ 149,188	\$ 267,022
Plan Fiduciary Net Position, Beginning	0	59,609	147,774	258,616	374,740	523,928
Plan Fiduciary Net Position, Ending (b)	\$ 59,609	\$ 147,774	\$ 258,616	\$ 374,740	\$ 523,928	\$ 790,950
Net Pension Liability (Asset), Ending (a - b)	\$ (5,017)	\$ (33,000)	\$ (49,173)	\$ (60,958)	\$ (81,025)	\$ (115,981)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	109.19%	128.75%	123.48%	119.4%	118.29%	117.18%
Covered Payroll	\$ 706,728	\$ 917,086	\$ 1,157,962	\$ 1,407,224	\$ 1,794,153	\$ 2,190,695
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(.71)%	(3.60)%	(4.25)%	(4.33)%	(4.52)%	(5.29)%

Note 1: Ten years of information 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 non-certified employees of the discretely presented school department.

Exhibit E-3

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially Determined Contribution	\$ 1,094,055	\$ 1,110,181	\$ 1,035,664	\$ 765,884	\$ 728,320	\$ 461,650	\$ 334,101	\$ 344,551	\$ 504,052
Less: Contributions in Relation to the Actuarially Determined Contribution	(1,094,055)	(1,110,181)	(1,035,664)	(765,884)	(728,320)	(669,646)	(415,549)	(428,546)	(504,052)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (207,996)	\$ (81,448)	\$ (83,995)	\$ 0
Covered Payroll	\$ 12,841,020	\$ 12,644,430	\$ 11,861,811	\$ 11,604,290	\$ 11,035,141	\$ 10,146,155	\$ 9,152,087	\$ 8,533,464	\$ 8,533,464
Contributions as a Percentage of Covered Payroll	8.52%	8.78%	8.73%	6.60%	6.60%	6.60%	4.54%	5.02%	5.00%

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, discretely presented Public Building Authority of Coffee County (through December 31, 2020), discretely presented Industrial Development Board of Coffee County, and non-certified employees of the discretely presented school department.

Exhibit E-4

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

	2016	2017	2018	2019	2020	2021	2022
Actuarially Determined Contribution	\$ 27,681	\$ 36,683	\$ 46,318	\$ 30,958	\$ 47,187	\$ 48,765	\$ 63,066
Less: Contributions in Relation to the Actuarially Determined Contribution	(27,681)	(36,683)	(46,318)	(30,958)	(47,187)	(48,765)	(63,066)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 706,728	\$ 917,086	\$ 1,157,962	\$ 1,407,224	\$ 1,794,153	\$ 2,190,695	\$ 2,444,443
Contributions as a Percentage of Covered Payroll	3.92%	4.00%	4.00%	2.20%	2.63%	2.23%	2.58%

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 non-certified employees of the discretely presented school department.

Note 3: 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 - 2.20%, SRT - 1.80%

2020: Pension - 2.63%, SRT - 1.37%

2021: Pension - 2.68%, SRT - 1.32%

2022: Pension - 2.58%, SRT - 1.42%

Exhibit E-5

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

	2015	2016	2017	2018	2019	2020	2021	2022
Contractually Required Contribution	\$ 39,296	\$ 80,348	\$ 96,911	\$ 136,508	\$ 81,961	\$ 100,332	\$ 112,522	\$ 129,134
Less: Contributions in Relation to the Contractually Required Contribution	(39,296)	(80,348)	(96,911)	(136,508)	(81,961)	(100,332)	(112,522)	(129,134)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 982,381	\$ 2,008,688	\$ 2,422,795	\$ 3,412,695	\$ 4,224,755	\$ 4,942,440	\$ 5,570,375	\$ 6,424,538
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.00%	1.94%	2.03%	2.02%	2.01%

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

Note 2: Beginning in FY 2019, the school department placed the actuarially determined contribution rate of covered payroll into the pension plan and placed the remainder of the four percent contractually required contribution into the Pension Stabilization Reserve Trust (SRT).  
 2019: Pension - 1.94%, SRT - 2.02%  
 2020: Pension - 2.03%, SRT - 1.97%  
 2021: Pension - 2.02%, SRT - 1.98%  
 2022: Pension - 2.01%, SRT - 1.99%

Exhibit E-6

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Contractually Required Contribution	\$ 1,588,162	\$ 1,511,533	\$ 1,472,309	\$ 1,469,413	\$ 1,425,101	\$ 1,608,994	\$ 1,583,206	\$ 1,576,585	\$ 1,614,538
Less: Contributions in Relation to the Contractually Required Contribution	(1,588,162)	(1,511,533)	(1,472,309)	(1,469,413)	(1,425,101)	(1,608,994)	(1,583,206)	(1,576,585)	(1,614,538)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 17,884,707	\$ 16,720,786	\$ 16,286,625	\$ 16,254,573	\$ 15,694,932	\$ 15,389,697	\$ 14,893,754	\$ 15,326,498	\$ 15,675,117
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.08%	10.46%	10.63%	10.29%	10.30%

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

Exhibit E-7

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

	2015	2016	2017	2018	2019	2020	2021
School Department's Proportion of the Net Pension Liability (Asset)	0.463058%	0.456517%	0.369136%	0.390522%	0.399243%	0.391662%	0.385969%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (19,021)	\$ (47,525)	\$ (97,390)	\$ (177,113)	\$ (225,367)	\$ (222,716)	\$ (418,086)
Covered Payroll	\$ 982,381	\$ 2,008,688	\$ 2,422,795	\$ 3,412,695	\$ 4,224,755	\$ 4,942,440	\$ 5,570,375
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.02)%	(5.19)%	(5.33)%	(4.51)%	(7.51)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	127.46%	121.88%	126.81%	126.97%	123.07%	116.52%	121.53%

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

Exhibit E-8

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

	2014	2015	2016	2017	2018	2019	2020	2021
School Department's Proportion of the Net Pension Liability (Asset)	0.455662%	0.446654%	0.451178%	0.459824%	0.448213%	0.458744%	0.447494%	0.467720%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (74,043)	\$ 182,965	\$ 2,819,610	\$ (150,448)	\$ (1,577,222)	\$ (4,716,718)	\$ (3,412,472)	\$ (20,173,882)
Covered Payroll	\$ 17,884,707	\$ 16,720,786	\$ 16,286,625	\$ 16,254,573	\$ 15,694,932	\$ 15,389,697	\$ 14,893,754	\$ 15,326,498
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41)%	1.09%	17.31%	(0.93)%	(10.05)%	(30.65)%	(22.91)%	(131.63)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	100.08%	99.81%	97.14%	100.14%	101.49%	104.28%	103.09%	116.13%

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

Exhibit E-9

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

	2017	2018	2019	2020	2021
<b>Total OPEB Liability</b>					
Service Cost	\$ 63,210	\$ 59,299	\$ 63,745	\$ 57,255	\$ 71,569
Interest	19,021	24,542	26,661	21,106	15,175
Differences Between Actual and Expected Experience	0	(76,386)	(234,691)	(48,650)	(73,630)
Changes in Assumptions or Other Inputs	(33,044)	46,186	29,235	54,258	(158,938)
Benefit Payments	(4,534)	(10,114)	(11,942)	(15,331)	(10,512)
Net Change in Total OPEB Liability	\$ 44,653	\$ 43,527	\$ (126,992)	\$ 68,638	\$ (156,336)
Total OPEB Liability, Beginning	590,476	635,129	678,656	551,664	620,302
Total OPEB Liability, Ending	\$ 635,129	\$ 678,656	\$ 551,664	\$ 620,302	\$ 463,966
Covered Employee Payroll	\$ 6,770,147	\$ 6,048,525	\$ 5,644,919	\$ 5,041,438	\$ 4,611,723
Net OPEB Liability as a Percentage of Covered Employee Payroll	9.38%	11.22%	9.77%	12.30%	10.06%

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

Note 2: Changes in assumptions.

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

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

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

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

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

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

	2017	2018	2019	2020	2021
<b>Total OPEB Liability</b>					
Service Cost	\$ 807,601	\$ 747,737	\$ 646,122	\$ 552,604	\$ 667,628
Interest	386,214	472,350	392,433	391,318	275,423
Differences Between Actual and Expected Experience	0	(3,293,370)	534,977	(586,056)	226,303
Changes in Assumptions or Other Inputs	(631,211)	206,542	(766,392)	1,222,851	(351,188)
Benefit Payments	(429,496)	(492,462)	(429,764)	(381,007)	(381,447)
Net Change in Total OPEB Liability	\$ 133,108	\$ (2,359,203)	\$ 377,376	\$ 1,199,710	\$ 436,719
Total OPEB Liability, Beginning	12,633,641	12,766,749	10,407,546	10,784,922	11,984,632
<b>Total OPEB Liability, Ending</b>	<b>\$ 12,766,749</b>	<b>\$ 10,407,546</b>	<b>\$ 10,784,922</b>	<b>\$ 11,984,632</b>	<b>\$ 12,421,351</b>
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 3,062,028	\$ 2,404,559	\$ 2,664,295	\$ 2,978,864	\$ 3,244,407
Employer Proportionate Share of the Total OPEB Liability	9,704,721	8,002,987	8,120,627	9,005,768	9,176,944
Covered Employee Payroll	\$ 23,906,662	\$ 21,014,306	\$ 23,424,563	\$ 28,432,516	\$ 27,568,958
Net OPEB Liability as a Percentage of Covered Employee Payroll	53.40%	49.53%	46.04%	42.15%	45.06%

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

Note 2: Changes in assumptions.

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

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

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

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

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

**COFFEE COUNTY, TENNESSEE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2022**

**TENNESSEE CONSOLIDATED RETIREMENT SYSTEM**

*Valuation Date:* Actuarially determined contribution rates for fiscal year 2022 were calculated based on the June 30, 2020, actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed (Not to Exceed 20 Years)
Remaining Amortization Period	Varies by Year
Asset Valuation	10-Year Smoothed Within a 20% Corridor to Market Value
Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, averaging 4%
Investment Rate of Return	7.25%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience Including an Adjustment for Some Anticipated Improvement
Cost of Living Adjustment	2.25%

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

**COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES**

# Nonmajor Governmental Funds

## Special Revenue Funds

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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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Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions relating to the disposal of solid waste.

Ambulance Service Fund – The Ambulance Service Fund is used to account for the transactions of the county’s ambulance service.

Local Purpose Tax Fund – The Local Purpose Tax Fund is used to account for a special property tax levied on the Interstate Industrial Park to provide city services for the park.

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.

Highway/Public Works Fund – The Highway/Public Works Fund is used to account for transactions of the county’s highway department. Local and state gasoline/fuel taxes are the foundational revenues of this fund.

## Debt Service Funds

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

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General Debt Service Fund – The General Debt Service Fund is used to account for the accumulation of resources for, and the payment of, debt principal, interest, and related costs.

Exhibit F-1

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

	Special Revenue Funds				
	Solid Waste / Sanitation	Ambulance Service	Local Purpose Tax	Drug Control	Constitu - tional Officers - Fees
<u>ASSETS</u>					
Cash	\$ 100	\$ 159,086	\$ 0	\$ 0	\$ 2,072
Equity in Pooled Cash and Investments	1,394,343	1,393,630	1,286,687	442,586	0
Accounts Receivable	373	785,689	0	0	57,358
Allowance for Uncollectibles	0	(428,078)	0	0	0
Due from Other Governments	42,533	0	0	0	0
Due from Other Funds	32,499	0	0	0	0
Property Taxes Receivable	1,030,002	704,360	314,315	0	0
Allowance for Uncollectible Property Taxes	(45,932)	(14,854)	(36,983)	0	0
Total Assets	<u>\$ 2,453,918</u>	<u>\$ 2,599,833</u>	<u>\$ 1,564,019</u>	<u>\$ 442,586</u>	<u>\$ 59,430</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 61,935	\$ 19,403	\$ 129	\$ 1,392	\$ 0
Payroll Deductions Payable	6,396	12,560	0	0	0
Due to Other Funds	0	0	0	0	59,430
Due to State of Tennessee	87	139	0	0	0
Total Liabilities	<u>\$ 68,418</u>	<u>\$ 32,102</u>	<u>\$ 129</u>	<u>\$ 1,392</u>	<u>\$ 59,430</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 961,876	\$ 682,376	\$ 254,490	\$ 0	\$ 0
Deferred Delinquent Property Taxes	20,510	6,144	22,841	0	0
Other Deferred/Unavailable Revenue	16,138	340,522	0	0	0
Total Deferred Inflows of Resources	<u>\$ 998,524</u>	<u>\$ 1,029,042</u>	<u>\$ 277,331</u>	<u>\$ 0</u>	<u>\$ 0</u>

(Continued)

Exhibit F-1

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

	Special Revenue Funds				
	Solid Waste / Sanitation	Ambulance Service	Local Purpose Tax	Drug Control	Constitu - tional Officers - Fees
<u>FUND BALANCES</u>					
Restricted:					
Restricted for Public Safety	\$ 0	\$ 0	\$ 0	\$ 441,194	\$ 0
Restricted for Public Health and Welfare	1,386,976	1,518,874	0	0	0
Restricted for Other Operations	0	0	1,286,559	0	0
Restricted for Highways/Public Works	0	0	0	0	0
Restricted for Debt Service	0	0	0	0	0
Assigned:					
Assigned for Public Health and Welfare	0	19,815	0	0	0
Total Fund Balances	<u>\$ 1,386,976</u>	<u>\$ 1,538,689</u>	<u>\$ 1,286,559</u>	<u>\$ 441,194</u>	<u>\$ 0</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,453,918</u>	<u>\$ 2,599,833</u>	<u>\$ 1,564,019</u>	<u>\$ 442,586</u>	<u>\$ 59,430</u>

(Continued)

Exhibit F-1

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

	<u>Special Revenue Funds</u> (Cont.)		<u>Debt Service</u> <u>Fund</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
	<u>Highway /</u> <u>Public</u> <u>Works</u>	<u>Total</u>	<u>General</u> <u>Debt</u> <u>Service</u>	
<u>ASSETS</u>				
Cash	\$ 0	\$ 161,258	\$ 0	\$ 161,258
Equity in Pooled Cash and Investments	2,769,122	7,286,368	4,171,699	11,458,067
Accounts Receivable	0	843,420	0	843,420
Allowance for Uncollectibles	0	(428,078)	0	(428,078)
Due from Other Governments	491,567	534,100	7,912	542,012
Due from Other Funds	0	32,499	0	32,499
Property Taxes Receivable	0	2,048,677	833,436	2,882,113
Allowance for Uncollectible Property Taxes	0	(97,769)	(19,958)	(117,727)
Total Assets	<u>\$ 3,260,689</u>	<u>\$ 10,380,475</u>	<u>\$ 4,993,089</u>	<u>\$ 15,373,564</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 297,284	\$ 380,143	\$ 2,000	\$ 382,143
Payroll Deductions Payable	8,264	27,220	0	27,220
Due to Other Funds	0	59,430	0	59,430
Due to State of Tennessee	0	226	0	226
Total Liabilities	<u>\$ 305,548</u>	<u>\$ 467,019</u>	<u>\$ 2,000</u>	<u>\$ 469,019</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 0	\$ 1,898,742	\$ 802,795	\$ 2,701,537
Deferred Delinquent Property Taxes	0	49,495	9,204	58,699
Other Deferred/Unavailable Revenue	230,079	586,739	0	586,739
Total Deferred Inflows of Resources	<u>\$ 230,079</u>	<u>\$ 2,534,976</u>	<u>\$ 811,999</u>	<u>\$ 3,346,975</u>

(Continued)

Exhibit F-1

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

FUND BALANCES

Restricted:

Restricted for Public Safety  
 Restricted for Public Health and Welfare  
 Restricted for Other Operations  
 Restricted for Highways/Public Works  
 Restricted for Debt Service

Assigned:

Assigned for Public Health and Welfare

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

<u>Special Revenue Funds</u> (Cont.)		<u>Debt Service</u> <u>Fund</u>		Total Nonmajor Governmental Funds
Highway / Public Works	Total	General Debt Service		
\$ 0	\$ 441,194	\$ 0	\$ 441,194	
0	2,905,850	0	2,905,850	
0	1,286,559	0	1,286,559	
2,725,062	2,725,062	0	2,725,062	
0	0	4,179,090	4,179,090	
0	19,815	0	19,815	
<u>\$ 2,725,062</u>	<u>\$ 7,378,480</u>	<u>\$ 4,179,090</u>	<u>\$ 11,557,570</u>	
<u>\$ 3,260,689</u>	<u>\$ 10,380,475</u>	<u>\$ 4,993,089</u>	<u>\$ 15,373,564</u>	

Exhibit F-2

Coffee County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2022

	Special Revenue Funds					Constitu - tional Officers - Fees
	Solid Waste / Sanitation	Ambulance Service	Local Purpose Tax	Drug Control		
<u>Revenues</u>						
Local Taxes	\$ 1,383,052	\$ 679,461	\$ 265,854	\$ 0	\$ 0	0
Licenses and Permits	3,505	3,500	0	0	0	0
Fines, Forfeitures, and Penalties	0	0	0	91,717	0	0
Charges for Current Services	153,164	1,953,638	0	0	0	204
Other Local Revenues	95,989	500	0	4,295	0	0
State of Tennessee	53,715	0	0	0	0	0
Federal Government	0	116,159	0	0	0	0
<b>Total Revenues</b>	<b>\$ 1,689,425</b>	<b>\$ 2,753,258</b>	<b>\$ 265,854</b>	<b>\$ 96,012</b>	<b>\$ 0</b>	<b>204</b>
<u>Expenditures</u>						
Current:						
General Government	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	78
Finance	0	0	0	0	0	126
Public Safety	0	0	0	190,837	0	0
Public Health and Welfare	1,645,729	2,267,366	0	0	0	0
Other Operations	21,196	0	87,740	0	0	0
Highways	0	0	0	0	0	0
Debt Service:						
Principal on Debt	0	0	0	0	0	0
Interest on Debt	0	0	0	0	0	0
Other Debt Service	0	0	0	0	0	0
<b>Total Expenditures</b>	<b>\$ 1,666,925</b>	<b>\$ 2,267,366</b>	<b>\$ 87,740</b>	<b>\$ 190,837</b>	<b>\$ 0</b>	<b>204</b>

(Continued)

Exhibit F-2

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

	Special Revenue Funds				
	Solid Waste / Sanitation	Ambulance Service	Local Purpose Tax	Drug Control	Constitu - tional Officers - Fees
Excess (Deficiency) of Revenues Over Expenditures	\$ 22,500	\$ 485,892	\$ 178,114	\$ (94,825)	\$ 0
<u>Other Financing Sources (Uses)</u>					
Proceeds from Sale of Capital Assets	\$ 0	\$ 792	\$ 0	\$ 0	\$ 0
Insurance Recovery	0	8,804	0	0	0
Transfers In	0	0	0	15,000	0
Transfers Out	(15,000)	0	0	0	0
Total Other Financing Sources (Uses)	\$ (15,000)	\$ 9,596	\$ 0	\$ 15,000	\$ 0
Net Change in Fund Balances	\$ 7,500	\$ 495,488	\$ 178,114	\$ (79,825)	\$ 0
Fund Balance, July 1, 2021	1,379,476	1,043,201	1,108,445	521,019	0
Fund Balance, June 30, 2022	\$ 1,386,976	\$ 1,538,689	\$ 1,286,559	\$ 441,194	\$ 0

(Continued)

Exhibit F-2

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

	Special Revenue Funds (Cont.)		Debt Service Fund	Total Nonmajor Governmental Funds
	Highway / Public Works	Total	General Debt Service	
<u>Revenues</u>				
Local Taxes	\$ 48,168	\$ 2,376,535	\$ 1,242,554	\$ 3,619,089
Licenses and Permits	0	7,005	0	7,005
Fines, Forfeitures, and Penalties	0	91,717	0	91,717
Charges for Current Services	4,407	2,111,413	0	2,111,413
Other Local Revenues	3,696	104,480	390,483	494,963
State of Tennessee	3,202,087	3,255,802	0	3,255,802
Federal Government	134,499	250,658	0	250,658
Total Revenues	<u>\$ 3,392,857</u>	<u>\$ 8,197,610</u>	<u>\$ 1,633,037</u>	<u>\$ 9,830,647</u>
<u>Expenditures</u>				
Current:				
General Government	\$ 0	\$ 78	\$ 0	\$ 78
Finance	0	126	0	126
Public Safety	0	190,837	0	190,837
Public Health and Welfare	0	3,913,095	0	3,913,095
Other Operations	0	108,936	0	108,936
Highways	3,283,996	3,283,996	0	3,283,996
Debt Service:				
Principal on Debt	0	0	826,000	826,000
Interest on Debt	0	0	559,878	559,878
Other Debt Service	0	0	37,205	37,205
Total Expenditures	<u>\$ 3,283,996</u>	<u>\$ 7,497,068</u>	<u>\$ 1,423,083</u>	<u>\$ 8,920,151</u>

