



ANNUAL FINANCIAL REPORT

Blount County, Tennessee

For the Year Ended June 30, 2023

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

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

COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

MARK TREECE, CPA, CGFM
Audit Manager

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

BLOUNT COUNTY, TENNESSEE

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Summary of Audit Findings

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

Scope

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

Results

Our report on the financial statements of the business-type activities, aggregate discretely presented component units, and the Hospital Revenue Bond Enterprise Fund of Blount County is qualified due to a major uncertainty regarding ownership rights over assets and revenues of Blount Memorial Hospital. Our report on the financial statements of the governmental activities, General Fund, Other General Government Fund, Highway/Public Works Fund, General Debt Service Fund, and the aggregate remaining fund information of Blount County is unmodified.

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

Findings

The following are summaries of the audit findings:

OFFICES OF TRUSTEE, DIRECTOR OF ACCOUNTS AND BUDGETS, AND DIRECTOR OF SCHOOLS

- ◆ The School Federal Projects Fund had a cash overdraft for the majority of the year and the trustee paid checks from the School Federal Projects Fund that exceeded available funds.

OFFICE OF DIRECTOR OF SCHOOLS

- ◆ The school department failed to request reimbursements for grant expenditures on a timely basis resulting in a deficit in unassigned fund balance at June 30, 2023.



INTRODUCTORY SECTION

Blount County Officials

June 30, 2023

Officials

Ed Mitchell, County Mayor
Jeff Headrick, Highway Superintendent
David Murrell, Director of Schools
Scott Graves, Trustee
Todd Orr, Assessor of Property
Gaye Hasty, County Clerk
Thomas Hatcher, Circuit and General Sessions Courts Clerk
Stephen Ogle, Clerk and Master
Phyllis Crisp, Register of Deeds
James Berrong, Sheriff
Brian Baldwin, Director of Accounts and Budgets
Jackie Cooper, Purchasing Agent

Board of County Commissioners

Jared Anderson, Chairman	
Mike Akard	Jessica Hannah
Robbie Bennett	Jeff Jopling
Dyran Bledsoe	Scott King
Brad Bowers	Staci Crisp-Martin
Nick Bright	Earl McMahan
Richard Carver	Steve Mikels
Mike Caylor	Dawn Reagen
Misty Davis	Tom Stinnett
Ron French	Linda Webb
John Giles	David Wells

Board of Education

Roby Kirkland, Chairman	Joe Lindsey
Fred Goins	Erika Moore
Vandy Kemp	Phil Porter
Brian King	

Audit Committee

Lee Gowan, Chairman	Ron French
Jared Anderson	Karen McKee
Tim Eichhorn	

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Audit of the Financial Statements

Qualified and Unmodified Opinions

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

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Business-type Activities	Qualified
Aggregate Discretely Presented Component Units	Qualified
General Fund	Unmodified
Other General Government Fund	Unmodified
Highway/Public Works Fund	Unmodified
General Debt Service Fund	Unmodified
Hospital Revenue Bond Enterprise Fund	Qualified
Aggregate Remaining Fund Information	Unmodified

Qualified Opinions on the Business-type Activities, Aggregate Discretely Presented Component Units, and Hospital Revenue Bond Enterprise Fund

In our opinion, except for the effects of the matter described in the Basis for Qualified and Unmodified Opinions section of our report, based on our audit and the reports of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities, the aggregate discretely presented component units, and the major enterprise fund of Blount County, Tennessee, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof 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 Blount Memorial Hospital, Inc., a discretely presented component unit. We also did not audit the financial statements of the Internal School Fund, a special revenue fund of the discretely presented Blount County School Department, which represent 1.12 percent, 1.46 percent, and 3.27 percent, respectively, of the assets, net position, and revenues of the discretely presented Blount County School Department. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Blount Memorial Hospital, Inc. and the Internal School Fund of the Blount County School Department, are based solely on the reports of the other auditors. We were unable to determine Blount Memorial Hospital Inc.'s percentages of the assets, net position, and revenues of the aggregate discretely presented component units because the Blount County Emergency Communications District and the Blount County Public Building Authority, component units requiring discrete presentation, were not included in the county's financial statements.

Unmodified Opinions on Governmental Activities, General Fund, Other General Government Fund, Highway Public Works Fund, General Debt Service Fund, and Aggregate Remaining Fund Information

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the General, Other General Government, Highway/Public Works, and General Debt Service funds, and the aggregate remaining fund information of Blount County, Tennessee, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General, Other General Government, and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified and Unmodified 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 Blount 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.

Matter Giving Rise to Qualified Opinions on the Business-type Activities, Aggregate Discretely Presented Component Units, and Hospital Revenue Bond Enterprise Fund

As discussed in Note V.K. to the financial statements, a material uncertainty exists as to the proper presentation of the financial position and results of operations of the Blount Memorial Hospital within the Blount County reporting entity. Ownership rights to the assets and revenues of Blount Memorial Hospital are a matter of pending litigation between Blount Memorial Hospital, Inc. and Blount County. The ultimate determination of those ownership rights could affect whether the financial position and results of operations of the hospital are properly reported within the discretely presented component units as currently reported, or if the financial position and results of operations should be reported within the business-type activities and enterprise fund type of the primary government. That determination could also affect the presentation of the Hospital Revenue Bond Enterprise Fund as further discussed in Note V.K. to the financial statements.

Change in Accounting Principle

As described in Note V.B., Blount County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 91, *Conduit Debt Obligations*. GASB 91 clarifies what is considered conduit debt and the requirements of when to disclose liabilities and commitments concerning conduit debt. While this change did not result in any restatement to beginning net position, it did result in the presentation of the Hospital Revenue Bond Enterprise Fund for the first time to report transactions and balances resulting from revenue bonds issued by Blount County and secured by revenues of the discretely presented Blount Memorial Hospital, Inc. Our opinion is not modified with respect to this matter.

As also described in Note V.B., Blount County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*. GASB 96 establishes a single approach to accounting for and reporting SBITA by state and local governments. Our opinion is not modified with respect to this matter.

Emphasis of Matter

We draw attention to Note I.D.9. to the financial statements, which describes a prior period adjustment to the beginning fund balance of the General Debt Service Fund totaling \$557,091 on the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds. This prior-period adjustment was necessary to report a long-term receivable in the fund for cash loaned to the discretely presented Blount County School Department for capital expenditures. The receivable had been reported on the Government-wide Statement of Net Position in prior years but had not been reported on the Governmental Funds Balance Sheet. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

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

Required Supplementary Information

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

School Department (a discretely presented component unit), and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Requirements by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 19, 2024, on our consideration of Blount 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 Blount 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 Blount County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

January 19, 2024

JEM/gc



Blount County, Tennessee Management's Discussion and Analysis (MD&A) For the Year Ended June 30, 2023

Introduction

This discussion and analysis of Blount County's financial performance provides an overall view of the financial activities for fiscal year ended June 30, 2023. It includes: a summary of accomplishments, review of the financial statements, evaluation of capital assets and debt administration, and a review of property tax rates.

In addition, this discussion and analysis includes an overall view of the Discretely Presented Component Unit (DPCU) Blount County School Department. A DPCU is an organization/entity for which the nature and significance of their relationship with the Primary Government are such that exclusion of their data would cause misleading or incomplete reporting.

Summary of County-wide Accomplishments

The financial stability of the county remained stable and maintained AA and AA+ credit ratings from S&P and Fitch Rating, respectively. In addition, the county was able to safeguard long-term assets with capital improvements. Accomplishments include:

- Continued progress with utilization of ARPA funds for the collaborative utility projects across the county and redevelopment of Eagleton Ballpark and consideration, in partnership with the state, for the County Health Department renovation project;
- Completed and implemented a county-wide compensation study for employee pay and benefits, salaries commensurate with like positions in the geographic area to help with employee retention;
- Highway department, in conjunction with the state, outlined a county-wide bridge and slip reconstruction and replacements;
- Receipt of opioid litigation settlement funds from Federal and State to assist in opioid abatement and remediation efforts;
- Sale of existing Drug Task Force building and began construction of a new building to support Blount County Sheriff's Office and the Fifth Judicial Drug Task Force;
- Continued capital improvements for schools to include roof replacements and renovation of the Heritage High School Career and Technical Education Building;
- And, continued to make progress on fixed asset tracking with financial software, and implemented GASB 96.

These achievements were completed during the fiscal year without incurring new debt.

Financial Statement Discussion and Analysis

Statement of Net Position - June 30, 2023

The statement of net position, formerly called the balance sheet, is basically “assets” minus “liabilities”, or “what you have” minus “what you owe”. In total from 2022 to 2023, the net position of the Primary Government improved to \$82.4 million, while net position of the DPCU School Department improved to \$174.2 million.

Total assets of governmental activities in Table 1A for the Primary Government were \$314.8 million as net taxes receivable ended at \$61.2 million, cash ended at \$129.8 million, and capital assets, net of accumulated depreciation, ended at \$98.2 million.

An additional portion of the Primary Government’s net position, \$25.7 million, represents resources that are subject to external restrictions on how they may be used. This is why they are referred to as “Restricted”.

Table 1A
Blount County Primary Government Net Position

	Blount County Primary Government	
	Governmental Activities	
	2023	2022
Assets:		
Current and Other Assets	\$ 216,568,565	\$ 205,342,276
Capital Assets	98,190,231	96,952,950
Total Assets	<u>\$ 314,758,796</u>	<u>\$ 302,295,226</u>
Total Deferred Outflows of Resources	<u>\$ 15,015,573</u>	<u>\$ 15,149,108</u>
Liabilities:		
Long-term Liabilities Outstanding	\$ 146,083,710	\$ 156,859,197
Other Liabilities	36,833,376	22,622,044
Total Liabilities	<u>\$ 182,917,086</u>	<u>\$ 179,481,241</u>
Total Deferred Inflows of Resources	<u>\$ 64,489,355</u>	<u>\$ 75,550,219</u>
Net Position:		
Net Investment in Capital Assets	\$ 76,226,271	\$ 75,575,631
Restricted	25,672,384	27,418,523
Unrestricted	<u>(19,530,727)</u>	<u>(40,581,280)</u>
Total Net Position (Deficit)	<u><u>\$ 82,367,928</u></u>	<u><u>\$ 62,412,874</u></u>

Total assets in the DPCU School Department in Table 1B were \$225.9 million as net taxes receivable ended at \$27.7 million, cash ended at \$33.3 million, and capital assets, net of accumulated depreciation, ended at \$139.4 million. All increases over the prior year. The majority of capital assets are accounted for in buildings and improvements.

It is also worth noting that \$29.6 million of net position is subject to external restriction. As such, these funds must be spent according to the rules pertaining to those external restrictions.

Table 1B
Blount County DPCU School Department Net Position

	DPCU School Department Governmental Activities	
	2023	2022
Assets:		
Current and Other Assets	\$ 86,466,198	\$ 126,672,593
Capital Assets	139,446,588	119,427,773
Total Assets	\$ 225,912,786	\$ 246,100,366
Total Deferred Outflows of Resources	\$ 22,487,832	\$ 25,496,529
Liabilities:		
Long-term Liabilities Outstanding	\$ 30,495,971	\$ 19,732,830
Other Liabilities	10,666,122	6,977,895
Total Liabilities	\$ 41,162,093	\$ 26,710,725
Total Deferred Inflows of Resources	\$ 32,997,638	\$ 80,953,013
Net Position:		
Net Investment in Capital Assets	\$ 127,938,166	\$ 119,427,773
Restricted	29,633,096	68,209,346
Unrestricted	16,669,625	(23,703,962)
Total Net Position	\$ 174,240,887	\$ 163,933,157

Statement of Activities - June 30, 2023

The statement of activities, or income statement, quantifies the revenues and expenses of the county and the net result is the total increase or decrease in the county's net position. In total from 2022 to 2023, the Primary Government improved its position by \$20 million, while the DPCU School Department improved by \$10.3 million.

The Primary Government revenue and expense statement in Table 2A demonstrate how the county benefited from increases of revenues and expenses in 2023.

Revenues for the Primary Government totaled \$128.3 million. General revenues, which include property tax and other taxes, of the Primary Government accounted for \$85.3 million or 67 percent of total revenues. Program specific revenues in the form of charges for services, sales, grants, and contributions accounted for \$43 million or 33 percent of total revenues.

Public Safety expenditures of \$35.1 million accounted for approximately 32 percent of the \$108.3 million total expenses for governmental activities, while Highways and Education expenses accounted for 16 percent and 14 percent, respectively. Of the \$108.3 million in governmental expenses, \$33.9 million was covered by revenue generated from direct charges to users of the services. Other grants and contributions covered another \$9.1 million of

expenses. This resulted in expenses of \$65.4 million covered by other forms of revenue, mainly property taxes.

Table 2A
Blount County Changes in Net Position

	Blount County Primary Government Governmental Activities	
	2023	2022
Revenues:		
Program Revenues:		
Charges for Services	\$ 33,868,129	\$ 34,858,710
Operating Grants and Contributions	9,050,438	8,617,313
Capital Grants and Contributions	50,452	4,904,293
General Revenues:		
Property Taxes	56,840,289	55,382,630
All Other Taxes	16,317,971	15,465,367
Grants and Contributions Not Restricted to Specific Programs	6,782,097	4,739,799
Unrestricted Investment Income	5,318,994	638,325
Miscellaneous	56,738	99,421
Total Revenues	\$ 128,285,108	\$ 124,705,858
Expenses:		
General Government	\$ 13,275,826	\$ 8,498,149
Finance	10,350,735	10,153,841
Administration of Justice	7,732,886	6,286,087
Public Safety	35,067,448	28,140,054
Public Health and Welfare	422,867	1,984,087
Social, Cultural, and Recreational Services	3,064,535	3,087,382
Agriculture and Natural Resources	433,372	377,336
Highways	17,383,885	7,093,086
Education	15,224,166	14,363,124
Interest on General Long-term Debt	5,374,334	5,580,186
Total Expenses	\$ 108,330,054	\$ 85,563,332
Change in Net Position	\$ 19,955,054	\$ 39,142,526
Net Position, Beginning	62,412,874	23,792,646
Restatement	-	(522,298)
Net Position, Ending	\$ 82,367,928	\$ 62,412,874

The DPCU School Department

Revenues of the DPCU School Department totaled \$143.6 million, with general revenues making up \$121.1 million or 84 percent of the total. Program specific revenues in the form of charges for services, sales, grants, and contributions accounted for \$22.5 million or 16 percent of total revenues.

The DPCU School Department had \$133.3 million in expenses with \$22.5 million of these expenses offset by program specific revenues. Revenues (primarily property taxes and sales taxes of \$29 million and \$24.1 million, respectively) were adequate to provide current funding for these programs.

Table 2B
Blount County School Department - Change in Net Position

	Blount County School Department	
	2023	2022
Revenues:		
Program Revenues:		
Charges for Services	\$ 3,888,156	\$ 2,067,460
Operating Grants and Contributions	18,620,377	18,474,989
Capital Grants and Contributions	11,000	-
General Revenues:		
Property Taxes	29,043,083	28,769,074
Sales Taxes	24,105,874	23,498,540
All Other Taxes	1,275,940	1,156,469
Grants and Contributions Not		
Restricted to Specific Programs	64,906,102	60,654,333
Unrestricted Investment Income	1,676,999	140,151
Miscellaneous	45,257	24,900
Total Revenues	<u>\$ 143,572,788</u>	<u>\$ 134,785,916</u>
Expenses:		
Instruction	\$ 73,412,691	\$ 59,844,547
Support Services	45,701,904	41,002,793
Operation of Non-instructional Services	14,150,463	10,872,907
Total Expenses	<u>\$ 133,265,058</u>	<u>\$ 111,720,247</u>
Increase (Decrease) in Net Position	\$ 10,307,730	\$ 23,065,669
Net Position, Beginning	163,933,157	140,867,488
Net Position, Ending	<u><u>\$ 174,240,887</u></u>	<u><u>\$ 163,933,157</u></u>

Capital Assets and Debt Administration

Capital Assets

Blount County's investment in capital assets, net of accumulated depreciation, as of June 30, 2023, totaled \$98.2 million. This investment in capital assets includes land, construction in progress, buildings and improvements, roads, streets, and bridges, and other capital assets.

<u>Asset</u>	<u>Net Value</u> <u>6/30/2023</u>
Infrastructure	\$ 42,152,272
Buildings and Improvements	30,188,321
Land	8,853,519
Other Capital Assets and Construction in Progress	<u>16,996,119</u>
Total Capital Assets	<u><u>\$ 98,190,231</u></u>

Blount County School Department's investment in capital assets, net of accumulated depreciation, as of June 30, 2023, totaled \$139.4 million. This investment in capital assets includes land, buildings and improvements, and other capital assets.

Asset	Net Value 6/30/2023
Buildings and Improvements	\$ 103,457,013
Land	9,951,059
Other Capital Assets and Construction in Progress	<u>26,038,516</u>
Total Capital Assets	<u><u>\$ 139,446,588</u></u>

Long-Term Debt

No additional debt was issued to finance any capital needs during the year. In November 2016, there was a refinancing of debt, eliminating variable debt and swap agreements and converting to fixed rate debt.

Tax Rates

Property Tax Rates

In June 2023, the Blount County Commission adopted a budget totaling \$281 million for the fiscal year ending June 30, 2024. The commission also approved the following property tax rate and distribution.

Fund	2023 Tax Rate
General Purpose School	\$ 0.55
General County	0.69
Debt Service	0.22
Education Capital Projects	0.10
General Capital Projects	<u>0.03</u>
Total Property Tax Rate	<u><u>\$ 1.59</u></u>

Request for Information

This report is designed to provide a general overview of the county's finances for all those with an interest in the government's finances. If you have any questions concerning the information provided in this report, please address them to the Finance Director, Blount County Government, 341 Court Street, Maryville, TN 37804.

BASIC FINANCIAL STATEMENTS

Exhibit A

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

	Primary Government			Component Units	
	Governmental	Business-type	Total	Blount County School Department	Blount Memorial Hospital
	Activities	Activities			
<u>ASSETS</u>					
Cash	\$ 455,509	\$ 0	\$ 455,509	\$ 2,539,475	\$ 6,410,408
Equity in Pooled Cash and Investments	129,387,059	0	129,387,059	30,726,372	0
Inventories	0	0	0	0	3,931,215
Accounts Receivable	1,115,108	0	1,115,108	135,538	36,477,798
Due from Other Governments	4,748,548	0	4,748,548	9,329,624	0
Due from Component Units - Current	2,016,923	9,032,471	11,049,394	0	0
Due from Component Units - Long-term	10,437,732	47,570,000	58,007,732	0	0
Property Taxes Receivable	61,703,471	0	61,703,471	27,973,664	0
Allowance for Uncollectible Property Taxes	(544,696)	0	(544,696)	(262,119)	0
Net Pension Asset - Agent Plans	1,533,867	0	1,533,867	463,356	0
Net Pension Asset - Teacher Retirement Plan	0	0	0	208,347	0
Net Pension Asset - Teacher Legacy Pension Plan	0	0	0	14,395,385	0
Prepaid Items	142,481	0	142,481	0	4,271,033
Restricted Assets:					
Restricted for Foundation	0	0	0	0	2,703,081
Amounts Accumulated for Pension Benefits	0	0	0	956,556	0
Other Restricted Assets	0	0	0	0	57,672,454
Notes Receivable - Long Term	5,279,360	0	5,279,360	0	0
Leases Receivable	293,203	0	293,203	0	0
Capital Assets :					
Assets Not Depreciated:					
Land	8,853,519	0	8,853,519	9,951,059	12,481,841
Construction in Progress	3,097,795	0	3,097,795	23,166,580	1,460,837
Assets Net of Accumulated Depreciation:					
Buildings and Improvements	30,188,321	0	30,188,321	103,457,013	60,580,418
Infrastructure	42,152,272	0	42,152,272	0	0
Other Capital Assets	11,150,224	0	11,150,224	2,871,936	17,136,891
Intangible Right-to-Use Assets	2,748,100	0	2,748,100	0	8,064,930
Other Assets	0	0	0	0	7,490,146
Total Assets	\$ 314,758,796	\$ 56,602,471	\$ 371,361,267	\$ 225,912,786	\$ 218,681,052
<u>DEFERRED OUTFLOWS OF RESOURCES</u>					
Loss on Termination of Interest Rate Swaps	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,410,547
Deferred Charge on Refunding	1,715,144	0	1,715,144	0	0
Pension Changes in Experience	3,402,940	0	3,402,940	3,386,062	0
Pension Changes in Assumptions	4,384,512	0	4,384,512	10,565,297	0
Pension Changes in Investment Earnings	278,115	0	278,115	395,840	0
Pension Changes in Proportion	0	0	0	183,219	0
Pension Contributions After Measurement Date	2,593,496	0	2,593,496	4,565,601	0
OPEB Changes in Assumptions	1,092,617	0	1,092,617	1,910,381	0
OPEB Changes in Experience	1,548,749	0	1,548,749	1,481,432	0
Other Deferred Outflows	0	0	0	0	1,810,148
Total Deferred Outflows of Resources	\$ 15,015,573	\$ 0	\$ 15,015,573	\$ 22,487,832	\$ 8,220,695

(Continued)

Exhibit A

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

	Primary Government			Component Units	
	Governmental	Business-type		Blount	Blount
	Activities	Activities	Total	School	Memorial
				Department	Hospital
<u>LIABILITIES</u>					
Accounts Payable	\$ 4,740,537	\$ 0	\$ 4,740,537	\$ 2,249,150	\$ 5,193,368
Accrued Payroll	1,217,412	0	1,217,412	4,161,364	14,533,505
Accrued Interest Payable	442,495	97,471	539,966	0	0
Payroll Deductions Payable	479,293	0	479,293	186,219	0
Contracts Payable	152,079	0	152,079	2,475,739	0
Retainage Payable	8,004	0	8,004	73,089	0
Due to Primary Government - Other than Debt Principal	0	0	0	946,233	97,471
Due to State of Tennessee	9	0	9	0	0
Due to Other Taxing Units	28,972	0	28,972	0	0
Due to Other Governments	25,704,326	0	25,704,326	163,161	0
Due to Litigant, Heirs, and Others	26,535	0	26,535	0	0
Sales Tax	439	0	439	0	0
Other Current Liabilities	3,114,896	0	3,114,896	411,167	5,546,727
Unearned Revenue	918,379	0	918,379	0	0
Noncurrent Liabilities:					
Due Within One Year - Leases	18,907	0	18,907	0	1,619,298
Due Within One Year - SBITA	831,558	0	831,558	0	1,793,885
Due Within One Year - Debt Due to External Lenders	10,056,929	8,935,000	18,991,929	0	154,020
Due Within One Year - Debt Due to Primary Government	0	0	0	1,070,690	8,935,000
Due Within One Year - Other	667,544	0	667,544	0	0
Due in More than One Year - Leases	478,484	0	478,484	0	2,517,371
Due in More than One Year - SBITA	1,514,284	0	1,514,284	0	2,122,425
Due in More than One Year - Debt Due to External Lenders	121,254,053	47,570,000	168,824,053	0	442,673
Due in More than One Year - Debt Due to Primary Government	0	0	0	10,437,732	47,570,000
Due in More Than One Year - Other	11,261,951	0	11,261,951	18,987,549	1,928,053
Total Liabilities	\$ 182,917,086	\$ 56,602,471	\$ 239,519,557	\$ 41,162,093	\$ 92,453,796
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 60,282,311	\$ 0	\$ 60,282,311	\$ 27,263,200	\$ 0
Deferred Lease Receivable	293,203	0	293,203	0	0
Pension Changes in Experience	1,017,751	0	1,017,751	2,856,566	0
Pension Changes in Investment Earnings	1,059	0	1,059	0	0
Pension Changes in Proportion	0	0	0	107,571	0
OPEB Changes in Experience	1,937,482	0	1,937,482	1,421,766	0
OPEB Changes in Assumptions	957,549	0	957,549	1,348,535	0
Other Deferred Inflows	0	0	0	0	1,340,968
Total Deferred Inflows of Resources	\$ 64,489,355	\$ 0	\$ 64,489,355	\$ 32,997,638	\$ 1,340,968
<u>NET POSITION</u>					
Net Investment in Capital Assets	\$ 76,226,271	\$ 0	\$ 76,226,271	\$ 127,938,166	\$ 40,980,794
Restricted for:					
General Government	1,635,825	0	1,635,825	0	0
Finance	818,388	0	818,388	0	0
Administration of Justice	301,030	0	301,030	0	0
Public Safety	6,309,951	0	6,309,951	0	0
Social, Cultural, and Recreation	1,374,860	0	1,374,860	0	0
Debt Service	1,280,970	0	1,280,970	0	0
Capital Outlay	327,903	0	327,903	0	0
Capital Projects	581,168	0	581,168	7,717,576	0
Education	11,508,422	0	11,508,422	5,891,876	0
Pensions	1,533,867	0	1,533,867	16,023,644	0
Permanent Endowment:					
Nonexpendable	0	0	0	0	1,425,555
Unrestricted	(19,530,727)	0	(19,530,727)	16,669,625	90,700,634
Total Net Position	\$ 82,367,928	\$ 0	\$ 82,367,928	\$ 174,240,887	\$ 133,106,983

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

Exhibit B

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

Functions/Programs	Net (Expense) Revenue and Changes in Net Position								
	Program Revenues				Primary Government			Component Units	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Blount County School Department	Blount Memorial Hospital
Primary Government:									
Governmental Activities:									
General Government	\$ 13,275,826	\$ 2,224,409	\$ 409,406	\$ 0	\$ (10,642,011)	\$ 0	\$ (10,642,011)	\$ 0	\$ 0
Finance	10,350,735	5,571,908	0	0	(4,778,827)	0	(4,778,827)	0	0
Administration of Justice	7,732,886	4,188,074	252,440	0	(3,292,372)	0	(3,292,372)	0	0
Public Safety	35,067,448	3,882,651	1,949,461	50,452	(29,184,884)	0	(29,184,884)	0	0
Public Health and Welfare	422,867	310,810	1,057,181	0	945,124	0	945,124	0	0
Social, Cultural, and Recreational Services	3,064,535	174,678	1,141,143	0	(1,748,714)	0	(1,748,714)	0	0
Agriculture and Natural Resources	433,372	0	36,701	0	(396,671)	0	(396,671)	0	0
Highways	17,383,885	403,583	4,204,106	0	(12,776,196)	0	(12,776,196)	0	0
Education	15,224,166	17,112,016	0	0	1,887,850	0	1,887,850	0	0
Interest on Long-term Debt	5,374,334	0	0	0	(5,374,334)	0	(5,374,334)	0	0
Total Governmental Activities	\$ 108,330,054	\$ 33,868,129	\$ 9,050,438	\$ 50,452	\$ (65,361,035)	\$ 0	\$ (65,361,035)	\$ 0	\$ 0
Business-type Activities:									
Hospital Revenue Bond Enterprise Fund	\$ 1,335,780	\$ 0	\$ 1,335,780	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Primary Government	\$ 109,665,834	\$ 33,868,129	\$ 10,386,218	\$ 50,452	\$ (65,361,035)	\$ 0	\$ (65,361,035)	\$ 0	\$ 0
Component Units:									
Blount County School Department	\$ 133,265,058	\$ 3,888,156	\$ 18,620,377	\$ 11,000	\$ 0	\$ 0	\$ 0	\$ (110,745,525)	\$ 0
Blount Memorial Hospital	353,924,488	325,661,756	14,047,497	0	0	0	0	0	(14,215,235)
Total Component Units	\$ 487,189,546	\$ 329,549,912	\$ 32,667,874	\$ 11,000	\$ 0	\$ 0	\$ 0	\$ (110,745,525)	\$ (14,215,235)

(Continued)

Exhibit B

Blount County, Tennessee
Statement of Activities (Cont.)