(Continued)

Exhibit F-2

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

	Special Revenue Funds (Cont.)		Debt Service Fund		Total Nonmajor Governmental Funds
	Highway / Public Works	Total	General Debt Service		
Excess (Deficiency) of Revenues Over Expenditures	\$ 108,861	\$ 700,542	\$ 209,954	\$	\$ 910,496
<u>Other Financing Sources (Uses)</u>					
Proceeds from Sale of Capital Assets	\$ 0	\$ 792	\$ 0	\$	\$ 792
Insurance Recovery	0	8,804	0		8,804
Transfers In	0	15,000	0		15,000
Transfers Out	0	(15,000)	0		(15,000)
Total Other Financing Sources (Uses)	\$ 0	\$ 9,596	\$ 0	\$	\$ 9,596
Net Change in Fund Balances	\$ 108,861	\$ 710,138	\$ 209,954	\$	\$ 920,092
Fund Balance, July 1, 2021	2,616,201	6,668,342	3,969,136		10,637,478
Fund Balance, June 30, 2022	\$ 2,725,062	\$ 7,378,480	\$ 4,179,090	\$	\$ 11,557,570

Exhibit F-3

Coffee 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, 2022

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 1,383,052	\$ 0	\$ 1,383,052	\$ 1,411,447	\$ 1,401,929	\$ (18,877)
Licenses and Permits	3,505	0	3,505	5,000	5,000	(1,495)
Charges for Current Services	153,164	0	153,164	157,335	175,684	(22,520)
Other Local Revenues	95,989	0	95,989	35,000	90,144	5,845
State of Tennessee	53,715	0	53,715	52,400	52,400	1,315
<b>Total Revenues</b>	<b>\$ 1,689,425</b>	<b>\$ 0</b>	<b>\$ 1,689,425</b>	<b>\$ 1,661,182</b>	<b>\$ 1,725,157</b>	<b>\$ (35,732)</b>
<u>Expenditures</u>						
<u>Public Health and Welfare</u>						
Sanitation Management	\$ 189,890	\$ 0	\$ 189,890	\$ 208,518	\$ 209,268	\$ 19,378
Waste Pickup	977,902	(539)	977,363	1,023,079	1,035,079	57,716
Convenience Centers	362,201	0	362,201	377,292	411,511	49,310
Other Waste Collection	115,736	0	115,736	113,677	121,177	5,441
Other Waste Disposal	0	0	0	4,500	4,500	4,500
<u>Other Operations</u>						
Other Charges	21,196	0	21,196	21,196	21,196	0
<b>Total Expenditures</b>	<b>\$ 1,666,925</b>	<b>\$ (539)</b>	<b>\$ 1,666,386</b>	<b>\$ 1,748,262</b>	<b>\$ 1,802,731</b>	<b>\$ 136,345</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$ 22,500</b>	<b>\$ 539</b>	<b>\$ 23,039</b>	<b>\$ (87,080)</b>	<b>\$ (77,574)</b>	<b>\$ 100,613</b>
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ (15,000)	\$ 0	\$ (15,000)	\$ 0	\$ (15,000)	\$ 0
<b>Total Other Financing Sources</b>	<b>\$ (15,000)</b>	<b>\$ 0</b>	<b>\$ (15,000)</b>	<b>\$ 0</b>	<b>\$ (15,000)</b>	<b>\$ 0</b>

(Continued)

Exhibit F-3

Coffee County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Solid Waste/Sanitation Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Net Change in Fund Balance	\$ 7,500	\$ 539	\$ 8,039	\$ (87,080)	\$ (92,574)	\$ 100,613
Fund Balance, July 1, 2021	1,379,476	(539)	1,378,937	1,378,937	1,378,937	0
Fund Balance, June 30, 2022	\$ 1,386,976	\$ 0	\$ 1,386,976	\$ 1,291,857	\$ 1,286,363	\$ 100,613

Exhibit F-4

Coffee County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Ambulance Service Fund  
For the Year Ended June 30, 2022

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 679,461	\$ 0	\$ 0	\$ 679,461	\$ 683,892	\$ 691,405	\$ (11,944)
Licenses and Permits	3,500	0	0	3,500	3,500	3,500	0
Charges for Current Services	1,953,638	0	0	1,953,638	1,811,200	1,888,170	65,468
Other Local Revenues	500	0	0	500	500	500	0
Federal Government	116,159	0	0	116,159	88,750	88,750	27,409
<b>Total Revenues</b>	<b>\$ 2,753,258</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 2,753,258</b>	<b>\$ 2,587,842</b>	<b>\$ 2,672,325</b>	<b>\$ 80,933</b>
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Ambulance/Emergency Medical Services	\$ 2,267,366	\$ (22,356)	\$ 19,815	\$ 2,264,825	\$ 2,830,335	\$ 2,503,138	\$ 238,313
<b>Total Expenditures</b>	<b>\$ 2,267,366</b>	<b>\$ (22,356)</b>	<b>\$ 19,815</b>	<b>\$ 2,264,825</b>	<b>\$ 2,830,335</b>	<b>\$ 2,503,138</b>	<b>\$ 238,313</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 485,892	\$ 22,356	\$ (19,815)	\$ 488,433	\$ (242,493)	\$ 169,187	\$ 319,246
<u>Other Financing Sources (Uses)</u>							
Proceeds from Sale of Capital Assets	\$ 792	\$ 0	\$ 0	\$ 792	\$ 0	\$ 792	\$ 0
Insurance Recovery	8,804	0	0	8,804	0	12,336	(3,532)
<b>Total Other Financing Sources</b>	<b>\$ 9,596</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 9,596</b>	<b>\$ 0</b>	<b>\$ 13,128</b>	<b>\$ (3,532)</b>
Net Change in Fund Balance	\$ 495,488	\$ 22,356	\$ (19,815)	\$ 498,029	\$ (242,493)	\$ 182,315	\$ 315,714
Fund Balance, July 1, 2021	1,043,201	(22,356)	0	1,020,845	1,020,844	1,020,844	1
<b>Fund Balance, June 30, 2022</b>	<b>\$ 1,538,689</b>	<b>\$ 0</b>	<b>\$ (19,815)</b>	<b>\$ 1,518,874</b>	<b>\$ 778,351</b>	<b>\$ 1,203,159</b>	<b>\$ 315,715</b>

Exhibit F-5

Coffee County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Local Purpose Tax Fund  
For the Year Ended June 30, 2022

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 265,854	\$ 258,579	\$ 258,579	\$ 7,275
Total Revenues	\$ 265,854	\$ 258,579	\$ 258,579	\$ 7,275
<u>Expenditures</u>				
<u>Other Operations</u>				
Industrial Development	\$ 87,740	\$ 103,000	\$ 103,000	\$ 15,260
Total Expenditures	\$ 87,740	\$ 103,000	\$ 103,000	\$ 15,260
Excess (Deficiency) of Revenues Over Expenditures	\$ 178,114	\$ 155,579	\$ 155,579	\$ 22,535
Net Change in Fund Balance	\$ 178,114	\$ 155,579	\$ 155,579	\$ 22,535
Fund Balance, July 1, 2021	1,108,445	1,108,445	1,108,445	0
Fund Balance, June 30, 2022	\$ 1,286,559	\$ 1,264,024	\$ 1,264,024	\$ 22,535

Exhibit F-6

Coffee 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, 2022

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Fines, Forfeitures, and Penalties	\$ 91,717	\$ 0	\$ 91,717	\$ 140,000	\$ 140,000	\$ (48,283)
Other Local Revenues	4,295	0	4,295	41,000	41,000	(36,705)
Total Revenues	\$ 96,012	\$ 0	\$ 96,012	\$ 181,000	\$ 181,000	\$ (84,988)
<u>Expenditures</u>						
<u>Public Safety</u>						
Drug Enforcement	\$ 190,837	\$ (42,049)	\$ 148,788	\$ 366,500	\$ 407,271	\$ 258,483
Total Expenditures	\$ 190,837	\$ (42,049)	\$ 148,788	\$ 366,500	\$ 407,271	\$ 258,483
Excess (Deficiency) of Revenues Over Expenditures	\$ (94,825)	\$ 42,049	\$ (52,776)	\$ (185,500)	\$ (226,271)	\$ 173,495
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 0	\$ 0	\$ 0	\$ 0	\$ 25,771	\$ (25,771)
Transfers In	15,000	0	15,000	0	15,000	0
Total Other Financing Sources	\$ 15,000	\$ 0	\$ 15,000	\$ 0	\$ 40,771	\$ (25,771)
Net Change in Fund Balance	\$ (79,825)	\$ 42,049	\$ (37,776)	\$ (185,500)	\$ (185,500)	\$ 147,724
Fund Balance, July 1, 2021	521,019	(42,049)	478,970	478,970	478,970	0
Fund Balance, June 30, 2022	\$ 441,194	\$ 0	\$ 441,194	\$ 293,470	\$ 293,470	\$ 147,724

Exhibit F-7

Coffee County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Highway/Public Works Fund  
For the Year Ended June 30, 2022

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 48,168	\$ 0	\$ 0	\$ 48,168	\$ 63,205	\$ 63,205	\$ (15,037)
Charges for Current Services	4,407	0	0	4,407	0	4,300	107
Other Local Revenues	3,696	0	0	3,696	2,675	3,680	16
State of Tennessee	3,202,087	0	0	3,202,087	3,121,536	3,318,259	(116,172)
Federal Government	134,499	0	0	134,499	0	134,499	0
<b>Total Revenues</b>	<b>\$ 3,392,857</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,392,857</b>	<b>\$ 3,187,416</b>	<b>\$ 3,523,943</b>	<b>\$ (131,086)</b>
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 208,012	\$ 0	\$ 0	\$ 208,012	\$ 301,963	\$ 243,417	\$ 35,405
Highway and Bridge Maintenance	1,706,200	(32,545)	13,816	1,687,471	2,024,507	1,795,782	108,311
Operation and Maintenance of Equipment	391,406	(6,556)	17,653	402,503	369,393	424,778	22,275
Other Charges	211,718	0	2,495	214,213	222,050	216,274	2,061
Capital Outlay	766,660	(30,491)	44,986	781,155	1,117,111	1,217,111	435,956
<b>Total Expenditures</b>	<b>\$ 3,283,996</b>	<b>\$ (69,592)</b>	<b>\$ 78,950</b>	<b>\$ 3,293,354</b>	<b>\$ 4,035,024</b>	<b>\$ 3,897,362</b>	<b>\$ 604,008</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 108,861	\$ 69,592	\$ (78,950)	\$ 99,503	\$ (847,608)	\$ (373,419)	\$ 472,922
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,850	\$ (3,850)
<b>Total Other Financing Sources</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,850</b>	<b>\$ (3,850)</b>
Net Change in Fund Balance	\$ 108,861	\$ 69,592	\$ (78,950)	\$ 99,503	\$ (847,608)	\$ (369,569)	\$ 469,072
Fund Balance, July 1, 2021	2,616,201	(69,592)	0	2,546,609	2,546,657	2,546,657	(48)
<b>Fund Balance, June 30, 2022</b>	<b>\$ 2,725,062</b>	<b>\$ 0</b>	<b>\$ (78,950)</b>	<b>\$ 2,646,112</b>	<b>\$ 1,699,049</b>	<b>\$ 2,177,088</b>	<b>\$ 469,024</b>

Exhibit F-8

Coffee County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
General Debt Service Fund  
For the Year Ended June 30, 2022

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,242,554	\$ 1,321,616	\$ 1,265,398	\$ (22,844)
Other Local Revenues	390,483	324,480	387,751	2,732
Total Revenues	<u>\$ 1,633,037</u>	<u>\$ 1,646,096</u>	<u>\$ 1,653,149</u>	<u>\$ (20,112)</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 826,000	\$ 835,000	\$ 835,000	\$ 9,000
<u>Interest on Debt</u>				
General Government	559,878	560,500	560,500	622
<u>Other Debt Service</u>				
General Government	37,205	56,000	56,000	18,795
Total Expenditures	<u>\$ 1,423,083</u>	<u>\$ 1,451,500</u>	<u>\$ 1,451,500</u>	<u>\$ 28,417</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 209,954</u>	<u>\$ 194,596</u>	<u>\$ 201,649</u>	<u>\$ 8,305</u>
Net Change in Fund Balance	\$ 209,954	\$ 194,596	\$ 201,649	\$ 8,305
Fund Balance, July 1, 2021	<u>3,969,136</u>	<u>3,969,136</u>	<u>3,969,136</u>	<u>0</u>
Fund Balance, June 30, 2022	<u><u>\$ 4,179,090</u></u>	<u><u>\$ 4,163,732</u></u>	<u><u>\$ 4,170,785</u></u>	<u><u>\$ 8,305</u></u>

# Major Governmental Funds

## Debt Service Fund

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

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Rural Debt Service Fund – The Rural Debt Service Fund is used to account for the retirement of bonds and other loans issued for school projects outside the territorial limits of the special school districts.

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

Exhibit G-1

Coffee County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Rural Debt Service Fund  
For the Year Ended June 30, 2022

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 4,510,624	\$ 4,151,337	\$ 4,409,743	\$ 100,881
Other Local Revenues	9,284	25,000	25,000	(15,716)
Other Governments and Citizens Groups	361,050	389,132	389,132	(28,082)
Total Revenues	<u>\$ 4,880,958</u>	<u>\$ 4,565,469</u>	<u>\$ 4,823,875</u>	<u>\$ 57,083</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
Education	\$ 1,904,620	\$ 1,888,881	\$ 1,904,622	\$ 2
<u>Interest on Debt</u>				
Education	2,128,802	2,129,252	2,129,252	450
<u>Other Debt Service</u>				
Education	74,479	71,250	79,250	4,771
Total Expenditures	<u>\$ 4,107,901</u>	<u>\$ 4,089,383</u>	<u>\$ 4,113,124</u>	<u>\$ 5,223</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 773,057</u>	<u>\$ 476,086</u>	<u>\$ 710,751</u>	<u>\$ 62,306</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 138,384	\$ 146,752	\$ 146,752	\$ (8,368)
Total Other Financing Sources	<u>\$ 138,384</u>	<u>\$ 146,752</u>	<u>\$ 146,752</u>	<u>\$ (8,368)</u>
Net Change in Fund Balance	\$ 911,441	\$ 622,838	\$ 857,503	\$ 53,938
Fund Balance, July 1, 2021	<u>5,292,089</u>	<u>5,123,602</u>	<u>5,123,602</u>	<u>168,487</u>
Fund Balance, June 30, 2022	<u>\$ 6,203,530</u>	<u>\$ 5,746,440</u>	<u>\$ 5,981,105</u>	<u>\$ 222,425</u>

Exhibit G-2

Coffee County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Capital Projects Fund  
For the Year Ended June 30, 2022

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 987,331	\$ 0	\$ 0	\$ 987,331	\$ 762,544	\$ 945,386	\$ 41,945
State of Tennessee	508,641	0	0	508,641	532,641	532,641	(24,000)
Federal Government	5,489,174	0	0	5,489,174	0	5,489,174	0
Other Governments and Citizens Groups	18,000	0	0	18,000	18,000	18,000	0
Total Revenues	\$ 7,003,146	\$ 0	\$ 0	\$ 7,003,146	\$ 1,313,185	\$ 6,985,201	\$ 17,945
<u>Expenditures</u>							
<u>Capital Projects</u>							
General Administration Projects	\$ 91,880	\$ (68,070)	\$ 0	\$ 23,810	\$ 13,500	\$ 33,500	\$ 9,690
Public Safety Projects	79,756	0	258,428	338,184	400,000	338,812	628
Education Capital Projects	4,494	0	0	4,494	234,000	526,900	522,406
American Rescue Plan Act Grant #1	541,250	0	1,623,750	2,165,000	0	2,165,000	0
Total Expenditures	\$ 717,380	\$ (68,070)	\$ 1,882,178	\$ 2,531,488	\$ 647,500	\$ 3,064,212	\$ 532,724
Excess (Deficiency) of Revenues Over Expenditures	\$ 6,285,766	\$ 68,070	\$ (1,882,178)	\$ 4,471,658	\$ 665,685	\$ 3,920,989	\$ 550,669
Net Change in Fund Balance	\$ 6,285,766	\$ 68,070	\$ (1,882,178)	\$ 4,471,658	\$ 665,685	\$ 3,920,989	\$ 550,669
Fund Balance, July 1, 2021	3,754,230	(68,070)	0	3,686,160	3,686,161	3,686,161	(1)
Fund Balance, June 30, 2022	\$ 10,039,996	\$ 0	\$ (1,882,178)	\$ 8,157,818	\$ 4,351,846	\$ 7,607,150	\$ 550,668

# 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.

City School ADA – Tullahoma Fund and City School ADA – Manchester Fund – These two funds are used to account for the city school systems' shares of education revenues collected by the county that must be apportioned between the various school systems on an average daily attendance basis. These collections are remitted to the city school systems on a monthly basis.

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

Judicial District Drug Fund – The Judicial District Drug Fund is used to account for grants and other restricted revenues for the benefit of the Fourteenth Judicial Drug Task Force.