					Net (Expense) Revenue and Changes in Net Position						
								Component Units			
					Primary Government			Blount			
						Business-type		County	Blount		
					Governmental	Activities	Total	School	Memorial		
Functions/Programs	Expenses	Charges for	Operating	Capital				Department	Hospital		
		Services	Grants and	Grants and							
			Contributions	Contributions							
					Activities	Activities	Total				
General Revenues:											
Property Taxes Levied for General Purposes					\$	41,290,501	\$	0	\$ 41,290,501	\$ 23,148,900	\$ 0
Property Taxes Levied for Debt Service						14,286,228		0	14,286,228	0	0
Property Taxes Levied for Capital Projects						1,263,560		0	1,263,560	5,894,183	0
Local Option Sales Taxes						11,185,819		0	11,185,819	24,105,874	0
Hotel/Motel Taxes						1,822,495		0	1,822,495	0	0
Litigation - General Taxes						632,507		0	632,507	0	0
Business Taxes						1,848,766		0	1,848,766	936,937	0
Wholesale Beer Taxes						401,661		0	401,661	0	0
Other Taxes						426,723		0	426,723	339,003	0
Grants and Contributions Not Restricted to Specific Programs						6,782,097		0	6,782,097	64,906,102	0
Unrestricted Investment Income						5,318,994		0	5,318,994	1,676,999	4,225,773
Miscellaneous						56,738		0	56,738	45,257	0
Total General Revenues					\$	85,316,089	\$	0	\$ 85,316,089	\$ 121,053,255	\$ 4,225,773
Change in Net Position					\$	19,955,054	\$	0	\$ 19,955,054	\$ 10,307,730	\$ (9,989,462)
Net Position, July 1, 2022						62,412,874		0	62,412,874	163,933,157	143,096,445
Net Position, June 30, 2023					\$	82,367,928	\$	0	\$ 82,367,928	\$ 174,240,887	\$ 133,106,983

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

Exhibit C-1

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

	Major Funds				Nonmajor Funds	
	General	Other General Government Fund	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>						
Cash	\$ 200	\$ 0	\$ 0	\$ 0	\$ 25,295	\$ 25,495
Equity in Pooled Cash and Investments	50,536,868	26,423,050	3,724,689	13,779,430	15,801,640	110,265,677
Accounts Receivable	284,670	111,544	16,632	75,813	84,094	572,753
Due from Other Governments	997,138	0	2,620,295	490,464	640,651	4,748,548
Due from Other Funds	33,820	0	0	4,219,047	608,644	4,861,511
Due from Component Units	27,854	0	0	11,508,422	0	11,536,276
Property Taxes Receivable	47,036,522	0	0	12,632,554	2,034,395	61,703,471
Allowance for Uncollectible Property Taxes	(405,733)	0	0	(123,808)	(15,155)	(544,696)
Prepaid Items	0	0	0	142,481	0	142,481
Notes Receivable - Long-term	5,279,360	0	0	0	0	5,279,360
Leases Receivable - Long-term	293,203	0	0	0	0	293,203
Total Assets	\$ 104,083,902	\$ 26,534,594	\$ 6,361,616	\$ 42,724,403	\$ 19,179,564	\$ 198,884,079
<u>LIABILITIES</u>						
Accounts Payable	\$ 1,508,921	\$ 26,852	\$ 678,708	\$ 0	\$ 376,742	\$ 2,591,223
Accrued Payroll	1,049,258	1,927	116,820	0	49,407	1,217,412
Payroll Deductions Payable	455,353	737	16,256	0	6,947	479,293
Contracts Payable	152,079	0	0	0	0	152,079
Retainage Payable	8,004	0	0	0	0	8,004
Due to Other Funds	4,827,691	0	0	0	33,820	4,861,511
Due to State of Tennessee	0	0	0	0	9	9
Due to Other Taxing Units	22,174	0	6,798	0	0	28,972
Due to Other Governments	0	25,704,326	0	0	0	25,704,326

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor Funds	
	General	Other General Government Fund	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<u>LIABILITIES (Cont.)</u>						
Due to Litigants, Heirs, and Others	\$ 20,088	\$ 0	\$ 0	\$ 0	\$ 6,447	\$ 26,535
Sales Tax	0	0	0	0	439	439
Total Liabilities	<u>\$ 8,043,568</u>	<u>\$ 25,733,842</u>	<u>\$ 818,582</u>	<u>\$ 0</u>	<u>\$ 473,811</u>	<u>\$ 35,069,803</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 45,994,541	\$ 0	\$ 0	\$ 12,288,007	\$ 1,999,763	\$ 60,282,311
Deferred Delinquent Property Taxes	462,618	0	0	166,073	13,588	642,279
Deferred Leases Receivable	293,203	0	0	0	0	293,203
Other Deferred/Unavailable Revenue	4,379	0	0	0	246,745	251,124
Total Deferred Inflows of Resources	<u>\$ 46,754,741</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 12,454,080</u>	<u>\$ 2,260,096</u>	<u>\$ 61,468,917</u>
<u>FUND BALANCES</u>						
Nonspendable:						
Long-term Notes Receivable	\$ 5,279,360	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,279,360
Prepaid Items	0	0	0	142,481	0	142,481
Restricted:						
Restricted for General Government	1,108,469	0	0	0	527,356	1,635,825
Restricted for Finance	818,388	0	0	0	0	818,388
Restricted for Administration of Justice	251,847	0	0	0	49,183	301,030
Restricted for Public Safety	1,319,597	0	0	3,579,148	1,411,206	6,309,951
Restricted for Social, Cultural, and Recreational Services	0	0	0	0	1,374,860	1,374,860
Restricted for Education	0	0	0	11,508,422	0	11,508,422
Restricted for Capital Outlay	0	0	0	0	327,903	327,903
Restricted for Debt Service	0	0	0	1,557,392	0	1,557,392

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Other General Government Fund	Highway / Public Works	General Debt Service	Other Governmental Funds	
<u>FUND BALANCES (Cont.)</u>						
Restricted (Cont.):						
Restricted for Capital Projects	\$ 0	\$ 0	\$ 0	\$ 0	\$ 581,168	\$ 581,168
Committed:						
Committed for General Government	0	800,752	0	0	0	800,752
Committed for Administration of Justice	912,938	0	0	0	0	912,938
Committed for Public Safety	0	0	0	0	1,583,469	1,583,469
Committed for Public Health and Welfare	137,157	0	0	0	0	137,157
Committed for Highways/Public Works	0	0	5,543,034	0	0	5,543,034
Committed for Capital Outlay	0	0	0	0	10,590,512	10,590,512
Committed for Debt Service	0	0	0	13,482,880	0	13,482,880
Assigned:						
Assigned for General Government	1,361,986	0	0	0	0	1,361,986
Assigned for Finance	612,665	0	0	0	0	612,665
Assigned for Administration of Justice	22,399	0	0	0	0	22,399
Assigned for Public Safety	465,721	0	0	0	0	465,721
Assigned for Public Health and Welfare	2,320	0	0	0	0	2,320
Assigned for Other Operations	1,000	0	0	0	0	1,000
Assigned for Capital Outlay	3,197,111	0	0	0	0	3,197,111
Unassigned	33,794,635	0	0	0	0	33,794,635
Total Fund Balances	<u>\$ 49,285,593</u>	<u>\$ 800,752</u>	<u>\$ 5,543,034</u>	<u>\$ 30,270,323</u>	<u>\$ 16,445,657</u>	<u>\$ 102,345,359</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 104,083,902</u>	<u>\$ 26,534,594</u>	<u>\$ 6,361,616</u>	<u>\$ 42,724,403</u>	<u>\$ 19,179,564</u>	<u>\$ 198,884,079</u>

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

Exhibit C-2

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

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

Total fund balances - balance sheet - governmental funds (Exhibit C-1)		\$ 102,345,359
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 8,853,519	
Add: construction in progress	3,097,795	
Add: buildings and improvements net of accumulated depreciation	30,188,321	
Add: infrastructure net of accumulated depreciation	42,152,272	
Add: other capital assets net of accumulated depreciation	11,150,224	
Add: intangible right-to-use assets net of accumulated amortization	<u>2,748,100</u>	98,190,231
(2) An internal service fund is used by management to charge the cost of general liability, property, casualty, workers' compensation, and employee health benefits to an individual fund. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		14,829,541
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: bonds payable	\$ (118,846,342)	
Less: leases payable	(497,391)	
Less: SBITA payable	(2,345,842)	
Add: deferred amount on refunding	1,715,144	
Less: compensated absences payable	(1,483,432)	
Less: OPEB liability	(10,318,069)	
Less: accrued interest on bonds, notes, and leases	(442,495)	
Less: unamortized premium on debt	(12,464,640)	
Less: net pension liability - library	<u>(127,994)</u>	(144,811,061)
(4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 10,659,063	
Less: deferred inflows of resources related to pensions	(1,018,810)	
Add: deferred outflows of resources related to OPEB	2,641,366	
Less: deferred inflows of resources related to OPEB	<u>(2,895,031)</u>	9,386,588
(5) Net pension assets of the agent plans are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - agent plan - county		1,533,867
(6) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		<u>893,403</u>
Net Position of Governmental Activities (Exhibit A)		<u>\$ 82,367,928</u>

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

Exhibit C-3

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

	Major Funds				Nonmajor Funds	
	General	Other General Government Fund	Highway / Public Works	General Debt Service	Other Governmental Funds	Total Governmental Funds
<u>Revenues</u>						
Local Taxes	\$ 48,977,989	\$ 0	\$ 5,439,837	\$ 16,957,724	\$ 5,620,556	\$ 76,996,106
Licenses and Permits	1,478,511	0	235,921	0	0	1,714,432
Fines, Forfeitures, and Penalties	1,155,448	0	0	0	16,575	1,172,023
Charges for Current Services	994,833	0	0	0	247,998	1,242,831
Other Local Revenues	3,271,035	794,626	346,312	1,331,357	346,256	6,089,586
Fees Received From County Officials	8,898,901	0	0	0	0	8,898,901
State of Tennessee	3,966,289	0	3,848,012	20,563	1,966	7,836,830
Federal Government	3,126,608	235,375	0	0	182,600	3,544,583
Other Governments and Citizens Groups	1,247,259	0	150,847	6,128	1,519,935	2,924,169
Total Revenues	\$ 73,116,873	\$ 1,030,001	\$ 10,020,929	\$ 18,315,772	\$ 7,935,886	\$ 110,419,461
<u>Expenditures</u>						
Current:						
General Government	\$ 7,067,347	\$ 0	\$ 0	\$ 0	\$ 201,555	\$ 7,268,902
Finance	10,891,384	0	0	0	0	10,891,384
Administration of Justice	7,304,192	0	0	0	10,200	7,314,392
Public Safety	31,807,811	0	0	0	99,937	31,907,748
Public Health and Welfare	1,973,025	0	0	0	0	1,973,025
Social, Cultural, and Recreational Services	1,278,824	0	0	0	2,315,086	3,593,910
Agriculture and Natural Resources	440,065	0	0	0	0	440,065
Other Operations	4,378,570	256,909	0	0	9,781	4,645,260
Highways	94,982	0	12,083,604	0	0	12,178,586
Debt Service:						
Principal on Debt	795,201	0	0	10,231,929	0	11,027,130
Interest on Debt	163,897	0	0	6,437,479	0	6,601,376
Other Debt Service	0	0	0	359,358	0	359,358

(Continued)

Exhibit C-3

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

	Major Funds				Nonmajor Funds	
	General	Other General Government Fund	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<u>Expenditures (Cont.)</u>						
Capital Projects	\$ 2,172,156	\$ 0	\$ 0	\$ 0	\$ 5,663,857	\$ 7,836,013
Total Expenditures	\$ 68,367,454	\$ 256,909	\$ 12,083,604	\$ 17,028,766	\$ 8,300,416	\$ 106,037,149
 Excess (Deficiency) of Revenues Over Expenditures	 \$ 4,749,419	 \$ 773,092	 \$ (2,062,675)	 \$ 1,287,006	 \$ (364,530)	 \$ 4,382,312
<u>Other Financing Sources (Uses)</u>						
SBITA Issued	\$ 799,137	\$ 0	\$ 0	\$ 0	\$ 0	\$ 799,137
Insurance Recovery	0	0	10,159	0	0	10,159
Transfers In	519,505	0	0	679,121	6,067,080	7,265,706
Transfers Out	(2,065,836)	0	(4,680,365)	0	(265,355)	(7,011,556)
Total Other Financing Sources (Uses)	\$ (747,194)	\$ 0	\$ (4,670,206)	\$ 679,121	\$ 5,801,725	\$ 1,063,446
 Net Change in Fund Balances	 \$ 4,002,225	 \$ 773,092	 \$ (6,732,881)	 \$ 1,966,127	 \$ 5,437,195	 \$ 5,445,758
Prior-period Adjustment - See Note I.D.9.	0	0	0	557,091	0	557,091
Fund Balance, July 1, 2022	45,283,368	27,660	12,275,915	27,747,105	11,008,462	96,342,510
 Fund Balance, June 30, 2023	 \$ 49,285,593	 \$ 800,752	 \$ 5,543,034	 \$ 30,270,323	 \$ 16,445,657	 \$ 102,345,359

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

Exhibit C-4

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

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

Net change in fund balances - total governmental funds (Exhibit C-3)		\$ 5,445,758
(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	\$ 7,833,553	
Less: current-year depreciation and amortization expense	(8,644,462)	(810,909)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase (decrease) net position.		
Less: book value of capital assets disposed		(275,033)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2023	\$ 893,403	
Less: deferred delinquent property taxes and other deferred June 30, 2022	(844,136)	49,267
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items.		
Add: principal payment on bonds	\$ 10,231,929	
Add: principal payments on leases	18,683	
Add: principal payments on SBITA	776,518	
Less: SBITA issued	(799,137)	
Add: change in premium on debt issuances	1,863,388	
Less: change in deferred amount on refunding debt	(310,935)	11,780,446
(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	\$ 33,947	
Change in compensated absences payable	54,120	
Change in net OPEB liability	1,081,203	
Change in net pension asset/liability - agent county plan	(16,183,231)	
Change in net pension asset/liability - agent library plan	(402,227)	
Change in deferred outflows related to pensions	625,672	
Change in deferred inflows related to pensions	16,724,622	
Change in deferred outflows related to OPEB	(448,272)	
Change in deferred inflows related to OPEB	(1,043,300)	442,534
(6) An internal service fund is used by management to charge the cost of general liability, property, casualty, workers' compensation, and employee health benefits to an individual fund. The net revenue (expense) of certain activities of the internal service fund is reported with governmental activities in the statement of activities.		
		<u>3,322,991</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 19,955,054</u>

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

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 48,977,989	\$ 0	\$ 0	\$ 48,977,989	\$ 46,851,921	\$ 46,851,921	\$ 2,126,068
Licenses and Permits	1,478,511	0	0	1,478,511	1,510,000	1,510,000	(31,489)
Fines, Forfeitures, and Penalties	1,155,448	0	0	1,155,448	1,361,533	1,361,533	(206,085)
Charges for Current Services	994,833	0	0	994,833	928,322	928,322	66,511
Other Local Revenues	3,271,035	0	0	3,271,035	393,714	393,714	2,877,321
Fees Received From County Officials	8,898,901	0	0	8,898,901	9,194,763	9,194,763	(295,862)
State of Tennessee	3,966,289	0	0	3,966,289	3,171,784	3,765,616	200,673
Federal Government	3,126,608	0	0	3,126,608	3,614,312	3,918,500	(791,892)
Other Governments and Citizens Groups	1,247,259	0	0	1,247,259	657,339	657,339	589,920
Total Revenues	\$ 73,116,873	\$ 0	\$ 0	\$ 73,116,873	\$ 67,683,688	\$ 68,581,708	\$ 4,535,165
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 131,628	\$ (4,043)	\$ 0	\$ 127,585	\$ 137,073	\$ 137,072	\$ 9,487
Board of Equalization	4,023	0	0	4,023	6,997	6,997	2,974
Beer Board	956	0	0	956	1,000	1,000	44
Other Boards and Committees	235	0	0	235	162,445	162,445	162,210
County Mayor/Executive	350,419	(366)	0	350,053	370,679	370,179	20,126
Personnel Office	506,995	(66,123)	30,250	471,122	490,643	490,645	19,523
Election Commission	648,079	(127)	0	647,952	770,888	1,669,691	1,021,739
Register of Deeds	685,796	0	0	685,796	731,385	742,514	56,718
Development	1,280,211	(53,215)	13,810	1,240,806	1,319,656	1,319,658	78,852
County Buildings	1,833,305	(40,399)	2,190	1,795,096	1,929,316	2,006,885	211,789
Other General Administration	1,312,937	0	14,999	1,327,936	996,835	1,363,809	35,873
Preservation of Records	122,893	(14)	0	122,879	134,371	134,228	11,349
Risk Management	189,870	(4,295)	578	186,153	196,402	195,577	9,424
<u>Finance</u>							
Accounting and Budgeting	624,976	(208)	880	625,648	663,863	677,480	51,832
Purchasing	539,921	(2,882)	3,614	540,653	532,768	580,360	39,707
Central Services	3,616,142	(344,395)	426,275	3,698,022	3,651,381	4,249,247	551,225

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Finance (Cont.)</u>							
Property Assessor's Office	\$ 1,466,891	\$ (745)	\$ 600	\$ 1,466,746	\$ 1,508,183	\$ 1,519,783	\$ 53,037
Reappraisal Program	113	(113)	0	0	0	0	0
County Trustee's Office	628,605	(2,635)	0	625,970	640,045	640,045	14,075
County Clerk's Office	1,538,658	(8,520)	0	1,530,138	1,606,289	1,621,290	91,152
Data Processing	2,282,993	(88,465)	181,296	2,375,824	2,208,144	2,576,959	201,135
Other Finance	193,085	0	0	193,085	192,767	192,767	(318)
<u>Administration of Justice</u>							
Circuit Court Judge	36,345	0	142	36,487	90,823	90,823	54,336
Circuit Court Clerk	3,031,930	(916)	6,089	3,037,103	3,144,015	3,201,016	163,913
Criminal Court	806,981	(4,648)	13,393	815,726	807,601	843,600	27,874
General Sessions Judge	1,120,953	(2,560)	0	1,118,393	1,155,640	1,155,640	37,247
Drug Court	2,571	(2,571)	0	0	0	0	0
Chancery Court	572,389	(8,183)	0	564,206	624,816	624,816	60,610
Juvenile Court	687,129	(11,769)	0	675,360	812,912	812,913	137,553
Office of Public Defender	47,739	0	0	47,739	51,720	51,720	3,981
Judicial Commissioners	234,788	(740)	0	234,048	291,164	291,163	57,115
Probation Services	720,393	0	2,775	723,168	809,734	809,734	86,566
Victim Assistance Programs	42,974	0	0	42,974	45,000	45,000	2,026
<u>Public Safety</u>							
Sheriff's Department	17,441,478	(261,276)	138,127	17,318,329	17,707,528	17,995,193	676,864
Administration of the Sexual Offender Registry	32,550	0	0	32,550	35,000	40,700	8,150
Jail	11,639,875	(95,399)	302,113	11,846,589	12,076,374	12,235,231	388,642
Workhouse	15,388	0	0	15,388	15,429	15,429	41
Juvenile Services	1,874,887	(15,298)	12,141	1,871,730	1,919,500	1,919,501	47,771
Fire Prevention and Control	111,250	0	0	111,250	111,250	111,250	0
Civil Defense	244,857	(19,749)	13,340	238,448	248,709	300,265	61,817
Other Emergency Management	447,526	0	0	447,526	447,526	447,526	0

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Public Health and Welfare</u>							
Local Health Center	\$ 1,031,343	\$ (8,669)	\$ 0	\$ 1,022,674	\$ 1,635,914	\$ 1,642,614	\$ 619,940
Rabies and Animal Control	838,526	(13,079)	1,119	826,566	827,919	874,804	48,238
Recycling Center	103,156	(8,165)	1,201	96,192	78,251	101,252	5,060
<u>Social, Cultural, and Recreational Services</u>							
Parks and Fair Boards	1,278,824	0	0	1,278,824	793,047	1,494,770	215,946
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	218,318	(356)	0	217,962	273,661	297,349	79,387
Soil Conservation	221,747	(321)	0	221,426	221,449	222,597	1,171
<u>Other Operations</u>							
Industrial Development	3,976,100	0	0	3,976,100	3,976,100	4,976,100	1,000,000
Veterans' Services	259,542	(502)	1,000	260,040	263,974	263,974	3,934
Contributions to Other Agencies	142,928	0	0	142,928	131,928	142,928	0
<u>Highways</u>							
Litter and Trash Collection	94,982	(500)	0	94,482	95,069	95,069	587
<u>Principal on Debt</u>							
General Government	795,201	0	0	795,201	0	795,201	0
<u>Interest on Debt</u>							
General Government	163,897	0	0	163,897	0	163,897	0
<u>Capital Projects</u>							
General Administration Projects	253,703	(69,589)	0	184,114	189,500	189,500	5,386
Administration of Justice Projects	216,263	0	1,816,737	2,033,000	0	2,312,707	279,707
Public Safety Projects	1,702,190	(1,883,622)	1,380,374	1,198,942	1,450,073	1,199,018	76
Total Expenditures	\$ 68,367,454	\$ (3,024,457)	\$ 4,363,043	\$ 69,706,040	\$ 68,582,756	\$ 76,421,931	\$ 6,715,891
Excess (Deficiency) of Revenues Over Expenditures	\$ 4,749,419	\$ 3,024,457	\$ (4,363,043)	\$ 3,410,833	\$ (899,068)	\$ (7,840,223)	\$ 11,251,056

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Other Financing Sources (Uses)</u>							
SBITA Issued	\$ 799,137	\$ 0	\$ 0	\$ 799,137	\$ 0	\$ 799,137	\$ 0
Transfers In	519,505	0	0	519,505	236,296	501,651	17,854
Transfers Out	(2,065,836)	0	0	(2,065,836)	(2,056,000)	(2,056,000)	(9,836)
Total Other Financing Sources	\$ (747,194)	\$ 0	\$ 0	\$ (747,194)	\$ (1,819,704)	\$ (755,212)	\$ 8,018
Net Change in Fund Balance	\$ 4,002,225	\$ 3,024,457	\$ (4,363,043)	\$ 2,663,639	\$ (2,718,772)	\$ (8,595,435)	\$ 11,259,074
Fund Balance, July 1, 2022	45,283,368	(3,024,457)	0	42,258,911	41,807,000	41,807,000	451,911
Fund Balance, June 30, 2023	\$ 49,285,593	\$ 0	\$ (4,363,043)	\$ 44,922,550	\$ 39,088,228	\$ 33,211,565	\$ 11,710,985

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

Exhibit C-6

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Other Local Revenues	\$ 794,626	\$ 0	\$ 0	\$ 794,626	\$ 0	\$ 0	\$ 794,626
Federal Government	235,375	0	0	235,375	12,900,000	33,517,733	(33,282,358)
Total Revenues	<u>\$ 1,030,001</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,030,001</u>	<u>\$ 12,900,000</u>	<u>\$ 33,517,733</u>	<u>\$ (32,487,732)</u>
<u>Expenditures</u>							
Other Operations							
American Rescue Plan Act Grant #1	\$ 256,909	\$ (115,778)	\$ 295,808	\$ 436,939	\$ 66,412	\$ 20,684,145	\$ 20,247,206
Total Expenditures	<u>\$ 256,909</u>	<u>\$ (115,778)</u>	<u>\$ 295,808</u>	<u>\$ 436,939</u>	<u>\$ 66,412</u>	<u>\$ 20,684,145</u>	<u>\$ 20,247,206</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 773,092</u>	<u>\$ 115,778</u>	<u>\$ (295,808)</u>	<u>\$ 593,062</u>	<u>\$ 12,833,588</u>	<u>\$ 12,833,588</u>	<u>\$ (12,240,526)</u>
Net Change in Fund Balance	\$ 773,092	\$ 115,778	\$ (295,808)	\$ 593,062	\$ 12,833,588	\$ 12,833,588	\$ (12,240,526)
Fund Balance, July 1, 2022	27,660	(115,778)	0	(88,118)	27,660	27,660	(115,778)
Fund Balance, June 30, 2023	<u>\$ 800,752</u>	<u>\$ 0</u>	<u>\$ (295,808)</u>	<u>\$ 504,944</u>	<u>\$ 12,861,248</u>	<u>\$ 12,861,248</u>	<u>\$ (12,356,304)</u>

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

Exhibit C-7

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 5,439,837	\$ 0	\$ 0	\$ 5,439,837	\$ 4,755,000	\$ 5,446,282	\$ (6,445)
Licenses and Permits	235,921	0	0	235,921	150,000	150,000	85,921
Other Local Revenues	346,312	0	0	346,312	469,000	497,668	(151,356)
State of Tennessee	3,848,012	0	0	3,848,012	4,085,000	4,085,000	(236,988)
Other Governments and Citizens Groups	150,847	0	0	150,847	8,000	8,000	142,847
Total Revenues	\$ 10,020,929	\$ 0	\$ 0	\$ 10,020,929	\$ 9,467,000	\$ 10,186,950	\$ (166,021)
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 1,522,422	\$ (5,631)	\$ 21,962	\$ 1,538,753	\$ 1,456,452	\$ 1,626,825	\$ 88,072
Highway and Bridge Maintenance	9,500,813	(548,489)	1,505,611	10,457,935	6,839,222	11,074,885	616,950
Operation and Maintenance of Equipment	1,060,369	(4,650)	15,061	1,070,780	1,058,115	1,187,955	117,175
Total Expenditures	\$ 12,083,604	\$ (558,770)	\$ 1,542,634	\$ 13,067,468	\$ 9,353,789	\$ 13,889,665	\$ 822,197
Excess (Deficiency) of Revenues Over Expenditures	\$ (2,062,675)	\$ 558,770	\$ (1,542,634)	\$ (3,046,539)	\$ 113,211	\$ (3,702,715)	\$ 656,176
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 10,159	\$ 0	\$ 0	\$ 10,159	\$ 300	\$ 7,312	\$ 2,847
Transfers Out	(4,680,365)	0	0	(4,680,365)	0	(4,680,365)	0
Total Other Financing Sources	\$ (4,670,206)	\$ 0	\$ 0	\$ (4,670,206)	\$ 300	\$ (4,673,053)	\$ 2,847
Net Change in Fund Balance	\$ (6,732,881)	\$ 558,770	\$ (1,542,634)	\$ (7,716,745)	\$ 113,511	\$ (8,375,768)	\$ 659,023
Fund Balance, July 1, 2022	12,275,915	(558,770)	0	11,717,145	9,325,665	9,325,665	2,391,480
Fund Balance, June 30, 2023	\$ 5,543,034	\$ 0	\$ (1,542,634)	\$ 4,000,400	\$ 9,439,176	\$ 949,897	\$ 3,050,503

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

Exhibit D-1

Blount County, Tennessee
Statement of Net Position
Proprietary Funds
June 30, 2023

	Business-type Activities - Major Enterprise Fund Hospital Revenue Bond Enterprise Fund	Governmental Activities Internal Service Fund Self- Insurance Fund
<u>ASSETS</u>		
Current Assets:		
Cash	\$ 0	\$ 430,014
Equity in Pooled Cash and Investments	0	19,121,382
Accounts Receivable	0	542,355
Due from Component Units - Current	9,032,471	918,379
Total Current Assets	<u>\$ 9,032,471</u>	<u>\$ 21,012,130</u>
Noncurrent Assets:		
Due from Component Units - Non-Current	\$ 47,570,000	\$ 0
Total Noncurrent Assets	<u>\$ 47,570,000</u>	<u>\$ 0</u>
Total Assets	<u>\$ 56,602,471</u>	<u>\$ 21,012,130</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts Payable	\$ 0	\$ 2,149,314
Accrued Interest Payable	97,471	0
Other Current Liabilities	0	3,114,896
Total Current Liabilities	<u>\$ 97,471</u>	<u>\$ 5,264,210</u>
Noncurrent Liabilities:		
Unearned/Unavailable Revenue	\$ 0	\$ 918,379
Due Within One Year - Debt	8,935,000	0
Due in More than One Year - Debt	47,570,000	0
Total Noncurrent Liabilities	<u>\$ 56,505,000</u>	<u>\$ 918,379</u>
Total Liabilities	<u>\$ 56,602,471</u>	<u>\$ 6,182,589</u>
<u>NET POSITION</u>		
Unrestricted	<u>\$ 0</u>	<u>\$ 14,829,541</u>
Total Net Position	<u>\$ 0</u>	<u>\$ 14,829,541</u>

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

Exhibit D-2

Blount County, Tennessee
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2023

	Business-type Activities - Major Enterprise Fund Hospital Revenue Bond Enterprise Fund	Governmental Activities Internal Service Fund Self- Insurance Fund
<u>Operating Revenues</u>		
Self-Insurance Premiums	\$ 0	\$ 26,749,392
Investment Income	1,335,780	0
Total Operating Revenues	<u>\$ 1,335,780</u>	<u>\$ 26,749,392</u>
<u>Operating Expenses</u>		
Handling Charges and Administrative Costs	\$ 0	\$ 1,758,096
Employee and Dependent Insurance	0	803,292
Disability and Life Insurance	0	360,662
Bank Charges	0	25,116
Excess Risk Insurance	0	438,174
Medical Claims	0	20,062,096
Other Self-Insured Claims	0	52,879
Supervisor/Director	0	366,141
Interest Expense	1,335,780	0
Total Operating Expenses	<u>\$ 1,335,780</u>	<u>\$ 23,866,456</u>
Operating Income (Loss)	<u>\$ 0</u>	<u>\$ 2,882,936</u>
<u>Nonoperating Revenues (Expenses)</u>		
Investment Income	\$ 0	\$ 694,205
Total Nonoperating Revenues (Expenses)	<u>\$ 0</u>	<u>\$ 694,205</u>
Income (Loss) Before Transfers	\$ 0	\$ 3,577,141
Transfers Out	0	(254,150)
Change in Net Position	\$ 0	\$ 3,322,991
Net Position, July 1, 2022	0	11,506,550
Net Position, June 30, 2023	<u>\$ 0</u>	<u>\$ 14,829,541</u>

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

Blount County, Tennessee
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2023

	Business-type Activities - Major Enterprise Fund Hospital Revenue Bond Enterprise Fund	Governmental Activities Internal Service Fund Self- Insurance Fund
<u>Cash Flows from Operating Activities</u>		
Receipts for Self-Insurance Premiums	\$ 0	\$ 26,717,168
Receipts for Patient Charges	0	1,407,841
Receipts from Customers and Users	0	68,852
Receipts for Stop Loss Reimbursement	0	(1,758,096)
Receipts for Prescription Rebates	0	(1,655,007)
Payments to Insurers	0	(21,798,451)
Payments for Claims	0	(25,116)
Net Cash Provided By (Used In) Operating Activities	<u>\$ 0</u>	<u>\$ 2,957,191</u>
<u>Cash Flows from Investing Activities</u>		
Interest on Investments	\$ 0	\$ 624,595
Net Cash Provided By (Used In) Investing Activities	<u>\$ 0</u>	<u>\$ 624,595</u>
<u>Cash Flows from Noncapital Financing Activities</u>		
Transfers to Other Funds	\$ 0	\$ (254,150)
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>\$ 0</u>	<u>\$ (254,150)</u>
Increase (Decrease) in Cash	\$ 0	\$ 3,327,636
Cash, July 1, 2022	<u>0</u>	<u>16,223,760</u>
Cash, June 30, 2023	<u><u>\$ 0</u></u>	<u><u>\$ 19,551,396</u></u>
<u>Reconciliation of Net Operating Income (Loss)</u> <u>to Net Cash Provided By (Used In) Operating Activities</u>		
Operating Income (Loss)	\$ 0	\$ 2,882,936
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:		
(Increase) Decrease in Operating Receivables (excluding interest receivable)	0	(75,723)
Increase (Decrease) in Accounts Payable	0	(28,285)
Increase (Decrease) in Other Current Liabilities	<u>0</u>	<u>178,263</u>
Net Cash Provided By (Used In) Operating Activities	<u><u>\$ 0</u></u>	<u><u>\$ 2,957,191</u></u>
<u>Reconciliation of Cash With the Statement of Net Position</u>		
Cash Per Net Position	\$ 0	\$ 430,014
Equity in Pooled Cash and Investments Per Net Position	<u>0</u>	<u>19,121,382</u>
Cash, June 30, 2023	<u><u>\$ 0</u></u>	<u><u>\$ 19,551,396</u></u>

Noncash Financing Activities

Hospital Revenue Bond Enterprise Fund:

This fund had no cash flow during the year. Revenue bond principal of \$8,755,000 and interest of \$1,350,883 were paid directly to bondholder by the discretely presented Blount Memorial Hospital, Inc.

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

Exhibit E-1

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

	Private Purpose Trust Fund	Custodial Funds
<u>ASSETS</u>		
Cash	\$ 0	\$ 8,437,337
Equity in Pooled Cash and Investments	485,403	1,430,901
Accounts Receivable	2,125	418,621
Due from Other Governments	0	9,222,036
Property Taxes Receivable	0	16,502,675
Allowance for Uncollectible Taxes	0	(158,890)
Total Assets	<u>\$ 487,528</u>	<u>\$ 35,852,680</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 0	\$ 9,353
Due to Other Taxing Units	0	9,310,954
Due to Litigants, Heirs, and Others	0	39,419
Due to Joint Ventures	0	810,924
Total Liabilities	<u>\$ 0</u>	<u>\$ 10,170,650</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Current Property Taxes	<u>\$ 0</u>	<u>\$ 16,269,099</u>
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 16,269,099</u>
<u>NET POSITION</u>		
<u>Restricted For:</u>		
Individuals, Organizations and Other Governments	\$ 0	\$ 9,412,931
Permanent Endowment:		
Expendable	2,125	0
Nonexpendable	485,403	0
Total Net Position	<u>\$ 487,528</u>	<u>\$ 9,412,931</u>

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

Exhibit E-2

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

	Private Purpose Trust Fund	Custodial Funds
<u>ADDITIONS</u>		
Sales Tax Collections for Other Governments	\$ 0	\$ 31,880,912
Hotel/Motel Tax Collections for Joint Venture	0	4,223,417
ADA - Educational Funds Collected for Cities	0	37,973,891
Fines/Fees and Other Collections	15,059	58,676,267
Drug Task Force Collections	0	365,971
District Attorney General Collections	0	17,527
Total Additions	<u>\$ 15,059</u>	<u>\$ 133,137,985</u>
<u>DEDUCTIONS</u>		
Payment of Sales Tax Collections to Other Governments	\$ 0	\$ 31,880,912
Payment of Hotel/Motel Tax Collections for Joint Venture	0	4,223,417
Contributions to Local Organization	13,179	0
Payments to City School Systems	0	37,973,891
Payments to State	0	18,164,160
Payments to Individuals and Others	0	41,536,836
Payment of Drug Task Force Expenses		208,609
Payment of District Attorney General Expenses	0	1,722
Total Deductions	<u>\$ 13,179</u>	<u>\$ 133,989,547</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ 1,880	\$ (851,562)
Net Position, July 1, 2022	<u>485,648</u>	<u>10,264,493</u>
Net Position, June 30, 2023	<u><u>\$ 487,528</u></u>	<u><u>\$ 9,412,931</u></u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Blount County's financial statements are presented in accordance with generally accepted accounting principles (GAAP). A major uncertainty exists, however, regarding the presentation of operations of the Blount Memorial Hospital as discussed in Note V.K. 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 Blount County:

A. Reporting Entity

Blount County is a public municipal corporation governed by an elected 21-member board. As required by GAAP, these financial statements present Blount County (the primary government) and its component units. The financial statements of the Blount County Emergency Communications District and the Blount County Public Building Authority, component units requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of these omissions 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 Blount County School Department operates the public school system in the county, and the voters of Blount 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.

Blount Memorial Hospital, Inc., is a nonprofit acute care and general health care provider. The primary mission of the Blount Memorial Hospital is to provide health care services to the citizens of Blount County and the surrounding community. Blount Memorial Hospital, Inc., is governed by a nine-member board of directors, four of whom are appointed by the Blount County Commission, two each by the cities of Maryville and Alcoa, and one by Maryville College. The county is responsible for issuing all bonded debt of the hospital. Litigation is pending regarding ownership rights to assets and

revenues of the hospital. The ultimate determination of those rights could result in a change in the presentation of the hospital operations as discussed in Note V.K.

The Blount County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Blount County. The Blount County Emergency Communications District is governed by a nine-member board of directors, four of whom are appointed by the Blount County Commission, two each by the cities of Maryville and Alcoa, and one elected by the other eight members. 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 Blount County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

The Blount County Public Building Authority serves as a financing mechanism to provide capital loans to local governments throughout the state. The Blount County Public Building Authority is a public nonprofit organization whose board is appointed by the Blount County Commission. The county is entitled to the net earnings of the authority after provisions have been made for obligations and any reserves, which are determined by the board. The financial statements of the Blount County Public Building Authority were not material to the component units' opinion unit and therefore have been omitted from this report.

The Blount County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the school department are included in this report as listed in the table of contents. Complete financial statements of the Blount Memorial Hospital, Inc., Blount County Emergency Communications District, and the Blount County Public Building Authority can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Blount Memorial Hospital, Inc.
907 East Lamar Alexander Parkway
Maryville, TN 37804

Blount County Emergency Communications District
1431 William Blount Drive
Maryville, TN 37801

Blount County Public Building Authority
381 Court Street
Maryville, TN 37804

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

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

Blount County issues all debt for the discretely presented Blount County School Department. There were no external debt issues contributed by the county to the school department during the year ended June 30, 2023. The primary government did, however, loan \$12,000,000 from the General Debt Service Fund to the school department's Education Capital Projects Fund during the year. That loan is to be repaid by the school department over a twelve year period.

Separate financial statements are provided for governmental funds, the proprietary funds (internal service and enterprise), and fiduciary funds. The internal service fund is reported with the governmental activities in the government-wide financial statements, and the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and the major enterprise fund are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the

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

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds and the major enterprise fund are reported as separate columns in the fund financial statements. All other governmental funds are aggregated into a single column on the fund financial statements. The internal service fund and the fiduciary funds in total are reported in single columns by fund type.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 60 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. Blount 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 and SBITA obligations, are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

Property taxes for the period levied, in-lieu-of tax payments, sales taxes, interest, and miscellaneous taxes are all considered to be susceptible to accrual and have been recognized as revenues of the current period. Applicable business taxes, litigation taxes, state-shared excise taxes, fines, forfeitures, and penalties are not susceptible to accrual since they are not measurable

(reasonably estimable). All other revenue items are considered to be measurable and available only when the county receives cash.

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

Blount County reports the following major governmental funds:

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

Other General Government Fund – This special revenue fund accounts for proceeds received from the American Rescue Plan Act.

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

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

Blount County reports the following major enterprise fund:

Hospital Revenue Bond Enterprise Fund - This fund accounts for transactions and balances of revenue bonds issued by the county which are secured solely by revenues of the discretely presented Blount Memorial Hospital, Inc. Liabilities reported for the bonds and accrued interest are offset by a receivable, Due from Component Units, in the financial statements of the fund.

Additionally, Blount County reports the following fund types:

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

Internal Service Fund – The Self Insurance Fund accounts for the self-insured general liability, property, casualty, workers' compensation, and employee health benefits managed by the county for the primary government and the discretely presented school department.

Private Purpose Trust Fund – The Private Purpose Trust Fund is used to account for resources legally held in trust for the benefit of the Boys & Girls Club of Blount County. Earnings on invested resources may be used to benefit the Boys & Girls Club, but the principal is required to be maintained intact.

Custodial Funds – These funds account for amounts collected in an custodial capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Blount County, the city school systems' shares of educational revenues, hotel/motel tax received by the county to be forwarded to the Tourism Development Authority, state grants and other restricted revenues held for the benefit of the Judicial District Drug Task Force, restricted revenues held for the benefit of the Office of District Attorney General.

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

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

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

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

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The current year (FY 23) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior year balances (FY 22) are presented in this report. We do not believe using the prior year balances will affect the independent auditor's opinion on the Aggregate Discretely Presented Component Units. A more detailed reporting of the fund activities at each individual school may be found at <https://www.comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has two proprietary funds. These include an internal service fund, used to account for general liability, property, casualty, employee health, and workers' compensation programs, and an enterprise fund used to account for revenue bonds issued for the benefit of the discretely presented Blount Memorial Hospital, Inc. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the county's internal service fund are self-insurance premiums. Operating expenses for the internal service fund include medical and other self-insured claims and fiscal agent charges. Operating revenues and expenses of the enterprise fund include interest revenue and interest expense associated with hospital revenue bonds.

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

1. Deposits and Investments

For purposes of the Statement of Cash Flows, cash includes demand deposits and cash on deposit with the county trustee.

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

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

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

2. Receivables and Payables

Activity between funds for unremitted current collections, as well as activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as due to/from other funds. Any residual balances outstanding between

the governmental activities and business-type activities are reported in the government-wide statements as internal balances.

All property taxes receivable are shown net of an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 0.46 percent of the total taxes levied.

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

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current fiscal year. These property taxes receivable are presented on the balance sheet as a deferred inflow of resources to reflect amounts not available as of June 30. Property taxes collected within 60 days of year-end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount of the receivable that will be filed in court for collection. Delinquent taxes filed in court for collection are not included in taxes receivable since they are neither measurable nor available.

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

Lease receivables and deferred inflows of resources are recognized in the governmental funds and government-wide financial statements. At the commencement of a lease, a lease receivable is initially measured at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable and deferred inflow are reduced by the principal portion of lease payments received. Interest received from the lessee is recognized as revenue when received. Any accumulated interest on June 30 will result in accrued interest receivable in the governmental funds and government-wide financial statements.

Most payables are disaggregated on the face of the financial statements. On the Statement of Net Position for the primary government, a portion of Accounts Payable totaling \$2,149,314, as well as the entire balance

in the account Other Current Liabilities totaling \$3,114,896, represent internal service fund liabilities for self-insured claims. Other Current Liabilities of the discretely presented school department consist primarily of accrued payroll taxes and other employee benefits. Unearned revenue of the primary government represents amounts for summer health insurance premiums for certain school department employees in the internal service fund. Due to Other Governments in the Statement of Net Position for both the primary government and the discretely presented school department represents American Rescue Plan Act funds received in advance.

Retainage payable represents amounts withheld from construction contract payments pending completion of the projects. Amounts reported as retainage payable are held by the county trustee as equity in pooled cash and investments of the applicable funds.

3. Prepaid Items

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

4. Restricted Assets

Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement (TCRS) for the benefit of the discretely presented Blount 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 Blount County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Blount 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), and

intangible right-to-use assets (e.g., lease and SBITA assets) are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

Property, plant, equipment, and infrastructure of the primary government and the discretely presented school department are depreciated using the straight-line method over the following estimated useful lives: Right-to-use assets are amortized over the shorter of the lease or SBITA term or useful life.

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	50
Other Capital Assets	5 - 20
Infrastructure	20 - 30
Right-to-Use Assets	2 - 25

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 the deferred charge on refunding, pension and OPEB changes in experience, pension and OPEB changes in assumptions, pension changes in investment earnings, pension changes in proportion, and pension contributions after the measurement date. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate

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

7. Compensated Absences

It is the county's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Upon retirement, employees will be paid for the balance of their unused annual leave. Employees who resign voluntarily will not be paid for unused annual leave. Employees will be reimbursed for unused sick leave upon retirement or death up to a maximum of 30 days. Vacation benefits for the school department generally do not accumulate and must be used within the year or lost. Vacation days and accrual for the director of schools are established by contract. There is no liability for unpaid accumulated sick leave for the school department since they do not have a policy to pay any amounts when employees separate from service with the government. All vacation pay and the limited liability for sick leave of the primary government are accrued when incurred in the government-wide statements. A liability for vacation and sick pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

8. Long-term Debt, Lease Obligations, SBITA Obligations, and Long-term Obligations

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

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

Lease and SBITA obligations are recognized in the government-wide financial statements. At the commencement of a lease or SBITA, a liability is initially measured at the present value of payments expected to be made during the obligation term. Subsequently, the liability is reduced by the principal portion of lease or subscription payments made.

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

9. Prior-period Adjustment

Fund balance of the primary government's General Debt Service Fund as of July 1, 2022, was adjusted by \$557,091 to record a long-term receivable from the discretely presented Blount County School Department for cash loaned to the school department for capital purchases. The receivable had been reported on the Government-wide Statement of Net Position in previous years but had not been reported on the Governmental Funds Balance Sheet.

10. Net Position and Fund Balance

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

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

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

As of June 30, 2023, Blount County had \$95,974,977 in outstanding debt for capital purposes of other entities (schools - \$93,969,912, industrial purposes - \$2,005,065). In accordance with state statutes, certain county school debt proceeds must be shared with other public school systems in the county (the cities of Maryville and Alcoa school systems) based on an average daily attendance proration. This debt is a liability of Blount County, but the capital assets acquired are reported in the financial statements of the other entities. At June 30, 2023, Blount County also had \$5,272,635 of non-capital debt, which was used to retire interest rate swap agreements related to capital debt of the primary government. Therefore, Blount 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. The General Debt Service Fund reports Restricted for Public Safety (\$3,579,148) and Restricted for Education (\$11,508,422) for the

uncollected portion of fund balance loaned to the General Fund and discretely presented school department, respectively. Those long-term loans are discussed in Note IV.L., Internal Financing.

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 and the Board of Education are authorized bodies to make assignments for the primary government and the school department, respectively. Assigned fund balance in the General Fund includes an amount appropriated for use in the 2023-24 budget (\$1,300,159) and amounts assigned for encumbrances (\$4,363,043). Assigned fund balance in the school department’s General Purpose School Fund includes an amount appropriated for use in the 2023-24 budget (\$2,071,000) and amounts assigned for encumbrances (\$1,485,166).

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. These funds are the only governmental funds that report positive unassigned fund balance. However, in governmental funds other than the General and General Purpose School funds, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned for those purposes, it may be necessary to report a negative unassigned fund balance, which would be a deficit.

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 Blount County’s participation in the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from

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

Discretely Presented Blount 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 Blount 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 Blount County School Department

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

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

Primary Government

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

Discretely Presented Blount County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

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

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

At June 30, 2023, Blount County and the Blount County School Department had the following outstanding encumbrances:

<u>Funds</u>	<u>Amount</u>
Primary Government	
Major Funds:	
General	\$ 4,363,043
Other General Government	295,808
Highway/Public Works	1,542,634
Nonmajor Governmental Funds	3,259,167
School Department:	
Major Funds:	
General Purpose School	1,485,166
School Federal Projects	977,560
Education Capital Projects	4,968,642
Nonmajor Governmental Funds	226,583

B. Fund Deficit

The School Federal Projects Fund (special revenue fund) of the discretely presented Blount County School Department reported a GAAP basis deficit of \$275,765 in total fund balance and a deficit of \$525,765 in GAAP basis unassigned fund balance at June 30, 2023. These deficits resulted from the school department's failure to request reimbursements for grant expenditures on a timely basis and is further discussed in the Schedule of Findings and Questioned Costs in the Single Audit section of this report. The deficit unassigned fund balance was liquidated when revenues were recognized after June 30, 2023.

In addition to the GAAP basis deficit in total fund balance (\$275,765), the School Federal Projects Fund had a budgetary basis deficit of \$1,253,325 at June 30, 2023. The budgetary basis deficit resulted from the deficit in GAAP basis total fund balance plus the recognition of budgetary basis expenditures for outstanding encumbrances of \$977,560. The future expenditures represented by the outstanding encumbrances are being funded by federal grants and the budgetary basis deficit is expected to be liquidated upon receipt of those future grant funds.

C. Cash Overdraft and Payment of Checks by Trustee that Exceeded Available Funds

The finance department issued checks from the School Federal Projects Fund which exceeded cash on deposit with the trustee, and the trustee continued paying checks that exceeded available cash of that fund. The fund had cash overdrafts for 11 of the 12 months during the fiscal year by as much as \$2,190,856. These overdrafts are further discussed in the Schedule of Findings and Questioned Costs in the Single Audit section of this report.

D. Expenditures Exceeded Appropriations

Expenditures exceeded appropriations approved by the county commission in the Other Finance and Transfers Out major appropriations categories (the legal level of control) of the General Fund by \$318 and \$9,836, respectively. Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by greater than anticipated revenues in the General Fund.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

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

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

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

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

Investments

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

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

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

Investment	Weighted Average Maturity (days)	Maturities	Amortized Cost
Investments at Amortized Cost:			
State Treasurer's Investment Pool	1 to 46	N/A	\$ 489,508

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. Blount 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. Blount County has no investment policy that would further limit its investment choices. As of June 30, 2023, Blount County's investment in the State Treasurer's Investment Pool was unrated.

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

TCRS Stabilization Trust

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

On June 30, 2023, the Blount 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	\$ 296,533
Developed Market International Equity	N/A	N/A	133,918
Emerging Market International Equity	N/A	N/A	38,262
U.S. Fixed Income	N/A	N/A	191,310
Real Estate	N/A	N/A	95,656
Short-term Securities	N/A	N/A	9,566
NAV - Private Equity and Strategic Lending	N/A	N/A	<u>191,311</u>
Total			<u><u>\$ 956,556</u></u>

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

B. Notes Receivable

Blount County has agreed to make \$6,000,000 available for draws on a loan from Blount County to a joint venture industrial development board (the Industrial Development Board of Blount County, the city of Alcoa, and the city of Maryville) which is discussed in Note V.E. The loan is for the purpose of providing financing for infrastructure improvements related to the location of an industrial client, AMAZON.COM Services LLC (Amazon). The loan is to be repaid by the industrial development board from revenues received in-lieu of property tax from Amazon. The Industrial Development Board has drawn the entire \$6,000,000 of the authorized loan as of June 30, 2023. Repayment terms are dependent upon the amount of collections from the in-lieu of tax revenues each year. During the year, the county received \$720,640 to be applied toward principal reduction of the loan. The amount of the long-term receivable not expected to be received within one year is not determinable.

The balance of the loan (\$5,279,360) at June 30, 2023, is reported in the General Fund and is offset by nonspendable fund balance.

C. Lease Receivable

Blount County is the lessor for land leased by a wireless tower and infrastructure operator (Eco-Site II, LLC). The lease term commenced on March 1, 2020, for a period of 5 years with automatic renewal for 4 additional 5 years terms unless the lessee gives a 3 month notice of its intention to terminate. The lessee may also terminate the lease with a 3 month notice to the county prior to the annual anniversary of the commencement date. Based

on consideration of all relevant factors, management considers it reasonably certain that the lessee will not exercise its options to terminate. The county used its incremental borrowing rate of 1.2 percent to discount the present value of the lease payments to report the lease receivable. Blount County recognized \$11,779 in lease revenue and \$3,596 in interest revenue during the year. Future expected payments for this lease are as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ 11,922	\$ 3,453	\$ 15,375
2025	12,065	3,310	15,375
2026	12,211	3,164	15,375
2027	12,358	3,017	15,375
2028	12,507	2,868	15,375
2029-2033	64,838	12,037	76,875
2034-2038	68,845	8,030	76,875
2039-2043	73,100	3,775	76,875
2044-2045	25,357	15,642	40,999
Total	<u>\$ 293,203</u>	<u>\$ 55,296</u>	<u>\$ 348,499</u>

Blount County entered into agreements with the city of Maryville (dated December 7, 2021) and the city of Alcoa (dated January 1, 2022) for the use of certain county communications equipment by the cities. Each agreement expires June 30, 2031, with each city being able to terminate its agreement at any time with 30 days' notice. There is no penalty specified for early termination and it is not considered reasonably certain that the cities will not exercise the termination options. Therefore, no lease receivable is reported for these agreements. The city of Maryville is required to make annual payments of \$131,458 and the city of Alcoa is required to make annual payments of \$121,380 while the agreements are in force.

D. Capital Assets

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

Primary Government

Governmental Activities:

	* Restated			
	Balance			Balance
	7-1-22	Increases	Decreases	6-30-23
Capital Assets Not Depreciated:				
Land	\$ 9,026,817	\$ 0	\$ (173,298)	\$ 8,853,519
Construction in Progress	6,650,901	3,935,184	(7,488,290)	3,097,795
Total Capital Assets Not Depreciated	<u>\$ 15,677,718</u>	<u>\$ 3,935,184</u>	<u>\$ (7,661,588)</u>	<u>\$ 11,951,314</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 57,308,649	\$ 1,192,527	\$ (1,514,489)	\$ 56,986,687
Infrastructure	145,483,169	2,206,277	0	147,689,446
Other Capital Assets	25,112,833	7,188,719	(294,427)	32,007,125
Total Capital Assets Depreciated	<u>\$ 227,904,651</u>	<u>\$ 10,587,523</u>	<u>\$ (1,808,916)</u>	<u>\$ 236,683,258</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 26,875,284	\$ 1,335,836	\$ (1,412,754)	\$ 26,798,366
Infrastructure	101,407,294	4,129,880	0	105,537,174
Other Capital Assets	18,859,995	2,291,333	(294,427)	20,856,901
Total Accumulated Depreciation	<u>\$ 147,142,573</u>	<u>\$ 7,757,049</u>	<u>\$ (1,707,181)</u>	<u>\$ 153,192,441</u>
Total Capital Assets Depreciated, Net	<u>\$ 80,762,078</u>	<u>\$ 2,830,474</u>	<u>\$ (101,735)</u>	<u>\$ 83,490,817</u>
Intangible Right-to-Use Assets:				
Lease Equipment	\$ 534,535	\$ 0	\$ 0	\$ 534,535
SBITA	2,323,223	799,136	0	3,122,359
Less: Accumulated				
Amortization - Leases	21,381	21,382	0	42,763
Amortization - SBITA	0	866,031	0	866,031
Net Intangible Right-to-Use Assets	<u>\$ 2,836,377</u>	<u>\$ (88,277)</u>	<u>\$ 0</u>	<u>\$ 2,748,100</u>
Governmental Activities Capital Assets, Net	<u>\$ 99,276,173</u>	<u>\$ 6,677,381</u>	<u>\$ (7,763,323)</u>	<u>\$ 98,190,231</u>

* Balance 7-1-22 for Intangible Right-to-Use Assets (SBITA) has been restated based on transitional requirements of GASB Statement No. 96.

As described in Note VI.A., although title to certain hospital land and buildings rests with the county, those assets have been recorded by the discretely

presented Blount Memorial Hospital, Inc. rather than by the county, as the county has authorized their use by the discretely presented component unit.

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

Governmental Activities:

General Government	\$ 402,331
Finance	443,617
Administration of Justice	237,074
Public Safety	2,112,292
Public Health and Welfare	264,941
Social, Cultural, and Recreational	263,058
Highways	<u>4,921,149</u>
Total Depreciation and Amortization Expense - Governmental Activities	<u><u>\$ 8,644,462</u></u>

Net Investment in Capital Assets

Capital Assets (both tangible and intangible)	\$ 98,190,231
Add:	
Unamortized balance of capital-related deferred outflows of resources	219,695
Less:	
Outstanding principal balance of debt and other borrowing used to refund capital-related debt	(17,598,730)
Outstanding principal balance of lease obligations	(497,391)
Outstanding principal balance of SBITA obligations	(2,345,842)
Unamortized balance of original issue premiums on outstanding capital-related debt	<u>(1,741,692)</u>
Net Investment in Capital Assets	<u><u>\$ 76,226,271</u></u>

Discretely Presented Blount County School Department

Governmental Activities:

	Balance 7-1-22	Increases	Decreases	Balance 6-30-23
Capital Assets Not Depreciated:				
Land	\$ 9,951,059	\$ 0	\$ 0	\$ 9,951,059
Construction in Progress	1,873,187	21,293,393	0	23,166,580
Total Capital Assets Not Depreciated	\$ 11,824,246	\$ 21,293,393	\$ 0	\$ 33,117,639
Capital Assets Depreciated:				
Buildings and Improvements	\$ 188,398,990	\$ 2,872,386	\$ (29,970)	\$ 191,241,406
Other Capital Assets	7,858,612	1,008,356	(511,453)	8,355,515
Total Capital Assets Depreciated	\$ 196,257,602	\$ 3,880,742	\$ (541,423)	\$ 199,596,921
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 83,250,288	\$ 4,534,105	\$ 0	\$ 87,784,393
Other Capital Assets	5,403,787	489,341	(409,549)	5,483,579
Total Accumulated Depreciation	\$ 88,654,075	\$ 5,023,446	\$ (409,549)	\$ 93,267,972
Total Capital Assets Depreciated, Net	\$ 107,603,527	\$ (1,142,704)	\$ (131,874)	\$ 106,328,949
Governmental Activities Capital Assets, Net	\$ 119,427,773	\$ 20,150,689	\$ (131,874)	\$ 139,446,588

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

Governmental Activities:

Instruction	\$ 91,285
Support Services	4,793,406
Operation of Non-instructional Services	138,755
Total Depreciation Expense - Governmental Activities	<u>\$ 5,023,446</u>

Net Investment in Capital Assets

Capital Assets	\$ 139,446,588
Less:	
Outstanding principal balance of capital-related debt and other borrowings	(11,508,422)
Net Investment in Capital Assets	<u>\$ 127,938,166</u>

E. Construction Commitments

The General Fund had uncompleted contracts for the construction of a new Drug Task Force building in the amount of \$1,816,737 at June 30, 2023. Funding has been received for these future expenditures.