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

Exhibit H-1

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

	Custodial Funds						
	Cities - Sales Tax	City School ADA - Tullahoma	City School ADA - Manchester	Constitu - tional Officers - Custodial	Judicial District Drug	District Attorney General	Total
<u>ASSETS</u>							
Cash	\$ 0	\$ 0	\$ 0	\$ 1,507,724	\$ 0	\$ 0	\$ 1,507,724
Equity in Pooled Cash and Investments	0	19,285	10,484	0	118,097	20,304	168,170
Accounts Receivable	0	0	0	0	1,204	0	1,204
Due from Other Governments	4,546,292	281	130	0	38,839	0	4,585,542
Property Taxes Receivable	0	6,791,043	3,130,668	0	0	0	9,921,711
Allowance for Uncollectible Property Taxes	0	(141,104)	(64,710)	0	0	0	(205,814)
Total Assets	\$ 4,546,292	\$ 6,669,505	\$ 3,076,572	\$ 1,507,724	\$ 158,140	\$ 20,304	\$ 15,978,537
<u>LIABILITIES</u>							
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 948	\$ 542	\$ 1,490
Due to Other Taxing Units	4,546,292	29,086	15,003	0	0	0	4,590,381
Total Liabilities	\$ 4,546,292	\$ 29,086	\$ 15,003	\$ 0	\$ 948	\$ 542	\$ 4,591,871
<u>DEFERRED INFLOWS OF RESOURCES</u>							
Deferred Current Property Taxes	\$ 0	\$ 6,583,170	\$ 3,035,496	\$ 0	\$ 0	\$ 0	\$ 9,618,666
Deferred Delinquent Property Taxes	0	57,249	26,073	0	0	0	83,322
Total Deferred Inflows of Resources	\$ 0	\$ 6,640,419	\$ 3,061,569	\$ 0	\$ 0	\$ 0	\$ 9,701,988
<u>NET POSITION</u>							
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 0	\$ 0	\$ 1,507,724	\$ 157,192	\$ 19,762	\$ 1,684,678
Total Net Position	\$ 0	\$ 0	\$ 0	\$ 1,507,724	\$ 157,192	\$ 19,762	\$ 1,684,678

Exhibit H-2

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

	Custodial Funds						Total
	Cities - Sales Tax	City School ADA - Tulahoma	City School ADA - Manchester	Constitu - tional Officers - Custodial	Judicial District Drug	District Attorney General	
<u>Additions</u>							
Sales Tax Collections for Other Governments	\$ 23,136,042	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 23,136,042
ADA - Educational Funds Collected for Cities	0	6,594,854	3,042,474	0	0	0	9,637,328
Fines/Fees and Other Collections	0	0	0	15,781,348	0	0	15,781,348
Drug Task Force Collections	0	0	0	0	179,892	0	179,892
District Attorney General Collections	0	0	0	0	0	14,837	14,837
Proceeds from Sale of Capital Assets	0	0	0	0	7,351	0	7,351
<b>Total Additions</b>	<b>\$ 23,136,042</b>	<b>\$ 6,594,854</b>	<b>\$ 3,042,474</b>	<b>\$ 15,781,348</b>	<b>\$ 187,243</b>	<b>\$ 14,837</b>	<b>\$ 48,756,798</b>
<u>Deductions</u>							
Payment of Sales Tax Collections for Other Governments	\$ 23,136,042	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 23,136,042
Payments to City School Systems	0	6,594,854	3,042,474	0	0	0	9,637,328
Payments to State	0	0	0	9,000,778	0	0	9,000,778
Payments to County/City	0	0	0	2,429,217	0	0	2,429,217
Payments to Individuals and Others	0	0	0	4,104,838	0	0	4,104,838
Payment of Drug Task Force Expenses	0	0	0	0	306,257	0	306,257
Payment of District Attorney General Expenses	0	0	0	0	0	20,212	20,212
<b>Total Deductions</b>	<b>\$ 23,136,042</b>	<b>\$ 6,594,854</b>	<b>\$ 3,042,474</b>	<b>\$ 15,534,833</b>	<b>\$ 306,257</b>	<b>\$ 20,212</b>	<b>\$ 48,634,672</b>
Change in Net Position	\$ 0	\$ 0	\$ 0	\$ 246,515	\$ (119,014)	\$ (5,375)	\$ 122,126
Net Position July 1, 2021	0	0	0	1,261,209	276,206	25,137	1,562,552
<b>Net Position June 30, 2022</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,507,724</b>	<b>\$ 157,192</b>	<b>\$ 19,762</b>	<b>\$ 1,684,678</b>

# Coffee County School Department

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This section presents combining and individual fund financial statements for the Coffee 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

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

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	\$ 21,900,298	\$ 77,600	\$ 4,167,574	\$ 0	\$ (17,655,124)
Support Services	16,108,815	3,132	2,507,569	484,287	(13,113,827)
Operation of Non-instructional Services	5,197,297	210,584	6,271,722	0	1,285,009
<b>Total Governmental Activities</b>	<b>\$ 43,206,410</b>	<b>\$ 291,316</b>	<b>\$ 12,946,865</b>	<b>\$ 484,287</b>	<b>\$ (29,483,942)</b>
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 9,271,181
Local Option Sales Taxes					6,162,590
Mixed Drink Tax					21,319
Grants and Contributions Not Restricted to Specific Programs					25,568,557
Unrestricted Investment Income					1,106
Miscellaneous					18,126
<b>Total General Revenues</b>					<b>\$ 41,042,879</b>
Change in Net Position					\$ 11,558,937
Net Position, July 1, 2021					68,737,913
Net Position, June 30, 2022					<b>\$ 80,296,850</b>

Exhibit I-2

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Other Govern- mental Funds	
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 745,301	\$ 745,301
Equity in Pooled Cash and Investments	16,250,235	656,950	2,679,410	19,586,595
Accounts Receivable	21,727	0	11,124	32,851
Due from Other Governments	2,229,560	744,664	90,589	3,064,813
Due from Other Funds	12,000	0	0	12,000
Property Taxes Receivable	9,783,613	0	0	9,783,613
Allowance for Uncollectible Property Taxes	(209,643)	0	0	(209,643)
Restricted Assets	561,964	0	0	561,964
Total Assets	<u>\$ 28,649,456</u>	<u>\$ 1,401,614</u>	<u>\$ 3,526,424</u>	<u>\$ 33,577,494</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 66,651	\$ 271,514	\$ 1,071	\$ 339,236
Accrued Payroll	1,552,486	182,843	54,998	1,790,327
Payroll Deductions Payable	1,120,062	123,757	47,983	1,291,802
Due to Other Funds	0	12,000	0	12,000
Total Liabilities	<u>\$ 2,739,199</u>	<u>\$ 590,114</u>	<u>\$ 104,052</u>	<u>\$ 3,433,365</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 9,471,784	\$ 0	\$ 0	\$ 9,471,784
Deferred Delinquent Property Taxes	88,489	0	0	88,489
Other Deferred/Unavailable Revenue	698,653	0	0	698,653
Total Deferred Inflows of Resources	<u>\$ 10,258,926</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,258,926</u>

(Continued)

Exhibit I-2

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Other Governmental Funds	
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Education	\$ 133,563	\$ 27,972	\$ 3,422,372	\$ 3,583,907
Restricted for Hybrid Retirement Stabilization Funds	561,964	0	0	561,964
Committed:				
Committed for Education	0	783,528	0	783,528
Assigned:				
Assigned for Education	4,720,194	0	0	4,720,194
Unassigned	10,235,610	0	0	10,235,610
Total Fund Balances	<u>\$ 15,651,331</u>	<u>\$ 811,500</u>	<u>\$ 3,422,372</u>	<u>\$ 19,885,203</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 28,649,456</u>	<u>\$ 1,401,614</u>	<u>\$ 3,526,424</u>	<u>\$ 33,577,494</u>

Exhibit I-3

Coffee County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position  
Discretely Presented Coffee County School Department  
June 30, 2022

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

Total fund balances - balance sheet - governmental funds (Exhibit I-2)		\$ 19,885,203	
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$ 1,438,853		
Add: construction in progress	10,575,945		
Add: buildings and improvements net of accumulated depreciation	41,411,176		
Add: other capital assets net of accumulated depreciation	<u>3,721,269</u>	57,147,243	
(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	\$ (109,648)		
Less: OPEB liability	<u>(9,176,944)</u>	(9,286,592)	
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$ 9,038,433		
Less: deferred inflows of resources related to pensions	(22,407,978)		
Add: deferred outflows of resources related to OPEB	1,589,227		
Less: deferred inflows of resources related to OPEB	<u>(2,979,330)</u>	(14,759,648)	
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent legacy plan	\$ 5,815,553		
Add: net pension asset - agent hybrid plan	115,981		
Add: net pension asset - teacher retirement plan	418,086		
Add: net pension asset - teacher legacy pension plan	<u>20,173,882</u>	26,523,502	
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>787,142</u>
Net position of governmental activities (Exhibit A)			<u>\$ 80,296,850</u>

Exhibit I-4

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Other Govern- mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 15,431,366	\$ 0	\$ 0	\$ 15,431,366
Licenses and Permits	2,242	0	0	2,242
Charges for Current Services	83,226	0	204,958	288,184
Other Local Revenues	109,808	0	1,006,105	1,115,913
State of Tennessee	25,695,447	0	25,181	25,720,628
Federal Government	174,430	8,292,766	3,555,628	12,022,824
Total Revenues	<u>\$ 41,496,519</u>	<u>\$ 8,292,766</u>	<u>\$ 4,791,872</u>	<u>\$ 54,581,157</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 22,790,036	\$ 3,643,192	\$ 0	\$ 26,433,228
Support Services	14,142,493	2,704,415	0	16,846,908
Operation of Non-Instructional Services	1,033,673	444,763	3,764,833	5,243,269
Capital Outlay	433,185	401,307	42,188	876,680
Debt Service:				
Principal on Debt	361,050	0	0	361,050
Capital Projects	0	0	1,163,798	1,163,798
Total Expenditures	<u>\$ 38,760,437</u>	<u>\$ 7,193,677</u>	<u>\$ 4,970,819</u>	<u>\$ 50,924,933</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 2,736,082</u>	<u>\$ 1,099,089</u>	<u>\$ (178,947)</u>	<u>\$ 3,656,224</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 1,031,830	\$ 0	\$ 0	\$ 1,031,830
Transfers Out	0	(1,031,830)	0	(1,031,830)
Total Other Financing Sources (Uses)	<u>\$ 1,031,830</u>	<u>\$ (1,031,830)</u>	<u>\$ 0</u>	<u>\$ 0</u>

(Continued)

Exhibit I-4

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>School</u>	<u>Funds</u>	
			<u>Other</u>	
	<u>Purpose</u>	<u>Federal</u>	<u>Govern-</u>	<u>Governmental</u>
	<u>School</u>	<u>Projects</u>	<u>mental</u>	<u>Funds</u>
			<u>Funds</u>	<u>Funds</u>
Net Change in Fund Balances	\$ 3,767,912	\$ 67,259	\$ (178,947)	\$ 3,656,224
Fund Balance, July 1, 2021	11,883,419	744,241	3,601,319	16,228,979
Fund Balance, June 30, 2022	\$ 15,651,331	\$ 811,500	\$ 3,422,372	\$ 19,885,203

Exhibit I-5

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

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

Net change in fund balances - total governmental funds (Exhibit I-4)		\$ 3,656,224
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 2,998,806	
Less: current-year depreciation expense	<u>(1,609,218)</u>	1,389,588
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Less: book value of capital assets disposed		(29,913)
(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, 2022	\$ 787,142	
Less: deferred delinquent property taxes and other deferred June 30, 2021	<u>(586,931)</u>	200,211
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in compensated absences payable	\$ (10,667)	
Change in net OPEB liability	(171,176)	
Change in deferred outflows related to OPEB	(6,900)	
Change in deferred inflows related to OPEB	85,144	
Change in net pension asset - agent legacy plan	4,307,051	
Change in net pension asset - agent hybrid plan	34,956	
Change in net pension asset - teacher retirement plan	195,370	
Change in net pension asset - teacher legacy pension plan	16,761,410	
Change in deferred outflows related to pensions	5,541,654	
Change in deferred inflows related to pensions	<u>(20,394,015)</u>	<u>6,342,827</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 11,558,937</u>

Exhibit I-6

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

	<u>Special Revenue Funds</u>			<u>Capital</u>	<u>Total</u>
	<u>Central</u>	<u>Internal</u>	<u>Total</u>	<u>Projects Fund</u>	
	<u>Cafeteria</u>	<u>School</u>		<u>Education</u>	<u>Nonmajor</u>
				<u>Capital</u>	<u>Governmental</u>
				<u>Projects</u>	<u>Funds</u>
<u>ASSETS</u>					
Cash	\$ 23,522	\$ 721,779	\$ 745,301	\$ 0	\$ 745,301
Equity in Pooled Cash and Investments	1,969,063	0	1,969,063	710,347	2,679,410
Accounts Receivable	21	0	21	11,103	11,124
Due from Other Governments	90,589	0	90,589	0	90,589
<b>Total Assets</b>	<b>\$ 2,083,195</b>	<b>\$ 721,779</b>	<b>\$ 2,804,974</b>	<b>\$ 721,450</b>	<b>\$ 3,526,424</b>
<u>LIABILITIES</u>					
Accounts Payable	\$ 1,071	\$ 0	\$ 1,071	\$ 0	\$ 1,071
Accrued Payroll	54,998	0	54,998	0	54,998
Payroll Deductions Payable	47,983	0	47,983	0	47,983
<b>Total Liabilities</b>	<b>\$ 104,052</b>	<b>\$ 0</b>	<b>\$ 104,052</b>	<b>\$ 0</b>	<b>\$ 104,052</b>
<u>FUND BALANCES</u>					
Restricted:					
Restricted for Education	\$ 1,979,143	\$ 721,779	\$ 2,700,922	\$ 721,450	\$ 3,422,372
<b>Total Fund Balances</b>	<b>\$ 1,979,143</b>	<b>\$ 721,779</b>	<b>\$ 2,700,922</b>	<b>\$ 721,450</b>	<b>\$ 3,422,372</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,083,195</b>	<b>\$ 721,779</b>	<b>\$ 2,804,974</b>	<b>\$ 721,450</b>	<b>\$ 3,526,424</b>

Exhibit I-7

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

	<u>Special Revenue Funds</u>			<u>Capital</u> <u>Projects Fund</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
	<u>Central</u> <u>Cafeteria</u>	<u>Internal</u> <u>School</u>	<u>Total</u>	<u>Education</u> <u>Capital</u> <u>Projects</u>	
<u>Revenues</u>					
Charges for Current Services	\$ 204,958	\$ 0	\$ 204,958	\$ 0	\$ 204,958
Other Local Revenues	1,971	1,004,134	1,006,105	0	1,006,105
State of Tennessee	25,181	0	25,181	0	25,181
Federal Government	3,555,628	0	3,555,628	0	3,555,628
<b>Total Revenues</b>	<b>\$ 3,787,738</b>	<b>\$ 1,004,134</b>	<b>\$ 4,791,872</b>	<b>\$ 0</b>	<b>\$ 4,791,872</b>
<u>Expenditures</u>					
Current:					
Operation of Non-Instructional Services	\$ 2,889,164	\$ 875,669	\$ 3,764,833	\$ 0	\$ 3,764,833
Capital Outlay	0	0	0	42,188	42,188
Capital Projects	0	0	0	1,163,798	1,163,798
<b>Total Expenditures</b>	<b>\$ 2,889,164</b>	<b>\$ 875,669</b>	<b>\$ 3,764,833</b>	<b>\$ 1,205,986</b>	<b>\$ 4,970,819</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 898,574	\$ 128,465	\$ 1,027,039	\$ (1,205,986)	\$ (178,947)
Net Change in Fund Balances	\$ 898,574	\$ 128,465	\$ 1,027,039	\$ (1,205,986)	\$ (178,947)
Fund Balance, July 1, 2021	1,080,569	593,314	1,673,883	1,927,436	3,601,319
<b>Fund Balance, June 30, 2022</b>	<b>\$ 1,979,143</b>	<b>\$ 721,779</b>	<b>\$ 2,700,922</b>	<b>\$ 721,450</b>	<b>\$ 3,422,372</b>

Exhibit I-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 15,431,366	\$ 0	\$ 0	\$ 15,431,366	\$ 15,270,727	\$ 15,270,727	\$ 160,639
Licenses and Permits	2,242	0	0	2,242	2,200	2,200	42
Charges for Current Services	83,226	0	0	83,226	41,593	53,545	29,681
Other Local Revenues	109,808	0	0	109,808	88,054	95,610	14,198
State of Tennessee	25,695,447	0	0	25,695,447	25,115,277	25,776,601	(81,154)
Federal Government	174,430	0	0	174,430	54,077	199,636	(25,206)
<b>Total Revenues</b>	<b>\$ 41,496,519</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 41,496,519</b>	<b>\$ 40,571,928</b>	<b>\$ 41,398,319</b>	<b>\$ 98,200</b>
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 17,510,872	\$ 0	\$ 49,756	\$ 17,560,628	\$ 18,119,061	\$ 19,057,918	\$ 1,497,290
Alternative Instruction Program	34,729	0	0	34,729	20,000	35,000	271
Special Education Program	3,541,287	0	6,067	3,547,354	3,738,939	3,913,211	365,857
Career and Technical Education Program	1,641,518	0	0	1,641,518	1,683,907	1,902,314	260,796
Student Body Education Program	61,630	0	0	61,630	71,010	72,244	10,614
<u>Support Services</u>							
Attendance	209,533	0	0	209,533	206,222	225,732	16,199
Health Services	134,325	0	0	134,325	817,394	370,357	236,032
Other Student Support	923,970	0	0	923,970	1,221,027	1,310,935	386,965
Regular Instruction Program	1,183,379	0	0	1,183,379	1,249,375	1,288,298	104,919
Special Education Program	629,259	0	0	629,259	643,757	657,863	28,604
Career and Technical Education Program	79,917	0	0	79,917	80,503	82,272	2,355
Technology	526,723	(94,997)	132,276	564,002	750,066	962,096	398,094
Other Programs	173,249	0	0	173,249	0	173,249	0
Board of Education	959,367	0	3,700	963,067	1,069,593	1,091,082	128,015
Director of Schools	352,605	0	0	352,605	384,240	393,529	40,924
Office of the Principal	3,062,980	0	0	3,062,980	3,026,661	3,150,432	87,452
Fiscal Services	395,971	0	0	395,971	430,514	441,094	45,123
Operation of Plant	2,209,014	0	0	2,209,014	2,470,004	2,526,885	317,871

(Continued)

Exhibit I-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Add: Encumbrances 6/30/2022	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Maintenance of Plant	\$ 899,095	\$ (31,233)	\$ 0	\$ 867,862	\$ 869,264	\$ 1,069,080	\$ 201,218
Transportation	2,403,106	0	121,975	2,525,081	2,468,940	2,785,789	260,708
<u>Operation of Non-Instructional Services</u>							
Food Service	81,783	0	0	81,783	0	101,840	20,057
Community Services	142,277	0	0	142,277	109,811	211,346	69,069
Early Childhood Education	809,613	0	0	809,613	817,567	865,745	56,132
<u>Capital Outlay</u>							
Regular Capital Outlay	433,185	(234,053)	561,970	761,102	600,000	1,044,857	283,755
<u>Principal on Debt</u>							
Education	361,050	0	0	361,050	353,757	361,050	0
Total Expenditures	\$ 38,760,437	\$ (360,283)	\$ 875,744	\$ 39,275,898	\$ 41,201,612	\$ 44,094,218	\$ 4,818,320
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,736,082	\$ 360,283	\$ (875,744)	\$ 2,220,621	\$ (629,684)	\$ (2,695,899)	\$ 4,916,520
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,411	\$ 4,411	\$ (4,411)
Transfers In	1,031,830	0	0	1,031,830	46,800	46,800	985,030
Total Other Financing Sources	\$ 1,031,830	\$ 0	\$ 0	\$ 1,031,830	\$ 51,211	\$ 51,211	\$ 980,619
Net Change in Fund Balance	\$ 3,767,912	\$ 360,283	\$ (875,744)	\$ 3,252,451	\$ (578,473)	\$ (2,644,688)	\$ 5,897,139
Fund Balance, July 1, 2021	11,883,419	(360,283)	0	11,523,136	6,043,510	6,043,510	5,479,626
Fund Balance, June 30, 2022	\$ 15,651,331	\$ 0	\$ (875,744)	\$ 14,775,587	\$ 5,465,037	\$ 3,398,822	\$ 11,376,765

Exhibit I-9

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Actual Revenues/ Expenditures/ (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Federal Government	\$ 8,292,766	\$ 0	\$ 8,292,766	\$ 15,861,228	\$ 16,459,964	\$ (8,167,198)
Total Revenues	\$ 8,292,766	\$ 0	\$ 8,292,766	\$ 15,861,228	\$ 16,459,964	\$ (8,167,198)
<u>Expenditures</u>						
<u>Instruction</u>						
Regular Instruction Program	\$ 2,525,125	\$ (205,658)	\$ 2,319,467	\$ 6,009,010	\$ 5,365,103	\$ 3,045,636
Special Education Program	1,000,823	0	1,000,823	1,025,533	1,113,719	112,896
Career and Technical Education Program	117,244	0	117,244	112,968	117,244	0
<u>Support Services</u>						
Health Services	829,753	0	829,753	1,051,029	946,963	117,210
Other Student Support	317,475	0	317,475	528,189	611,736	294,261
Regular Instruction Program	915,980	0	915,980	2,670,646	2,860,185	1,944,205
Special Education Program	125,197	0	125,197	192,656	294,730	169,533
Career and Technical Education Program	7,823	0	7,823	6,982	7,824	1
Technology	11,616	0	11,616	12,000	12,000	384
Operation of Plant	442,580	(442,580)	0	534,580	534,580	534,580
Maintenance of Plant	53,991	0	53,991	57,942	57,942	3,951
Transportation	0	0	0	442,000	547,000	547,000
<u>Operation of Non-Instructional Services</u>						
Food Service	26,685	0	26,685	150,000	150,000	123,315
Community Services	418,078	0	418,078	564,722	564,722	146,644
<u>Capital Outlay</u>						
Regular Capital Outlay	401,307	0	401,307	1,630,000	1,795,000	1,393,693
Total Expenditures	\$ 7,193,677	\$ (648,238)	\$ 6,545,439	\$ 14,988,257	\$ 14,978,748	\$ 8,433,309

(Continued)

Exhibit I-9

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,099,089	\$ 648,238	\$ 1,747,327	\$ 872,971	\$ 1,481,216	\$ 266,111
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ (1,031,830)	\$ 0	\$ (1,031,830)	\$ (872,971)	\$ (1,481,216)	\$ 449,386
Total Other Financing Sources	\$ (1,031,830)	\$ 0	\$ (1,031,830)	\$ (872,971)	\$ (1,481,216)	\$ 449,386
Net Change in Fund Balance	\$ 67,259	\$ 648,238	\$ 715,497	\$ 0	\$ 0	\$ 715,497
Fund Balance, July 1, 2021	744,241	(648,238)	96,003	0	0	96,003
Fund Balance, June 30, 2022	\$ 811,500	\$ 0	\$ 811,500	\$ 0	\$ 0	\$ 811,500

Exhibit I-10

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 204,958	\$ 715,000	\$ 715,000	\$ (510,042)
Other Local Revenues	1,971	10,050	10,050	(8,079)
State of Tennessee	25,181	22,000	22,000	3,181
Federal Government	3,555,628	1,986,691	2,073,686	1,481,942
Total Revenues	<u>\$ 3,787,738</u>	<u>\$ 2,733,741</u>	<u>\$ 2,820,736</u>	<u>\$ 967,002</u>
<u>Expenditures</u>				
<u>Operation of Non-Instructional Services</u>				
Food Service	\$ 2,889,164	\$ 2,960,299	\$ 3,047,294	\$ 158,130
Total Expenditures	<u>\$ 2,889,164</u>	<u>\$ 2,960,299</u>	<u>\$ 3,047,294</u>	<u>\$ 158,130</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 898,574</u>	<u>\$ (226,558)</u>	<u>\$ (226,558)</u>	<u>\$ 1,125,132</u>
Net Change in Fund Balance	\$ 898,574	\$ (226,558)	\$ (226,558)	\$ 1,125,132
Fund Balance, July 1, 2021	<u>1,080,569</u>	<u>930,053</u>	<u>930,053</u>	<u>150,516</u>
Fund Balance, June 30, 2022	<u>\$ 1,979,143</u>	<u>\$ 703,495</u>	<u>\$ 703,495</u>	<u>\$ 1,275,648</u>

# Water and Wastewater Treatment Authority of Coffee County, Tennessee

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This section presents fund financial statements for the Water and Wastewater Treatment Authority of Coffee County, Tennessee, a discretely presented component unit. The authority uses a single enterprise fund, the Wayside Acres Sewer Fund.

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Exhibit J-1

Coffee County, Tennessee  
Statement of Net Position - Proprietary Fund  
Discretely Presented Water and Wastewater Authority of Coffee County  
June 30, 2022

	<u>Enterprise Fund</u>
	Wayside
	Acres
	Sewer
	<u>Fund</u>
<u>ASSETS</u>	
Current Assets:	
Equity in Pooled Cash and Investments	\$ 158,123
Accounts Receivable	7,297
Total Current Assets	<u>\$ 165,420</u>
Noncurrent Assets:	
Capital Assets:	
Assets Not Depreciated:	
Land	\$ 30,120
Assets Net of Accumulated Depreciation:	
Buildings and Improvements	332,157
Other Capital Assets	2,165
Total Noncurrent Assets	<u>\$ 364,442</u>
Total Assets	<u>\$ 529,862</u>
<u>LIABILITIES</u>	
Current Liabilities:	
Accounts Payable	\$ 927
Other Notes Payable	28,081
Total Current Liabilities	<u>\$ 29,008</u>
Noncurrent Liabilities:	
Other Notes Payable - Long-term	<u>\$ 112,324</u>
Total Noncurrent Liabilities	<u>\$ 112,324</u>
Total Liabilities	<u>\$ 141,332</u>
<u>NET POSITION</u>	
Net Investment in Capital Assets	\$ 224,037
Unrestricted	164,493
Total Net Position	<u>\$ 388,530</u>



Exhibit J-3

Coffee County, Tennessee  
Statement of Cash Flows  
Discretely Presented Water and Wastewater Treatment Authority of Coffee County, Tennessee  
For the Year Ended June 30, 2022

	<u>Enterprise Fund</u>
	Wayside
	Acres
	Sewer
	<u>Fund</u>
<u>Cash Flows from Operating Activities</u>	
Receipts from Customers and Users	\$ 88,413
Payments to Suppliers	(48,385)
Net Cash Provided By (Used In) Operating Activities	<u>\$ 40,028</u>
<u>Cash Flows from Capital and Related Financing Activities</u>	
Principal Paid on Other Notes	\$ (28,082)
Acquisition of Capital Assets	(13,922)
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>\$ (42,004)</u>
Net Increase (Decrease) in Cash	\$ (1,976)
Cash, July 1, 2021	<u>160,099</u>
Cash, June 30, 2022	<u><u>\$ 158,123</u></u>
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>	
<u>    Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ 9,395
Adjustment to Reconcile Net Operating Income	
to Net Cash Provided By (Used In) Operating Activities:	
Depreciation	29,775
Change in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	(69)
(Increase) Decrease in Accounts Payable	927
Net Cash Provided By (Used In) Operating Activities	<u><u>\$ 40,028</u></u>

# MISCELLANEOUS SCHEDULES

Exhibit K-1

Coffee County, Tennessee  
Schedule of Changes in Long-term Bonds, Notes, and Other Loans  
Primary Government and Discretely Presented Water and Wastewater Treatment Authority  
For the Year Ended June 30, 2022

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-21	Paid and/or Matured During Period	Outstanding 6-30-22
<b><u>PRIMARY GOVERNMENT</u></b>							
<b><u>BONDS PAYABLE</u></b>							
<b><u>Payable through General Debt Service Fund</u></b>							
General Obligation Refunding Bond, Series 2016	\$ 8,765,000	2.253 %	10-5-16	6-1-39	\$ 7,245,000	\$ 335,000	\$ 6,910,000
General Obligation Refunding Bond, Series 2021C	8,820,000	3 to 5	5-19-21	6-1-44	8,820,000	335,000	8,485,000
Total Payable through General Debt Service Fund					<u>\$ 16,065,000</u>	<u>\$ 670,000</u>	<u>\$ 15,395,000</u>
<b><u>Payable through Rural Debt Service Fund</u></b>							
Rural School Bonds, Series 2018B	9,510,000	4 to 5	6-21-18	7-1-38	\$ 8,905,000	\$ 325,000	\$ 8,580,000
Rural School Refunding Bond, Series 2020	16,725,000	4 to 5	6-3-20	6-1-37	16,525,000	200,000	16,325,000
Rural School Refunding Bond, Series 2018A	4,015,000	3 to 5	6-21-18	6-1-26	2,945,000	570,000	2,375,000
Rural School Refunding Bond, Series 2019	15,445,000	3 to 5	6-21-18	6-1-26	14,680,000	385,000	14,295,000
Rural High School Refunding Bonds, Series 2021A	1,180,000	5	5-19-21	6-1-31	1,180,000	95,000	1,085,000
Rural School Refunding Bond, Series 2021B	1,550,000	5	5-19-21	6-1-31	1,550,000	125,000	1,425,000
Total Payable through Rural Debt Service Fund					<u>\$ 45,785,000</u>	<u>\$ 1,700,000</u>	<u>\$ 44,085,000</u>
Total Bonds Payable					<u>\$ 61,850,000</u>	<u>\$ 2,370,000</u>	<u>\$ 59,480,000</u>
<b><u>NOTES PAYABLE</u></b>							
<b><u>Payable through General Debt Service Fund</u></b>							
Energy Efficient Building Improvements	2,064,000	1.75	8-6-20	8-1-32	\$ 2,064,000	\$ 156,000	\$ 1,908,000
Total Notes Payable					<u>\$ 2,064,000</u>	<u>\$ 156,000</u>	<u>\$ 1,908,000</u>

(Continued)

Exhibit K-1

Coffee County, Tennessee  
Schedule of Changes in Long-term Bonds, Notes, and Other Loans (Cont.)  
Primary Government and Discretely Presented Water and Wastewater Treatment Authority

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-21	Paid and/or Matured During Period	Outstanding 6-30-22
<u>PRIMARY GOVERNMENT (CONT.):</u>							
<u>OTHER LOANS PAYABLE</u>							
<u>Payable through Rural Debt Service Fund</u>							
Qualified School Construction Bonds Series 2010	\$ 3,027,000	(1) 0 %	10-7-10	7-1-27	\$ 1,169,680	\$ 204,620	\$ 965,060
Total Other Loans Payable					<u>\$ 1,169,680</u>	<u>\$ 204,620</u>	<u>\$ 965,060</u>
<u>DISCRETELY PRESENTED WATER AND WASTEWATER TREATMENT AUTHORITY OF COFFEE COUNTY, TENNESSEE</u>							
<u>Notes Payable</u>							
<u>Payable through Wayside Acres Sewer Fund</u>							
Payment of Other Loan Principal	280,819	0	11-8-16	6-15-27	\$ 168,487	\$ 28,082	\$ 140,405
Total Notes Payable					<u>\$ 168,487</u>	<u>\$ 28,082</u>	<u>\$ 140,405</u>

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

Exhibit K-2

Coffee County, Tennessee  
Schedule of Long-term Debt Requirements by Year  
Primary Government and Discretely Presented Water and Wastewater Treatment Authority

PRIMARY GOVERNMENT

Year Ending June 30	Bonds		Total
	Principal	Interest	
2023	\$ 2,610,000	\$ 2,382,056	\$ 4,992,056
2024	3,150,000	2,271,981	5,421,981
2025	3,320,000	2,135,106	5,455,106
2026	3,470,000	1,979,256	5,449,256
2027	2,950,000	1,829,106	4,779,106
2028	3,080,000	1,692,206	4,772,206
2029	3,220,000	1,561,506	4,781,506
2030	3,360,000	1,416,256	4,776,256
2031	3,330,000	1,264,013	4,594,013
2032	3,045,000	1,130,513	4,175,513
2033	3,150,000	1,018,488	4,168,488
2034	3,260,000	902,013	4,162,013
2035	3,385,000	781,250	4,166,250
2036	3,510,000	655,200	4,165,200
2037	3,635,000	524,400	4,159,400
2038	2,245,000	387,700	2,632,700
2039	2,320,000	306,888	2,626,888
2040	1,200,000	237,500	1,437,500
2041	1,240,000	193,300	1,433,300
2042	1,285,000	147,600	1,432,600
2043	1,335,000	100,200	1,435,200
2044	1,380,000	50,950	1,430,950
Total	\$ 59,480,000	\$ 22,967,488	\$ 82,447,488

Year Ending June 30	Notes		Total
	Principal	Interest	
2023	\$ 159,000	\$ 31,999	\$ 190,999
2024	162,000	29,190	191,190
2025	164,000	26,338	190,338
2026	167,000	23,441	190,441
2027	170,000	20,493	190,493
2028	173,000	17,491	190,491
2029	176,000	14,438	190,438
2030	179,000	11,331	190,331
2031	183,000	8,164	191,164
2032	186,000	4,935	190,935
2033	189,000	1,552	190,552
Total	\$ 1,908,000	\$ 189,372	\$ 2,097,372

(Continued)

Exhibit K-2

Coffee County, Tennessee  
Schedule of Long-term Debt Requirements by Year (Cont.)  
Primary Government and Discretely Presented Water and Wastewater Treatment Authority

PRIMARY GOVERNMENT (CONT.)

Year Ending June 30	Other Loans		
	Principal	Interest (1)	Total
2023	\$ 188,880	\$ 146,749	\$ 335,629
2024	188,880	146,749	335,629
2025	188,880	146,749	335,629
2026	188,880	146,749	335,629
2027	207,473	146,749	354,222
2028	2,067	73,374	75,441
Total	\$ 965,060	\$ 807,119	\$ 1,772,179

DISCRETELY PRESENTED WATER AND  
WASTEWATER TREATMENT AUTHORITY  
OF COFFEE COUNTY, TENNESSEE

Year Ending June 30	Notes		
	Principal	Interest	Total
2023	\$ 28,081	\$ 0	\$ 28,081
2024	28,081	0	28,081
2025	28,081	0	28,081
2026	28,081	0	28,081
2027	28,081	0	28,081
Total	\$ 140,405	\$ 0	\$ 140,405

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

Exhibit K-3

Coffee County, Tennessee  
Schedule of Notes Receivable  
Primary Government  
For the Year Ended June 30, 2022

<u>Description</u>	<u>Debtor</u>	<u>Original Amount of Notes</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance 6-30-22</u>
<u>Rural Debt Service Fund</u>						
Payment of Other Loan Principal	Water and Wastewater Treatment Authority of Coffee County, Tennessee	\$ 280,819	11-8-16	6-15-27	0%	<u>\$ 140,405</u>
Total						<u><u>\$ 140,405</u></u>

Exhibit K-4

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

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
General	Rural Debt Service	Federal interest subsidy	\$ 138,384
Solid Waste Sanitation	Drug Control	Litter vehicle	<u>15,000</u>
Total Transfers Primary Government			<u>\$ 153,384</u>
<u>DISCRETELY PRESENTED COFFEE COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 288,622
"	"	Reimburse for books/equipment	<u>743,208</u>
Total Transfers Discretely Presented Coffee County School Department			<u>\$ 1,031,830</u>

Exhibit K-5

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <i>TCA</i>	\$ 106,902	\$ (6)	
Road Superintendent	Section 8-24-102, <i>TCA</i>	101,811	(6)	
Director of Schools:	State Board of Education and Coffee County Board of Education	131,819 (1) (2)	(6)	
Trustee	Section 8-24-102, <i>TCA</i>	92,555	(6)	
Assessor of Property	Section 8-24-102, <i>TCA</i>	92,555	(6)	
Director of Accounts and Budgets	Coffee County Commission	87,414 (3)	(6)	
County Clerk	Section 8-24-102, <i>TCA</i>	92,555	(6)	
Circuit, General Sessions, and Juvenile Courts Clerk	Section 8-24-102, <i>TCA</i>	92,555	(6)	
Clerk and Master	Section 8-24-102, <i>TCA</i>	92,555 (4)	(6)	
Register of Deeds	Section 8-24-102, <i>TCA</i>	92,555	(6)	
Sheriff	Section 8-24-102, <i>TCA</i>	101,811 (5)	(6)	
Employee Blanket Bonds:				
	Public Employee Dishonesty - County Departments		500,000	Travelers Property Casualty Company of America
	Public Employee Dishonesty - Highway Department		400,000	Local Government Insurance Pool
	Public Employee Dishonesty - School Department		400,000	Tennessee Risk Management Trust

- (1) Does not include a chief executive officer training supplement of \$1,000 or \$1,500 bonus.
- (2) Includes mileage/expense stipend of \$6,000.
- (3) Does not include \$1,850 for attending required meetings.
- (4) Does not include special commissioner fees of \$9,630.
- (5) Does not include a law enforcement training supplement of \$800.
- (6) Covered by the applicable employee dishonesty insurance coverage pursuant to Section 8-19-101, *TCA*.

Exhibit K-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Solid Waste / Sanitation	Ambulance Service	Local Purpose Tax	Drug Control	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 11,567,496	\$ 921,399	\$ 652,518	\$ 232,351	\$ 0	0
Current Property Tax - Tax Increment Financing	104,714	0	0	0	0	0
Trustee's Collections - Prior Year	156,499	11,861	8,561	2	0	0
Trustee's Collections - Bankruptcy	647	112	39	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	43,557	8,071	2,593	0	0	0
Interest and Penalty	53,115	5,746	3,030	19	0	0
Payments in-Lieu-of Taxes - T.V.A.	672	117	38	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	16,170	2,813	904	0	0	0
Payments in-Lieu-of Taxes - Other	210,692	24,432	11,778	33,482	0	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	565,484	179,073	0	0	0	0
Hotel/Motel Tax	552,629	0	0	0	0	0
Litigation Tax - General	159,481	0	0	0	0	0
Litigation Tax - Special Purpose	85,948	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	0
Litigation Tax - Courthouse Security	56,288	0	0	0	0	0
Business Tax	1,330,814	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	260,386	0	0	0	0	0
Wholesale Beer Tax	0	229,428	0	0	0	0
Total Local Taxes	\$ 15,164,592	\$ 1,383,052	\$ 679,461	\$ 265,854	\$ 0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Ambulance Service	Local Purpose Tax	Drug Control	Constitu - tional Officers - Fees
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 213,084	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Permits</u>						
Beer Permits	0	3,505	0	0	0	0
Building Permits	207,401	0	0	0	0	0
Plumbing Permits	31,364	0	0	0	0	0
Other Permits	23,332	0	3,500	0	0	0
Total Licenses and Permits	\$ 475,181	\$ 3,505	\$ 3,500	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 17,099	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	8,413	0	0	0	0	0
Drug Control Fines	11,778	0	0	0	5,842	0
Veterans Treatment Court Fees	8,264	0	0	0	0	0
Judicial Commissioner Fees	62	0	0	0	0	0
DUI Treatment Fines	16,974	0	0	0	0	0
Data Entry Fee - Circuit Court	27,955	0	0	0	0	0
Courtroom Security Fee	439	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	46,494	0	0	0	0	0
Officers Costs	66,681	0	0	0	0	0
Game and Fish Fines	306	0	0	0	0	0
Drug Control Fines	0	0	0	0	11,021	0
Jail Fees	23,481	0	0	0	0	0
Interpreter Fee	100	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Solid Waste / Sanitation	Ambulance Service	Local Purpose Tax	Drug Control	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Judicial Commissioner Fees	\$ 16,951	\$ 0	\$ 0	\$ 0	\$ 0	0
DUI Treatment Fines	101	0	0	0	0	0
Courtroom Security Fee	1,489	0	0	0	0	0
Victims Assistance Assessments	40,154	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	1,021	0	0	0	0	0
Officers Costs	8,189	0	0	0	0	0
Judicial Commissioner Fees	509	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	1,686	0	0	0	0	0
Data Entry Fee - Chancery Court	5,699	0	0	0	0	0
Courtroom Security Fee	5,511	0	0	0	0	0
<u>Other Courts - In-county</u>						
Drug Control Fines	7,444	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	74,854	0
Other Fines, Forfeitures, and Penalties	35,086	0	0	0	0	0
<b>Total Fines, Forfeitures, and Penalties</b>	<b>\$ 351,886</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 91,717</b>	<b>\$ 0</b>
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Convenience Waste Centers Collection Charge	\$ 0	\$ 20,753	\$ 0	\$ 0	\$ 0	0
Solid Waste Disposal Fee	0	70,009	0	0	0	0
Surcharge - Waste Tire Disposal	0	62,402	0	0	0	0
Patient Charges	32,714	0	1,947,555	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Ambulance Service	Local Purpose Tax	Drug Control	Constitutional Officers - Fees
<u>Charges for Current Services (Cont.)</u>						
<u>General Service Charges (Cont.)</u>						
Other General Service Charges	\$ 1,385	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Service Charges	10	0	0	0	0	0
<u>Fees</u>						
Subdivision Lot Fees	10,265	0	0	0	0	0
Recreation Fees	12,000	0	0	0	0	0
Copy Fees	4,474	0	1,183	0	0	0
Library Fees	28,290	0	0	0	0	0
Archives and Records Management Fee	132,432	0	0	0	0	0
Greenbelt Late Application Fee	600	0	0	0	0	0
Telephone Commissions	359,279	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	204
Data Processing Fee - Register	26,088	0	0	0	0	0
Probation Fees	176,245	0	0	0	0	0
Data Processing Fee - Sheriff	12,319	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	7,500	0	0	0	0	0
Data Processing Fee - County Clerk	24,682	0	0	0	0	0
Subscription and Electronic Filing Fee - Circuit and General Sessio:	1,500	0	0	0	0	0
Vehicle Registration Reinstatement Fees	4,618	0	0	0	0	0
<u>Education Charges</u>						
Other Charges for Services	6,200	0	4,900	0	0	0
Total Charges for Current Services	\$ 840,601	\$ 153,164	\$ 1,953,638	\$ 0	\$ 0	\$ 204
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 7,975	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Solid Waste / Sanitation	Ambulance Service	Local Purpose Tax	Drug Control	
<u>Other Local Revenues (Cont.)</u>						
<u>Recurring Items (Cont.)</u>						
Lease/Rentals	\$ 15,620	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Sale of Materials and Supplies	250	0	0	0	0	0
Commissary Sales	18,280	0	0	0	0	0
Sale of Maps	155	0	0	0	0	0
Sale of Recycled Materials	0	95,989	0	0	0	0
Rebates	11,778	0	0	0	0	0
Miscellaneous Refunds	13,033	0	500	0	0	0
<u>Nonrecurring Items</u>						
Sale of Equipment	0	0	0	0	4,295	0
Damages Recovered from Individuals	834	0	0	0	0	0
Contributions and Gifts	9,692	0	0	0	0	0
<b>Total Other Local Revenues</b>	<b>\$ 77,617</b>	<b>\$ 95,989</b>	<b>\$ 500</b>	<b>\$ 0</b>	<b>\$ 4,295</b>	<b>\$ 0</b>
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 681,045	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	673,263	0	0	0	0	0
Clerk and Master	179,020	0	0	0	0	0
Register	426,386	0	0	0	0	0
Sheriff	23,924	0	0	0	0	0
Trustee	1,184,107	0	0	0	0	0
<b>Total Fees Received From County Officials</b>	<b>\$ 3,167,745</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

(Continued)