The Highway Capital Projects Fund had uncompleted contracts for electrical enhancements at the Highway Operations Center in the amount of \$353,219 at June 30, 2023. Funding has been received for these future expenditures.

The school department's General Purpose School Fund had uncompleted contracts for roof repairs in the amount of \$53,339 at June 30, 2023. Funding has been received for these future expenditures.

The school department's School Federal Projects Fund had uncompleted contracts for HVAC upgrades in the amount of \$959,213 at June 30, 2023. Funding for those future expenditures is being provided by federal grants.

At June 30, 2023, the school department had uncompleted construction contracts of approximately \$3,665,182 in the Education Capital Projects Fund for the installation of a new roof, HVAC upgrades, and for CTE classroom renovations. Funding has been received for these future expenditures.

The school department also had uncompleted construction contracts of approximately \$1,170,466 in the Education Capital Projects Fund, for the Eagleton College and Career Academy CTE building and athletic complex. Funding for the future expenditures reported in the Education Capital Projects Fund has been provided by an internal loan from the primary government's General Debt Service Fund.

F. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Nonmajor Governmental	\$ 33,820
General Debt Service	General	4,219,047
Nonmajor Governmental	"	608,644
Discretely Presented School Department:		
General Purpose School	School Federal Projects	444,737

Amounts due to the General Debt Service Fund from the General Fund include \$3,579,148 for the balance of an interfund loan. Of this amount, the amount not expected to be received within one year is \$3,150,208. The remaining interfund balances resulted from the time lag between the date that interfund goods and services are provided or reimbursable expenditures occur, and payments are made between funds.

Due to/from Primary Government and Component Units:

Amounts due to/from the primary government and the discretely presented school department at June 30, 2023 were:

<u>Receivable Entity</u>	<u>Payable Entity</u>	<u>Amount</u>
Primary Government:		
Component Unit:		
School Department:		
General Fund	General Purpose School Fund	\$ 27,854
General Debt Service Fund	Governmental Activities	11,508,422
Internal Service Fund	General Purpose School Fund	826,715
Internal Service Fund	School Federal Projects Fund	63,590
Internal Service Fund	Nonmajor Governmental Funds	28,074

The amount due to the General Debt Service Fund from the discretely presented school department's governmental activities represents the balance of long-term loans from the General Debt Service Fund to the school department. Those loans are detailed in Note IV.L. Of the amount due at June 30, 2023, \$10,437,732 is not expected to be received within one year.

The amounts due to the Internal Service Fund represent summer health insurance premiums due to the primary government's Self-Insurance Fund.

Amounts due to/from the primary government and the discretely presented Blount Memorial Hospital, Inc. at June 30, 2023 were:

Receivable Entity	Payable Entity	Amount
Primary Government: Hospital Revenue Bond Enterprise Fund	Component Unit: Blount Memorial Hospital, Inc.	\$ 56,602,471

This amount represents the outstanding balance of revenue bonds issued by the primary government for the benefit of Blount Memorial Hospital, Inc., and accrued interest on those bonds. The bonds are secured solely by the revenues of the hospital. The amount not expected to be received within one year is \$47,570,000.

Interfund Transfers

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

Primary Government

Transfers Out	Transfers In		
	General Fund	General Debt Service Fund	Nonmajor Governmental Funds
General Fund	\$ 0	\$ 679,121	\$ 1,386,715
Highway/Public Works Fund	0	0	4,680,365
Nonmajor Governmental Funds	265,355	0	0
Internal Service Fund	254,150	0	0
Total Transfers	\$ 519,505	\$ 679,121	\$ 6,067,080

Transfers to the nonmajor governmental funds include \$4,680,365 from the Highway/Public Works Fund for capital expenditures and \$1,386,715 from the General Fund for operation of the library. Transfers to the General Debt Service Fund represent tax credit bond rebate funds. Transfers to the General Fund include \$265,355 from the nonmajor governmental funds for library maintenance and custodial expenses, and \$254,150 from the internal service fund for its share of payroll expenses.

Discretely Presented Blount County School Department

Transfers Out	Transfers In	
	General Purpose School Fund	Education Capital Projects Fund
General Purpose School Fund	\$ 0	\$ 1,366,797
School Federal Projects Fund	447,585	0
Total	<u>\$ 447,585</u>	<u>\$ 1,366,797</u>

The school department transferred \$447,585 from the School Federal Projects Fund to the General Purpose School Fund to provide funds for indirect cost for grant programs. Transfers to the Education Capital Projects Fund represent contributions for debt service requirements.

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.

G. Lease Obligations

On May 19, 2011, Blount County entered into a ten-year lease with Wireless Properties II, LLC, for land to be used for the placement of public safety communication antennas. The agreement renews automatically for 5 additional 5-year terms unless the county notifies the lessor within 60 days of the end of each five-year term of its election to terminate. Based on consideration of all relevant factors, management considers it reasonably certain that the county will not exercise its options to terminate. The current yearly lease payment is \$24,876. The present value of the lease was determined using a discount rate of 1.2%, the same interest rate as the county's incremental borrowing rate. The lease land and accumulated amortization of the right-to-use asset is outlined in Note IV.D.

Remaining lease payments on this land lease include:

Year Ending June 30	Public Safety Communication Land Lease		
	Principal	Interest	Total
2024	\$ 18,907	\$ 5,969	\$ 24,876
2025	19,134	5,742	24,876
2026	19,364	5,512	24,876
2027	19,596	5,280	24,876
2028	19,831	5,045	24,876
2029-2033	102,783	21,596	124,379
2034-2038	109,100	15,279	124,379
2039-2043	115,805	8,575	124,380
2044-2046	72,871	1,756	74,627
Total	<u>\$ 497,391</u>	<u>\$ 74,754</u>	<u>\$ 572,145</u>

Changes in Lease Obligations

Lease obligation activity for the year ended June 30, 2023, was as follows:

Governmental Activities:

	Leases
Balance, July 1, 2022	\$ 516,074
Reductions	<u>(18,683)</u>
Balance, June 30, 2023	<u>\$ 497,391</u>
Balance Due Within One Year	<u>\$ 18,907</u>

Analysis of Noncurrent Liabilities for Leases Presented on Exhibit A:

Total Noncurrent Liabilities - Leases, June 30, 2023	\$ 497,391
Less: Balance Due Within One Year - Leases	<u>(18,907)</u>
Noncurrent Liabilities - Due in More Than One Year - Leases - Exhibit A	<u>\$ 478,484</u>

Blount County has entered into a leasing program with Enterprise Fleet Management. As of June 30, 2023, Blount County was leasing 11 vehicles. All leases are initially for 48 months with the option to extend for an additional 12 months. The county can opt out of the leases at any time with a 30-day written notice. There is no penalty specified for early termination and it is not considered reasonably certain that the county will not exercise the option to terminate. Therefore, there is no lease obligation payable reported for these

lease vehicles. Amounts paid under the agreement during the year totaled \$68,852.

H. SBITA Obligation

Accounting Software Subscription:

On September 1, 2019, Blount County entered into a 60-month agreement as lessee for the use of Tyler Technology accounting software. As of July 1, 2022, the remaining term was 26 months with no option to terminate and to continue the agreement year-to-year thereafter. An initial subscription liability was recorded in the amount of \$554,868 during the current fiscal year. Blount County is required to make quarterly principal and interest payments of \$65,649. The SBITA has an annual interest rate of 5.45%. As of June 30, 2023, the present value of the SBITA liability was \$316,619. The SBITA obligation and accumulated amortization of the right-to-use asset is outlined in Note IV.D.

Year Ending June 30	Accounting Software Subscription		
	Principal	Interest	Total
2024	\$ 251,562	\$ 11,034	\$ 262,596
2025	65,057	592	65,649
Total	<u>\$ 316,619</u>	<u>\$ 11,626</u>	<u>\$ 328,245</u>

Sheriff Camera Cloud Service Subscription and Storage:

On December 1, 2019, Blount County entered into a 72-month agreement as lessee for the use of Axon Enterprise cloud services. As of July 1, 2022, the remaining term was 42 months with no option to terminate. An initial subscription liability was recorded in the amount of \$1,768,355 during the current fiscal year. Blount County is required to make yearly principal and interest payments of \$503,920. The SBITA has an annual interest rate of 5.45%. As of June 30, 2023, the present value of the SBITA liability was \$1,360,810. The SBITA obligation and accumulated amortization of the right-to-use asset is outlined in Note IV.D.

Year Ending June 30	Sheriff Camera Cloud Service Subscription and Storage		
	Principal	Interest	Total
2024	\$ 429,756	\$ 74,164	\$ 503,920
2025	453,178	50,742	503,920
2026	477,876	26,044	503,920
Total	<u>\$ 1,360,810</u>	<u>\$ 150,950</u>	<u>\$ 1,511,760</u>

Payroll Software Subscription:

On July 22, 2022, Blount County entered into a 60-month agreement as lessee for the use of UKG payroll software. An initial subscription liability was recorded in the amount of \$799,137 during the current fiscal year. Blount County is required to make monthly principal and interest payments of \$15,246. The SBITA has an annual interest rate of 5.45%. As of June 30, 2023, the present value of the SBITA liability was \$668,413. The SBITA obligation and accumulated amortization of the right-to-use asset is outlined in Note IV.D.

Year Ending June 30	Payroll Software Subscription		
	Principal	Interest	Total
2024	\$ 150,240	\$ 32,712	\$ 182,952
2025	158,635	24,317	182,952
2026	167,500	15,452	182,952
2027	176,860	6,092	182,952
2028	15,178	68	15,246
Total	\$ 668,413	\$ 78,641	\$ 747,054

Changes in SBITA Obligations

SBITA obligation activity for the year ended June 30, 2023, was as follows:

Governmental Activities:

	SBITA
Balance, July 1, 2022*	\$ 2,323,223
Additions	799,137
Reductions	<u>(776,518)</u>
Balance, June 30, 2023	<u>\$ 2,345,842</u>
Balance Due Within One Year	<u>\$ 831,558</u>

* Balance 7-1-22 for SBITA Obligations has been restated based on transitional requirements of GASB Statement No. 96.

Analysis of Noncurrent Liabilities for Leases Presented on Exhibit A:

Total Noncurrent Liabilities - SBITA, June 30, 2023	\$ 2,345,842
Less: Balance Due Within One Year - SBITA	<u>831,558</u>
Noncurrent Liabilities - Due in More Than One Year - SBITA - Exhibit A	<u>\$ 1,514,284</u>

I. Long-term Debt

Primary Government

General Obligation Bonds, Notes, and Other Loans

General Obligation Bonds - Blount 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 debt. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. Outstanding general obligation bonds were issued for original terms of up to 21 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2023, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements - Blount County issues other loans to provide funds for the acquisition and construction of major capital facilities and other capital outlay purchases, such as equipment, for the primary government and the discretely presented school department. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes, and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Blount County had no outstanding capital outlay notes or other loans at June 30, 2023.

General obligation bonds outstanding as of June 30, 2023, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-23
General Obligation Bonds - Refunding	.97 to 5%	6-30-37	\$ 145,715,000	\$ 114,960,000
Qualified School Construction Bonds	2.6	9-14-27	14,855,000	3,886,342

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

June 30	Principal	Interest	Total
2024	\$ 10,056,929	\$ 6,030,097	\$ 16,087,026
2025	10,456,929	5,599,033	16,055,962
2026	10,856,929	5,148,238	16,005,167
2027	11,323,173	4,695,905	16,019,078
2028	12,262,382	3,576,782	15,839,164
2029-2033	33,545,000	11,230,157	44,775,157
2034-2037	30,345,000	3,754,177	34,099,177
Total	\$ 118,846,342	\$ 40,034,389	\$ 158,880,731

There is \$30,270,323 available in the General Debt Service Fund to service long-term debt. However, of that amount, \$11,508,422 has been loaned to the discretely presented Blount County School Department and will be repaid over the next 11 years. Also, \$3,579,148 has been loaned to the General Fund and will be repaid over the next nine years. See Note. IV.L. for details of those loans. Bonded debt per capita totaled \$879, based on the 2020 federal census. Total debt, lease, and SBITA obligations per capita, including unamortized debt premiums, totaled \$992, based on the 2020 federal census.

Changes in Long-term Debt

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

Governmental Activities:

	Bonds
Balance, July 1, 2022	\$ 129,078,271
Reductions	(10,231,929)
Balance, June 30, 2023	\$ 118,846,342
Balance Due Within One Year	\$ 10,056,929

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2023	\$ 118,846,342
Less: Balance Due Within One Year - Debt	(10,056,929)
Add: Unamortized Premium on Debt	<u>12,464,640</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u><u>\$ 121,254,053</u></u>

Hospital Revenue Bond Enterprise Fund

Revenue Bonds

Blount County issued revenue bonds on behalf of the discretely presented Blount Memorial Hospital, Inc. Those bonds are secured solely by revenues of the hospital. Principal and interest requirements on the bonds are paid directly to the bondholders by Blount Memorial Hospital, Inc. The primary government's Hospital Revenue Bond Enterprise Fund reports the liability for the bonds with an offsetting receivable, Due from Component Unit. This is an accounting change from prior years as discussed further in Note V.B. In prior years, these revenue bonds had not been reported as a liability of the primary government.

Revenue bonds outstanding as of June 30, 2023, reported in the enterprise fund are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-23
Series 2019A Hospital Revenue Refunding Bond	2.07 %	6-1-29	\$ 67,705,000	\$ 43,610,000
Series 2019B Hospital Revenue Bond	2.07	6-1-29	20,000,000	12,895,000

The annual requirements to amortize all hospital revenue bonds outstanding as of June 30, 2023, including interest payments, are presented in the following table:

Year Ending June 30	Principal	Interest	Total
2024	\$ 8,935,000	\$ 1,169,654	\$ 10,104,654
2025	9,125,000	984,699	10,109,699
2026	9,315,000	795,812	10,110,812
2027	9,510,000	602,991	10,112,991
2028	9,710,000	406,133	10,116,133
2029	9,910,000	205,136	10,115,136
Total	\$ 56,505,000	\$ 4,164,425	\$ 60,669,425

Changes in Long-term Enterprise Fund Debt

Long-term debt activity for the Hospital Revenue Bond Enterprise Fund for the year ended June 30, 2023, was as follows:

Business-type Activities:

	Revenue Bonds
Balance, July 1, 2022	\$ 65,260,000
Reductions	(8,755,000)
Balance, June 30, 2023	\$ 56,505,000
Balance Due Within One Year	\$ 8,935,000

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2023	\$ 56,505,000
Less: Balance Due Within One Year - Debt	(8,935,000)
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	\$ 47,570,000

Further details of the outstanding hospital revenue bonds are presented in Note VI.K. For the year ended June 30, 2023, the hospital did not meet requirements of certain covenants related to those revenue bonds. Details regarding those violations and waivers obtained are also discussed in Note VI.K.

Discretely Presented Blount County School Department

Internal Loans from Primary Government

As discussed further in Note IV.L., Internal Financing, the discretely presented school department has borrowed funds from the primary government's General Debt Service Fund to finance capital expenditures of the school department. The balance of those internal debt issues at June 30, 2023 amounted to \$11,508,422.

The annual requirements to amortize loan balances due to the primary government outstanding as of June 30, 2023, including interest payments, are presented in the following table:

June 30	Principal	Interest	Total
2024	\$ 1,070,690	\$ 293,618	\$ 1,364,308
2025	1,097,732	268,565	1,366,297
2026	935,000	242,840	1,177,840
2027	960,000	218,530	1,178,530
2028	985,000	193,570	1,178,570
2029-2033	5,315,000	570,570	5,885,570
2034	1,145,000	29,770	1,174,770
Total	<u>\$ 11,508,422</u>	<u>\$ 1,817,463</u>	<u>\$ 13,325,885</u>

Changes in Long-term Debt Due to Primary Government

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

Governmental Activities:

	Internal Loans - Due to Primary Government
Balance, July 1, 2022	\$ 557,091
Additions	12,000,000
Reductions	<u>(1,048,669)</u>
Balance, June 30, 2023	<u>\$ 11,508,422</u>
Balance Due Within One Year	<u>\$ 1,070,690</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt Due to	
Primary Government, June 30, 2023	\$ 11,508,422
Less: Balance Due Within One Year - Debt Due to	
Primary Government	<u>(1,070,690)</u>
Noncurrent Liabilities - Due in More Than	
One Year - Debt Due to Primary Government	<u>\$ 10,437,732</u>

J. Long-term Obligations

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2022	\$ 1,537,552	\$ 11,399,272
Additions	1,493,521	1,282,976
Reductions	<u>(1,547,641)</u>	<u>(2,364,179)</u>
Balance, June 30, 2023	<u>\$ 1,483,432</u>	<u>\$ 10,318,069</u>
Balance Due Within One Year	<u>\$ 667,544</u>	<u>\$ 0</u>
	Net Pension Liability - Library*	
Balance, July 1, 2022	\$ (274,233)	
Additions	503,868	
Reductions	<u>(101,641)</u>	
Balance, June 30, 2023	<u>\$ 127,994</u>	
Balance Due Within One Year	<u>\$ 0</u>	

*The library pension plan reported a net pension asset as of July 1, 2022.

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2023	\$ 11,929,495
Less: Balance Due Within One Year - Other	<u>(667,544)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 11,261,951</u>

These long-term obligations will be paid from the employing funds, primarily the General and Highway/Public Works funds.

Discretely Presented Blount County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	Other Postemployment Benefits
Balance, July 1, 2022	\$ 19,732,830
Additions	2,122,014
Reductions	<u>(2,867,295)</u>
Balance, June 30, 2023	<u>\$ 18,987,549</u>
Balance Due Within One Year	<u>\$ 0</u>

Other postemployment benefits will be paid from the employing funds, primarily the General Purpose School and School Federal Project funds.

K. Donor-restricted Endowments

The county accounts for an endowment totaling \$485,403 in a private purpose trust fund. The principal amount must remain intact, while interest earned on the principal is to be used for the benefit of the Boys & Girls Club of Blount County. During the year ended June 30, 2023, the amount of accumulated interest remitted to the Boys & Girls Club totaled \$13,179. As of June 30, 2023, the private purpose trust fund has accumulated a balance of \$2,125 of unspent earned interest.

L. Internal Financing

In-lieu-of issuing debt with financial institutions, Blount County chose to internally finance certain projects by loaning idle funds in the General Debt

Service Fund to other funds of the primary government and to the discretely presented school department.

Internally reported notes receivable from idle funds loaned from the General Debt Service Fund that will subsequently be repaid by the General Fund are reflected below:

	Original Amount of Issue	Interest Rate		Date of Issue	Last Maturity Date
Emergency Communications					
Interfund Capital Outlay					
Note, Series 2022	\$ 4,470,466	1.2 %		2-1-22	6-30-32
	Outstanding 7-1-22	Issued During Period	Paid and/or Matured During Period		Outstanding 6-30-23
Emergency Communications					
Interfund Capital Outlay					
Note, Series 2022	\$ 3,999,049	\$ 0	\$ 419,901	\$	3,579,148

The balance of the Emergency Communications Interfund Capital Outlay Note is reflected as Due from Other Funds in the General Debt Service Fund and as Due to Other Funds in the General Fund.

Amounts loaned from the General Debt Service Fund to the discretely presented Blount County School Department are reflected below:

	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date
School Internal Capital Outlay Note, Series 2017	\$ 1,272,000	1.1 %	7-12-17	6-30-25
School Internal Capital Outlay Note, Series 2022	12,000,000	2.6	2-10-23	5-1-34
	Outstanding 7-1-22	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-23
School Internal Capital Outlay Note, Series 2017	\$ 557,091	\$ 0	\$ 183,669	\$ 373,422
School Internal Capital Outlay Note, Series 2022	0	12,000,000	865,000	11,135,000
Total	\$ 557,091	\$ 12,000,000	\$ 1,048,669	\$ 11,508,422

The balances of the School Internal Capital Outlay Notes at June 30, 2023, are reflected as Due from Component Unit in the General Debt Service Fund and the government-wide financial statements of the primary government, and as Due to Primary Government in the government-wide financial statements of the discretely presented school department.

V. OTHER INFORMATION

A. Risk Management

Blount County has chosen to establish a self-insurance fund for risks associated with the general liability, property, casualty, employees' health plan, and risks associated with workers' compensation claims. The self-insurance fund is accounted for as an internal service fund where assets are set aside for claim settlements. The county retains the risk of loss to a limit of \$350,000 for each employee and a \$200,000 aggregate specific deductible in any plan year for health coverage, \$500,000 for each employee, \$750,000 for each police officer and \$1,000,000 for all claims in any plan year for workers' compensation coverage, and \$100,000 for building and personal property coverage. The county has obtained stop/loss commercial insurance policies to cover claims beyond these limits. The county does not carry stop-loss coverage for general liability. Employee dental claims are covered by commercial insurance.

All full-time employees of the primary government and the discretely presented Blount County School Department are eligible to participate in the health program. A premium charge for the general liability, property, casualty, health, and workers' compensation programs is allocated to each fund that accounts for employees. This charge is based on actuarial estimates of the amounts needed to pay prior- and current-year claims and to establish a reserve for catastrophic losses. The portion of net position of the internal service fund attributable to health coverage was \$11,189,722 and the portion attributable to general liability, property, casualty, and workers' compensation was \$3,639,819 at June 30, 2023. Those amounts have been designated by management for future catastrophic losses. Liabilities of this fund are reported when losses are probable and the amount of the losses can be reasonably estimated. The self-insurance fund establishes 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. It is expected that these claims liabilities will be paid within the next fiscal year. Claims liabilities include specific, incremental claims adjustment expenditures/expenses, 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:

General Liability, Property, Casualty, and Workers' Compensation

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2021-2022	\$ 2,885,107	\$ 1,415,483	\$ (1,363,957)	\$ 2,936,633
2022-2023	2,936,633	997,094	(818,831)	3,114,896

Health

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2021-2022	\$2,021,221	\$ 17,871,590	\$ (17,715,212)	\$ 2,177,599
2022-2023	2,177,599	19,431,143	(19,459,428)	2,149,314

On Exhibit D-1, the balances in Accounts Payable and Other Current Liabilities represent self-insurance claims. Current year claims and estimates are presented net of excess risk recovery and contracted prescription rebates.

B. Accounting Changes

GASB Statement No. 91, *Conduit Debt Obligations*, became effective for fiscal year ending June 30, 2023. This statement clarifies what is considered conduit debt and the requirements of when to disclose liabilities and commitments concerning conduit debt. As a result of the implementation of GASB Statement No. 91, Blount County has reported an enterprise fund to account for transactions and balances of revenue bonds which are secured solely by revenues of the discretely presented Blount Memorial Hospital. The liabilities for the bonds and accrued interest are offset by a receivable, Due from Component Unit, in the financial statements of the Hospital Revenue Bond Enterprise Fund.

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

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

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

C. Contingent Liabilities and Other Pending Litigation

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.

Pending litigation exists between Blount County and Blount Memorial Hospital, Inc. (BMHI), a component unit of Blount County. The core issue is ownership of assets. Currently all assets are accounted for on the BMHI financial statements as a component unit. Some properties are titled in the name of BMHI and others in the name of Blount County. Historical documents creating the hospital show BMHI not as an owner of the hospital and assets, but a manager of such. As the litigation concludes by way of settlement or court decision, it is possible that the assets are owned by Blount County and held in trust by BMHI.

Second, litigation brought by the city of Alcoa contends that Blount County Schools has expended monies from its Education Capital Projects Fund on unallowable activities, and that those items should have been paid for with revenues that had been shared with the city school systems. Blount County Schools has reviewed each expenditure from the Education Capital Projects Fund and has found no instance of spending on items or projects that are unallowable. It is management's position that all expenses can be proven as directly related to capital expenditures as decided in *City of Athens Board of Education et al v. McMinn County, Tennessee et al*.

There are several other pending lawsuits in which the county is involved. Management has provided for potential claims and judgments in the financial statements of the self-insurance fund in this report. Based on letters from attorneys, management believes that potential claims not already recorded in the self-insurance fund would not materially affect the financial statements of the county.

D. Changes in Administration

Director of Schools, Rob Britt, retired June 30, 2022, and was succeeded by David Murrell effective July 1, 2022.

On June 23, 2023, Katie Branham Kerr left the Office of Purchasing Agent. Jackie Cooper began serving as interim purchasing agent effective May 22, 2023, overlapping the term of Katie Branham Kerr.

E. Joint Ventures

The Industrial Development Board of Blount County and the cities of Alcoa and Maryville was organized to promote industrial development and provide additional job opportunities in Blount County, the cities of Alcoa and Maryville, and the surrounding counties in accordance with Title 7, Chapter 53, *Tennessee Code Annotated*. The board is governed by a ten-member board of directors appointed jointly by the Blount County Commission and the governing bodies of Maryville and Alcoa. The board provides incentives toward the location of certain industrial facilities in the county and cities. Upon approval for the Industrial Development Board to provide these incentives, the county commission also expressed its intent to provide certain funding for

these incentives in future years. During the year, Blount County provided \$3,976,100 to the Industrial Development Board to be applied toward those incentives, related debt payments, and operations of the board. The county also loaned the board an additional \$1,000,000 related to the Amazon.com project during the year. The county reports a Note Receivable from the board in the amount of \$5,279,360 as of June 30, 2023, related to the Amazon.com project. That note receivable is further discussed in Note IV.B.

The Fifth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Fifth Judicial District, Blount County, and various cities within Blount 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, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district.

The Blount County Solid Waste Authority is a joint venture that is operated by Blount County, the city of Alcoa, and the city of Maryville. The authority comprises 11 members, three of whom are appointed by the Blount County Commission. The cities appoint two members each, and the remaining members are selected from the citizens at large and from private industry. Blount County has control over budgeting and financing the joint venture only to the extent of representation by the three appointed authority members. Blount County, along with the city of Alcoa and the city of Maryville, has entered into two contracts in-lieu-of performance bonds with the Tennessee Department of Environment and Conservation to ensure the proper operation and closure/postclosure care of the Blount County landfill, which is operated by the Blount County Solid Waste Authority. The total of these contracts in-lieu-of performance bonds is \$16,506,632, of which Blount County has guaranteed 40 percent and the two cities the remaining 60 percent, equally. Complete financial statements for the Blount County Solid Waste Authority may be obtained from the city of Alcoa.

The Blount County Cable Television Authority is a joint venture between Blount County, the city of Maryville, and the city of Alcoa, which regulates the operation of cable television service in Blount County. The authority comprises nine members, three of whom are appointed by the Blount County Commission. The remaining six members are appointed by the cities. Blount County has control over budgeting and financing the joint venture only to the extent of representation by the three board members appointed. The authority funds its budget through the collection of cable television franchise fees from companies under its jurisdiction. After payment of the authority's expenses, the residual of those collections is remitted to the county and the two cities based on point of collection.

The Recreation and Parks Commission is a joint venture between Blount County, the city of Maryville, and the city of Alcoa, which operates a recreation and parks system in Blount County. The commission includes seven members, two of whom are appointed by the Blount County Commission. Four members are appointed by the cities, and one member is appointed by the joint commission. Blount County has control over budget and financing of the commission only to the extent of representation by the two board members appointed. Contributions toward operations are provided annually by the county and the cities based on a per capita cost-sharing formula. Blount County contributed \$793,047 to the operations of the commission for the 2022-2023 year and \$488,394 to help fund a portion of the Everett Senior Center construction project.

The Smoky Mountain Tourism Development Authority is a nonprofit entity chartered in June 2012 to promote tourism in the county. The authority was established jointly by the county, the city of Maryville, and the city of Alcoa. The authority is governed by a ten-member board, which includes one representative of the county. The authority's primary funding source is proceeds of a hotel-motel tax, which is levied by the county commission pursuant to a private act. The authority is entitled to 70 percent of the hotel-motel tax. The tax is currently set at a rate of five percent, which is the maximum allowed.