Exhibit K-6

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Ambulance Service	Local Purpose Tax	Drug Control	Constitu - tional Officers - Fees
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	37,600	0	0	0	0	0
Other Public Safety Grants	82,940	0	0	0	0	0
<u>Public Works Grants</u>						
State Aid Program	0	0	0	0	0	0
Litter Program	0	53,715	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	1,785	0	0	0	0	0
Beer Tax	19,194	0	0	0	0	0
Vehicle Certificate of Title Fees	51,842	0	0	0	0	0
Alcoholic Beverage Tax	130,415	0	0	0	0	0
State Revenue Sharing - T.V.A.	306,611	0	0	0	0	0
State Revenue Sharing - Telecommunications	112,282	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	25,692	0	0	0	0	0
Contracted Prisoner Boarding	748,176	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
T.B.I. - Equipment Reimbursement	3,063	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	404,870	0	0	0	0	0
Other State Revenues	632	0	0	0	0	0
Total State of Tennessee	\$ 1,949,266	\$ 53,715	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Ambulance Service	Local Purpose Tax	Drug Control	Constitu - tional Officers - Fees
<u>Federal Government</u>						
<u>Federal Through State</u>						
Disaster Relief	\$ 3,006	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Homeland Security Grants	9,508	0	0	0	0	0
Medicaid	0	0	116,159	0	0	0
American Rescue Plan Act Grant #1	44,334	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Forest Service	3,433	0	0	0	0	0
Tax Credit Bond Rebate	138,384	0	0	0	0	0
American Rescue Plan Act Grant #6	0	0	0	0	0	0
Total Federal Government	\$ 198,665	\$ 0	\$ 116,159	\$ 0	\$ 0	\$ 0
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 282,916	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contracted Services	22,375	0	0	0	0	0
<u>Citizens Groups</u>						
Donations	34,540	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 339,831	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total	\$ 22,565,384	\$ 1,689,425	\$ 2,753,258	\$ 265,854	\$ 96,012	\$ 204

(Continued)

Exhibit K-6

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

	Special	Debt Service Funds		Capital	Total
	Revenue Fund	General Debt Service	Rural Debt Service	Projects Fund General Capital Projects	
	Highway / Public Works				
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 0	\$ 977,565	\$ 1,186,066	\$ 0	\$ 15,537,395
Current Property Tax - Tax Increment Financing	0	0	0	0	104,714
Trustee's Collections - Prior Year	0	10,753	15,147	2	202,825
Trustee's Collections - Bankruptcy	0	87	128	17	1,030
Circuit Clerk/Clerk and Master Collections - Prior Years	0	5,628	8,950	1,089	69,888
Interest and Penalty	0	5,209	6,944	420	74,483
Payments in-Lieu-of Taxes - T.V.A.	0	56	130	0	1,013
Payments in-Lieu-of Taxes - Local Utilities	0	1,354	3,120	0	24,361
Payments in-Lieu-of Taxes - Other	0	17,646	31,875	0	329,905
<u>County Local Option Taxes</u>					
Local Option Sales Tax	0	0	3,258,264	985,803	4,988,624
Hotel/Motel Tax	0	0	0	0	552,629
Litigation Tax - General	0	0	0	0	159,481
Litigation Tax - Special Purpose	0	0	0	0	85,948
Litigation Tax - Jail, Workhouse, or Courthouse	0	224,256	0	0	224,256
Litigation Tax - Courthouse Security	0	0	0	0	56,288
Business Tax	0	0	0	0	1,330,814
Mineral Severance Tax	48,168	0	0	0	48,168
<u>Statutory Local Taxes</u>					
Bank Excise Tax	0	0	0	0	260,386
Wholesale Beer Tax	0	0	0	0	229,428
Total Local Taxes	\$ 48,168	\$ 1,242,554	\$ 4,510,624	\$ 987,331	\$ 24,281,636

(Continued)

Exhibit K-6

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

	Special	Debt Service Funds			Capital	Total
	Revenue Fund	Highway / Public Works	General Debt Service	Rural Debt Service	Projects Fund General Capital Projects	
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	213,084
<u>Permits</u>						
Beer Permits	0	0	0	0	0	3,505
Building Permits	0	0	0	0	0	207,401
Plumbing Permits	0	0	0	0	0	31,364
Other Permits	0	0	0	0	0	26,832
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	482,186
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	17,099
Officers Costs	0	0	0	0	0	8,413
Drug Control Fines	0	0	0	0	0	17,620
Veterans Treatment Court Fees	0	0	0	0	0	8,264
Judicial Commissioner Fees	0	0	0	0	0	62
DUI Treatment Fines	0	0	0	0	0	16,974
Data Entry Fee - Circuit Court	0	0	0	0	0	27,955
Courtroom Security Fee	0	0	0	0	0	439
<u>General Sessions Court</u>						
Fines	0	0	0	0	0	46,494
Officers Costs	0	0	0	0	0	66,681
Game and Fish Fines	0	0	0	0	0	306
Drug Control Fines	0	0	0	0	0	11,021
Jail Fees	0	0	0	0	0	23,481
Interpreter Fee	0	0	0	0	0	100

(Continued)

Exhibit K-6

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

	Special	Debt Service Funds			Capital	Total
	Revenue Fund	General Debt Service	Rural Debt Service	Projects Fund	General Capital Projects	
	Highway / Public Works					
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Judicial Commissioner Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	16,951
DUI Treatment Fines	0	0	0	0	0	101
Courtroom Security Fee	0	0	0	0	0	1,489
Victims Assistance Assessments	0	0	0	0	0	40,154
<u>Juvenile Court</u>						
Fines	0	0	0	0	0	1,021
Officers Costs	0	0	0	0	0	8,189
Judicial Commissioner Fees	0	0	0	0	0	509
<u>Chancery Court</u>						
Officers Costs	0	0	0	0	0	1,686
Data Entry Fee - Chancery Court	0	0	0	0	0	5,699
Courtroom Security Fee	0	0	0	0	0	5,511
<u>Other Courts - In-county</u>						
Drug Control Fines	0	0	0	0	0	7,444
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	0	74,854
Other Fines, Forfeitures, and Penalties	0	0	0	0	0	35,086
<b>Total Fines, Forfeitures, and Penalties</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>443,603</b>
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Convenience Waste Centers Collection Charge	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	20,753
Solid Waste Disposal Fee	0	0	0	0	0	70,009
Surcharge - Waste Tire Disposal	0	0	0	0	0	62,402
Patient Charges	0	0	0	0	0	1,980,269

(Continued)

Exhibit K-6

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

	Special	Debt Service Funds			Capital	Total
	Revenue Fund	Highway / Public Works	General Debt Service	Rural Debt Service	Projects Fund General Capital Projects	
<u>Charges for Current Services (Cont.)</u>						
<u>General Service Charges (Cont.)</u>						
Other General Service Charges	\$ 4,407	\$ 0	\$ 0	\$ 0	\$ 0	5,792
Service Charges	0	0	0	0	0	10
<u>Fees</u>						
Subdivision Lot Fees	0	0	0	0	0	10,265
Recreation Fees	0	0	0	0	0	12,000
Copy Fees	0	0	0	0	0	5,657
Library Fees	0	0	0	0	0	28,290
Archives and Records Management Fee	0	0	0	0	0	132,432
Greenbelt Late Application Fee	0	0	0	0	0	600
Telephone Commissions	0	0	0	0	0	359,279
Constitutional Officers' Fees and Commissions	0	0	0	0	0	204
Data Processing Fee - Register	0	0	0	0	0	26,088
Probation Fees	0	0	0	0	0	176,245
Data Processing Fee - Sheriff	0	0	0	0	0	12,319
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0	7,500
Data Processing Fee - County Clerk	0	0	0	0	0	24,682
Subscription and Electronic Filing Fee - Circuit and General Sessions	0	0	0	0	0	1,500
Vehicle Registration Reinstatement Fees	0	0	0	0	0	4,618
<u>Education Charges</u>						
Other Charges for Services	0	0	0	0	0	11,100
Total Charges for Current Services	\$ 4,407	\$ 0	\$ 0	\$ 0	\$ 0	2,952,014
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 1,444	\$ 288,979	\$ 9,284	\$ 0	\$ 0	307,682

(Continued)

Exhibit K-6

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

	Special	Debt Service Funds			Capital	Total
	Revenue Fund	Highway / Public Works	General Debt Service	Rural Debt Service	Projects Fund General Capital Projects	
<u>Other Local Revenues (Cont.)</u>						
<u>Recurring Items (Cont.)</u>						
Lease/Rentals	\$ 0	\$ 101,504	\$ 0	\$ 0	\$ 0	\$ 117,124
Sale of Materials and Supplies	1,272	0	0	0	0	1,522
Commissary Sales	0	0	0	0	0	18,280
Sale of Maps	0	0	0	0	0	155
Sale of Recycled Materials	0	0	0	0	0	95,989
Rebates	0	0	0	0	0	11,778
Miscellaneous Refunds	168	0	0	0	0	13,701
<u>Nonrecurring Items</u>						
Sale of Equipment	0	0	0	0	0	4,295
Damages Recovered from Individuals	812	0	0	0	0	1,646
Contributions and Gifts	0	0	0	0	0	9,692
Total Other Local Revenues	\$ 3,696	\$ 390,483	\$ 9,284	\$ 0	\$ 0	\$ 581,864
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 681,045
Circuit Court Clerk	0	0	0	0	0	673,263
Clerk and Master	0	0	0	0	0	179,020
Register	0	0	0	0	0	426,386
Sheriff	0	0	0	0	0	23,924
Trustee	0	0	0	0	0	1,184,107
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,167,745

(Continued)

Exhibit K-6

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

	Special	Debt Service Funds		Capital	Total
	Revenue Fund	General Debt Service	Rural Debt Service	Projects Fund	
	Highway / Public Works			General Capital Projects	
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,000
<u>Public Safety Grants</u>					
Law Enforcement Training Programs	0	0	0	0	37,600
Other Public Safety Grants	0	0	0	0	82,940
<u>Public Works Grants</u>					
State Aid Program	388,871	0	0	0	388,871
Litter Program	0	0	0	0	53,715
<u>Other State Revenues</u>					
Income Tax	0	0	0	0	1,785
Beer Tax	0	0	0	0	19,194
Vehicle Certificate of Title Fees	0	0	0	0	51,842
Alcoholic Beverage Tax	0	0	0	0	130,415
State Revenue Sharing - T.V.A.	0	0	0	0	306,611
State Revenue Sharing - Telecommunications	0	0	0	0	112,282
State Shared Sports Gaming Privilege Tax	0	0	0	0	25,692
Contracted Prisoner Boarding	0	0	0	0	748,176
Gasoline and Motor Fuel Tax	2,774,903	0	0	0	2,774,903
Petroleum Special Tax	38,313	0	0	0	38,313
T.B.I. - Equipment Reimbursement	0	0	0	0	3,063
Registrar's Salary Supplement	0	0	0	0	15,164
Other State Grants	0	0	0	508,641	913,511
Other State Revenues	0	0	0	0	632
Total State of Tennessee	\$ 3,202,087	\$ 0	\$ 0	\$ 508,641	\$ 5,713,709

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Funds			Capital Projects Fund	
	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Total	
<u>Federal Government</u>						
<u>Federal Through State</u>						
Disaster Relief	\$ 134,499	\$ 0	\$ 0	\$ 0	\$ 0	\$ 137,505
Homeland Security Grants	0	0	0	0	0	9,508
Medicaid	0	0	0	0	0	116,159
American Rescue Plan Act Grant #1	0	0	0	0	0	44,334
<u>Direct Federal Revenue</u>						
Forest Service	0	0	0	0	0	3,433
Tax Credit Bond Rebate	0	0	0	0	0	138,384
American Rescue Plan Act Grant #6	0	0	0	5,489,174	5,489,174	5,489,174
Total Federal Government	<u>\$ 134,499</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,489,174</u>	<u>\$ 5,938,497</u>	
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 0	\$ 0	\$ 361,050	\$ 18,000	\$ 0	\$ 661,966
Contracted Services	0	0	0	0	0	22,375
<u>Citizens Groups</u>						
Donations	0	0	0	0	0	34,540
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 361,050</u>	<u>\$ 18,000</u>	<u>\$ 0</u>	<u>\$ 718,881</u>
Total	<u>\$ 3,392,857</u>	<u>\$ 1,633,037</u>	<u>\$ 4,880,958</u>	<u>\$ 7,003,146</u>	<u>\$ 0</u>	<u>\$ 44,280,135</u>

Exhibit K-7

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

	<u>Special Revenue Funds</u>					Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School		
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 9,053,606	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,053,606
Trustee's Collections - Prior Year	113,021	0	0	0	0	113,021
Trustee's Collections - Bankruptcy	538	0	0	0	0	538
Circuit Clerk/Clerk and Master Collections - Prior Years	35,482	0	0	0	0	35,482
Interest and Penalty	45,803	0	0	0	0	45,803
Payments in-Lieu-of Taxes - T.V.A.	521	0	0	0	0	521
Payments in-Lieu-of Taxes - Local Utilities	12,542	0	0	0	0	12,542
Payments in-Lieu-of Taxes - Other	163,424	0	0	0	0	163,424
<u>County Local Option Taxes</u>						
Local Option Sales Tax	5,985,110	0	0	0	0	5,985,110
Mixed Drink Tax	21,319	0	0	0	0	21,319
Total Local Taxes	<u>\$ 15,431,366</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 15,431,366</u>
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 2,242	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,242
Total Licenses and Permits	<u>\$ 2,242</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,242</u>
<u>Charges for Current Services</u>						
<u>Education Charges</u>						
Lunch Payments - Adults	\$ 0	\$ 0	\$ 41,760	\$ 0	\$ 0	\$ 41,760
Income from Breakfast	0	0	100	0	0	100
A la Carte Sales	0	0	163,098	0	0	163,098
Receipts from Individual Schools	77,600	0	0	0	0	77,600

(Continued)

Exhibit K-7

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

	<u>Special Revenue Funds</u>				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
<u>Charges for Current Services (Cont.)</u>					
<u>Education Charges (Cont.)</u>					
Community Service Fees - Children	\$ 5,626	\$ 0	\$ 0	\$ 0	\$ 5,626
Total Charges for Current Services	<u>\$ 83,226</u>	<u>\$ 0</u>	<u>\$ 204,958</u>	<u>\$ 0</u>	<u>\$ 288,184</u>
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ (26,472)	\$ 0	\$ 1,106	\$ 0	\$ (25,366)
Sale of Materials and Supplies	2,976	0	0	0	2,976
Miscellaneous Refunds	1,323	0	0	0	1,323
<u>Nonrecurring Items</u>					
Sale of Equipment	55,428	0	865	0	56,293
Damages Recovered from Individuals	156	0	0	0	156
Contributions and Gifts	51,468	0	0	0	51,468
<u>Other Local Revenues</u>					
Other Local Revenues	24,929	0	0	1,004,134	1,029,063
Total Other Local Revenues	<u>\$ 109,808</u>	<u>\$ 0</u>	<u>\$ 1,971</u>	<u>\$ 1,004,134</u>	<u>\$ 1,115,913</u>
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
On-behalf Contributions for OPEB	\$ 173,249	\$ 0	\$ 0	\$ 0	\$ 173,249
<u>State Education Funds</u>					
Basic Education Program	23,487,750	0	0	0	23,487,750
Early Childhood Education	654,025	0	0	0	654,025
School Food Service	0	0	25,181	0	25,181
Driver Education	21,983	0	0	0	21,983

(Continued)

Exhibit K-7

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

	<u>Special Revenue Funds</u>					Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School		
<u>State of Tennessee (Cont.)</u>						
<u>State Education Funds (Cont.)</u>						
Other State Education Funds	\$ 364,419	\$ 0	\$ 0	\$ 0	\$ 0	364,419
Coordinated School Health	83,203	0	0	0	0	83,203
Family Resource Centers	59,223	0	0	0	0	59,223
Career Ladder Program	51,246	0	0	0	0	51,246
<u>Other State Revenues</u>						
Alcoholic Beverage Tax	5,492	0	0	0	0	5,492
State Revenue Sharing - T.V.A.	671,240	0	0	0	0	671,240
Other State Grants	34,700	0	0	0	0	34,700
Safe Schools	88,917	0	0	0	0	88,917
Total State of Tennessee	<u>\$ 25,695,447</u>	<u>\$ 0</u>	<u>\$ 25,181</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>25,720,628</u>
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 2,325,155	\$ 0	\$ 0	2,325,155
USDA - Commodities	0	0	196,691	0	0	196,691
Breakfast	0	0	723,097	0	0	723,097
USDA - Other	0	0	310,685	0	0	310,685
Vocational Education - Basic Grants to States	0	105,582	0	0	0	105,582
Other Vocational	0	41,079	0	0	0	41,079
Title I Grants to Local Education Agencies	0	1,225,346	0	0	0	1,225,346
Special Education - Grants to States	0	1,097,889	0	0	0	1,097,889
Special Education Preschool Grants	0	29,512	0	0	0	29,512
English Language Acquisition Grants	0	13,251	0	0	0	13,251
Eisenhower Professional Development State Grants	0	174,251	0	0	0	174,251

(Continued)

Exhibit K-7

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

	<u>Special Revenue Funds</u>					Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School		
<u>Federal Government (Cont.)</u>						
<u>Federal Through State (Cont.)</u>						
COVID-19 Grant #1	\$ 0	\$ 93,869	\$ 0	\$ 0	\$ 0	\$ 93,869
COVID-19 Grant B	0	1,720,640	0	0	0	1,720,640
COVID-19 Grant D	0	91,545	0	0	0	91,545
American Rescue Plan Act Grant #1	0	2,206,832	0	0	0	2,206,832
American Rescue Plan Act Grant #4	0	7,146	0	0	0	7,146
Other Federal through State	128,162	1,485,824	0	0	0	1,613,986
<u>Direct Federal Revenue</u>						
ROTC Reimbursement	46,268	0	0	0	0	46,268
Total Federal Government	<u>\$ 174,430</u>	<u>\$ 8,292,766</u>	<u>\$ 3,555,628</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 12,022,824</u>
Total	<u>\$ 41,496,519</u>	<u>\$ 8,292,766</u>	<u>\$ 3,787,738</u>	<u>\$ 1,004,134</u>	<u>\$ 0</u>	<u>\$ 54,581,157</u>

Exhibit K-8

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

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	28,875	
Social Security		2,209	
Audit Services		23,734	
Communication		349	
Dues and Memberships		1,700	
Printing, Stationery, and Forms		10	
Travel		5,133	
Total County Commission			\$ 62,010

Board of Equalization

Board and Committee Members Fees	\$	1,250	
Social Security		96	
Total Board of Equalization			1,346

Other Boards and Committees

Board and Committee Members Fees	\$	48,175	
Social Security		3,685	
Contributions		20,000	
Travel		153	
Total Other Boards and Committees			72,013

County Mayor/Executive

County Official/Administrative Officer	\$	106,902	
ADA Coordinator		47,906	
Purchasing Personnel		43,947	
Secretary(ies)		43,264	
Custodial Personnel		3,306	
Part-time Personnel		7,018	
Educational Incentive - Other County Employees		29,000	
Other Salaries and Wages		8,083	
Social Security		20,222	
Pensions		13,017	
Employee and Dependent Insurance		197	
Life Insurance		94	
Medical Insurance		20,720	
Dental Insurance		487	
Unemployment Compensation		105	
Communication		6,931	
Dues and Memberships		17,085	
Legal Notices, Recording, and Court Costs		9,852	
Maintenance Agreements		2,735	
Printing, Stationery, and Forms		54	
Travel		2,953	
Tuition		90	
Other Contracted Services		2,697	
Office Supplies		6,384	
Other Charges		9,138	
Total County Mayor/Executive			402,187

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

County Attorney

County Official/Administrative Officer	\$ 4,800	
Legal Services	41,000	
Total County Attorney	\$ 45,800	\$ 45,800

Election Commission

County Official/Administrative Officer	\$ 83,300	
Deputy(ies)	69,659	
Clerical Personnel	6,641	
Overtime Pay	907	
Election Commission	4,650	
Election Workers	46,553	
Social Security	14,246	
Pensions	7,679	
Employee and Dependent Insurance	93	
Life Insurance	72	
Medical Insurance	18,610	
Dental Insurance	343	
Unemployment Compensation	84	
Communication	3,366	
Legal Notices, Recording, and Court Costs	51,295	
Maintenance Agreements	26,364	
Maintenance and Repair Services - Equipment	6,413	
Travel	3,157	
Tuition	100	
Other Contracted Services	2,332	
Office Supplies	8,981	
Furniture and Fixtures	11,484	
Total Election Commission	366,329	366,329

Register of Deeds

County Official/Administrative Officer	\$ 92,555
Deputy(ies)	127,885
Part-time Personnel	19,994
Social Security	17,721
Pensions	8,701
Employee and Dependent Insurance	208
Life Insurance	112
Medical Insurance	16,707
Dental Insurance	429
Unemployment Compensation	157
Communication	2,790
Dues and Memberships	903
Lease Payments	24,700
Maintenance Agreements	2,385
Travel	1,046
Tuition	355
Other Contracted Services	2,104

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Data Processing Supplies	\$	411	
Office Supplies		2,796	
Furniture and Fixtures		3,500	
Total Register of Deeds			\$ 325,459

Codes Compliance

Assistant(s)	\$	43,279	
Supervisor/Director		51,503	
Secretary(ies)		30,000	
Part-time Personnel		2,160	
Social Security		9,327	
Pensions		4,941	
Employee and Dependent Insurance		77	
Life Insurance		72	
Medical Insurance		19,220	
Dental Insurance		343	
Unemployment Compensation		67	
Communication		2,014	
Consultants		1,650	
Dues and Memberships		245	
Legal Notices, Recording, and Court Costs		1,049	
Maintenance Agreements		2,495	
Maintenance and Repair Services - Vehicles		1,732	
Printing, Stationery, and Forms		694	
Travel		88	
Tuition		731	
Other Contracted Services		757	
Gasoline		3,272	
Office Supplies		1,042	
Total Codes Compliance			176,758

County Buildings

Assistant(s)	\$	40,560	
Supervisor/Director		53,563	
Custodial Personnel		69,825	
Maintenance Personnel		61,784	
Part-time Personnel		7,964	
Overtime Pay		7,578	
Social Security		17,657	
Pensions		6,531	
Employee and Dependent Insurance		160	
Life Insurance		152	
Medical Insurance		35,610	
Dental Insurance		439	
Unemployment Compensation		190	
Communication		3,097	
Maintenance Agreements		80,673	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Maintenance and Repair Services - Buildings	\$	149,295	
Maintenance and Repair Services - Equipment		8,488	
Maintenance and Repair Services - Vehicles		1,949	
Pest Control		4,429	
Other Contracted Services		11,096	
Custodial Supplies		22,270	
Electricity		116,049	
Gasoline		4,504	
Natural Gas		22,915	
Office Supplies		2,317	
Uniforms		4,564	
Water and Sewer		5,422	
Total County Buildings			\$ 739,081

Other General Administration

Data Processing Personnel	\$	47,132	
Social Security		3,591	
Pensions		2,357	
Unemployment Compensation		21	
Communication		5,762	
Data Processing Services		8,996	
Maintenance Agreements		19,344	
Postal Charges		63,027	
Other Contracted Services		40,000	
Total Other General Administration			190,230

Preservation of Records

Communication	\$	78	
Total Preservation of Records			78

Finance

Accounting and Budgeting

Supervisor/Director	\$	87,414	
Accountants/Bookkeepers		239,350	
Social Security		22,451	
Pensions		15,718	
Employee and Dependent Insurance		285	
Life Insurance		202	
Medical Insurance		37,500	
Dental Insurance		582	
Unemployment Compensation		174	
Communication		3,410	
Dues and Memberships		525	
Legal Notices, Recording, and Court Costs		715	
Maintenance Agreements		35,835	
Travel		2,631	
Tuition		1,465	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Office Supplies	\$	8,098	
Furniture and Fixtures		3,439	
Total Accounting and Budgeting			\$ 459,794

Property Assessor's Office

County Official/Administrative Officer	\$	92,555	
Clerical Personnel		161,664	
Social Security		17,789	
Pensions		9,700	
Employee and Dependent Insurance		139	
Life Insurance		120	
Medical Insurance		24,610	
Dental Insurance		458	
Unemployment Compensation		82	
Audit Services		17,050	
Communication		2,863	
Data Processing Services		39,072	
Dues and Memberships		1,700	
Maintenance Agreements		1,051	
Maintenance and Repair Services - Vehicles		273	
Printing, Stationery, and Forms		197	
Gasoline		3,738	
Office Supplies		3,297	
Other Charges		3,030	
Total Property Assessor's Office			379,388

Reappraisal Program

Part-time Personnel	\$	49,084	
Overtime Pay		2,042	
Other Salaries and Wages		1,204	
Social Security		3,951	
Pensions		98	
Unemployment Compensation		82	
Other Contracted Services		4,745	
Data Processing Supplies		430	
Total Reappraisal Program			61,636

County Trustee's Office

County Official/Administrative Officer	\$	92,555	
Deputy(ies)		134,720	
Social Security		16,574	
Pensions		9,584	
Employee and Dependent Insurance		232	
Life Insurance		120	
Medical Insurance		18,000	
Dental Insurance		401	
Unemployment Compensation		84	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

Communication	\$	2,341	
Dues and Memberships		1,303	
Maintenance Agreements		12,038	
Postal Charges		6,822	
Printing, Stationery, and Forms		424	
Travel		2,304	
Other Contracted Services		7,605	
Office Supplies		2,958	
Data Processing Equipment		2,808	
Total County Trustee's Office			\$ 310,873

County Clerk's Office

County Official/Administrative Officer	\$	92,555	
Deputy(ies)		194,668	
Social Security		20,992	
Pensions		11,155	
Employee and Dependent Insurance		257	
Life Insurance		158	
Medical Insurance		33,255	
Dental Insurance		698	
Unemployment Compensation		152	
Communication		4,593	
Dues and Memberships		893	
Maintenance Agreements		18,017	
Printing, Stationery, and Forms		2,252	
Travel		7,206	
Tuition		1,730	
Office Supplies		4,295	
Other Charges		12,464	
Total County Clerk's Office			405,340

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	92,555	
Deputy(ies)		770,606	
Other Salaries and Wages		1,041	
Jury and Witness Expense		5,953	
Other Per Diem and Fees		12,900	
Social Security		66,319	
Pensions		32,482	
Employee and Dependent Insurance		826	
Life Insurance		550	
Medical Insurance		103,146	
Dental Insurance		2,276	
Unemployment Compensation		536	
Communication		13,615	
Dues and Memberships		1,302	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Maintenance Agreements	\$	78,316	
Printing, Stationery, and Forms		14,274	
Travel		2,027	
Tuition		2,400	
Duplicating Supplies		1,481	
Office Supplies		11,841	
Other Charges		22,631	
Total Circuit Court			\$ 1,237,077

General Sessions Judge

Judge(s)	\$	352,406	
Secretary(ies)		18,684	
Social Security		24,160	
Pensions		8,810	
Employee and Dependent Insurance		46	
Life Insurance		36	
Medical Insurance		13,000	
Dental Insurance		229	
Unemployment Compensation		21	
Communication		1,168	
Dues and Memberships		1,645	
Evaluation and Testing		800	
Travel		227	
Tuition		270	
Other Contracted Services		136	
Office Supplies		2,797	
Periodicals		5,362	
Total General Sessions Judge			429,797

Drug Court

Drug Treatment	\$	36,631	
Total Drug Court			36,631

Chancery Court

County Official/Administrative Officer	\$	92,555	
Deputy(ies)		155,680	
Social Security		18,509	
Pensions		12,462	
Employee and Dependent Insurance		185	
Life Insurance		120	
Medical Insurance		24,000	
Dental Insurance		458	
Unemployment Compensation		105	
Communication		3,725	
Dues and Memberships		2,168	
Maintenance Agreements		14,631	
Printing, Stationery, and Forms		1,608	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Travel	\$	307	
Tuition		755	
Office Supplies		2,782	
Periodicals		492	
Data Processing Equipment		9,571	
Total Chancery Court			\$ 340,113

Office of Public Defender

Secretary(ies)	\$	36,746	
Social Security		2,551	
Pensions		620	
Employee and Dependent Insurance		42	
Life Insurance		22	
Medical Insurance		5,833	
Dental Insurance		105	
Unemployment Compensation		26	
Travel		209	
Total Office of Public Defender			46,154

Judicial Commissioners

County Official/Administrative Officer	\$	116,590	
Part-time Personnel		11,070	
Overtime Pay		1,985	
Other Salaries and Wages		47,438	
Social Security		13,304	
Pensions		2,745	
Employee and Dependent Insurance		46	
Life Insurance		86	
Medical Insurance		6,000	
Dental Insurance		315	
Unemployment Compensation		179	
Communication		225	
Dues and Memberships		215	
Maintenance Agreements		824	
Office Supplies		794	
Total Judicial Commissioners			201,816

Probation Services

Supervisor/Director	\$	43,482	
Probation Officer(s)		152,027	
Secretary(ies)		23,682	
Part-time Personnel		4,095	
Social Security		15,498	
Pensions		8,915	
Employee and Dependent Insurance		197	
Life Insurance		148	
Medical Insurance		31,869	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Probation Services (Cont.)

Dental Insurance	\$	601	
Unemployment Compensation		171	
Communication		3,917	
Maintenance Agreements		6,518	
Printing, Stationery, and Forms		624	
Travel		166	
Tuition		1,844	
Office Supplies		4,632	
Uniforms		241	
Other Supplies and Materials		7,235	
Total Probation Services			\$ 305,862

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	101,811	
Deputy(ies)		1,905,945	
Salary Supplements		37,600	
Secretary(ies)		40,872	
Clerical Personnel		100,189	
Overtime Pay		62,417	
Other Salaries and Wages		134,831	
Social Security		178,556	
Pensions		95,377	
Employee and Dependent Insurance		1,459	
Life Insurance		1,174	
Medical Insurance		273,491	
Dental Insurance		4,985	
Unemployment Compensation		1,126	
Communication		42,577	
Dues and Memberships		3,337	
Maintenance Agreements		21,971	
Maintenance and Repair Services - Equipment		1,193	
Maintenance and Repair Services - Vehicles		71,160	
Postal Charges		900	
Printing, Stationery, and Forms		432	
Travel		3,221	
Tuition		12,413	
Other Contracted Services		103,275	
Gasoline		228,562	
Law Enforcement Supplies		5,313	
Office Supplies		8,174	
Uniforms		9,259	
Workers' Compensation Insurance		46,908	
Data Processing Equipment		3,548	
Law Enforcement Equipment		6,549	
Total Sheriff's Department			3,508,625

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Traffic Control

Contracts with Other Public Agencies	\$	5,625	
Road Signs		1,601	
Total Traffic Control			\$ 7,226

Administration of the Sexual Offender Registry

Law Enforcement Supplies	\$	1,311	
Total Administration of the Sexual Offender Registry			1,311

Jail

Deputy(ies)	\$	333,154	
Guards		1,486,674	
Clerical Personnel		32,571	
Maintenance Personnel		41,186	
Overtime Pay		106,048	
Bonus Payments		3,989	
Other Salaries and Wages		152,710	
Social Security		159,994	
Pensions		56,526	
Employee and Dependent Insurance		1,854	
Life Insurance		1,470	
Medical Insurance		289,890	
Dental Insurance		5,304	
Unemployment Compensation		1,851	
Communication		28,818	
Evaluation and Testing		1,000	
Maintenance Agreements		22,457	
Maintenance and Repair Services - Equipment		12,991	
Medical and Dental Services		301,442	
Printing, Stationery, and Forms		719	
Transportation - Other than Students		166	
Travel		4,214	
Tuition		500	
Other Contracted Services		771,931	
Custodial Supplies		38,242	
Electricity		156,299	
Food Supplies		469,056	
Law Enforcement Supplies		11,964	
Natural Gas		54,457	
Office Supplies		5,175	
Prisoners Clothing		24,334	
Uniforms		1,415	
Water and Sewer		91,071	
Workers' Compensation Insurance		81,578	
Total Jail			4,751,050

Juvenile Services

Supervisor/Director	\$	52,349	
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(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Juvenile Services (Cont.)

Youth Service Officer(s)	\$	158,060	
Salary Supplements		9,000	
Other Salaries and Wages		7,800	
Social Security		16,887	
Pensions		10,204	
Employee and Dependent Insurance		162	
Life Insurance		120	
Medical Insurance		31,830	
Dental Insurance		572	
Unemployment Compensation		105	
Communication		4,304	
Contracts with Government Agencies		59,604	
Dues and Memberships		1,120	
Maintenance Agreements		2,547	
Travel		889	
Tuition		600	
Office Supplies		2,934	
Other Supplies and Materials		2,582	
Data Processing Equipment		1,513	
Furniture and Fixtures		1,192	
Total Juvenile Services			\$ 364,374

Rural Fire Protection

Contributions	\$	452,000	
Total Rural Fire Protection			452,000

Civil Defense

Supervisor/Director	\$	55,734	
Deputy(ies)		47,340	
Part-time Personnel		11,697	
Overtime Pay		13,474	
Other Salaries and Wages		2,000	
Social Security		9,075	
Pensions		5,961	
Employee and Dependent Insurance		46	
Life Insurance		48	
Medical Insurance		13,000	
Dental Insurance		211	
Unemployment Compensation		79	
Communication		8,663	
Dues and Memberships		260	
Maintenance and Repair Services - Vehicles		5,756	
Travel		53	
Tuition		99	
Food Supplies		2,810	
Gasoline		7,075	
Office Supplies		6,961	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Civil Defense (Cont.)

Uniforms	\$	2,660	
Other Supplies and Materials		8,009	
Furniture and Fixtures		9,508	
Maintenance Equipment		19,861	
Total Civil Defense			\$ 230,380

Rescue Squad

Contributions	\$	40,000	
Total Rescue Squad			40,000

County Coroner/Medical Examiner

Consultants	\$	1,800	
Medical and Dental Services		202,888	
Pauper Burials		330	
Total County Coroner/Medical Examiner			205,018

Other Public Safety

Supervisor/Director	\$	68,445	
Salary Supplements		8,800	
Dispatchers/Radio Operators		529,076	
Overtime Pay		75,185	
Other Salaries and Wages		53,592	
Social Security		55,060	
Pensions		23,960	
Employee and Dependent Insurance		513	
Life Insurance		382	
Medical Insurance		70,067	
Dental Insurance		1,441	
Unemployment Compensation		525	
Total Other Public Safety			887,046

Public Health and Welfare

Local Health Center

Medical Personnel	\$	321,891	
Clerical Personnel		18,282	
Social Security		25,459	
Pensions		12,593	
Employee and Dependent Insurance		309	
Life Insurance		222	
Medical Insurance		39,912	
Dental Insurance		687	
Unemployment Compensation		269	
Communication		9,415	
Contributions		40,000	
Dues and Memberships		200	
Maintenance and Repair Services - Buildings		2,796	
Travel		2,641	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Local Health Center (Cont.)

Office Supplies	\$	93	
Utilities		8,682	
Other Supplies and Materials		2,015	
Total Local Health Center			\$ 485,466

Rabies and Animal Control

Supervisor/Director	\$	35,909	
Deputy(ies)		7,338	
Overtime Pay		5,660	
Other Salaries and Wages		1,110	
Social Security		3,578	
Pensions		1,752	
Employee and Dependent Insurance		8	
Life Insurance		22	
Medical Insurance		5,654	
Dental Insurance		105	
Unemployment Compensation		62	
Communication		1,709	
Maintenance and Repair Services - Buildings		478	
Maintenance and Repair Services - Vehicles		992	
Tuition		372	
Veterinary Services		2,722	
Animal Food and Supplies		1,383	
Custodial Supplies		258	
Drugs and Medical Supplies		1,125	
Gasoline		2,580	
Office Supplies		583	
Uniforms		744	
Total Rabies and Animal Control			74,144

Alcohol and Drug Programs

Other Supplies and Materials	\$	2,000	
Total Alcohol and Drug Programs			2,000

Appropriation to State

Contributions	\$	81,544	
Total Appropriation to State			81,544

General Welfare Assistance

Contributions	\$	8,846	
Total General Welfare Assistance			8,846

Other Waste Disposal

Disposal Fees	\$	32,499	
Total Other Waste Disposal			32,499

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Contributions	\$	74,250	
Tax Relief Program		122,480	
Total Senior Citizens Assistance			\$ 196,730

Libraries

Supervisor/Director	\$	88,721	
Data Processing Personnel		59,706	
Librarians		291,185	
Part-time Personnel		106,391	
Social Security		39,533	
Pensions		17,112	
Employee and Dependent Insurance		575	
Life Insurance		339	
Medical Insurance		83,404	
Dental Insurance		1,549	
Unemployment Compensation		665	
Communication		8,001	
Data Processing Services		1,238	
Dues and Memberships		1,089	
Janitorial Services		13,040	
Maintenance Agreements		50,681	
Printing, Stationery, and Forms		364	
Travel		2,406	
Tuition		1,065	
Other Contracted Services		39,195	
Riprap		48,199	
Library Books/Media		110,156	
Office Supplies		11,636	
Periodicals		1,050	
Utilities		20,220	
Other Supplies and Materials		50,845	
Office Equipment		8,384	
Total Libraries			1,056,749

Other Social, Cultural, and Recreational

Librarians	\$	3,267	
Social Security		250	
Pensions		63	
Unemployment Compensation		4	
Library Books/Media		451	
Other Supplies and Materials		7,983	
Total Other Social, Cultural, and Recreational			12,018

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$	111,028	
Other Fringe Benefits		34,101	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Agricultural Extension Service (Cont.)

Communication	\$	1,934	
Contracts with Private Agencies		52,023	
Data Processing Supplies		980	
Utilities		2,175	
Total Agricultural Extension Service			\$ 202,241

Soil Conservation

Secretary(ies)	\$	38,185	
Clerical Personnel		26,782	
Social Security		3,828	
Pensions		2,445	
Employee and Dependent Insurance		93	
Life Insurance		48	
Medical Insurance		12,000	
Dental Insurance		229	
Unemployment Compensation		42	
Contributions		3,000	
Total Soil Conservation			86,652

Other Operations

Industrial Development

Contributions	\$	274,000	
Engineering Services		56,678	
Total Industrial Development			330,678

Veterans' Services

Clerical Personnel	\$	19,380	
Social Security		1,483	
Unemployment Compensation		24	
Communication		1,536	
Maintenance Agreements		507	
Electricity		2,607	
Natural Gas		734	
Office Supplies		203	
Water and Sewer		285	
Total Veterans' Services			26,759

Other Charges

Contributions	\$	104,714	
Other Contracted Services		16,029	
Electricity		60,000	
Liability Insurance		618,423	
Trustee's Commission		287,895	
Workers' Compensation Insurance		14,396	
Liability Claims		120,223	
Other Charges		5,345	
Total Other Charges			1,227,025

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Other Operations (Cont.)

Contributions to Other Agencies

Contributions	\$ 52,478	
Total Contributions to Other Agencies		\$ 52,478

Payments to Cities

Contributions	\$ 31,500	
Total Payments to Cities		31,500

American Rescue Plan Act Grant #1

Maintenance Agreements	\$ 1,000	
Library Books/Media	7,500	
Data Processing Equipment	35,834	
Total American Rescue Plan Act Grant #1		44,334

Miscellaneous

Contributions	\$ 18,000	
Total Miscellaneous		18,000

Total General Fund \$ 21,012,465

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

Supervisor/Director	\$ 53,563	
Secretary(ies)	38,695	
Part-time Personnel	2,503	
Overtime Pay	1,211	
Other Salaries and Wages	1,314	
Social Security	6,817	
Pensions	4,739	
Employee and Dependent Insurance	50	
Life Insurance	37	
Medical Insurance	13,500	
Dental Insurance	238	
Unemployment Compensation	41	
Communication	5,314	
Dues and Memberships	100	
Maintenance and Repair Services - Buildings	4,756	
Postal Charges	1,439	
Travel	104	
Custodial Supplies	877	
Utilities	9,386	
Other Supplies and Materials	4,461	
Trustee's Commission	24,009	
Other Charges	16,736	
Total Sanitation Management		\$ 189,890

(Continued)

Exhibit K-8

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Waste Pickup

Truck Drivers	\$	161,801	
Guards		37,212	
Overtime Pay		18,437	
Other Salaries and Wages		6,665	
Social Security		16,308	
Pensions		6,475	
Employee and Dependent Insurance		93	
Life Insurance		145	
Medical Insurance		30,500	
Dental Insurance		353	
Unemployment Compensation		120	
Contracts with Government Agencies		23,785	
Contracts with Private Agencies		496,862	
Maintenance and Repair Services - Equipment		282	
Maintenance and Repair Services - Vehicles		28,592	
Diesel Fuel		68,949	
Food Supplies		1,833	
Garage Supplies		13,313	
Gasoline		9,130	
Tires and Tubes		15,054	
Uniforms		1,962	
Other Supplies and Materials		2,949	
Vehicle and Equipment Insurance		37,082	
Total Waste Pickup			\$ 977,902

Convenience Centers

Attendants	\$	208,010	
Part-time Personnel		43,693	
Overtime Pay		375	
Other Salaries and Wages		5,576	
Social Security		19,187	
Pensions		4,102	
Employee and Dependent Insurance		278	
Life Insurance		168	
Medical Insurance		29,346	
Dental Insurance		459	
Unemployment Compensation		374	
Communication		5,941	
Maintenance and Repair Services - Buildings		5,718	
Maintenance and Repair Services - Equipment		19,400	
Rentals		7,560	
Electricity		11,869	
Other Equipment		145	
Total Convenience Centers			362,201

Other Waste Collection

Supervisor/Director	\$	15,299	
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(Continued)

Exhibit K-8

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Other Waste Collection (Cont.)