The county does not retain an equity interest in any of the noted joint ventures. Complete financial information for these joint ventures can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

Industrial Development Board of Blount County and the
Cities of Alcoa and Maryville
201 South Washington Street
Maryville, TN 37804

District Attorney General
Fifth Judicial District
942 East Lamar Alexander Parkway
Maryville, TN 37804

City of Alcoa
Blount County Solid Waste Authority
223 Associates Boulevard
Alcoa, TN 37701

Blount County Cable Television Authority
P.O. Box 4338
Maryville, TN 37804

Recreation and Parks Commission
316 South Everett High Road
Maryville, TN 37804

Smoky Mountain Tourism Development Authority
201 South Washington Street
Maryville, TN 37804

F. Intergovernmental Cooperation Agreement – Research and Development Park

In May 2006, the Industrial Development Board of Blount County entered into an intergovernmental cooperation agreement with Blount County, Tennessee, the city of Maryville, Tennessee, the city of Alcoa, Tennessee, and Knox County, Tennessee. The agreement calls for the acquisition of property to be developed into a research and development park. The purchase price and subsequent development costs were funded jointly by the four participating governments (\$5,000,000 each). These governments are to be repaid from sales proceeds. The four governments share excess sales proceeds and property tax revenues equally. The balance of future sales proceeds which would be due the county if such sales occur was \$4,840,320 as of June 30, 2023. The county has not reported a receivable for future sales to the uncertainty of the sales occurring.

G. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Blount County and non-certified employees of the discretely presented Blount County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 76.8 percent, the non-certified employees of the discretely presented school department comprise 23.2 percent of the plan based on contribution data. In addition, certain other county employees are provided a defined benefit pension plan (Blount County Library Plan) through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 100 percent of the Blount County Library 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 an automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions plus any accumulated interest.

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

Blount County Plan:

Inactive Employees or Beneficiaries Currently Receiving Benefits	710
Inactive Employees Entitled to But Not Yet Receiving Benefits	874
Active Employees	870
Total	<u><u>2,454</u></u>

Blount County Library Plan:

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	21
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	16
Active Employees	24
Total	<u>61</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. Blount County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2023, the employer contributions for the Blount County Plan was \$3,329,040 based on a rate of 6.9 percent and 10.4 percent of covered payroll for general employees and public safety officers, respectively. For the year ended June 30, 2023, the employer contribution for the Blount County Library Plan was \$91,058 based on a rate of 8.81 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Blount 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)

Blount County's net pension liability (asset) was measured as of June 30, 2022, 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, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

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

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

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

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Blount 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)

Blount County Plan	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2021	\$ 160,517,342	\$ 183,173,478	\$ (22,656,136)
Changes for the Year:			
Service Cost	\$ 3,878,347	\$ 0	\$ 3,878,347
Interest	10,858,623	0	10,858,623
Differences Between Expected and Actual Experience	3,811,140	0	3,811,140
Contributions-Employer	0	3,003,885	(3,003,885)
Contributions-Employees	0	1,935,399	(1,935,399)
Net Investment Income	0	(6,965,443)	6,965,443
Benefit Payments, Including Refunds of Employee Contributions	(7,054,398)	(7,054,398)	0
Administrative Expense	0	(84,644)	84,644
Net Changes	\$ 11,493,712	\$ (9,165,201)	\$ 20,658,913
Balance, June 30, 2022	\$ 172,011,054	\$ 174,008,277	\$ (1,997,223)

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

Blount County Plan		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	76.8%	\$ 132,104,489	\$ 133,638,357	\$ (1,533,867)
School Department	23.2%	39,906,565	40,369,920	(463,356)
Total		\$ 172,011,054	\$ 174,008,277	\$ (1,997,223)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Blount County Library Plan			
Balance, July 1, 2021	\$ 3,930,110	\$ 4,204,343	\$ (274,233)
Changes for the Year:			
Service Cost	\$ 83,734	\$ 0	\$ 83,734
Interest	260,847	0	260,847
Differences Between Expected and Actual Experience	(1,580)	0	(1,580)
Contributions-Employer	0	51,815	(51,815)
Contributions-Employees	0	48,246	(48,246)
Net Investment Income	0	(156,995)	156,995
Benefit Payments, Including Refunds of Employee Contributions	(298,901)	(298,901)	0
Administrative Expense	0	(2,292)	2,292
Net Changes	\$ 44,100	\$ (358,127)	\$ 402,227
Balance, June 30, 2022	\$ 3,974,210	\$ 3,846,216	\$ 127,994

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Blount 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 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Blount County Plan			
Net Pension Liability (Asset)	\$ 20,869,812	\$ (1,997,223)	\$ (20,990,381)

	1%	Current	1%
	Decrease	Discount	Increase
	Rate	Rate	
Blount County Library Plan	5.75%	6.75%	7.75%

Net Pension Liability (Asset) \$ 568,648 \$ 127,994 \$ (242,073)

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

Pension Expense (Negative Pension Expense). For the year ended June 30, 2023, the Blount County Plan recognized pension expense of \$2,039,111 and the Blount County Library Plan recognized pension expense (negative pension expense) of \$132,929.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, Blount County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Blount County Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 4,339,152	\$ 1,282,756
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	362,129	0
Changes in Assumptions	5,617,298	0
Contributions Subsequent to the Measurement Date of June 30, 2022 (1)	3,329,040	N/A
Total	<u>\$ 13,647,619</u>	<u>\$ 1,282,756</u>

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 10,427,107	\$ 985,157
School Department	3,220,512	297,599
Total	<u>\$ 13,647,619</u>	<u>\$ 1,282,756</u>

Blount County Library Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 70,471	\$ 32,594
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	0	1,059
Change in Assumptions	70,427	0
Contributions Subsequent to the Measurement Date of June 30, 2022 (1)	91,058	N/A
Total	<u>\$ 231,956</u>	<u>\$ 33,653</u>

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

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:

Blount County Plan:

Year Ending June 30	Amount
2024	\$ 1,833,627
2025	1,939,515
2026	649,366
2027	4,613,310
2028	0
Thereafter	0

Blount County Library Plan:

Year Ending June 30	Amount
2024	\$ 84,052
2025	(24,192)
2026	(39,418)
2027	86,800
2028	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, 2023, Blount County reported a payable of \$401,561 for the outstanding amount of contributions due to the pension plan at year ended June 30, 2023.

Discretely Presented Blount County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Blount County and non-certified employees of the discretely presented Blount County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 76.8 percent and the non-certified employees of the discretely presented school

department comprise 23.2 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the Blount County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan is closed to new membership. Teachers with membership in the TCRS after June 30, 2014, are provided with pensions through a legally separate plan referred to as the Teacher Retirement Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

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

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

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2023, to the Teacher Retirement Plan were \$409,553, which is 2.87 percent of covered payroll. In addition, employer contributions of \$157,121, which is 1.13 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). At June 30, 2023, the school department reported a liability (asset) of (\$208,347) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2022, the school department's proportion was .687785 percent. The proportion as of June 30, 2021, was .609462 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2023, the school department recognized pension expense (negative pension expense) of \$287,489.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, the school department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 11,392	\$ 126,584
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	65,672	0
Changes in Assumptions	244,069	0
Changes in Proportion of Net Pension Liability (Asset)	1,442	74,823
LEA's Contributions Subsequent to the Measurement Date of June 30, 2022	409,553	N/A
Total	<u>\$ 732,128</u>	<u>\$ 201,407</u>

The school department's employer contributions of \$409,553, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) of net pension liability (asset) in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2024	\$ (2,177)
2025	(1,508)
2026	(12,300)
2027	102,086
2028	5,107
Thereafter	29,960

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

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

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

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

The actuarial assumptions used in the June 30, 2022, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to 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		Current	
Proportionate Share of	1%	Discount	1%
the Net Pension	Decrease	Rate	Increase
Liability (Asset)	5.75%	6.75%	7.75%

Net Pension Liability (Asset) \$ 1,093,703 \$ (208,347) \$ (1,159,245)

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, 2023, the Blount County School Department reported a payable of \$8,922 for the outstanding amount of contributions due to the pension plan at year ended June 30, 2023.

Teacher Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Teachers of the Blount 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 Blount County School Department for the year ended June 30, 2023, to the Teacher Legacy Pension Plan were \$3,329,446, which is 8.69 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liability (Assets). At June 30, 2023, the school department reported a liability (asset) of (\$14,395,385) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of

June 30, 2022, the school department's proportion was 1.173787 percent. The proportion measured at June 30, 2021, was 1.182647 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2023, the school department recognized pension expense (negative pension expense) of \$139,215.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, the school department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 2,367,987	\$ 2,432,383
Changes in Assumptions	9,018,015	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	246,154	0
Changes in Proportion of Net Pension Liability (Asset)	181,777	32,748
LEA's Contributions Subsequent to the Measurement Date of June 30, 2022	3,329,446	N/A
Total	<u>\$ 15,143,379</u>	<u>\$ 2,465,131</u>

The school department's employer contributions of \$3,329,446 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) in net pension liability (asset) in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2024	\$ 1,468,000
2025	2,754,525
2026	(2,471,594)
2027	7,597,872
2028	0
Thereafter	0

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

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

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

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

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

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

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
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Net Pension Liability (Asset) \$ 28,512,296 \$ (14,395,385) \$ (50,134,633)

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, 2023, the Blount County School Department reported a payable of \$72,533 for the outstanding amount of contributions due to the pension plan at year ended June 30, 2023.

2. Deferred Compensation

Blount County offers its employees two deferred compensation plans, one established pursuant to IRC Section 457 and the other pursuant to IRS Section 403(b). All costs of administering and funding these programs are the responsibility of the plan participants. The section 457 and Section 403(b) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 457 and 403(b) 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 a minimum of 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 \$826,334 and teachers contributed \$318,676 to this deferred compensation pension plan.

H. Other Postemployment Benefits (OPEB)

Plan Description. Blount County and the discretely presented Blount County School Department participate in a self-insured postemployment benefits plan administered by Allegiance, a CIGNA company, for its retirees and their covered dependents. Employees are eligible for OPEB benefits if they retire at any age with at least 30 years of service or if they are over age 60 and have at least 10 years of service. For accounting purposes, the plan is a single-employer defined benefit OPEB plan. Benefits are established and amended by the county commission. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement 75.

Benefits Provided. The plan provides healthcare, dental, and life insurance benefits for retirees until they are Medicare eligible. Spouse benefits are provided while the retiree is eligible for coverage. Surviving spouse benefits are not provided. The benefit terms provide for retirees to pay annual premiums ranging from \$768 to \$4,404 for medical coverage depending on the type coverage selected. Retirees pay annual premiums of \$63 to \$778 for dental coverage. The county pays the remainder of the covered medical and dental benefits. The county also pays for life insurance benefits of \$10,000.

Employees Covered by Benefit Terms

As of June 30, 2023, the following employees were covered by the benefit terms:

	Primary Government	School Department	Total
Inactive Employees or Beneficiaries Currently Receiving Benefits	47	108	155
Inactive Employees Entitled to But Not Yet Receiving Benefits	0	0	0
Active Employees	473	914	1,387
Total	520	1,022	1,542

Total OPEB Liability

The total OPEB liability for the county (\$10,318,069) and the school department (\$18,987,549) was measured as of June 30, 2023, and was determined by an actuarial valuation as of July 1, 2022, and updated to the measurement date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the actuarial valuation 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
Payroll Growth Rate	2.5%
Salary Increases	3.5%
Discount Rate	3.65%
Healthcare Cost Trend Rates	7% for 2023 with an ultimate rate of 5% in 2027
Retirees share of Benefit-related Cost	See discussion under Benefits Provided

The discount rate was based on the Bond Buyer's 20 bond index.

The mortality rates are from the RPH-2014 Total Dataset Mortality Table with projection scale MP-2021.

The actuarial assumptions used in the valuation were based on plan data and costs presented by the county with concurrence by the actuary.

Changes in the Total OPEB Liability

	Primary Government	School Department	Total OPEB Liability
Balance July 1, 2022	\$ 11,399,272	\$ 19,732,830	\$ 31,132,102
Changes for the Year:			
Service Cost	\$ 640,988	\$ 903,450	\$ 1,544,438
Interest	366,279	674,815	1,041,094
Difference between expected and actual experience	(1,759,301)	(1,660,719)	(3,420,020)
Changes in Assumption and Other Inputs	275,709	543,749	819,458
Benefit Payments	(604,878)	(1,206,576)	(1,811,454)
Net Changes	\$ (1,081,203)	\$ (745,281)	\$ (1,826,484)
Balance June 30, 2023	\$ 10,318,069	\$ 18,987,549	\$ 29,305,618

Changes in assumptions and other inputs reflect a change in the discount rate from 3.54 percent in 2022 to 3.65 percent in 2023.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2023, the primary government recognized OPEB expense of \$1,015,247 and the school department recognized

OPEB expense of \$2,558,324. At June 30, 2023, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Primary Government:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,548,749	\$ 1,937,482
Changes of Assumptions/Inputs	<u>1,092,617</u>	<u>957,549</u>
Total	<u>\$ 2,641,366</u>	<u>\$ 2,895,031</u>

Discretely Presented School Department:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,481,432	\$ 1,421,766
Changes of Assumptions/Inputs	<u>1,910,381</u>	<u>1,348,535</u>
Total	<u>\$ 3,391,813</u>	<u>\$ 2,770,301</u>

Amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	Primary Government	School Department	Total
2024	\$ 7,980	\$ 990,645	\$ 998,625
2025	70,351	295,035	365,386
2026	181,050	(88,709)	92,341
2027	70,633	(143,729)	(73,096)
2028	(380,883)	(322,004)	(702,887)
Thereafter	(202,796)	(109,726)	(312,522)

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 2.65%	Current Discount Rate 3.65%	1% Increase 4.65%
Primary Government	\$ 11,073,738	\$ 10,318,069	\$ 9,600,172
School Department	20,378,149	18,987,549	17,666,457
Total OPEB Liability	<u>\$ 31,451,887</u>	<u>\$ 29,305,618</u>	<u>\$ 27,266,629</u>

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 (6% decreasing to 4%)	Current Trend Rate (7% decreasing to 5%)	1% Increase (8% decreasing to 6%)
Primary Government	\$ 9,192,719	\$ 10,318,069	\$ 11,649,605
School Department	16,916,655	18,987,549	21,437,873
Total OPEB Liability	<u>\$ 26,109,374</u>	<u>\$ 29,305,618</u>	<u>\$ 33,087,478</u>

I. Office of Central Accounting, Budgeting, and Purchasing

Blount County operates under provisions of the Fiscal Control Acts of 1957 and the Local Option Budgeting Law of 1993. These acts provide for a central system of accounting and budgeting covering all funds of the county. These funds are maintained in the Office of Central Accounting and Budgeting under the supervision of the director of accounts and budgets.

J. Purchasing Laws

Purchasing procedures for the Offices of County Mayor, Director of Schools, and Highway Superintendent are governed by the County Purchasing Law of 1957 (Section 5-14-101, et seq., *Tennessee Code Annotated (TCA)*). Purchasing

procedures for the highway department are also governed by provisions of the Uniform Road Law, Section 54-7-113, *TCA*. These statutes provide for a purchasing agent and require competitive bids on all purchases exceeding \$50,000.

K. Effects of Uncertainty Regarding Ownership Rights to Assets and Revenues of Blount Memorial Hospital

The financial position and results of operations of Blount Memorial Hospital have historically been reported as a discretely presented component unit in the financial statements of Blount County. However, it is the position of Blount County management that all assets and revenues of Blount Memorial Hospital are owned by Blount County, which would require the hospital to be reported as an enterprise fund of the primary government. Litigation is pending regarding those ownership rights as discussed in Notes V.C. and VI.A. Management has elected to continue to report the hospital as a discretely presented component unit pending the ultimate determination of those ownership rights.

The county currently reports the Hospital Revenue Bond Enterprise Fund as discussed in Note I.C. That fund would be eliminated if the courts uphold management's position on ownership, since all transactions and balances for the hospital, including the revenue debt, would be reported in a separate enterprise fund of the primary government.

This uncertainty regarding ownership rights to assets and revenues of the hospital has resulted in the independent auditors qualifying their opinion on the business-type activities, the Hospital Revenue Bond Enterprise Fund, and the aggregate discretely presented component units.

VI. OTHER NOTES – DISCRETELY PRESENTED BLOUNT MEMORIAL HOSPITAL, INC.

A. Description of Reporting Entity and Significant Accounting Policies

Reporting Entity

Blount Memorial Hospital, Inc., is an acute and general healthcare provider formed to provide services to Blount County and the surrounding communities. The hospital is a component unit of Blount County, Tennessee, and is organized as a private act hospital authority. In May 2023, the State of Tennessee amended and restated the Private Acts to authorize the County to operate and manage the hospital itself or retain a non-profit corporation to operate and manage the hospital (but not be deemed the owner of any assets of the hospital). In June 2023, the hospital filed an action seeking declaratory relief that the amended and restated Private Acts is unconstitutional and requested an injunction preventing the amended and restated Private Acts from taking effect. In August 2023, the county filed a motion for sanctions in

response. As of December 12, 2023, the hospital and the county are working towards a settlement that is expected in 2024. The hospital's board members are appointed by the County Commission of Blount County, the Board of Commissioners of the City of Alcoa, the Board of Commissioners of the City of Maryville, and the Board of Directors of Maryville College.

The hospital uses enterprise fund accounting and is included as a discretely presented component unit in the financial statements of the county.

The hospital is the sole corporate member of the Blount Memorial Foundation, which coordinates and secures resources to enable the hospital to maintain, improve, and advance medical care. The hospital and the foundation have a separate board of directors. The financial activity of the foundation is included (blended) in the hospital's financial statements. Separate audited financial statements of the foundation are maintained by management. Except for certain expenses paid directly by the foundation, the hospital provides administrative services and pays for operating expenses to support the foundation's activities.

Blount Memorial Physician Group, Inc. (BMPG), is owned 100 percent by the hospital and governed by the hospital's Board of Director's. The financial activity of BMPG is also included (blended) in the hospital's financial statements. BMPG provides physician and outpatient services in Blount County in a multi-specialty practice. Separate financial statements are maintained by hospital management.

All significant intercompany accounts and transactions with blended component units have been eliminated.

The hospital also has non-controlling ownership interest in a partnership, which operates a medical facility in Blount County consistent with the hospital's mission of providing healthcare services. This ownership interest is included in other assets at June 30, 2023.

Basis of Presentation

The hospital's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting in accordance with the Governmental Accounting Standards Board (GASB), which establishes standards for external financial reporting for all state and local government entities. GASB requires the classification of net position into three components, which are defined as follows:

Net investment in capital assets – This component of net position consists of property and equipment and right-to-use assets, net of accumulated depreciation, reduced by the outstanding balances of long-term debt and lease obligations that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of

resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt and lease obligations are also included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at year-end, the portion of the debt or deferred inflows of resources attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt or deferred inflow of resources is included in the same net position component as the unspent proceeds.

Restricted – This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported. The restricted component is separated into nonexpendable and expendable. Net position subject to externally imposed stipulations that the hospital maintain them permanently are nonexpendable. Net position on which use by the hospital is subject to externally imposed stipulations that can be fulfilled by the action of the hospital pursuant to those stipulations or that expire by the passage of time are expendable.

Unrestricted – This component of net position consists of net amounts of assets, deferred outflows of resources, liabilities, and deferred inflows that are not included in the determination of net investment in capital assets or restricted components of net position.

Cash and Cash Equivalents

The hospital considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Patient Accounts Receivable

Accounts receivable from patients and third-party payors are recorded on the accrual basis in the period in which services are rendered. The hospital does not require collateral on accounts receivable. In evaluating the collectability of accounts receivable, the hospital analyzes historical collection rates, write-offs, and payment trends for payors to estimate appropriate allowance amounts. Accounts are charged to bad debt expenses as they are determined to be uncollectible based on a review of aging and collections.

Inventories

Inventories are stated at the lower of cost or market and are valued principally by methods which approximate the first-in, first-out method.

Investments

Investments are recorded at fair value based on quoted market prices. Interest and dividends on investments, as well as realized and unrealized gains and losses, are included in non-operating revenues when earned.

The hospital is organized as a private act hospital authority, which provides the hospital additional rights and powers, including the manner in which funds are invested. The hospital diversifies its investments into a broad range of asset classes in order to reduce concentration risk and to maximize return with reasonable and prudent levels of risk. It is also the hospital's policy to limit the maximum position for each type of investment at varying levels within these classifications. To limit its exposure to fair value losses arising from changing interest rates, the hospital's investment policy restricts the type and maturities of fixed income investments in order to increase the overall investment horizon. As of June 30, 2023, the hospital has no fixed income investments.

The hospital's investments have been designated by the hospital's Board of Directors (the Hospital Board) for the replacement of property and equipment or for other purposes.

Assets Limited as to Use by Board and Foundation

Cash and investments held by the foundation in trust accounts are also classified as assets limited as to use. A portion of the investment at June 30, 2023, totaling \$1,425,555 is restricted in perpetuity (nonexpendable) under an irrevocable endowment trust.

As of June 30, 2023, the unrestricted portion of assets limited as to use by board related to the foundation was approximately \$1,277,526, which included accumulated net appreciation on investments. In accordance with the State of Tennessee Statutes and Codes Uniform Prudent Management of Institutional Funds Act and as allowed by the foundation's charter and approved by the Hospital Board, net income and net capital appreciation in excess of the nonexpendable amount restricted in perpetuity are authorized for expenditure by the Hospital Board at its discretion.

Property and Equipment

Land, buildings, and equipment are stated on the basis of cost of acquisition or fair value at the date of donation. Although title to certain land and buildings rests with the county, these assets have been recorded by the hospital as the county has authorized their use by the hospital. Repairs and maintenance costs are expensed as incurred while significant asset purchases and improvements are capitalized. Depreciation of property and equipment is computed by the straight-line method over the estimated useful lives of the assets. The estimated useful lives are based on guidelines established for the health care

industry, which are summarized as follows:

<u>Assets</u>	<u>Years</u>
Land Improvements	8 - 25
Buildings, Improvements, and Fixed Equipment	10 - 40
Equipment	3 – 15

Operating Revenues and Expenses

Revenues and expenses associated with the hospital's mission of providing health care services are considered to be operating activities. Non-operating revenues consist primarily of investment income, general contributions to the hospital and Provider Relief Fund awards. Unrestricted resources will be applied first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Income Taxes

The hospital is classified as a governmental organization exempt from income tax. The foundation is a not-for-profit organization defined by Section 501(c)(3) of the Internal Revenue Code as other than a private foundation. BMPG is a corporation and subject to income taxes. BMPG has net operating loss carryforwards, resulting in deferred tax assets, which have been fully offset by valuation allowances. Accordingly, no provision for income taxes has been included in the accompanying financial statements.

Charity Care

The hospital accepts patients regardless of their ability to pay. A patient is classified as a charity patient by reference to certain established policies of the hospital. Charges at established rates related to charity care are not included in net patient service revenue.

Patient Service Revenue

Patient service revenue is reported in the period in which services are provided at rates which reflect the amount expected to be collected. Net patient service revenue includes amounts estimated by management to be reimbursable by third-party payors under provisions of reimbursement formulas in effect and is net of the provision for bad debts.

Risk Management

The hospital is self-insured for medical malpractice and employee (including dependent) group health expenses and claims. BPMG has third-party commercial insurance coverage for medical malpractice. Additionally, commercial insurance is purchased for significant exposure to various other

risks typical to the hospital's operating environment and industry such as loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; and natural disasters. There were no significant losses in excess of insurance coverage during the last three years.

Use of Estimates

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

Leases

The hospital has certain office space and equipment arrangements, under which the hospital determines if the arrangement contains a lease at contract inception and recognizes a right-of-use (ROU) lease asset and a lease obligation at the lease commencement date. Terms of the leases range from three to seven years and contain fixed payment terms. The lease term includes the noncancellable period of the lease plus an additional period covered by either an option to extend (or not to terminate) the lease that the hospital is reasonably certain to exercise, or an option to extend (or not to terminate) the lease controlled by the lessor and is considered in the lease obligation.

Variable lease payments associated with the hospital's leases are recognized when the event, activity, or circumstance in the lease agreement on which those payments are assessed occurs. Variable lease payments are presented as operating expenses in the hospital's statement of revenues and expenses with the expense arising from fixed lease payments.

The hospital monitors for events or changes in circumstances that require a reassessment of its leases. When a reassessment results in the remeasurement of a lease obligation, a corresponding adjustment is made to the carrying amount of the corresponding ROU lease asset.

Subscription Arrangements

The hospital enters into subscription-based information technology arrangements to access software and technology services over defined service periods ranging from 36 to 70 months. These arrangements involve payments made to vendors for access to software applications, cloud computing services, and other technology resources.

The hospital recognizes an intangible asset and a corresponding subscription liability when a subscription-based information technology arrangement meets

the criteria for a ROU subscription asset. Initial measurement includes the upfront payments, implementation costs, and any directly attributable costs necessary to make the asset ready for use. The intangible asset is amortized over the noncancellable period of the subscription term, which includes renewal periods that are reasonably certain to be exercised and is considered in the subscription obligation.

The hospital monitors for events or changes in circumstances that require a reassessment of its subscription arrangements. When a reassessment results in the remeasurement of a subscription liability, a corresponding adjustment is made to the carrying amount of the corresponding ROU subscription asset.

Recently Adopted Accounting Pronouncement

During 2023, the hospital adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs) (GASB 96), which requires recognition of certain ROU assets and liabilities for subscription arrangements, using the full retrospective approach. The change did not have an impact to the net position as of June 30, 2022.

As a result of adopting GASB 96, retroactively as of June 30, 2022, the hospital recognized total subscription obligations of \$2,754,195 (\$942,746 current) and ROU subscription assets of \$2,754,195.

The adoption of GASB 96 resulted in additional disclosures as well as other restatements and reclassifications in the statements of revenues, expenses, and changes in net position and cash flows.

B. COVID-19 Pandemic and CARES Act

During March 2020, a global pandemic was declared by the World Health Organization related to the rapidly growing outbreak of a novel strain of coronavirus (COVID-19). The pandemic pervasively impacted the economy, financial markets, and global health care delivery systems. On March 27, 2020, the U.S. Congress enacted the Coronavirus Aid, Relief, and Economic Security (CARES) Act to provide certain relief as a result of the COVID-19 outbreak. The CARES Act contains financial relief to healthcare providers, including the following significant financial provisions as of and for the year ended June 30, 2023.

First, as permitted by the CARES Act and related regulatory actions, certain Social Security payroll tax payments were deferred in 2021 and \$2,453,565 remained outstanding as of June 30, 2022. During 2023, the remaining Social Security tax deferral was repaid.

Second, \$5,975,308 in Provider Relief Fund awards were received from the U.S. Department of Health and Human Services for the impact of lost revenues due to COVID-19 during 2022.

Third, in April 2020, \$29,847,259 in advance payments were received by the Hospital from Medicare for the purpose of increasing cash flow to healthcare providers impacted by the COVID-19 pandemic. A total of \$5,451,378 was repaid in 2021, \$16,297,984 was repaid in 2022, and the remaining balance of \$8,097,897 was repaid in 2023.

C. Cash, Cash Equivalents, and Assets Limited as to Use

As required by state statutes, the hospital's cash and cash equivalent balances are on hand with financial institutions participating in the bank collateral pool, which is administered by the collateral pool board and monitored by the Treasury Department of the State of Tennessee. Legal provisions require participating banks to 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 105 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 Bank Collateral Pool may be required by agreement to pay an assessment to cover any deficiency.

BMPG's cash balances at financial institutions are covered by Federal Deposit Insurance Corporation (FDIC) insurance (credit risk category insured).