Secretary(ies)	\$	4,000	
Attendants		4,401	
Social Security		1,723	
Pensions		965	
Unemployment Compensation		20	
Contracts with Government Agencies		3,484	
Contracts with Private Agencies		80,252	
Contracts with Vehicle Owners		3,973	
Maintenance and Repair Services - Equipment		35	
Office Supplies		1,584	
Total Other Waste Collection			\$ 115,736

Other Operations

Other Charges

Workers' Compensation Insurance	\$	21,196	
Total Other Charges			21,196

Total Solid Waste/Sanitation Fund \$ 1,666,925

Ambulance Service Fund

Public Health and Welfare

Ambulance/Emergency Medical Services

Assistant(s)	\$	55,560	
Supervisor/Director		73,912	
Accountants/Bookkeepers		33,685	
Medical Personnel		711,066	
Clerical Personnel		8,580	
Overtime Pay		538,554	
Other Salaries and Wages		18,391	
Social Security		108,226	
Pensions		50,665	
Employee and Dependent Insurance		709	
Life Insurance		606	
Medical Insurance		122,939	
Dental Insurance		2,266	
Unemployment Compensation		898	
Communication		16,561	
Consultants		3,500	
Dues and Memberships		855	
Licenses		2,500	
Maintenance Agreements		20,539	
Maintenance and Repair Services - Equipment		15,044	
Maintenance and Repair Services - Vehicles		41,968	
Matching Share		25,357	
Travel		212	
Tuition		7,236	
Other Contracted Services		5,164	

(Continued)

Exhibit K-8

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

Ambulance Service Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Custodial Supplies	\$	1,219	
Drugs and Medical Supplies		93,523	
Gasoline		52,573	
Office Supplies		4,743	
Tires and Tubes		6,828	
Uniforms		10,483	
Utilities		27,991	
Other Supplies and Materials		3,163	
Liability Insurance		28,376	
Trustee's Commission		33,511	
Vehicle and Equipment Insurance		32,979	
Workers' Compensation Insurance		82,913	
Communication Equipment		140	
Data Processing Equipment		838	
Furniture and Fixtures		10,196	
Maintenance Equipment		12,897	
Total Ambulance/Emergency Medical Services			<u>\$ 2,267,366</u>

Total Ambulance Service Fund \$ 2,267,366

Local Purpose Tax Fund

Other Operations

Industrial Development

Contracts with Government Agencies	\$	75,000	
Other Contracted Services		5,450	
Utilities		1,973	
Trustee's Commission		5,317	
Total Industrial Development			<u>\$ 87,740</u>

Total Local Purpose Tax Fund 87,740

Drug Control Fund

Public Safety

Drug Enforcement

Confidential Drug Enforcement Payments	\$	15,000	
Maintenance and Repair Services - Office Equipment		1,777	
Travel		477	
Tuition		754	
Veterinary Services		2,232	
Animal Food and Supplies		1,120	
Law Enforcement Supplies		7,964	
Trustee's Commission		163	
Building Construction		1,093	
Data Processing Equipment		8,746	
Law Enforcement Equipment		1,960	
Motor Vehicles		149,551	
Total Drug Enforcement			<u>\$ 190,837</u>

Total Drug Control Fund 190,837

(Continued)

Exhibit K-8

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

Constitutional Officers - Fees Fund

General Government

Register of Deeds

Constitutional Officers' Operating Expenses	\$ 78	
Total Register of Deeds		\$ 78

Finance

County Trustee's Office

Constitutional Officers' Operating Expenses	\$ 126	
Total County Trustee's Office		<u>126</u>

Total Constitutional Officers - Fees Fund \$ 204

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 101,811	
Supervisor/Director	4,713	
Secretary(ies)	43,000	
Board and Committee Members Fees	6,300	
Social Security	11,875	
Pensions	7,243	
Employee and Dependent Insurance	46	
Life Insurance	708	
Medical Insurance	8,550	
Dental Insurance	114	
Unemployment Compensation	119	
Accounting Services	12,000	
Dues and Memberships	3,645	
Evaluation and Testing	760	
Legal Services	475	
Maintenance and Repair Services - Office Equipment	650	
Travel	1,830	
Tuition	100	
Other Contracted Services	833	
Drugs and Medical Supplies	6	
Office Supplies	1,812	
Other Charges	<u>1,422</u>	
Total Administration		\$ 208,012

Highway and Bridge Maintenance

Equipment Operators	\$ 611,471
Overtime Pay	13,931
Social Security	47,203
Pensions	22,867
Employee and Dependent Insurance	730
Life Insurance	6,667
Medical Insurance	176,529
Dental Insurance	2,085
Unemployment Compensation	3,263

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Other Contracted Services	\$	287,816	
Asphalt - Cold Mix		26,251	
Asphalt - Liquid		315,515	
Concrete		3,347	
Crushed Stone		153,932	
Pipe - Concrete		5,559	
Road Signs		9,739	
Other Supplies and Materials		19,295	
Total Highway and Bridge Maintenance			\$ 1,706,200

Operation and Maintenance of Equipment

Mechanic(s)	\$	72,655	
Overtime Pay		171	
Social Security		5,538	
Pensions		3,641	
Employee and Dependent Insurance		69	
Life Insurance		708	
Medical Insurance		20,567	
Dental Insurance		229	
Unemployment Compensation		253	
Laundry Service		3,484	
Towing Services		562	
Diesel Fuel		87,712	
Equipment and Machinery Parts		124,023	
Garage Supplies		12,573	
Gasoline		33,261	
Lubricants		11,398	
Tires and Tubes		13,293	
Other Supplies and Materials		1,269	
Total Operation and Maintenance of Equipment			391,406

Other Charges

Communication	\$	4,805	
Electricity		5,666	
Natural Gas		4,076	
Water and Sewer		502	
Liability Insurance		51,199	
Trustee's Commission		28,586	
Workers' Compensation Insurance		116,639	
Other Charges		245	
Total Other Charges			211,718

Capital Outlay

Engineering Services	\$	34,732	
Highway Construction		310,776	
Highway Equipment		185,489	
Motor Vehicles		235,663	
Total Capital Outlay			766,660

Total Highway/Public Works Fund \$ 3,283,996

(Continued)

Exhibit K-8

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

<u>General Debt Service Fund</u>			
<u>Principal on Debt</u>			
<u>General Government</u>			
Principal on Bonds	\$	670,000	
Principal on Notes		<u>156,000</u>	
Total General Government			\$ 826,000
<u>Interest on Debt</u>			
<u>General Government</u>			
Interest on Bonds	\$	525,100	
Interest on Notes		<u>34,778</u>	
Total General Government			559,878
<u>Other Debt Service</u>			
<u>General Government</u>			
Financial Advisory Services	\$	8,000	
Fiscal Agent Charges		500	
Other Contracted Services		4,500	
Trustee's Commission		<u>24,205</u>	
Total General Government			<u>37,205</u>
Total General Debt Service Fund			\$ 1,423,083
<u>Rural Debt Service Fund</u>			
<u>Principal on Debt</u>			
<u>Education</u>			
Principal on Bonds	\$	1,700,000	
Principal on Other Loans		<u>204,620</u>	
Total Education			\$ 1,904,620
<u>Interest on Debt</u>			
<u>Education</u>			
Interest on Bonds	\$	1,982,050	
Interest on Other Loans		<u>146,752</u>	
Total Education			2,128,802
<u>Other Debt Service</u>			
<u>Education</u>			
Financial Advisory Services	\$	8,000	
Fiscal Agent Charges		4,225	
Other Contracted Services		4,500	
Trustee's Commission		<u>57,754</u>	
Total Education			<u>74,479</u>
Total Rural Debt Service Fund			4,107,901
<u>General Capital Projects Fund</u>			
<u>Capital Projects</u>			
<u>General Administration Projects</u>			
Engineering Services	\$	374	

(Continued)

Exhibit K-8

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

General Capital Projects Fund (Cont.)

Capital Projects (Cont.)

General Administration Projects (Cont.)

Trustee's Commission	\$ 5,537	
Building Improvements	68,070	
Communication Equipment	9,672	
Furniture and Fixtures	<u>8,227</u>	
Total General Administration Projects		\$ 91,880

Public Safety Projects

Other Capital Outlay	<u>\$ 79,756</u>	
Total Public Safety Projects		79,756

Education Capital Projects

Trustee's Commission	<u>\$ 4,494</u>	
Total Education Capital Projects		4,494

American Rescue Plan Act Grant #1

Communication Equipment	<u>\$ 541,250</u>	
Total American Rescue Plan Act Grant #1		<u>541,250</u>

Total General Capital Projects Fund \$ 717,380

Total Governmental Funds - Primary Government \$ 34,757,897

Exhibit K-9

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 11,633,339	
Career Ladder Program	27,139	
Homebound Teachers	10,392	
Instructional Computer Personnel	72,310	
Educational Assistants	361,590	
Other Salaries and Wages	410,839	
Certified Substitute Teachers	25,639	
Non-certified Substitute Teachers	134,394	
Social Security	739,990	
Pensions	1,111,296	
Life Insurance	18,065	
Medical Insurance	2,171,855	
Dental Insurance	50,327	
Employer Medicare	174,045	
Maintenance and Repair Services - Equipment	700	
Other Contracted Services	1,079	
Instructional Supplies and Materials	304,430	
Textbooks - Bound	161,597	
Software	1,043	
Other Supplies and Materials	5,198	
In Service/Staff Development	1,105	
Other Charges	34,056	
Regular Instruction Equipment	60,444	
Total Regular Instruction Program		\$ 17,510,872

Alternative Instruction Program

Other Charges	\$ 34,729	
Total Alternative Instruction Program		34,729

Special Education Program

Teachers	\$ 1,836,572
Career Ladder Program	5,000
Homebound Teachers	983
Educational Assistants	317,736
Speech Pathologist	214,092
Other Salaries and Wages	180,992
Certified Substitute Teachers	792
Non-certified Substitute Teachers	11,825
Social Security	149,445
Pensions	229,438
Life Insurance	4,366
Medical Insurance	490,641
Dental Insurance	11,595
Employer Medicare	34,995
Evaluation and Testing	13,141
Instructional Supplies and Materials	31,325

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Other Supplies and Materials	\$	7,516	
Other Charges		833	
Total Special Education Program			\$ 3,541,287

Career and Technical Education Program

Teachers	\$	1,141,127	
Career Ladder Program		1,000	
Other Salaries and Wages		32,695	
Certified Substitute Teachers		3,310	
Non-certified Substitute Teachers		16,650	
Social Security		69,310	
Pensions		110,037	
Life Insurance		1,621	
Medical Insurance		191,200	
Dental Insurance		4,114	
Employer Medicare		16,258	
Maintenance and Repair Services - Buildings		465	
Instructional Supplies and Materials		29,803	
Other Charges		1,195	
Vocational Instruction Equipment		22,733	
Total Career and Technical Education Program			1,641,518

Student Body Education Program

Other Salaries and Wages	\$	43,828	
Social Security		2,526	
Pensions		3,243	
Employer Medicare		591	
Other Charges		11,442	
Total Student Body Education Program			61,630

Support Services

Attendance

Supervisor/Director	\$	88,932	
Clerical Personnel		51,917	
Other Salaries and Wages		3,000	
Social Security		8,496	
Pensions		11,960	
Life Insurance		155	
Medical Insurance		18,784	
Dental Insurance		459	
Employer Medicare		1,987	
Travel		459	
Other Contracted Services		19,115	
Other Supplies and Materials		1,399	
In Service/Staff Development		1,616	
Other Charges		194	
Attendance Equipment		1,060	
Total Attendance			209,533

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Health Services

Supervisor/Director	\$	44,079	
Medical Personnel		5,100	
Other Salaries and Wages		30,051	
Social Security		4,423	
Pensions		6,939	
Life Insurance		73	
Medical Insurance		12,748	
Employer Medicare		1,034	
Travel		39	
Other Supplies and Materials		8,658	
In Service/Staff Development		2,195	
Other Charges		18,986	
Total Health Services			\$ 134,325

Other Student Support

Career Ladder Program	\$	2,000	
Guidance Personnel		510,122	
Psychological Personnel		30,147	
Secretary(ies)		53,954	
Other Salaries and Wages		24,658	
Social Security		35,974	
Pensions		57,196	
Life Insurance		1,086	
Medical Insurance		114,346	
Dental Insurance		2,887	
Employer Medicare		8,413	
Evaluation and Testing		77,714	
Travel		1,446	
Other Supplies and Materials		3,378	
In Service/Staff Development		649	
Total Other Student Support			923,970

Regular Instruction Program

Supervisor/Director	\$	279,826	
Career Ladder Program		2,000	
Librarians		429,038	
Secretary(ies)		66,335	
Educational Assistants		33,451	
Other Salaries and Wages		23,430	
Social Security		47,700	
Pensions		79,126	
Life Insurance		1,187	
Medical Insurance		153,813	
Dental Insurance		2,624	
Employer Medicare		11,235	
Travel		7,514	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Instructional Supplies and Materials	\$	1,600	
Library Books/Media		28,744	
Software		10,866	
In Service/Staff Development		4,840	
Other Charges		50	
Total Regular Instruction Program			\$ 1,183,379

Special Education Program

Supervisor/Director	\$	79,463	
Career Ladder Program		1,000	
Psychological Personnel		210,833	
Secretary(ies)		22,253	
Other Salaries and Wages		38,710	
Social Security		20,453	
Pensions		30,149	
Life Insurance		401	
Medical Insurance		52,330	
Dental Insurance		1,321	
Employer Medicare		4,783	
Communication		1,667	
Maintenance and Repair Services - Equipment		2,631	
Travel		3,360	
Other Contracted Services		146,729	
Other Supplies and Materials		6,493	
In Service/Staff Development		5,891	
Other Charges		792	
Total Special Education Program			629,259

Career and Technical Education Program

Supervisor/Director	\$	64,502	
Other Salaries and Wages		1,500	
Social Security		3,935	
Pensions		6,752	
Life Insurance		76	
Employer Medicare		965	
Communication		1,180	
Travel		158	
In Service/Staff Development		849	
Total Career and Technical Education Program			79,917

Technology

Supervisor/Director	\$	81,326	
Other Salaries and Wages		140,442	
Social Security		11,819	
Pensions		16,596	
Life Insurance		302	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Technology (Cont.)

Medical Insurance	\$	58,466	
Dental Insurance		901	
Employer Medicare		2,764	
Maintenance and Repair Services - Equipment		1,588	
Internet Connectivity		60,787	
Travel		8,693	
Other Contracted Services		8,000	
Software		37,427	
Other Supplies and Materials		624	
In Service/Staff Development		1,805	
Other Equipment		95,183	
Total Technology			\$ 526,723

Other Programs

On-behalf Payments to OPEB	\$	173,249	
Total Other Programs			173,249

Board of Education

Secretary to Board	\$	426	
Board and Committee Members Fees		7,026	
Social Security		291	
Pensions		38	
Medical Insurance		159,917	
Dental Insurance		5,670	
Unemployment Compensation		3,625	
Employer Medicare		98	
Audit Services		7,000	
Dues and Memberships		10,664	
Legal Services		5,641	
Travel		1,138	
Other Contracted Services		8,205	
Software		4,000	
Liability Insurance		256,063	
Trustee's Commission		298,989	
Workers' Compensation Insurance		112,424	
In Service/Staff Development		16,784	
Other Charges		61,368	
Total Board of Education			959,367

Director of Schools

County Official/Administrative Officer	\$	131,819	
Career Ladder Program		1,000	
Secretary(ies)		40,854	
Clerical Personnel		37,357	
Other Salaries and Wages		29,069	
Social Security		12,557	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

Pensions	\$	18,916	
Life Insurance		227	
Medical Insurance		22,609	
Dental Insurance		454	
Employer Medicare		3,278	
Communication		28,562	
Dues and Memberships		5,399	
Maintenance and Repair Services - Equipment		5,585	
Postal Charges		3,162	
Office Supplies		6,028	
In Service/Staff Development		5,729	
Total Director of Schools			\$ 352,605

Office of the Principal

Principals	\$	814,095	
Career Ladder Program		5,000	
Accountants/Bookkeepers		88,521	
Assistant Principals		888,790	
Secretary(ies)		357,817	
Other Salaries and Wages		59,821	
Social Security		128,441	
Pensions		196,086	
Life Insurance		3,069	
Medical Insurance		407,259	
Dental Insurance		9,112	
Employer Medicare		30,053	
Communication		65,670	
Travel		4,172	
Office Supplies		4,774	
In Service/Staff Development		300	
Total Office of the Principal			3,062,980

Fiscal Services

Supervisor/Director	\$	71,091	
Accountants/Bookkeepers		191,450	
Other Salaries and Wages		8,250	
Social Security		15,769	
Pensions		16,619	
Life Insurance		447	
Medical Insurance		47,999	
Dental Insurance		1,026	
Employer Medicare		3,688	
Other Contracted Services		35,016	
Other Supplies and Materials		1,129	
In Service/Staff Development		469	
Administration Equipment		3,018	
Total Fiscal Services			395,971

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant

Custodial Personnel	\$	625,830	
Other Salaries and Wages		34,914	
Social Security		39,425	
Pensions		40,440	
Life Insurance		1,618	
Medical Insurance		179,404	
Dental Insurance		5,233	
Employer Medicare		9,220	
Laundry Service		5,525	
Electricity		996,584	
Natural Gas		82,193	
Water and Sewer		81,490	
Other Supplies and Materials		107,138	
Total Operation of Plant			\$ 2,209,014

Maintenance of Plant

Supervisor/Director	\$	56,183	
Maintenance Personnel		309,736	
Other Salaries and Wages		14,700	
Social Security		22,536	
Pensions		22,985	
Life Insurance		680	
Medical Insurance		70,483	
Dental Insurance		1,803	
Employer Medicare		5,271	
Communication		3,092	
Maintenance and Repair Services - Buildings		48,936	
Maintenance and Repair Services - Equipment		18,034	
Travel		1,150	
Other Contracted Services		108,287	
Other Supplies and Materials		144,367	
In Service/Staff Development		774	
Administration Equipment		22,424	
Maintenance Equipment		47,654	
Total Maintenance of Plant			899,095

Transportation

Supervisor/Director	\$	77,076
Mechanic(s)		119,878
Bus Drivers		900,550
Clerical Personnel		42,653
Other Salaries and Wages		99,288
Social Security		70,030
Pensions		78,255
Life Insurance		3,430
Medical Insurance		472,193

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Dental Insurance	\$	12,235	
Employer Medicare		16,644	
Communication		2,212	
Laundry Service		2,703	
Travel		476	
Other Contracted Services		14,725	
Diesel Fuel		269,912	
Gasoline		23,772	
Office Supplies		1,251	
Tires and Tubes		28,433	
Vehicle Parts		129,777	
Software		3,050	
Other Supplies and Materials		12,039	
In Service/Staff Development		2,741	
Other Charges		19,783	
Total Transportation			\$ 2,403,106

Operation of Non-Instructional Services

Food Service

Other Salaries and Wages	\$	70,500	
Social Security		4,371	
Pensions		3,492	
Employer Medicare		1,022	
Food Supplies		2,398	
Total Food Service			81,783

Community Services

Other Salaries and Wages	\$	92,962	
Social Security		5,808	
Pensions		4,818	
Life Insurance		77	
Medical Insurance		8,744	
Dental Insurance		207	
Employer Medicare		1,364	
Communication		219	
Travel		1,468	
Other Contracted Services		5,762	
Other Supplies and Materials		10,926	
Other Charges		9,922	
Total Community Services			142,277

Early Childhood Education

Teachers	\$	395,748	
Educational Assistants		121,801	
Other Salaries and Wages		48,838	
Certified Substitute Teachers		340	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education (Cont.)

Non-certified Substitute Teachers	\$	3,490	
Social Security		33,078	
Pensions		52,174	
Life Insurance		1,080	
Medical Insurance		135,740	
Dental Insurance		3,094	
Employer Medicare		7,742	
Communication		1,785	
Instructional Supplies and Materials		2,103	
Other Supplies and Materials		2,325	
In Service/Staff Development		275	
Total Early Childhood Education			\$ 809,613

Capital Outlay

Regular Capital Outlay

Furniture and Fixtures	\$	209,108	
Other Capital Outlay		224,077	
Total Regular Capital Outlay			433,185

Principal on Debt

Education

Debt Service Contribution to Primary Government	\$	361,050	
Total Education			361,050

Total General Purpose School Fund \$ 38,760,437

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	216,831	
Homebound Teachers		3,084	
Educational Assistants		29,186	
Other Salaries and Wages		765,945	
Certified Substitute Teachers		3,982	
Non-certified Substitute Teachers		30,830	
Social Security		58,031	
Pensions		88,578	
Life Insurance		1,449	
Medical Insurance		161,425	
Dental Insurance		832	
Employer Medicare		13,203	
Other Contracted Services		4,888	
Instructional Supplies and Materials		36,937	
Textbooks - Bound		49,480	
Software		44,019	
Other Charges		27,892	
Regular Instruction Equipment		988,533	
Total Regular Instruction Program			\$ 2,525,125

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Special Education Program

Teachers	\$	135,694	
Educational Assistants		489,651	
Certified Substitute Teachers		170	
Non-certified Substitute Teachers		4,810	
Social Security		36,050	
Pensions		41,967	
Life Insurance		2,394	
Medical Insurance		252,990	
Dental Insurance		7,179	
Employer Medicare		8,477	
Evaluation and Testing		442	
Instructional Supplies and Materials		4,349	
Other Supplies and Materials		4,459	
Other Charges		1,214	
Special Education Equipment		10,977	
Total Special Education Program			\$ 1,000,823

Career and Technical Education Program

Other Contracted Services	\$	1,500	
Instructional Supplies and Materials		56,964	
Other Supplies and Materials		7,850	
Vocational Instruction Equipment		50,930	
Total Career and Technical Education Program			117,244

Support Services

Health Services

Supervisor/Director	\$	14,548	
Medical Personnel		457,488	
Other Salaries and Wages		13,805	
Social Security		28,711	
Pensions		41,930	
Life Insurance		756	
Medical Insurance		94,124	
Dental Insurance		643	
Employer Medicare		6,715	
Maintenance and Repair Services - Equipment		1,589	
Other Contracted Services		6,672	
Drugs and Medical Supplies		32,510	
Other Supplies and Materials		53,349	
Health Equipment		76,913	
Total Health Services			829,753

Other Student Support

Guidance Personnel	\$	217,235	
Other Salaries and Wages		1,250	
Social Security		13,330	

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Pensions	\$	21,431	
Life Insurance		76	
Medical Insurance		8,568	
Dental Insurance		70	
Employer Medicare		3,117	
Travel		16,146	
Other Supplies and Materials		7,478	
In Service/Staff Development		3,178	
Other Charges		25,240	
Other Equipment		356	
Total Other Student Support			\$ 317,475

Regular Instruction Program

Supervisor/Director	\$	94,024	
Secretary(ies)		22,253	
Clerical Personnel		21,931	
Educational Assistants		49,894	
Other Salaries and Wages		425,394	
Social Security		36,423	
Pensions		55,522	
Life Insurance		457	
Medical Insurance		53,572	
Dental Insurance		648	
Employer Medicare		8,938	
Maintenance and Repair Services - Equipment		4,090	
Travel		735	
Other Contracted Services		56,068	
Software		5,066	
Other Supplies and Materials		11,315	
In Service/Staff Development		51,926	
Other Charges		16,396	
Other Equipment		1,328	
Total Regular Instruction Program			915,980

Special Education Program

Secretary(ies)	\$	22,253	
Social Security		1,380	
Pensions		1,113	
Employer Medicare		323	
Evaluation and Testing		2,474	
Other Contracted Services		87,502	
Other Supplies and Materials		5,775	
In Service/Staff Development		2,321	
Other Charges		936	
Other Equipment		1,120	
Total Special Education Program			125,197

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program

Supervisor/Director	\$	3,799	
Social Security		236	
Pensions		391	
Employer Medicare		55	
In Service/Staff Development		3,342	
Total Career and Technical Education Program			\$ 7,823

Technology

Software	\$	11,616	
Total Technology			11,616

Operation of Plant

Plant Operation Equipment	\$	442,580	
Total Operation of Plant			442,580

Maintenance of Plant

Maintenance Personnel	\$	41,413	
Social Security		2,515	
Pensions		2,071	
Life Insurance		76	
Medical Insurance		7,258	
Dental Insurance		70	
Employer Medicare		588	
Total Maintenance of Plant			53,991

Operation of Non-Instructional Services

Food Service

Maintenance and Repair Services - Equipment	\$	23,647	
Food Service Equipment		3,038	
Total Food Service			26,685

Community Services

Supervisor/Director	\$	79,690	
Teachers		112,970	
Clerical Personnel		32,200	
Educational Assistants		135,982	
Other Salaries and Wages		85	
Social Security		22,196	
Pensions		20,170	
Employer Medicare		5,234	
Travel		39	
Other Contracted Services		2,036	
Instructional Supplies and Materials		6,281	
Other Supplies and Materials		271	
Other Charges		924	
Total Community Services			418,078

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Capital Outlay

Regular Capital Outlay

Building Improvements	\$ 401,307	
Total Regular Capital Outlay		\$ 401,307

Total School Federal Projects Fund \$ 7,193,677

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$ 75,200	
Accountants/Bookkeepers	33,341	
Cafeteria Personnel	810,833	
Other Salaries and Wages	5,654	
Social Security	53,629	
Pensions	52,802	
Life Insurance	2,798	
Medical Insurance	294,632	
Dental Insurance	13,783	
Employer Medicare	12,546	
Retirement - Hybrid Stabilization	3,641	
Communication	524	
Maintenance and Repair Services - Equipment	25,686	
Travel	2,699	
Other Contracted Services	19,899	
Food Preparation Supplies	108,737	
Food Supplies	1,144,732	
Office Supplies	2,312	
USDA - Commodities	196,691	
Other Supplies and Materials	2,843	
In Service/Staff Development	3,116	
Other Charges	3,671	
Food Service Equipment	19,395	
Total Food Service	<u>2,889,164</u>	\$ 2,889,164

Total Central Cafeteria Fund 2,889,164

Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$ 875,669	
Total Community Services		\$ 875,669

Total Internal School Fund 875,669

(Continued)

Exhibit K-9

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

<u>Education Capital Projects Fund</u>			
<u>Capital Outlay</u>			
<u>Regular Capital Outlay</u>			
Other Contracted Services	\$	42,188	
Total Regular Capital Outlay			\$ 42,188
<u>Capital Projects</u>			
<u>Education Capital Projects</u>			
Other Contracted Services	\$	50,810	
Building Improvements		1,068,595	
Site Development		44,393	
Total Education Capital Projects			<u>1,163,798</u>
Total Education Capital Projects Fund			<u>\$ 1,205,986</u>
Total Governmental Funds - Coffee County School Department			<u><u>\$ 50,924,933</u></u>

Exhibit K-10

Coffee County, Tennessee  
Schedule of Detailed Revenues and Expenses  
Discretely Presented Water and Wastewater Treatment Authority of Coffee County, Tennessee  
For the Year Ended June 30, 2022

	<u>Enterprise Fund</u>
	Wayside
	Acres
	Sewer
	<u>Fund</u>
<hr/>	
<u>Revenues</u>	
<u>Operating Revenues</u>	
<u>Charges for Current Services</u>	
Water Treatment Charges	\$ 61,937
Other General Service Charges	26,545
Total Charges for Current Services	<u>\$ 88,482</u>
Total Operating Revenue	<u>\$ 88,482</u>
 Total Revenues	 <u>\$ 88,482</u>
 <u>Expenses</u>	
<u>Operating Expenses</u>	
<u>Other Public Health and Welfare</u>	
Communication	\$ 1,330
Dues and Memberships	20
Engineering Services	5,225
Permits	1,100
Other Contracted Services	22,247
Electricity	3,855
Equipment and Machinery Parts	14,499
Water and Sewer	90
Depreciation	29,775
Communication Equipment	946
Total Other Public Health and Welfare	<u>\$ 79,087</u>
Total Operating Expenses	<u>\$ 79,087</u>
 Total Expenses	 <u>\$ 79,087</u>

Exhibit K-11

Coffee County, Tennessee

Schedule of Detailed Additions, Deductions, and Changes in Net Position - City Custodial Funds

For the Year Ended June 30, 2022

	Cities - Sales Tax Fund	City School ADA - Tulahoma Fund	City School ADA - Manchester Fund	Total
<u>Additions</u>				
Current Property Taxes	\$ 0	\$ 6,292,527	\$ 2,901,477	\$ 9,194,004
Trustee's Collections - Prior Years	0	104,858	48,350	153,208
Trustee's Collections - Bankruptcy	0	374	173	547
Circuit/Clerk and Master Collections - Prior Years	0	35,583	17,552	53,135
Interest and Penalty	0	32,852	15,596	48,448
Payments in-Lieu-of Taxes - TVA	0	362	167	529
Payments in-Lieu-of Taxes - Local Utilities	0	8,717	4,019	12,736
Payments in-Lieu-of Taxes - Other	0	113,585	52,374	165,959
Local Option Sales Tax	23,136,042	0	0	23,136,042
Marriage Licenses	0	1,701	785	2,486
Alcoholic Beverage Tax	0	4,295	1,981	6,276
<b>Total Additions</b>	<b>\$ 23,136,042</b>	<b>\$ 6,594,854</b>	<b>\$ 3,042,474</b>	<b>\$ 32,773,370</b>
<u>Deductions</u>				
Remittance of Revenues Collected	\$ 22,903,935	\$ 6,463,510	\$ 2,982,659	\$ 32,350,104
Trustee's Commission	232,107	131,344	59,815	423,266
<b>Total Deductions</b>	<b>\$ 23,136,042</b>	<b>\$ 6,594,854</b>	<b>\$ 3,042,474</b>	<b>\$ 32,773,370</b>
Excess of Additions Over (Under) Deductions	\$ 0	\$ 0	\$ 0	\$ 0
Net Position, July 1, 2021	0	0	0	0
<b>Net Position, June 30, 2022</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

# 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

Coffee County Mayor and  
Board of County Commissioners  
Coffee 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 Coffee County, Tennessee, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Coffee County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated November 21, 2022. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the Coffee County School Department (a discretely presented component unit) as described in our report on Coffee 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 Coffee County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Coffee County's internal control. Accordingly, we do not express an opinion on the effectiveness of Coffee 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 a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be a significant deficiency: 2022-001.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Coffee County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and is described in the accompanying Schedule of Findings and Questioned Costs as item: 2022-002.

## Coffee County's Responses to Findings

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

## Purpose of this Report

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

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

November 21, 2022

JEM/gc



JASON E. MUMPOWER  
*Comptroller*

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

Independent Auditor's Report

Coffee County Mayor and  
Board of County Commissioners  
Coffee 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 Coffee County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Coffee County's major federal programs for the year ended June 30, 2022. Coffee 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, Coffee County complied, in all material respects, with the types of 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, 2022.

***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 Coffee 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 Coffee 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, federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Coffee 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 Coffee 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 Coffee 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 Coffee 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 Coffee 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 Coffee County, Tennessee, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Coffee County's basic financial statements. We issued our report thereon dated November 21, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information

directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

November 21, 2022

JEM/gc

Coffee County, Tennessee, and the Coffee County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3)  
For the Year Ended June 30, 2022

Federal/Pass-through Agency/State Grantor Program Title	Federal Assistance Listing Number	Passed-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster: (5)			
School Breakfast Program	10.553	N/A	\$ 723,097
National School Lunch Program	10.555	N/A	2,381,571 (6)
National School Lunch Program (Supply Chain Assistance)	10.555	N/A	86,995 (6)
National School Lunch Program (School Programs Emergency Operational Cost Reimbursement Program)	10.555	N/A	116,929 (6)
Fresh Fruit and Vegetables Program	10.582	N/A	47,282
COVID 19 - Pandemic EBT Administrative Costs	10.649	N/A	3,063
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (5)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	196,691 (6)
Total U.S. Department of Agriculture			<u>\$ 3,555,628</u>
U.S. Department of Defense:			
Passed-through State Department of General Services:			
Section 1033 Excess Property Program	12.U01	N/A	<u>\$ 531,141</u>
U.S. Department of Treasury:			
Direct Award:			
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	<u>\$ 5,489,174</u>
Institute of Museum and Library Services:			
Passed-through Tennessee Secretary of State:			
Grants to States	45.310	(4)	<u>\$ 44,334</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 1,225,346
Special Education Cluster: (5)			
Special Education - Grants to States	84.027	N/A	1,097,889
Special Education - Preschool Grants	84.173	N/A	29,512
Career and Technical Education - Basic Grants to States	84.048	N/A	146,662
Twenty-first Century Community Learning Centers	84.287	N/A	426,078
English Language Acquisition Grants	84.365	N/A	13,251
Improving Teacher Quality State Grants	84.367	N/A	174,251
Student Support and Academic Enrichment Program	84.424	N/A	79,811
COVID 19 - Education Stabilization Fund Program - Rethink K12 Education Models Grant	84.425B	N/A	39,545 (6)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER I)	84.425D	N/A	93,869 (6)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	N/A	1,681,353 (6)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	2,258,832 (6)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund - Homeless Children and Youth (ESSER ARP)	84.425W	N/A	7,146 (6)
Total U.S. Department of Education			<u>\$ 7,273,545</u>

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Federal Assistance Listing Number	Passed-through Entity Identifying Number	Expenditures
U.S. Department of Health and Human Services:			
Passed through State Department of Education:			
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	(4)	\$ 951,962
Temporary Assistance for Needy Families	93.558	(4)	128,162
Total U.S. Department of Health and Human Services			\$ 1,080,124
U.S. Department of Homeland Security:			
Passed through State Department of Military:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	(4)	\$ 137,505
Homeland Security Grant Program	97.067	34101-17920	9,508
Total U.S. Department of Homeland Security			\$ 147,013
Total Expenditures of Federal Awards			\$ 18,120,959
		Contract Number	
<u>State Grants</u>			
Coordinated School Health - State Department of Education	N/A	(4)	\$ 83,203
Family Resource Center - State Department of Education	N/A	(4)	59,223
Safe Schools Act-State Department of Education	N/A	(4)	88,917
Voluntary PreK for Tennessee - State Department of Education	N/A	(4)	654,025
Bridge Camp - State Department of Education	N/A	(4)	62,814
STREAM Mini Camp - State Department of Education	N/A	(4)	90,499
Summer Learning Camps - State Department of Education	N/A	(4)	160,463
Summer Learning Camps Transportation - State Department of Education	N/A	(4)	42,225
State of the Arts Music Grant - Department of Education	N/A	(4)	34,700
Litter Program - State Department of Transportation	N/A	(4)	53,715
Rural Local Health Services - State Department of Health	N/A	(4)	82,940
Juvenile Court Improvement Funds -State Department of Children's Services	N/A	GG-22-71347-00	404,870
Mental Health Transport Program - State Department of Finance and Administration	N/A	RFS3591003675	9,000
State Direct Appropriations Grant FY 2021 - State Department of Finance and Administration	N/A	(4)	508,641
Total State Grants			\$ 2,335,235

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) Coffee County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) No amounts (\$0) were passed-through to subrecipients.
- (4) Information not available.
- (5) Child Nutrition Cluster total \$3,552,565; Special Education Cluster total \$1,127,401.
- (6) Total for FAL No. 10.555 is \$2,782,186; total for FAL No. 84.425 is \$4,080,745.

Coffee County, Tennessee  
Summary Schedule of Prior-year Findings  
For the Year Ended June 30, 2022

*Government Auditing Standards* require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or not. Presented below are financial statement findings along with their current status from the Annual Financial Report for Coffee County, Tennessee, for the year ended June 30, 2022.

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

There were no prior-year financial statement findings to report.

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***Prior-year Federal Awards Findings***

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

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**COFFEE COUNTY, TENNESSEE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2022**

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

**Financial Statements:**

1. Our report on the financial statements of Coffee 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 Number: 21.027 COVID 19 - Coronavirus State and Local Fiscal Recovery Funds
  - \* Assistance Listing Number: 84.010 Title I Grants to Local Education Agencies
  - \* Assistance Listing Numbers: 84.027 and 84.173 Special Education Cluster:  
Special Education Grants to States,  
Special Education Preschool Grants
  - \* Assistance Listing Number: 84.425 COVID 19 - Education Stabilization Fund
  - \* Assistance Listing Number: 93.323 Epidemiology and Laboratory Capacity for Infectious Diseases
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **NO**

## PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

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

### OFFICE OF COUNTY CLERK

FINDING 2022-001                    **THE OFFICE DID NOT REVIEW ALL OF ITS SOFTWARE  
AUDIT LOGS**  
(Internal Control – Significant Deficiency Under *Government  
Auditing Standards*)

The software application used by the office generated five audit logs that displayed changes made by users. Because these logs provide the only audit trail of these changes, they should be routinely reviewed for inappropriate activity. Although the official was aware of the importance of these logs, three of the logs were not reviewed. This deficiency was the result of a lack of management oversight. When the importance of these reports was brought to management's attention again in March 2022, a routine review process was resumed for two of the audit reports. However, one audit report was still not reviewed.

### RECOMMENDATION

Management should routinely review all audit logs available within the software.

### MANAGEMENT'S RESPONSE – COUNTY CLERK

I concur with this finding.

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FINDING 2022-002                    **OPERATIONS IN THE COUNTY CLERK'S OFFICE ARE  
CURRENTLY BEING REVIEWED**  
(Noncompliance Under *Government Auditing Standards*)

The Comptroller's Division of Investigations is currently reviewing certain operations in the County Clerk's Office. Findings, if any, resulting from this review will be included in a subsequent report.

### **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, 2022.

**Coffee County, Tennessee**  
**Management's Corrective Action Plan**  
**For the Year Ended June 30, 2022**

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

Finding Number	Title of Finding	Corrective Action Plan Page Number
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**OFFICE OF COUNTY CLERK**

2022-001	The office did not review all of its software audit logs.	238
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**Corrective Action Plan**

**FINDING:** THE OFFICE DID NOT REVIEW ALL OF ITS SOFTWARE AUDIT LOGS

**Response and Corrective Action Plan Prepared by:**  
Teresa H. McFadden

**Person Responsible for Implementing the Corrective Action:**  
Teresa H. McFadden

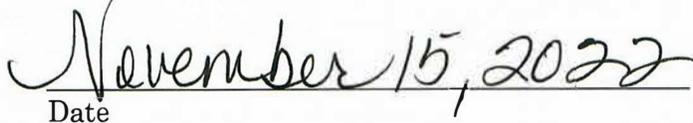
**Anticipated Completion Date of Corrective Action:**  
March 2022

**Repeat Finding:**  
No

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

**Planned Corrective Action:**  
The Miscellaneous Receipt and Marriage License Audit Reports are being reviewed monthly. The Check Distribution Listing will be reviewed going forward. The reports from July through October will be printed and reviewed, then the report will be printed with the other audit reports each month to be reviewed.

  
Official's signature

  
Date

## **BEST PRACTICE**

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

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

### **COFFEE COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING**

Coffee County operates under the provisions of the Fiscal Control Acts of 1957 for central purchasing covering the funds controlled by the county mayor and the road superintendent. Also, the county operates under the provisions of a local resolution, which creates the Office of Director of Accounts and Budgets. Under this resolution, the director of accounts and budgets directs the operation of the funds under the control of the county mayor. For years, the director of accounts and budgets has also performed all accounting and budgeting functions for the county's highway department; however, there is no state law or local resolution governing this arrangement in Coffee County. The nature and operation of this informal arrangement has created a type of Office of Central Accounting and Budgeting similar to that created by the adoption of the County Fiscal Procedure Law of 1957. However, neither this arrangement nor the 1957 Act includes the county's school department.

Coffee County does not have a central system of accounting, budgeting, and purchasing covering all county departments. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the county commission resulting in decentralization and some duplication of effort. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Coffee County. Therefore, we recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.