As authorized by state statutes, assets limited as to use by the board and those held by trustees include U.S. government instruments and other securities held at financial institutions, primarily Fidelity Investments, in the hospital's name (uninsured credit risk category) and are categorized by investment type follows as of June 30:

	Balance 6-30-23	Percent	
Money Market Funds (cash equivalents)	\$ 780	0	%
Equity Mutual Funds	57,671,674	100	
Total	<u>\$ 57,672,454</u>	<u>100</u>	<u>%</u>

Investment income on assets limited as to use includes for the year ended June 30, 2023:

Interest and Dividends	\$ 2,159,780
Net Realized and Unrealized Investment Appreciation	<u>2,065,993</u>
Total	<u><u>\$ 4,225,773</u></u>

The foundation's cash balances at financial institutions are covered by Federal Deposit Insurance Corporation insurance (risk category insured) subject to certain limits. Foundation assets limited as to use are comprised of the following as of June 30:

	Balance 6-30-23
Money Market Funds (cash equivalents)	\$ 134,833
Common Stocks	371,195
Bond Mutual Funds	482,062
Equity Mutual Funds	<u>1,714,991</u>
Total	<u><u>\$ 2,703,081</u></u>

D. Net Patient Service Revenue

A reconciliation of the amount of services provided to patients at established rates to net patient service revenue as presented in the statements of revenues, expenses, and changes in net position is as follows for the year ended June 30:

	Year ended 6-30-23
Gross Patient Service Charges	\$ 1,399,017,580
Contractual Adjustments and Discounts	(1,020,579,019)
Charity Care Charges Foregone	(38,572,599)
Provision for Bad Debts	<u>(14,204,206)</u>
Net Patient Service Revenue	<u><u>\$ 325,661,756</u></u>

E. Third-party Payor Agreements

The hospital renders services to patients under contractual arrangements with the Medicare and TennCare programs. Laws, regulations, and contracts governing third-party payor programs can be extremely complex and subject to interpretation. Amounts earned under these contractual arrangements are subject to regulatory review and final determination by the various program intermediaries and other appropriate governmental authorities or their

agents. As a result, there is at least a reasonable possibility that recorded estimates related to third-party payor agreements could change in the near term. In the opinion of management, adequate provision has been made in the financial statements for any adjustments which may result from such reviews.

The Medicare program pays for inpatient services on a prospective basis primarily based upon diagnostic related group assignments as determined by the patient's clinical diagnosis and medical procedures utilized. The hospital receives additional payments from Medicare based on the provision of services to a disproportionate share of low-income patients (as defined by the Medicare program). Medicare also pays for outpatient services on a prospective basis based upon ambulatory payment classifications and fee schedules. TennCare reimbursement for both inpatient and outpatient services is based upon prospectively determined rates and per-diem amounts.

Contractual adjustments for Medicare, TennCare, and other third-party discount arrangements are recognized when the related revenues are reported in the financial statements. The percentage of gross patient charges from the Medicare and TennCare programs was approximately 21 percent and 9 percent, respectively, in 2023.

The hospital has reimbursement agreements with commercial insurance companies, health maintenance organizations and preferred provider organizations. The basis for reimbursement under these agreements includes prospectively determined rates, per diems and discounts from established charges.

F. Excess Consideration Provided for Acquisition

In connection with a 2009 acquisition of an entity that operated outpatient rehabilitation clinics, the consideration paid exceeded the fair value of the net position acquired (previously referred to as goodwill), which is amortized over 40 years. Amortization expense is included as part of depreciation and amortization in the accompanying financial statements and totaled \$70,992 in 2023. As of June 30, 2023, the net value of the excess consideration provided for acquisition, which is recorded as a deferred outflow of resources, is \$1,810,148. Amortization expense for the next three years related to the excess consideration provided for acquisition is estimated to be \$70,992 each year.

G. Property and Equipment, Right-of-Use Lease and Subscription Assets

A summary of changes in property and equipment is as follows:

	Restated Balance 7-1-22	Additions	Retirements and Transfers	Balance 6-30-23
Cost:				
Land	\$ 12,481,841	\$ 0	\$ 0	\$ 12,481,841
Land Improvements	3,006,507	0	0	3,006,507
Buildings, Improvements, and Fixed Equipment	200,971,127	4,784,248	(150,785)	205,604,590
Equipment	172,749,615	4,380,342	(3,156,690)	173,973,267
Construction in Progress	1,718,999	0	(258,162)	1,460,837
Total Cost	<u>\$ 390,928,089</u>	<u>\$ 9,164,590</u>	<u>\$ (3,565,637)</u>	<u>\$ 396,527,042</u>
Allowances for				
Depreciation:				
Land Improvements	\$ (2,533,849)	\$ (51,123)	\$ 10,052	\$ (2,574,920)
Buildings, Improvements, and Fixed Equipment	(137,984,855)	(10,808,535)	3,337,631	(145,455,759)
Equipment	(153,892,363)	(2,944,013)	0	(156,836,376)
Total Allowances for				
Depreciation	<u>\$ (294,411,067)</u>	<u>\$ (13,803,671)</u>	<u>\$ 3,347,683</u>	<u>\$ (304,867,055)</u>
Net Property and Equipment	<u>\$ 96,517,022</u>	<u>\$ (4,639,081)</u>	<u>\$ (217,954)</u>	<u>\$ 91,659,987</u>

Construction in progress at June 30, 2023, includes costs primarily related to the renovation and upgrades to buildings and equipment and various other projects with total estimated costs to complete of approximately \$3,877,000.

A summary of changes in the lease right-of-use assets is as follows:

	Balance 7-1-22	Additions	Retirements and Transfers	Balance 6-30-23
Right-of-use assets:				
Office space	\$ 3,169,708	\$ 229,389	\$ (274,616)	\$ 3,124,481
Equipment	5,992,338	234,104	(374,079)	5,852,363
Total Cost	<u>\$ 9,162,046</u>	<u>\$ 463,493</u>	<u>\$ (648,695)</u>	<u>\$ 8,976,844</u>
Accumulated Amortization:				
Office space	\$ (1,243,573)	\$ (738,558)	\$ 274,616	\$ (1,707,515)
Equipment	(2,442,924)	(1,247,839)	374,079	(3,316,684)
Total Accumulated				
Amortization	<u>\$ (3,686,497)</u>	<u>\$ (1,986,397)</u>	<u>\$ 648,695</u>	<u>\$ (5,024,199)</u>
Net right-of-use assets	<u>\$ 5,475,549</u>	<u>\$ (1,522,904)</u>	<u>\$ 0</u>	<u>\$ 3,952,645</u>

A summary of changes in right-of-use subscription assets is as follows:

	Balance 7-1-22	Additions	Retirements and Transfers	Balance 6-30-23
Right-of-use assets:				
Software arrangements	\$ 4,182,908	\$ 2,829,938	\$ 0	\$ 7,012,846
Accumulated amortization:				
Software arrangements	(1,428,713)	(1,471,848)	0	(2,900,561)
Total Cost	\$ 2,754,195	\$ 1,358,090	\$ 0	\$ 4,112,285

H. Other Assets

Other assets include an investment in a partnership, a trust investment, and net intangible assets at June 30 as follows:

	6-30-23
Partnership Interest	\$ 2,115,000
Trade Name	1,101,174
Medical Records	254,355
Workforce	516,140
Rabbi Trust Investment	1,928,053
Lease Receivables (noncurrent portion)	1,242,679
Other	332,745
Total	<u>\$ 7,490,146</u>

Trade name is being amortized over a period of ten to 40 years. Medical records and workforce are amortized over a period of three to 20 years. Amortization expense for intangibles was \$224,524 in 2023. Amortization expense for the next three years related to the intangible assets is estimated to be approximately \$150,000, \$135,000, and \$115,000 for each of the years ending June 30, 2024, 2025, and 2026, respectively.

I. Lease Receivables

The hospital, as lessor, leases office space under noncancellable lease arrangements. Terms of the leases range from three to fifteen years and contain fixed payment terms. Certain leases contain an option to renew that has been considered in the lease receivable when the lessee is reasonably certain to exercise the renewal option. The hospital recognized lease revenue, which is included in other operating revenues, of \$317,219 in 2023. The hospital also recognized interest income from leases, which is included in nonoperating revenues, totaling \$78,470 in 2023. Total lease receivables were \$1,484,924 (\$242,245 current) as of June 30, 2023, and are included in other assets on the statement of net position.

J. Lease and Subscription Obligations

Changes in lease obligations are summarized as follows:

	Balance 7-1-22	Additions	Repayments	Balance 6-30-23
Office Space	\$ 2,039,368	\$ 229,389	\$ (736,875)	\$ 1,531,882
Equipment	3,625,848	234,104	(1,255,165)	2,604,787
Total Lease Obligations	5,665,216	\$ 463,493	\$ (1,992,040)	4,136,669
Less Current Portion	(1,921,248)			(1,619,298)
Long-term Portion	<u>\$ 3,743,968</u>			<u>\$ 2,517,371</u>

The hospital incurred interest expense related to lease obligations of \$236,768 in 2023.

Maturities related to the balances of lease obligations outstanding as of June 30, 2023, are summarized as follows:

Year Ending June 30	Office Space	Equipment	Total
2024	\$ 701,073	\$ 918,225	\$ 1,619,298
2025	514,406	762,902	1,277,308
2026	270,828	526,441	797,269
2027	45,574	271,499	317,073
2028	0	75,096	75,096
2029	0	50,625	50,625
Total	<u>\$ 1,531,881</u>	<u>\$ 2,604,788</u>	<u>\$ 4,136,669</u>

Future interest requirements related to the balances of lease obligations outstanding as of June 30, 2023, are as follows:

Year Ending June 30	Office Space	Equipment	Total
2024	\$ 60,689	\$ 107,528	\$ 168,217
2025	28,698	66,249	94,947
2026	8,451	32,671	41,122
2027	469	11,260	11,729
2028	0	4,415	4,415
2029	0	1,812	1,812
Total	<u>\$ 98,307</u>	<u>\$ 223,935</u>	<u>\$ 322,242</u>

Changes in subscription obligations are summarized as follows:

	Balance 7-1-22	Additions	Repayments	Balance 6-30-23
Software arrangements	\$ 2,754,195	\$ 2,829,938	\$ (1,667,823)	\$ 3,916,310
Less Current Portion	(942,746)	\$ 2,829,938	\$ (1,667,823)	(1,793,885)
Long-term Portion	<u>\$ 1,811,449</u>			<u>\$ 2,122,425</u>

The hospital incurred interest expense of \$196,072 in 2023 related to subscription obligations.

Maturities and future interest requirements related to the balances of subscription obligations outstanding as of June 30, 2023, are summarized as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ 1,793,885	\$ 215,374	\$ 2,009,259
2025	1,742,125	107,172	1,849,297
2026	380,300	10,709	391,009
Total	<u>\$ 3,916,310</u>	<u>\$ 333,255</u>	<u>\$ 4,249,565</u>

K. Long-term Debt

Changes in long-term debt are summarized as follows:

	Balance 7-1-22	Additions	Principal Payments	Balance 6-30-23
Series 2019A Bonds	\$ 50,375,000	\$ 0	\$ (6,765,000)	\$ 43,610,000
Series 2019B Bonds	14,885,000	0	(1,990,000)	12,895,000
Bank Note Payble	745,602	0	(148,909)	596,693
Total Outstanding	\$ 66,005,602	\$ 0	\$ (8,903,909)	\$ 57,101,693
Less Current Portion	<u>8,903,909</u>			<u>9,089,020</u>
Long-term Portion	<u>\$ 57,101,693</u>			<u>\$ 48,012,673</u>

To refund General Obligation Refunding Bonds, Series 2013A Bonds (Series 2013A Bonds), in October 2019 Blount County issued, on behalf of the hospital, \$67,705,000 of Hospital Revenue Refunding Bonds, Series 2019A. The Series 2019A Bonds bear interest at a fixed rate of 2.07%. The Series 2019A Bonds mature in increasing annual amounts ranging from \$6,900,000 in 2024 to \$7,645,000 in 2029 and are subject to redemption at the option of the county, in whole or in part, at the redemption price of par plus accrued interest to the redemption date.

Also, in October 2019 Blount County issued, on behalf of the hospital, \$20,000,000 of Hospital Revenue Improvement Bonds, Series 2019B. The Series 2019B Bonds bear interest at a fixed rate of 2.07%. The Series 2019B Bonds mature in increasing annual amounts ranging from \$2,035,000 in 2024 to \$2,265,000 in 2029 and are subject to redemption at the option of the county, in whole or in part, at the redemption price of par plus accrued interest to the redemption date. As of June 30, 2022, \$3,169,592 of the proceeds from the Series 2019B Bonds remained restricted for capital improvements, whereas as of June 30, 2023, none remained restricted for capital improvements.

The revenues of the hospital are pledged as collateral for the Series 2019A and Series 2019B Bonds. The bond agreements and term loan agreement require the hospital to maintain certain financial and other covenants. In the event of default, the entire remaining amount owed by the hospital may be declared immediately due and payable in full. For the year ended and as of June 30, 2023, the hospital did not meet the minimum debt service coverage ratio and days of cash on hand financial covenants related to the Series 2019A and Series 2019B Bonds. A waiver was obtained related to the minimum debt service coverage ratio financial covenant for the periods ended June 30, 2023, and December 31, 2023. Additionally, a waiver was obtained related to the days cash on hand as of June 30, 2023, with a reduction in the days cash on hand financial covenant as of December 31, 2023. The hospital expects the days cash on hand financial covenant will be met as of December 31, 2023.

In connection with the 2019 refunding of the Series 2013A Bonds, the hospital terminated the existing interest rate swaps, and the loss, which is recorded as a deferred outflow of resources, is being amortized as a component of interest expense over the term of the 2019A Bonds. During 2023, amortization of \$1,162,832, was recorded.

The hospital has a term loan agreement with a financial institution, which is collateralized by certain property, bears interest at 3.38% per year, and requires monthly payments of \$14,318 through its maturity in March 2027. The agreement includes a provision that in an event of default, the financial institution may (a) take possession of the property, (b) apply to any court for a receiver for the property, (c) set off any amounts the hospital owes against any credits or other property held by the financial institution, (d) exercise their right to pursue any of these options in the event of a default even if the financial institution does not immediately take action against the hospital, (e) withhold further disbursement of any loan proceeds to the hospital, (f) declare the entire balance of the debt due at once, and (g) may pursue any other remedies available to the financial institution. Also, upon default, the interest rate on any unpaid principal balances as of the default date will be set to the maximum rate allowed by law.

Maturities and mandatory sinking fund payments related to the balances of long-term debt outstanding as of June 30, 2023, are summarized as follows:

Year Ending June 30	Series 2019A	Series 2019B	Bank Note Payable	Total
2024	\$ 6,900,000	\$ 2,035,000	\$ 154,020	\$ 9,089,020
2025	7,045,000	2,080,000	159,308	9,284,308
2026	7,190,000	2,125,000	164,777	9,479,777
2027	7,340,000	2,170,000	118,588	9,628,588
2028	7,490,000	2,220,000	0	9,710,000
2029	7,645,000	2,265,000	0	9,910,000
Total	<u>\$ 43,610,000</u>	<u>\$ 12,895,000</u>	<u>\$ 596,693</u>	<u>\$ 57,101,693</u>

Future interest payments related to the balances of long-term debt outstanding as of June 30, 2023, are as follows:

Year Ending June 30	Series 2019A	Series 2019B	Bank Note Payable	Total
2024	\$ 902,727	\$ 266,927	\$ 17,797	\$ 1,187,451
2025	759,897	224,802	12,509	997,208
2026	614,066	181,746	7,041	802,853
2027	465,233	137,758	1,579	604,570
2028	313,294	92,839	0	406,133
2029	158,251	46,885	0	205,136
Total	<u>\$ 3,213,468</u>	<u>\$ 950,957</u>	<u>\$ 38,926</u>	<u>\$ 4,203,351</u>

L. Malpractice Trust Fund and Employee Group Health Claims

The hospital is covered under the Tennessee Governmental Tort Liability Act (*Tennessee Code Annotated*, Section 29-20-101, et seq.). In addition to requiring claims be made in conformance with this act, special provisions include, but are not limited to, special notice of requirements imposed upon the claimant, a one-year statute of limitations, and a requirement that the governmental entity purchase insurance or be self-insured with certain limits. This act also prohibits a judgment or award exceeding the minimum amounts of insurance coverage set out in the act or the amount of insurance purchased by the governmental entity.

The hospital is self-insured for professional malpractice liability coverage. Claims and expenses of \$38,675 were incurred during 2023. At June 30, 2023, the hospital is involved in medical malpractice litigation in which management of the hospital, after consultation with legal counsel, is of the opinion that liability, if any, related to these claims would not be material to the financial statements. No amounts are accrued for potential losses related to unreported

incidents or reported incidents, which have not yet resulted in asserted claims, as the hospital is not able to estimate such amounts.

The hospital is self-insured for employee (and dependent) group health claims and records a liability for claims known but unpaid and estimated claims incurred but not reported. The liability for employee group health claims was \$1,241,910 at June 30, 2023. The total expense related to employee group health claims (net of employee paid premiums) was approximately \$16,021,000 for 2023.

M. Fair Value

The hospital categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs.

Mutual funds and common stocks are valued using prices quoted in active markets for those securities, while the debt securities are valued based on the securities' relationship to benchmark quoted prices. Derivative instruments are valued using a market approach that considers benchmark interest rates.

The following table sets forth by level, within the fair value hierarchy, the fair value of the hospital's investments, including cash equivalents and assets limited as to use, as of June 30, 2023:

	Level 1	Level 2	Level 3	Total
Investments by fair value level:				
Mutual funds:				
Money market funds	\$ 135,613	\$ 0	\$ 0	\$ 135,613
Bond mutual funds	482,062	0	0	482,062
Equity mutual funds	59,386,665	0	0	59,386,665
Total mutual funds	60,004,340	0	0	60,004,340
Common stocks	371,195	0	0	371,195
Total investments by fair value level	\$ 60,375,535	\$ 0	\$ 0	\$ 60,375,535

N. Retirement Plans

The Blount Memorial Hospital retirement plans include three separate defined contribution plans administered by Fidelity Management Trust Company: the Blount Memorial Hospital Retirement Plan, the Blount Memorial Hospital Executive Retirement Plan, and the Blount Memorial Hospital Incorporated Excess Benefit Nonqualified Plan. At least one is available to all employees who are age 18 or older. New participants who have completed 1,000 hours of service vest 20 percent each year from two years of service to six years of service. Biweekly, the hospital contributes an amount equal to three percent

of each eligible employee's compensation plus a matching contribution (limited to three percent of compensation) based upon voluntary employee contributions.

The hospital funds its deferred compensation obligations arising from the Blount Memorial Hospital Incorporated Excess Benefit Nonqualified Plan through a rabbi trust agreement. The rabbi trust agreement is subject to creditor claims in the event of insolvency, but the assets held in the rabbi trust agreement are not available for general operating purposes. Amounts in the rabbi trust are invested in mutual funds, as selected by each participant, and recorded at fair value, and are included in other assets in the statement of net position.

Hospital contributions to the plans, net of forfeitures used of \$430,000 in 2023 totaled \$4,567,221 in 2023. Employee contributions were \$6,498,365 in 2023.

O. Blended Component Units

BMPG component unit information includes only the revenue generated by the physician group related to professional fees and therefore does not include ancillary revenues, which are included in the hospital's component unit. Condensed combining information for the hospital and its blended component units is presented as follows:

Condensed Combining Statement of Net Position
June 30, 2023

	Hospital	Foundation	BMPG	Total
Assets				
Current Assets	\$ 44,081,416	\$ 226,816	\$ 6,782,222	\$ 51,090,454
Assets limited as to use	57,672,454	2,703,081	0	60,375,535
Property, Equipment, right-of-use lease and subscription assets, net	99,724,917	0	0	99,724,917
Other Assets	7,490,146	0	0	7,490,146
Total assets	\$ 208,968,933	\$ 2,929,897	\$ 6,782,222	\$ 218,681,052
Deferred outflows of resources	\$ 8,220,695	\$ 0	\$ 0	\$ 8,220,695
Total assets and deferred outflows of resources	\$ 217,189,628	\$ 2,929,897	\$ 6,782,222	\$ 226,901,747
Liabilities				
Current liabilities	\$ 36,262,346	\$ 18,544	\$ 1,592,384	\$ 37,873,274
Long-term liabilities	54,580,522	0	0	54,580,522
Total liabilities	\$ 90,842,868	\$ 18,544	\$ 1,592,384	\$ 92,453,796
Deferred inflows of resources	1,340,968	0	0	1,340,968
Net position:				
Net investment in capital assets	40,980,794	0	0	40,980,794
Restricted, nonexpendable	0	1,425,555	0	1,425,555
Unrestricted	84,024,998	1,485,798	5,189,838	90,700,634
Total net position	\$ 125,005,792	\$ 2,911,353	\$ 5,189,838	\$ 133,106,983
Total liabilities, deferred inflows of resources, and net position	\$ 217,189,628	\$ 2,929,897	\$ 6,782,222	\$ 226,901,747

Condensed Combining Statement of Revenue, Expenses
and Changes in Net Position
Year Ended June 30, 2023

	Hospital	Foundation	BMPG	Total
Operating revenues:				
Net patient service revenue	\$ 254,581,270	\$ 0	\$ 71,080,486	\$ 325,661,756
Other revenue	14,047,497	0	0	14,047,497
Total operating revenues	\$ 268,628,767	\$ 0	\$ 71,080,486	\$ 339,709,253
Operating expenses:				
Depreciation and amortization	\$ 17,538,672	\$ 0	\$ 0	\$ 17,538,672
Other operating expenses	218,894,354	500,567	113,823,511	333,218,432
Total operating expenses	\$ 236,433,026	\$ 500,567	\$ 113,823,511	\$ 350,757,104
Operating margin	\$ 32,195,741	\$ (500,567)	\$ (42,743,025)	\$ (11,047,851)
Nonoperating revenues (expenses):				
Interest expense	\$ (2,922,241)	\$ 0	\$ 0	\$ (2,922,241)
Investment income	3,887,010	338,763	0	4,225,773
Other	(526,015)	280,872	0	(245,143)
Total nonoperating revenues (expenses)	\$ 438,754	\$ 619,635	\$ 0	\$ 1,058,389
Increase (decrease) in net position	\$ 32,634,495	\$ 119,068	\$ (42,743,025)	\$ (9,989,462)
Net position at beginning of year	\$ 136,053,933	\$ 2,792,285	\$ 4,250,227	\$ 143,096,445
Transfers	(43,682,636)	0	43,682,636	0
Net position at end of year	\$ 125,005,792	\$ 2,911,353	\$ 5,189,838	\$ 133,106,983

Condensed Combining Statement of Cash Flows
Year Ended June 30, 2023

	Hospital	Foundation	BMPG	Total
Net cash providedby (used in):				
Operating activities	\$ 31,191,525	\$ 133,503	\$ (43,656,095)	\$ (12,331,067)
Noncapital financing activities	(245,143)	0	0	(245,143)
Capital and related financing activities	(23,284,920)	0	0	(23,284,920)
Investing activities	(12,209,771)	(318,691)	43,682,636	31,154,174
Net increase (decrease) in cash and cash equivalents	\$ (4,548,309)	\$ (185,188)	\$ 26,541	\$ (4,706,956)
Cash and cash equivalents at beginning of year	\$ 11,012,972	\$ 493,182	\$ (253,177)	\$ 11,252,977
Cash and cash equivalents at end of year	\$ 6,464,663	\$ 307,994	\$ (226,636)	\$ 6,546,021

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit F-1

Blount 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 - Blount County Public Library System
For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Pension Liability									
Service Cost	\$ 63,181	\$ 57,827	\$ 67,217	\$ 65,081	\$ 80,168	\$ 92,062	\$ 86,815	\$ 101,484	\$ 83,734
Interest	170,615	150,526	188,758	201,787	203,580	224,988	236,003	265,262	260,847
Differences Between Actual and Expected Experience	(425,788)	384,073	28,753	(80,879)	168,185	17,792	267,647	(94,227)	(1,580)
Changes in Assumptions	0	0	0	59,282	0	0	0	211,283	0
Benefit Payments, Including Refunds of Employee Contributions	(51,799)	(89,190)	(94,935)	(122,795)	(162,905)	(174,183)	(181,155)	(221,977)	(298,901)
Net Change in Total Pension Liability	\$ (243,791)	\$ 503,236	\$ 189,793	\$ 122,476	\$ 289,028	\$ 160,659	\$ 409,310	\$ 261,825	\$ 44,100
Total Pension Liability, Beginning	2,237,574	1,993,783	2,497,019	2,686,812	2,809,288	3,098,316	3,258,975	3,668,285	3,930,110
Total Pension Liability, Ending (a)	\$ 1,993,783	\$ 2,497,019	\$ 2,686,812	\$ 2,809,288	\$ 3,098,316	\$ 3,258,975	\$ 3,668,285	\$ 3,930,110	\$ 3,974,210
Plan Fiduciary Net Position									
Contributions - Employer	\$ 65,106	\$ 2,162	\$ 2,354	\$ 2,244	\$ 6,823	\$ 22,805	\$ 52,985	\$ 45,849	\$ 51,815
Contributions - Employee	34,123	35,729	39,232	37,401	40,138	46,925	61,044	52,823	48,246
Net Investment Income	393,967	85,685	74,642	319,417	252,057	236,501	164,902	875,038	(156,995)
Benefit Payments, Including Refunds of Employee Contributions	(51,799)	(89,190)	(94,935)	(122,795)	(162,905)	(174,183)	(181,155)	(221,977)	(298,901)
Administrative Expense	(847)	(1,035)	(1,611)	(1,871)	(2,147)	(2,321)	(2,392)	(2,134)	(2,292)
Net Change in Plan Fiduciary Net Position	\$ 440,550	\$ 33,351	\$ 19,682	\$ 234,396	\$ 133,966	\$ 129,727	\$ 95,384	\$ 749,599	\$ (358,127)
Plan Fiduciary Net Position, Beginning	2,367,688	2,808,238	2,841,589	2,861,271	3,095,667	3,229,633	3,359,360	3,454,744	4,204,343
Plan Fiduciary Net Position, Ending (b)	\$ 2,808,238	\$ 2,841,589	\$ 2,861,271	\$ 3,095,667	\$ 3,229,633	\$ 3,359,360	\$ 3,454,744	\$ 4,204,343	\$ 3,846,216
Net Pension Liability (Asset), Ending (a - b)	\$ (814,455)	\$ (344,570)	\$ (174,459)	\$ (286,379)	\$ (131,317)	\$ (100,385)	\$ 213,541	\$ (274,233)	\$ 127,994
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	140.85%	113.80%	106.49%	110.19%	104.24%	103.08%	94.18%	106.98%	96.78%
Covered Payroll	\$ 682,458	\$ 708,911	\$ 784,615	\$ 748,019	\$ 802,745	\$ 938,476	\$ 1,220,853	\$ 1,056,437	\$ 964,897
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(119.34%)	(48.61%)	(22.23%)	(38.28%)	(16.36%)	(10.70%)	17.49%	(25.96%)	13.27%

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

Exhibit F-2

Blount 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 (Excluding Library System) and Non-certified Employees
of the Discretely Presented Blount County School Department
For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Pension Liability									
Service Cost	\$ 2,750,764	\$ 2,696,385	\$ 2,644,976	\$ 2,789,050	\$ 3,245,127	\$ 3,329,784	\$ 3,503,871	\$ 3,443,652	\$ 3,878,347
Interest	7,259,306	7,602,389	7,952,467	8,385,382	8,901,794	9,335,755	9,821,285	10,570,347	10,858,623
Differences Between Actual and Expected Experience	(1,426,832)	(1,192,196)	(39,667)	2,214,409	(655,125)	(269,944)	3,225,603	(2,047,948)	3,811,140
Changes in Assumptions	0	0	0	2,497,589	0	0	0	9,362,162	0
Benefit Payments, Including Refunds of Employee Contributions	(3,687,953)	(4,220,884)	(4,554,046)	(5,305,253)	(5,423,228)	(5,758,334)	(5,987,090)	(6,330,219)	(7,054,398)
Net Change in Total Pension Liability	\$ 4,895,285	\$ 4,885,694	\$ 6,003,730	\$ 10,581,177	\$ 6,068,568	\$ 6,637,261	\$ 10,563,669	\$ 14,997,994	\$ 11,493,712
Total Pension Liability, Beginning	95,883,964	100,779,249	105,664,943	111,668,673	122,249,850	128,318,418	134,955,679	145,519,348	160,517,342
Total Pension Liability, Ending (a)	\$ 100,779,249	\$ 105,664,943	\$ 111,668,673	\$ 122,249,850	\$ 128,318,418	\$ 134,955,679	\$ 145,519,348	\$ 160,517,342	\$ 172,011,054
Plan Fiduciary Net Position									
Contributions - Employer	\$ 3,643,299	\$ 3,552,107	\$ 3,606,957	\$ 3,804,366	\$ 2,498,694	\$ 2,595,048	\$ 2,883,071	\$ 2,820,437	\$ 3,003,885
Contributions - Employee	1,552,627	1,486,716	1,529,996	1,580,521	1,640,484	1,688,415	1,856,910	1,853,390	1,935,399
Net Investment Income	14,728,866	3,221,836	2,877,308	12,649,915	10,260,873	9,859,860	6,985,854	37,740,612	(6,965,443)
Benefit Payments, Including Refunds of Employee Contributions	(3,687,953)	(4,220,884)	(4,554,046)	(5,305,253)	(5,423,228)	(5,758,334)	(5,987,090)	(6,330,219)	(7,054,398)
Administrative Expense	(35,805)	(43,044)	(63,996)	(71,581)	(81,331)	(76,271)	(76,552)	(76,045)	(84,644)
Other	0	0	54,796	27,223	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 16,201,034	\$ 3,996,731	\$ 3,451,015	\$ 12,685,191	\$ 8,895,492	\$ 8,308,718	\$ 5,662,193	\$ 36,008,175	\$ (9,165,201)
Plan Fiduciary Net Position, Beginning	87,964,929	104,165,963	108,162,694	111,613,709	124,298,900	133,194,392	141,503,110	147,165,303	183,173,478
Plan Fiduciary Net Position, Ending (b)	\$ 104,165,963	\$ 108,162,694	\$ 111,613,709	\$ 124,298,900	\$ 133,194,392	\$ 141,503,110	\$ 147,165,303	\$ 183,173,478	\$ 174,008,277
Net Pension Liability (Asset), Ending (a - b)	\$ (3,386,714)	\$ (2,497,751)	\$ 54,964	\$ (2,049,050)	\$ (4,875,974)	\$ (6,547,431)	\$ (1,645,955)	\$ (22,656,136)	\$ (1,997,223)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	103.36%	102.36%	99.95%	101.68%	103.80%	104.85%	101.13%	114.11%	101.16%
Covered Payroll	\$ 29,979,870	\$ 29,198,139	\$ 29,875,603	\$ 31,255,600	\$ 32,438,967	\$ 33,665,230	\$ 37,090,590	\$ 36,157,314	\$ 38,419,441
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(11.3%)	(8.55%)	0.18%	(6.56%)	(15.03%)	(19.45%)	(4.44%)	(62.66%)	(5.20%)

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 (excluding library system) and non-certified employees of the discretely presented school department.

Exhibit F-3

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	\$ 65,106	\$ 2,162	\$ 2,354	\$ 2,244	\$ 6,823	\$ 22,805	\$ 52,985	\$ 45,849	\$ 51,815	\$ 91,058
Less: Contributions in Relation to the Actuarially Determined Contribution	(65,106)	(2,162)	(2,354)	(2,244)	(6,823)	(22,805)	(52,985)	(45,849)	(51,815)	(91,058)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 682,458	\$ 708,911	\$ 784,615	\$ 748,015	\$ 802,745	\$ 938,476	\$ 1,220,853	\$ 1,056,437	\$ 964,897	\$ 1,033,576
Contributions as a Percentage of Covered Payroll	9.54%	0.30%	0.30%	0.30%	0.85%	2.43%	4.34%	4.34%	5.37%	8.81%

Exhibit F-4

Blount County, Tennessee
Schedule of Contributions Based on Participation in the Public
Employee Pension Plan of TCRS
Primary Government (Excluding Library System) and Non-certified Employees
of the Discretely Presented Blount County School Department
For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	\$ 3,643,299	\$ 3,552,107	\$ 3,606,957	\$ 3,804,366	\$ 2,498,694	\$ 2,595,048	\$ 2,883,071	\$ 2,820,437	\$ 3,003,885	\$ 3,329,040
Less: Contributions in Relation to the Actuarially Determined Contribution	(3,643,299)	(3,552,107)	(3,606,957)	(3,804,366)	(2,498,694)	(2,595,048)	(2,883,071)	(2,820,437)	(3,003,885)	(3,329,040)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 29,979,870	\$ 29,198,139	\$ 29,875,603	\$ 31,255,600	\$ 32,438,967	\$ 33,665,230	\$ 37,090,590	\$ 36,157,314	\$ 38,419,441	\$ 42,928,403
Contributions as a Percentage of Covered Payroll	12.15%	12.17%	12.07%	12.17%	7.70%	7.71%	7.77%	7.80%	7.82%	7.75%

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

Exhibit F-5

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually Required Contribution	\$ 38,074	\$ 93,397	\$ 142,883	\$ 187,118	\$ 121,289	\$ 155,193	\$ 177,677	\$ 236,081	\$ 409,553
Less: Contributions in Relation to the Contractually Required Contribution	(38,074)	(93,397)	(142,883)	(187,118)	(121,289)	(155,193)	(177,677)	(236,081)	(409,553)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 951,851	\$ 2,334,937	\$ 3,568,387	\$ 4,677,977	\$ 6,252,004	\$ 7,644,998	\$ 8,795,911	\$ 11,745,323	\$ 14,270,795
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.00%	1.94%	2.03%	2.02%	2.01%	2.87%

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

Note 2: Beginning in FY 2019, the school department placed the actuarially determined contribution rate of covered payroll into the pension plan and placed the remainder of the four percent contractually required contribution into the Pension Stabilization Reserve Trust (SRT).
2019: Pension - 1.94%, SRT - 2.02%
2020: Pension - 2.03%, SRT - 1.97%
2021: Pension - 2.02%, SRT - 1.98%
2022: Pension - 2.01%, SRT - 1.99%
2023: Pension - 2.87%, SRT - 1.13%

Exhibit F-6

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually Required Contribution	\$ 3,709,621	\$ 3,672,032	\$ 3,714,171	\$ 3,715,782	\$ 3,641,833	\$ 4,079,688	\$ 4,258,769	\$ 3,986,453	\$ 3,978,745	\$ 3,329,446
Less: Contributions in Relation to the Contractually Required Contribution	(3,709,621)	(3,672,032)	(3,714,171)	(3,715,782)	(3,641,833)	(4,079,688)	(4,258,769)	(3,986,453)	(3,978,745)	(3,329,446)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 41,775,012	\$ 40,619,615	\$ 41,085,985	\$ 41,107,496	\$ 40,108,312	\$ 39,002,774	\$ 40,063,665	\$ 38,816,479	\$ 38,628,596	\$ 38,327,193
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.08%	10.46%	10.63%	10.27%	10.30%	8.69%

Exhibit F-7

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

	2015	2016	2017	2018	2019	2020	2021	2022
School Department's Proportion of the Net Pension Liability (Asset)	0.458115%	0.530660%	0.544242%	0.535308%	0.590813%	0.605822%	0.609462%	0.687785%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (18,430)	\$ (55,243)	\$ (143,587)	\$ (242,777)	\$ (333,506)	\$ (334,496)	\$ (660,177)	\$ (208,347)
Covered Payroll	\$ 951,851	\$ 2,334,937	\$ 3,568,387	\$ 4,677,977	\$ 6,252,004	\$ 7,644,998	\$ 8,795,911	\$ 11,745,323
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94%)	(2.37%)	(4.02%)	(5.19%)	(5.33%)	(4.51%)	(7.51%)	(1.77%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	127.46%	121.88%	126.81%	126.97%	123.07%	116.52%	121.53%	104.55%

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

Exhibit F-8

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
School Department's Proportion of the Net Pension Liability (Asset)	1.064334%	1.085075%	1.138179%	1.162782%	1.145403%	1.163170%	1.203743%	1.182647%	1.173787%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (172,949)	\$ 444,484	\$ 7,112,986	\$ (380,444)	\$ (4,030,578)	\$ (11,959,480)	\$ (9,179,432)	\$ (51,010,400)	\$ (14,395,385)
Covered Payroll	\$ 41,775,012	\$ 40,619,615	\$ 41,085,985	\$ 41,107,496	\$ 40,108,312	\$ 39,002,774	\$ 40,063,665	\$ 38,816,479	\$ 38,628,596
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41%)	1.09%	17.31%	(0.93%)	(10.05%)	(30.66%)	(22.91%)	(131.41%)	(37.27%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	100.08%	99.81%	97.14%	100.14%	101.49%	104.28%	103.09%	116.13%	104.42%

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

Exhibit F-9

Blount County, Tennessee

Schedule of Changes in the Total OPEB Liability and Related Ratios - Blount County Plan

Primary Government and Discretely Presented Blount County School Department

For the Fiscal Year Ended June 30

	2018	2019	2020	2021	2022	2023
Total OPEB Liability						
Service Cost	\$ 1,089,341	\$ 1,219,685	\$ 1,327,178	\$ 1,896,035	\$ 1,958,722	\$ 1,544,438
Interest	753,801	949,806	891,540	751,546	747,944	1,041,094
Differences Between Actual and Expected Experience	0	3,019,331	0	3,708,148	0	(3,420,020)
Changes in Assumptions or Other Inputs	(443,612)	1,408,652	2,406,558	1,853,551	(3,154,456)	819,458
Benefit Payments	(1,596,819)	(2,040,175)	(1,961,898)	(2,245,280)	(2,165,387)	(1,811,454)
Net Change in Total OPEB Liability	\$ (197,289)	\$ 4,557,299	\$ 2,663,378	\$ 5,964,000	\$ (2,613,177)	\$ (1,826,484)
Total OPEB Liability, Beginning	20,757,891	20,560,602	25,117,901	27,781,279	33,745,279	31,132,102
Total OPEB Liability, Ending	\$ 20,560,602	\$ 25,117,901	\$ 27,781,279	\$ 33,745,279	\$ 31,132,102	\$ 29,305,618
Primary Government's Proportionate Share of Total OPEB Liability	\$ 7,506,765	\$ 6,920,191	\$ 8,503,450	\$ 12,293,444	\$ 11,399,272	\$ 10,318,069
School Department's Proportionate Share of Total OPEB Liability	13,053,837	18,197,710	19,277,829	21,451,835	19,732,830	18,987,549
Covered Employee Payroll	\$ 73,928,475	\$ 73,488,830	\$ 75,326,050	\$ 82,576,876	\$ 89,600,739	\$ 96,559,967
Net OPEB Liability as a Percentage of Covered Employee Payroll	27.81%	34.18%	36.88%	40.87%	34.75%	30.35%

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

Note 2: Changes in assumptions. The following are the discount rates used in each period:

2017	3.58%
2018	3.87%
2019	3.50%
2020	2.21%
2021	2.16%
2022	3.54%
2023	3.65%

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

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

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed (Not to Exceed 20 Years)
Remaining Amortization Period	Varies by Year
Asset Valuation	10-Year Smoothed Within a 20% Corridor to Market Value
Inflation	2.25%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	6.75%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience Including an Adjustment for Some Anticipated Improvement
Cost of Living Adjustment	2.125%

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

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

Nonmajor Governmental Funds

Special Revenue Funds

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

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

Law Library Fund – The Law Library Fund is used to account for a special tax levied by private act on litigation. Proceeds of the tax must be expended for the benefit of the county's law library.

Public Library Fund – The Public Library Fund is used to account for transactions of the Blount County Public Library, which is jointly funded by Blount County, the city of Maryville, and the city of Alcoa.

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

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

Capital Projects Funds

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

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

Other Capital Projects Fund – The Other Capital Projects Fund is used to account for capital expenditures of the county and the school department.

Exhibit G-1

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

	Special Revenue Funds					
	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Constitu - tional Officers - Fees	Total
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 16,195	\$ 0	\$ 9,100	\$ 25,295
Equity in Pooled Cash and Investments	583,367	49,991	1,408,844	2,357,661	0	4,399,863
Accounts Receivable	0	0	21,786	36,612	24,720	83,118
Due from Other Governments	0	0	0	1,954	0	1,954
Due from Other Funds	0	0	0	608,644	0	608,644
Property Taxes Receivable	0	0	0	0	0	0
Allowance for Uncollectible Property Taxes	0	0	0	0	0	0
Total Assets	<u>\$ 583,367</u>	<u>\$ 49,991</u>	<u>\$ 1,446,825</u>	<u>\$ 3,004,871</u>	<u>\$ 33,820</u>	<u>\$ 5,118,874</u>
<u>LIABILITIES</u>						
Accounts Payable	\$ 56,011	\$ 808	\$ 15,163	\$ 3,749	\$ 0	\$ 75,731
Accrued Payroll	0	0	49,407	0	0	49,407
Payroll Deductions Payable	0	0	6,947	0	0	6,947
Due to Other Funds	0	0	0	0	33,820	33,820
Due to State of Tennessee	0	0	9	0	0	9
Due to Litigants, Heirs, and Others	0	0	0	6,447	0	6,447
Sales Tax	0	0	439	0	0	439
Total Liabilities	<u>\$ 56,011</u>	<u>\$ 808</u>	<u>\$ 71,965</u>	<u>\$ 10,196</u>	<u>\$ 33,820</u>	<u>\$ 172,800</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit G-1

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

	Special Revenue Funds					Constitu - tional Officers - Fees	Total
	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control			
DEFERRED INFLOWS OF RESOURCES (Cont.)							
Deferred Delinquent Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Other Deferred/Unavailable Revenue	0	0	0	0	0	0	0
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
FUND BALANCES							
Restricted:							
Restricted for General Government	\$ 527,356	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	527,356
Restricted for Administration of Justice	0	49,183	0	0	0	0	49,183
Restricted for Public Safety	0	0	0	1,411,206	0	0	1,411,206
Restricted for Social, Cultural, and Recreational Services	0	0	1,374,860	0	0	0	1,374,860
Restricted for Capital Outlay	0	0	0	0	0	0	0
Restricted for Capital Projects	0	0	0	0	0	0	0
Committed:							
Committed for Public Safety	0	0	0	1,583,469	0	0	1,583,469
Committed for Capital Outlay	0	0	0	0	0	0	0
Total Fund Balances	\$ 527,356	\$ 49,183	\$ 1,374,860	\$ 2,994,675	\$ 0	\$ 0	4,946,074
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 583,367	\$ 49,991	\$ 1,446,825	\$ 3,004,871	\$ 33,820	\$ 0	5,118,874

(Continued)

Exhibit G-1

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

	Capital Projects Funds			Total Nonmajor Governmental Funds
	Highway Capital Projects	Other Capital Projects	Total	
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 0	\$ 25,295
Equity in Pooled Cash and Investments	7,943,601	3,458,176	11,401,777	15,801,640
Accounts Receivable	0	976	976	84,094
Due from Other Governments	246,745	391,952	638,697	640,651
Due from Other Funds	0	0	0	608,644
Property Taxes Receivable	0	2,034,395	2,034,395	2,034,395
Allowance for Uncollectible Property Taxes	0	(15,155)	(15,155)	(15,155)
Total Assets	\$ 8,190,346	\$ 5,870,344	\$ 14,060,690	\$ 19,179,564
<u>LIABILITIES</u>				
Accounts Payable	\$ 269,466	\$ 31,545	\$ 301,011	\$ 376,742
Accrued Payroll	0	0	0	49,407
Payroll Deductions Payable	0	0	0	6,947
Due to Other Funds	0	0	0	33,820
Due to State of Tennessee	0	0	0	9
Due to Litigants, Heirs, and Others	0	0	0	6,447
Sales Tax	0	0	0	439
Total Liabilities	\$ 269,466	\$ 31,545	\$ 301,011	\$ 473,811
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 0	\$ 1,999,763	\$ 1,999,763	\$ 1,999,763

(Continued)

Exhibit G-1

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

DEFERRED INFLOWS OF RESOURCES (Cont.)

Deferred Delinquent Property Taxes
Other Deferred/Unavailable Revenue
Total Deferred Inflows of Resources

FUND BALANCES

Restricted:

Restricted for General Government
Restricted for Administration of Justice
Restricted for Public Safety
Restricted for Social, Cultural, and Recreational Services
Restricted for Capital Outlay
Restricted for Capital Projects

Committed:

Committed for Public Safety
Committed for Capital Outlay

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

Capital Projects Funds			Total Nonmajor Governmental Funds
Highway Capital Projects	Other Capital Projects	Total	
\$ 0	\$ 13,588	\$ 13,588	\$ 13,588
246,745	0	246,745	246,745
<u>\$ 246,745</u>	<u>\$ 2,013,351</u>	<u>\$ 2,260,096</u>	<u>\$ 2,260,096</u>
\$ 0	\$ 0	\$ 0	\$ 527,356
0	0	0	49,183
0	0	0	1,411,206
0	0	0	1,374,860
0	327,903	327,903	327,903
0	581,168	581,168	581,168
0	0	0	1,583,469
7,674,135	2,916,377	10,590,512	10,590,512
<u>\$ 7,674,135</u>	<u>\$ 3,825,448</u>	<u>\$ 11,499,583</u>	<u>\$ 16,445,657</u>
<u>\$ 8,190,346</u>	<u>\$ 5,870,344</u>	<u>\$ 14,060,690</u>	<u>\$ 19,179,564</u>

Exhibit G-2

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

	Special Revenue Funds					
	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Constitu - tional Officers - Fees	Total
<u>Revenues</u>						
Local Taxes	\$ 168,016	\$ 8,518	\$ 0	\$ 0	\$ 0	\$ 176,534
Fines, Forfeitures, and Penalties	0	0	0	16,575	0	16,575
Charges for Current Services	0	0	49,440	188,358	10,200	247,998
Other Local Revenues	0	0	241,720	96,059	0	337,779
State of Tennessee	0	0	0	0	0	0
Federal Government	0	0	0	50,452	0	50,452
Other Governments and Citizens Groups	0	0	1,141,143	0	0	1,141,143
Total Revenues	<u>\$ 168,016</u>	<u>\$ 8,518</u>	<u>\$ 1,432,303</u>	<u>\$ 351,444</u>	<u>\$ 10,200</u>	<u>\$ 1,970,481</u>
<u>Expenditures</u>						
Current:						
General Government	\$ 201,555	\$ 0	\$ 0	\$ 0	\$ 0	\$ 201,555
Administration of Justice	0	0	0	0	10,200	10,200
Public Safety	0	0	0	99,937	0	99,937
Social, Cultural, and Recreational Services	0	0	2,315,086	0	0	2,315,086
Other Operations	0	9,781	0	0	0	9,781
Capital Projects	0	0	20,950	0	0	20,950
Total Expenditures	<u>\$ 201,555</u>	<u>\$ 9,781</u>	<u>\$ 2,336,036</u>	<u>\$ 99,937</u>	<u>\$ 10,200</u>	<u>\$ 2,657,509</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (33,539)</u>	<u>\$ (1,263)</u>	<u>\$ (903,733)</u>	<u>\$ 251,507</u>	<u>\$ 0</u>	<u>\$ (687,028)</u>
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 0	\$ 0	\$ 1,386,715	\$ 0	\$ 0	\$ 1,386,715
Transfers Out	0	0	(265,355)	0	0	(265,355)
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,121,360</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,121,360</u>
Net Change in Fund Balances	\$ (33,539)	\$ (1,263)	\$ 217,627	\$ 251,507	\$ 0	\$ 434,332
Fund Balance, July 1, 2022	<u>560,895</u>	<u>50,446</u>	<u>1,157,233</u>	<u>2,743,168</u>	<u>0</u>	<u>4,511,742</u>
Fund Balance, June 30, 2023	<u><u>\$ 527,356</u></u>	<u><u>\$ 49,183</u></u>	<u><u>\$ 1,374,860</u></u>	<u><u>\$ 2,994,675</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 4,946,074</u></u>

(Continued)

Exhibit G-2

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

	Capital Projects Funds			Total Nonmajor Governmental Funds
	Highway Capital Projects	Other Capital Projects	Total	
<u>Revenues</u>				
Local Taxes	\$ 4,126,380	\$ 1,317,642	\$ 5,444,022	\$ 5,620,556
Fines, Forfeitures, and Penalties	0	0	0	16,575
Charges for Current Services	0	0	0	247,998
Other Local Revenues	0	8,477	8,477	346,256
State of Tennessee	0	1,966	1,966	1,966
Federal Government	132,148	0	132,148	182,600
Other Governments and Citizens Groups	0	378,792	378,792	1,519,935
Total Revenues	<u>\$ 4,258,528</u>	<u>\$ 1,706,877</u>	<u>\$ 5,965,405</u>	<u>\$ 7,935,886</u>
<u>Expenditures</u>				
Current:				
General Government	\$ 0	\$ 0	\$ 0	\$ 201,555
Administration of Justice	0	0	0	10,200
Public Safety	0	0	0	99,937
Social, Cultural, and Recreational Services	0	0	0	2,315,086
Other Operations	0	0	0	9,781
Capital Projects	4,087,400	1,555,507	5,642,907	5,663,857
Total Expenditures	<u>\$ 4,087,400</u>	<u>\$ 1,555,507</u>	<u>\$ 5,642,907</u>	<u>\$ 8,300,416</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 171,128</u>	<u>\$ 151,370</u>	<u>\$ 322,498</u>	<u>\$ (364,530)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 4,680,365	\$ 0	\$ 4,680,365	\$ 6,067,080
Transfers Out	0	0	0	(265,355)
Total Other Financing Sources (Uses)	<u>\$ 4,680,365</u>	<u>\$ 0</u>	<u>\$ 4,680,365</u>	<u>\$ 5,801,725</u>
Net Change in Fund Balances	\$ 4,851,493	\$ 151,370	\$ 5,002,863	\$ 5,437,195
Fund Balance, July 1, 2022	<u>2,822,642</u>	<u>3,674,078</u>	<u>6,496,720</u>	<u>11,008,462</u>
Fund Balance, June 30, 2023	<u>\$ 7,674,135</u>	<u>\$ 3,825,448</u>	<u>\$ 11,499,583</u>	<u>\$ 16,445,657</u>

Exhibit G-3

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 168,016	\$ 0	\$ 0	\$ 168,016	\$ 174,638	\$ 174,638	\$ (6,622)
Total Revenues	\$ 168,016	\$ 0	\$ 0	\$ 168,016	\$ 174,638	\$ 174,638	\$ (6,622)
<u>Expenditures</u>							
<u>General Government</u>							
County Buildings	\$ 201,555	\$ (41,993)	\$ 139,737	\$ 299,299	\$ 174,638	\$ 414,638	\$ 115,339
<u>Other Operations</u>							
COVID-19 Grant #4	0	0	0	0	240,000	0	0
Total Expenditures	\$ 201,555	\$ (41,993)	\$ 139,737	\$ 299,299	\$ 414,638	\$ 414,638	\$ 115,339
Excess (Deficiency) of Revenues Over Expenditures	\$ (33,539)	\$ 41,993	\$ (139,737)	\$ (131,283)	\$ (240,000)	\$ (240,000)	\$ 108,717
Net Change in Fund Balance	\$ (33,539)	\$ 41,993	\$ (139,737)	\$ (131,283)	\$ (240,000)	\$ (240,000)	\$ 108,717
Fund Balance, July 1, 2022	560,895	(41,993)	0	518,902	560,895	560,895	(41,993)
Fund Balance, June 30, 2023	\$ 527,356	\$ 0	\$ (139,737)	\$ 387,619	\$ 320,895	\$ 320,895	\$ 66,724

Exhibit G-4

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Law Library Fund
For the Year Ended June 30, 2023

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 8,518	\$ 9,846	\$ 9,846	\$ (1,328)
Total Revenues	\$ 8,518	\$ 9,846	\$ 9,846	\$ (1,328)
<u>Expenditures</u>				
<u>Other Operations</u>				
Other Charges	\$ 9,781	\$ 9,846	\$ 9,846	\$ 65
Total Expenditures	\$ 9,781	\$ 9,846	\$ 9,846	\$ 65
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,263)	\$ 0	\$ 0	\$ (1,263)
Net Change in Fund Balance	\$ (1,263)	\$ 0	\$ 0	\$ (1,263)
Fund Balance, July 1, 2022	50,446	50,446	50,446	0
Fund Balance, June 30, 2023	\$ 49,183	\$ 50,446	\$ 50,446	\$ (1,263)

Exhibit G-5

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Public Library Fund
For the Year Ended June 30, 2023

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 49,440	\$ 0	\$ 0	\$ 49,440	\$ 48,600	\$ 48,600	\$ 840
Other Local Revenues	241,720	0	0	241,720	87,100	245,140	(3,420)
Other Governments and Citizens Groups	1,141,143	0	0	1,141,143	1,141,144	1,141,144	(1)
Total Revenues	\$ 1,432,303	\$ 0	\$ 0	\$ 1,432,303	\$ 1,276,844	\$ 1,434,884	\$ (2,581)
<u>Expenditures</u>							
<u>Social, Cultural, and Recreational Services</u>							
Libraries	\$ 2,315,086	\$ (5,343)	\$ 338	\$ 2,310,081	\$ 2,663,559	\$ 2,398,204	\$ 88,123
<u>Capital Projects</u>							
General Administration Projects	20,950	(20,950)	0	0	0	158,040	158,040
Total Expenditures	\$ 2,336,036	\$ (26,293)	\$ 338	\$ 2,310,081	\$ 2,663,559	\$ 2,556,244	\$ 246,163
Excess (Deficiency) of Revenues Over Expenditures	\$ (903,733)	\$ 26,293	\$ (338)	\$ (877,778)	\$ (1,386,715)	\$ (1,121,360)	\$ 243,582
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 1,386,715	\$ 0	\$ 0	\$ 1,386,715	\$ 1,386,715	\$ 1,386,715	\$ 0
Transfers Out	(265,355)	0	0	(265,355)	0	(265,355)	0
Total Other Financing Sources	\$ 1,121,360	\$ 0	\$ 0	\$ 1,121,360	\$ 1,386,715	\$ 1,121,360	\$ 0
Net Change in Fund Balance	\$ 217,627	\$ 26,293	\$ (338)	\$ 243,582	\$ 0	\$ 0	\$ 243,582
Fund Balance, July 1, 2022	1,157,233	(26,293)	0	1,130,940	1,157,233	1,157,233	(26,293)
Fund Balance, June 30, 2023	\$ 1,374,860	\$ 0	\$ (338)	\$ 1,374,522	\$ 1,157,233	\$ 1,157,233	\$ 217,289

Exhibit G-6

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Fines, Forfeitures, and Penalties	\$ 16,575	\$ 0	\$ 0	\$ 16,575	\$ 11,500	\$ 11,500	\$ 5,075
Charges for Current Services	188,358	0	0	188,358	230,000	230,000	(41,642)
Other Local Revenues	96,059	0	0	96,059	7,800	7,800	88,259
Federal Government	50,452	0	0	50,452	0	0	50,452
Total Revenues	\$ 351,444	\$ 0	\$ 0	\$ 351,444	\$ 249,300	\$ 249,300	\$ 102,144
<u>Expenditures</u>							
<u>Public Safety</u>							
Sheriff's Department	\$ 99,937	\$ (9,120)	\$ 23,247	\$ 114,064	\$ 185,000	\$ 185,000	\$ 70,936
Drug Enforcement	0	(261,511)	300,282	38,771	63,800	63,800	25,029
Total Expenditures	\$ 99,937	\$ (270,631)	\$ 323,529	\$ 152,835	\$ 248,800	\$ 248,800	\$ 95,965
Excess (Deficiency) of Revenues Over Expenditures	\$ 251,507	\$ 270,631	\$ (323,529)	\$ 198,609	\$ 500	\$ 500	\$ 198,109
Net Change in Fund Balance	\$ 251,507	\$ 270,631	\$ (323,529)	\$ 198,609	\$ 500	\$ 500	\$ 198,109
Fund Balance, July 1, 2022	2,743,168	(270,631)	0	2,472,537	2,743,168	2,743,168	(270,631)
Fund Balance, June 30, 2023	\$ 2,994,675	\$ 0	\$ (323,529)	\$ 2,671,146	\$ 2,743,668	\$ 2,743,668	\$ (72,522)

Exhibit G-7

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 4,126,380	\$ 0	\$ 0	\$ 4,126,380	\$ 3,312,000	\$ 4,126,380	\$ 0
Federal Government	132,148	0	0	132,148	0	0	132,148
Total Revenues	\$ 4,258,528	\$ 0	\$ 0	\$ 4,258,528	\$ 3,312,000	\$ 4,126,380	\$ 132,148
<u>Expenditures</u>							
<u>Capital Projects</u>							
Highway and Street Capital Projects	\$ 4,087,400	\$ (822,958)	\$ 2,384,684	\$ 5,649,126	\$ 3,312,000	\$ 9,412,769	\$ 3,763,643
Total Expenditures	\$ 4,087,400	\$ (822,958)	\$ 2,384,684	\$ 5,649,126	\$ 3,312,000	\$ 9,412,769	\$ 3,763,643
Excess (Deficiency) of Revenues Over Expenditures	\$ 171,128	\$ 822,958	\$ (2,384,684)	\$ (1,390,598)	\$ 0	\$ (5,286,389)	\$ 3,895,791
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 4,680,365	\$ 0	\$ 0	\$ 4,680,365	\$ 0	\$ 5,286,389	\$ (606,024)
Total Other Financing Sources	\$ 4,680,365	\$ 0	\$ 0	\$ 4,680,365	\$ 0	\$ 5,286,389	\$ (606,024)
Net Change in Fund Balance	\$ 4,851,493	\$ 822,958	\$ (2,384,684)	\$ 3,289,767	\$ 0	\$ 0	\$ 3,289,767
Fund Balance, July 1, 2022	2,822,642	(822,958)	0	1,999,684	2,822,642	2,822,642	(822,958)
Fund Balance, June 30, 2023	\$ 7,674,135	\$ 0	\$ (2,384,684)	\$ 5,289,451	\$ 2,822,642	\$ 2,822,642	\$ 2,466,809

Exhibit G-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 1,317,642	\$ 0	\$ 0	\$ 1,317,642	\$ 1,158,841	\$ 1,158,841	\$ 158,801
Other Local Revenues	8,477	0	0	8,477	0	0	8,477
State of Tennessee	1,966	0	0	1,966	0	0	1,966
Other Governments and Citizens Groups	378,792	0	0	378,792	0	0	378,792
Total Revenues	\$ 1,706,877	\$ 0	\$ 0	\$ 1,706,877	\$ 1,158,841	\$ 1,158,841	\$ 548,036
<u>Expenditures</u>							
<u>Capital Projects</u>							
General Administration Projects	\$ 129,509	\$ (61,656)	\$ 20,894	\$ 88,747	\$ 175,830	\$ 241,522	\$ 152,775
Public Safety Projects	396,341	(27,328)	386,400	755,413	465,000	765,000	9,587
Other General Government Projects	1,029,657	(3,716)	3,585	1,029,526	0	1,489,792	460,266
Total Expenditures	\$ 1,555,507	\$ (92,700)	\$ 410,879	\$ 1,873,686	\$ 640,830	\$ 2,496,314	\$ 622,628
Excess (Deficiency) of Revenues Over Expenditures	\$ 151,370	\$ 92,700	\$ (410,879)	\$ (166,809)	\$ 518,011	\$ (1,337,473)	\$ 1,170,664
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 149,230	\$ 149,230	\$ (149,230)
Total Other Financing Sources	\$ 0	\$ 0	\$ 0	\$ 0	\$ 149,230	\$ 149,230	\$ (149,230)
Net Change in Fund Balance	\$ 151,370	\$ 92,700	\$ (410,879)	\$ (166,809)	\$ 667,241	\$ (1,188,243)	\$ 1,021,434
Fund Balance, July 1, 2022	3,674,078	(92,700)	0	3,581,378	3,674,078	3,674,078	(92,700)
Fund Balance, June 30, 2023	\$ 3,825,448	\$ 0	\$ (410,879)	\$ 3,414,569	\$ 4,341,319	\$ 2,485,835	\$ 928,734

Major Governmental Fund

General Debt Service Fund

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

Exhibit H

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 16,957,724	\$ 16,450,150	\$ 16,450,150	\$ 507,574
Other Local Revenues	1,331,357	205,000	991,000	340,357
State of Tennessee	20,563	0	0	20,563
Other Governments and Citizens Groups	6,128	0	0	6,128
Total Revenues	<u>\$ 18,315,772</u>	<u>\$ 16,655,150</u>	<u>\$ 17,441,150</u>	<u>\$ 874,622</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 10,231,929	\$ 10,231,929	\$ 10,231,929	\$ 0
<u>Interest on Debt</u>				
General Government	6,437,479	5,717,309	6,503,309	65,830
<u>Other Debt Service</u>				
General Government	359,358	1,464,500	1,464,500	1,105,142
Total Expenditures	<u>\$ 17,028,766</u>	<u>\$ 17,413,738</u>	<u>\$ 18,199,738</u>	<u>\$ 1,170,972</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,287,006</u>	<u>\$ (758,588)</u>	<u>\$ (758,588)</u>	<u>\$ 2,045,594</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 679,121	\$ 840,000	\$ 840,000	\$ (160,879)
Total Other Financing Sources	<u>\$ 679,121</u>	<u>\$ 840,000</u>	<u>\$ 840,000</u>	<u>\$ (160,879)</u>
Net Change in Fund Balance	\$ 1,966,127	\$ 81,412	\$ 81,412	\$ 1,884,715
Prior-period Adjustment - See Note I.D.9.	557,091	0	0	557,091
Fund Balance, July 1, 2022	<u>27,747,105</u>	<u>27,747,105</u>	<u>27,747,105</u>	<u>0</u>
Fund Balance, June 30, 2023	<u>\$ 30,270,323</u>	<u>\$ 27,828,517</u>	<u>\$ 27,828,517</u>	<u>\$ 2,441,806</u>

Custodial Funds

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

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

City School ADA - Alcoa Fund and City School ADA - Maryville Fund – These two funds are used to account for the city school systems' shares of education revenues collected by the county, which 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 and general sessions courts clerk, clerk and master, register of deeds, and sheriff. Such collections include amounts due the state, cities, 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 multi-jurisdictional drug task force, which was created by contract (mutual aid agreement) between the participating city and county governments.

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.

Smoky Mountain Tourism Board Fund – The Smoky Mountain Tourism Board Fund is used to account for 70 percent of hotel/motel tax revenues collected by the county. These revenues are received by the county and forwarded to the tourism board as required by the private act authorizing the tax.

Exhibit I-1

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

	Custodial Funds				
	Cities -	City	City	Constitu -	Judicial
	Sales	School	School	tional	District
	Tax	ADA -	ADA -	Officers -	Drug
		Alcoa	Maryville	Custodial	
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 0	\$ 8,437,337	\$ 0
Equity in Pooled Cash and Investments	0	3,925	10,307	0	789,078
Accounts Receivable	0	0	0	0	3,422
Due from Other Governments	5,673,849	1,006,809	2,541,378	0	0
Property Taxes Receivable	0	4,552,159	11,950,516	0	0
Allowance for Uncollectible Property Taxes	0	(43,829)	(115,061)	0	0
Total Assets	<u>\$ 5,673,849</u>	<u>\$ 5,519,064</u>	<u>\$ 14,387,140</u>	<u>\$ 8,437,337</u>	<u>\$ 792,500</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,575
Due to Other Taxing Units	5,673,849	1,031,392	2,605,713	0	0
Due to Litigants, Heirs, and Others	0	0	0	0	39,419
Due to Joint Ventures	0	0	0	0	0
Total Liabilities	<u>\$ 5,673,849</u>	<u>\$ 1,031,392</u>	<u>\$ 2,605,713</u>	<u>\$ 0</u>	<u>\$ 47,994</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 0	\$ 4,487,672	\$ 11,781,427	\$ 0	\$ 0
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 4,487,672</u>	<u>\$ 11,781,427</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>NET POSITION</u>					
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 0	\$ 0	\$ 8,437,337	\$ 744,506
Total Net Position	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 8,437,337</u>	<u>\$ 744,506</u>

(Continued)

Exhibit I-1

Blount County, Tennessee
Combining Statement of Net Position
Custodial Funds (Cont.)

	<u>Custodial Funds (Cont.)</u>		
	District	Smoky Mountain	
	Attorney	Tourism	
	General	Board	Total
<u>ASSETS</u>			
Cash	\$ 0	\$ 0	\$ 8,437,337
Equity in Pooled Cash and Investments	230,856	396,735	1,430,901
Accounts Receivable	1,010	414,189	418,621
Due from Other Governments	0	0	9,222,036
Property Taxes Receivable	0	0	16,502,675
Allowance for Uncollectible Property Taxes	0	0	(158,890)
Total Assets	<u>\$ 231,866</u>	<u>\$ 810,924</u>	<u>\$ 35,852,680</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 778	\$ 0	\$ 9,353
Due to Other Taxing Units	0	0	9,310,954
Due to Litigants, Heirs, and Others	0	0	39,419
Due to Joint Ventures	0	810,924	810,924
Total Liabilities	<u>\$ 778</u>	<u>\$ 810,924</u>	<u>\$ 10,170,650</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 16,269,099
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 16,269,099</u>
<u>NET POSITION</u>			
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 231,088</u>	<u>\$ 0</u>	<u>\$ 9,412,931</u>
Total Net Position	<u><u>\$ 231,088</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 9,412,931</u></u>

Exhibit I-2

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

	Custodial Funds							
	Cities - Sales Tax	City School ADA - Alcoa	City School ADA - Maryville	Constitu - tional Officers - Custodial	Judicial District Drug	District Attorney General	Smoky Mountain Tourism Board	Total
<u>Additions</u>								
Sales Tax Collections for Other Governments	\$ 31,880,912	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 31,880,912
Hotel/Motel Tax Collections for Joint Venture	0	0	0	0	0	0	4,223,417	4,223,417
ADA - Educational Funds Collected for Cities	0	10,528,799	27,445,092	0	0	0	0	37,973,891
Fines/Fees and Other Collections	0	0	0	58,676,267	0	0	0	58,676,267
Drug Task Force Collections	0	0	0	0	365,971	0	0	365,971
District Attorney General Collections	0	0	0	0	0	17,527	0	17,527
Total Additions	\$ 31,880,912	\$ 10,528,799	\$ 27,445,092	\$ 58,676,267	\$ 365,971	\$ 17,527	\$ 4,223,417	\$ 133,137,985
<u>Deductions</u>								
Payment of Sales Tax Collections for Other Governments	\$ 31,880,912	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 31,880,912
Payment of Hotel/Motel Tax Collections for Joint Venture	0	0	0	0	0	0	4,223,417	4,223,417
Payments to City School Systems	0	10,528,799	27,445,092	0	0	0	0	37,973,891
Payments to State	0	0	0	18,164,160	0	0	0	18,164,160
Payments to Individuals and Others	0	0	0	41,536,836	0	0	0	41,536,836
Payment of Drug Task Force Expenses	0	0	0	0	208,609	0	0	208,609
Payment of District Attorney General Expenses	0	0	0	0	0	1,722	0	1,722
Total Deductions	\$ 31,880,912	\$ 10,528,799	\$ 27,445,092	\$ 59,700,996	\$ 208,609	\$ 1,722	\$ 4,223,417	\$ 133,989,547
Change in Net Position	\$ 0	\$ 0	\$ 0	\$ (1,024,729)	\$ 157,362	\$ 15,805	\$ 0	\$ (851,562)
Net Position July 1, 2022	0	0	0	9,462,066	587,144	215,283	0	10,264,493
Net Position June 30, 2023	\$ 0	\$ 0	\$ 0	\$ 8,437,337	\$ 744,506	\$ 231,088	\$ 0	\$ 9,412,931

Blount County School Department

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

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

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

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

Extended School Program Fund – The Extended School Program Fund is used to account for transactions of the Blount County School Department's extended care program.

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 J-1

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position Total Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 73,412,691	\$ 48,000	\$ 11,107,906	\$ 0	\$ (62,256,785)
Support Services	45,701,904	223,314	3,151,120	11,000	(42,316,470)
Operation of Non-instructional Services	14,150,463	3,616,842	4,361,351	0	(6,172,270)
Total Governmental Activities	<u>\$ 133,265,058</u>	<u>\$ 3,888,156</u>	<u>\$ 18,620,377</u>	<u>\$ 11,000</u>	<u>\$ (110,745,525)</u>
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 23,148,900
Property Taxes Levied for Capital Purposes					5,894,183
Local Option Sales Taxes					24,105,874
Business Taxes					936,937
Other Local Taxes					339,003
Grants and Contributions Not Restricted for Specific Programs					64,906,102
Unrestricted Investment Income					1,676,999
Miscellaneous					45,257
Total General Revenues					<u>\$ 121,053,255</u>
Change in Net Position					\$ 10,307,730
Net Position, July 1, 2022					<u>163,933,157</u>
Net Position, June 30, 2023					<u>\$ 174,240,887</u>

Exhibit J-2

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

	Major Funds			Nonmajor Funds	
	General Purpose School	School Federal Projects	Education Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 0	\$ 2,539,475	\$ 2,539,475
Equity in Pooled Cash and Investments	13,576,295	224,718	10,818,785	6,106,574	30,726,372
Accounts Receivable	61,400	0	47,495	26,643	135,538
Due from Other Governments	7,045,566	2,175,134	56,602	52,322	9,329,624
Due from Other Funds	444,737	0	0	0	444,737
Property Taxes Receivable	21,158,494	0	6,815,170	0	27,973,664
Allowance for Uncollectible Property Taxes	(203,717)	0	(58,402)	0	(262,119)
Restricted Assets	956,556	0	0	0	956,556
Total Assets	\$ 43,039,331	\$ 2,399,852	\$ 17,679,650	\$ 8,725,014	\$ 71,843,847
<u>LIABILITIES</u>					
Accounts Payable	\$ 1,639,639	\$ 438,058	\$ 1,065	\$ 170,388	\$ 2,249,150
Accrued Payroll	3,369,315	503,303	0	288,746	4,161,364
Payroll Deductions Payable	26,294	127,678	0	32,247	186,219
Contracts Payable	44,912	563,656	1,867,171	0	2,475,739
Retainage Payable	0	17,169	55,920	0	73,089
Due to Other Funds	0	444,737	0	0	444,737
Due to Primary Government	854,569	63,590	0	28,074	946,233
Due to Other Governments	0	0	0	163,161	163,161
Other Current Liabilities	411,167	0	0	0	411,167
Total Liabilities	\$ 6,345,896	\$ 2,158,191	\$ 1,924,156	\$ 682,616	\$ 11,110,859

(Continued)

Exhibit J-2

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

	Major Funds			Nonmajor Funds	
	General Purpose School	School Federal Projects	Education Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 20,597,325	\$ 0	\$ 6,665,875	\$ 0	\$ 27,263,200
Deferred Delinquent Property Taxes	264,013	0	64,316	0	328,329
Other Deferred/Unavailable Revenue	1,068,510	517,426	0	0	1,585,936
Total Deferred Inflows of Resources	\$ 21,929,848	\$ 517,426	\$ 6,730,191	\$ 0	\$ 29,177,465
<u>FUND BALANCES</u>					
Restricted:					
Restricted for Education	\$ 0	\$ 0	\$ 0	\$ 5,891,876	\$ 5,891,876
Restricted for Capital Projects	0	0	7,717,576	0	7,717,576
Restricted for Hybrid Retirement Stabilization Funds	956,556	0	0	0	956,556
Committed:					
Committed for Education	0	250,000	0	2,150,522	2,400,522
Committed for Capital Projects	0	0	1,307,727	0	1,307,727
Assigned:					
Assigned for Education	2,662,203	0	0	0	2,662,203
Assigned for Capital Outlay	893,963	0	0	0	893,963
Unassigned	10,250,865	(525,765)	0	0	9,725,100
Total Fund Balances	\$ 14,763,587	\$ (275,765)	\$ 9,025,303	\$ 8,042,398	\$ 31,555,523
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 43,039,331	\$ 2,399,852	\$ 17,679,650	\$ 8,725,014	\$ 71,843,847

Exhibit J-3

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

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

Total fund balances - balance sheet - governmental funds (Exhibit J-2)		\$ 31,555,523
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 9,951,059	
Add: construction in progress	23,166,580	
Add: buildings and improvements net of accumulated depreciation	103,457,013	
Add: other capital assets net of accumulated depreciation	<u>2,871,936</u>	139,446,588
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: loans payable to primary government	\$ (11,508,422)	
Less: OPEB liability	<u>(18,987,549)</u>	(30,495,971)
(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 expense/OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 19,096,019	
Less: deferred inflows of resources related to pensions	(2,964,137)	
Add: deferred outflows of resources related to OPEB	3,391,813	
Less: deferred inflows of resources related to OPEB	<u>(2,770,301)</u>	16,753,394
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - agent plan	\$ 463,356	
Add: net pension asset - teacher retirement plan	208,347	
Add: net pension asset - teacher legacy pension plan	<u>14,395,385</u>	15,067,088
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		<u>1,914,265</u>
Net position of governmental activities (Exhibit A)		<u>\$ 174,240,887</u>

Exhibit J-4

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

	Major Funds			Nonmajor Funds	
	General Purpose School	School Federal Projects	Education Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>					
Local Taxes	\$ 48,560,506	\$ 0	\$ 6,141,420	\$ 0	\$ 54,701,926
Licenses and Permits	5,667	0	0	0	5,667
Charges for Current Services	271,314	0	0	3,616,842	3,888,156
Other Local Revenues	949,256	0	585,467	4,979,103	6,513,826
State of Tennessee	53,410,145	0	8,602	204,201	53,622,948
Federal Government	239,672	17,526,806	0	5,494,832	23,261,310
Other Governments and Citizens Groups	11,000	0	0	1,170	12,170
Total Revenues	\$ 103,447,560	\$ 17,526,806	\$ 6,735,489	\$ 14,296,148	\$ 142,006,003
<u>Expenditures</u>					
Current:					
Instruction	\$ 64,149,603	\$ 10,911,466	\$ 0	\$ 0	\$ 75,061,069
Support Services	38,188,541	4,533,497	0	0	42,722,038
Operation of Non-Instructional Services	814,278	0	0	13,859,683	14,673,961
Capital Outlay	5,723,780	2,173,542	0	0	7,897,322
Debt Service:					
Principal on Debt	0	0	1,048,669	0	1,048,669
Interest on Debt	0	0	318,128	0	318,128
Capital Projects	0	0	15,070,171	0	15,070,171
Total Expenditures	\$ 108,876,202	\$ 17,618,505	\$ 16,436,968	\$ 13,859,683	\$ 156,791,358
Excess (Deficiency) of Revenues Over Expenditures	\$ (5,428,642)	\$ (91,699)	\$ (9,701,479)	\$ 436,465	\$ (14,785,355)
<u>Other Financing Sources (Uses)</u>					
Other Loans Issued	\$ 0	\$ 0	\$ 12,000,000	\$ 0	\$ 12,000,000
Transfers In	447,585	0	1,366,797	0	1,814,382
Transfers Out	(1,366,797)	(447,585)	0	0	(1,814,382)
Total Other Financing Sources (Uses)	\$ (919,212)	\$ (447,585)	\$ 13,366,797	\$ 0	\$ 12,000,000
Net Change in Fund Balances	\$ (6,347,854)	\$ (539,284)	\$ 3,665,318	\$ 436,465	\$ (2,785,355)
Fund Balance, July 1, 2022	21,111,441	263,519	5,359,985	7,605,933	34,340,878
Fund Balance, June 30, 2023	\$ 14,763,587	\$ (275,765)	\$ 9,025,303	\$ 8,042,398	\$ 31,555,523

Exhibit J-5

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

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

Net change in fund balances - total governmental funds (Exhibit J-4)		\$ (2,785,355)
(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	\$ 25,174,135	
Less: current-year depreciation expense	<u>(5,023,446)</u>	20,150,689
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase (decrease) net position.		
Less: assets donated and capitalized		(131,874)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2023	\$ 1,914,265	
Less: deferred delinquent property taxes and other deferred June 30, 2022	<u>(347,480)</u>	1,566,785
(4) The issuance of long-term debt (e.g., notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Less: proceeds of other loans issued	\$ (12,000,000)	
Add: principal payment on loans from primary government	<u>1,048,669</u>	(10,951,331)
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in net pension asset - agent plan	\$ (4,475,682)	
Change in net pension asset - teacher retirement plan	(451,830)	
Change in net pension asset - teacher legacy plan	(36,615,015)	
Change in deferred outflows related to pensions	(2,023,511)	
Change in deferred inflows related to pensions	47,376,602	
Change in OPEB liability	745,281	
Change in deferred outflows related to OPEB	(985,186)	
Change in deferred inflows related to OPEB	<u>(1,111,843)</u>	2,458,816
Change in net position of governmental activities (Exhibit B)		<u>\$ 10,307,730</u>

Exhibit J-6

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

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Central Cafeteria	Extended School Program	Internal School	
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 2,539,475	\$ 2,539,475
Equity in Pooled Cash and Investments	3,551,048	2,555,526	0	6,106,574
Accounts Receivable	15,386	11,257	0	26,643
Due from Other Governments	52,322	0	0	52,322
Total Assets	<u>\$ 3,618,756</u>	<u>\$ 2,566,783</u>	<u>\$ 2,539,475</u>	<u>\$ 8,725,014</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 158,099	\$ 12,289	\$ 0	\$ 170,388
Accrued Payroll	82,904	205,842	0	288,746
Payroll Deductions Payable	12,115	20,132	0	32,247
Due to Primary Government	13,237	14,837	0	28,074
Due to Other Governments	0	163,161	0	163,161
Total Liabilities	<u>\$ 266,355</u>	<u>\$ 416,261</u>	<u>\$ 0</u>	<u>\$ 682,616</u>
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Education	\$ 3,352,401	\$ 0	\$ 2,539,475	\$ 5,891,876
Committed:				
Committed for Education	0	2,150,522	0	2,150,522
Total Fund Balances	<u>\$ 3,352,401</u>	<u>\$ 2,150,522</u>	<u>\$ 2,539,475</u>	<u>\$ 8,042,398</u>
Total Liabilities and Fund Balances	<u>\$ 3,618,756</u>	<u>\$ 2,566,783</u>	<u>\$ 2,539,475</u>	<u>\$ 8,725,014</u>

Exhibit J-7

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

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Central Cafeteria	Extended School Program	Internal School	
<u>Revenues</u>				
Charges for Current Services	\$ 2,032,506	\$ 1,584,336	\$ 0	\$ 3,616,842
Other Local Revenues	185,077	95,930	4,698,096	4,979,103
State of Tennessee	49,008	155,193	0	204,201
Federal Government	4,312,343	1,182,489	0	5,494,832
Other Governments and Citizens Groups	0	1,170	0	1,170
Total Revenues	\$ 6,578,934	\$ 3,019,118	\$ 4,698,096	\$ 14,296,148
<u>Expenditures</u>				
Current:				
Operation of Non-Instructional Services	\$ 7,095,938	\$ 2,519,782	\$ 4,243,963	\$ 13,859,683
Total Expenditures	\$ 7,095,938	\$ 2,519,782	\$ 4,243,963	\$ 13,859,683
Excess (Deficiency) of Revenues Over Expenditures	\$ (517,004)	\$ 499,336	\$ 454,133	\$ 436,465
Net Change in Fund Balances	\$ (517,004)	\$ 499,336	\$ 454,133	\$ 436,465
Fund Balance, July 1, 2022	3,869,405	1,651,186	2,085,342	7,605,933
Fund Balance, June 30, 2023	\$ 3,352,401	\$ 2,150,522	\$ 2,539,475	\$ 8,042,398

Exhibit J-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 48,560,506	\$ 0	\$ 0	\$ 48,560,506	\$ 48,306,500	\$ 48,456,849	\$ 103,657
Licenses and Permits	5,667	0	0	5,667	5,500	5,500	167
Charges for Current Services	271,314	0	0	271,314	200,000	200,000	71,314
Other Local Revenues	949,256	0	0	949,256	260,000	660,000	289,256
State of Tennessee	53,410,145	0	0	53,410,145	53,369,000	54,887,110	(1,476,965)
Federal Government	239,672	0	0	239,672	290,000	290,000	(50,328)
Other Governments and Citizens Groups	11,000	0	0	11,000	0	0	11,000
Total Revenues	\$ 103,447,560	\$ 0	\$ 0	\$ 103,447,560	\$ 102,431,000	\$ 104,499,459	\$ (1,051,899)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 50,056,241	\$ (189,614)	\$ 40,270	\$ 49,906,897	\$ 49,361,500	\$ 50,691,437	\$ 784,540
Special Education Program	9,058,414	(216)	0	9,058,198	9,461,000	9,461,000	402,802
Career and Technical Education Program	4,005,001	0	0	4,005,001	4,071,300	4,166,458	161,457
Other	1,029,947	0	0	1,029,947	1,200,000	1,200,000	170,053
<u>Support Services</u>							
Attendance	104,662	0	0	104,662	142,000	142,000	37,338
Health Services	168,194	0	832	169,026	179,600	179,600	10,574
Other Student Support	2,150,306	(4,403)	1,575	2,147,478	2,336,300	2,336,300	188,822
Regular Instruction Program	2,438,024	0	4,018	2,442,042	2,524,800	2,524,800	82,758
Special Education Program	944,037	(3,076)	0	940,961	1,051,600	1,051,600	110,639
Career and Technical Education Program	111,967	0	3,100	115,067	121,900	121,900	6,833
Technology	1,579,355	(100,666)	104,112	1,582,801	1,839,302	1,839,302	256,501
Board of Education	2,109,708	(9,920)	5,927	2,105,715	2,253,150	2,253,150	147,435
Director of Schools	1,015,626	(5,924)	23,381	1,033,083	1,093,800	1,093,800	60,717
Office of the Principal	8,100,766	(34,603)	119,919	8,186,082	8,133,950	8,222,950	36,868
Fiscal Services	264,618	0	3,160	267,778	275,000	275,000	7,222
Operation of Plant	8,793,823	(78,909)	43,914	8,758,828	9,049,200	9,049,200	290,372
Maintenance of Plant	3,422,317	(225,233)	635,984	3,833,068	3,680,600	3,968,600	135,532

(Continued)

Exhibit J-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Transportation	\$ 6,985,138	\$ 0	\$ 0	\$ 6,985,138	\$ 6,503,900	\$ 7,382,342	\$ 397,204
<u>Operation of Non-Instructional Services</u>							
Food Service	49,068	0	0	49,068	0	69,986	20,918
Early Childhood Education	765,210	0	0	765,210	816,300	816,300	51,090
<u>Capital Outlay</u>							
Regular Capital Outlay	5,723,780	(4,575,940)	498,974	1,646,814	538,000	6,431,579	4,784,765
Total Expenditures	<u>\$ 108,876,202</u>	<u>\$ (5,228,504)</u>	<u>\$ 1,485,166</u>	<u>\$ 105,132,864</u>	<u>\$ 104,633,202</u>	<u>\$ 113,277,304</u>	<u>\$ 8,144,440</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (5,428,642)</u>	<u>\$ 5,228,504</u>	<u>\$ (1,485,166)</u>	<u>\$ (1,685,304)</u>	<u>\$ (2,202,202)</u>	<u>\$ (8,777,845)</u>	<u>\$ 7,092,541</u>
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 447,585	\$ 0	\$ 0	\$ 447,585	\$ 615,000	\$ 626,000	\$ (178,415)
Transfers Out	(1,366,797)	0	0	(1,366,797)	(1,366,798)	(1,366,798)	1
Total Other Financing Sources	<u>\$ (919,212)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (919,212)</u>	<u>\$ (751,798)</u>	<u>\$ (740,798)</u>	<u>\$ (178,414)</u>
Net Change in Fund Balance	\$ (6,347,854)	\$ 5,228,504	\$ (1,485,166)	\$ (2,604,516)	\$ (2,954,000)	\$ (9,518,643)	\$ 6,914,127
Fund Balance, July 1, 2022	<u>21,111,441</u>	<u>(5,228,504)</u>	<u>0</u>	<u>15,882,937</u>	<u>21,111,441</u>	<u>21,111,441</u>	<u>(5,228,504)</u>
Fund Balance, June 30, 2023	<u>\$ 14,763,587</u>	<u>\$ 0</u>	<u>\$ (1,485,166)</u>	<u>\$ 13,278,421</u>	<u>\$ 18,157,441</u>	<u>\$ 11,592,798</u>	<u>\$ 1,685,623</u>

Exhibit J-9

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Federal Government	\$ 17,526,806	\$ 0	\$ 0	\$ 17,526,806	\$ 24,429,661	\$ 27,327,189	\$ (9,800,383)
Total Revenues	\$ 17,526,806	\$ 0	\$ 0	\$ 17,526,806	\$ 24,429,661	\$ 27,327,189	\$ (9,800,383)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 7,616,879	\$ (2,891)	\$ 0	\$ 7,613,988	\$ 10,545,899	\$ 11,973,367	\$ 4,359,379
Special Education Program	2,613,703	0	0	2,613,703	2,802,074	2,969,381	355,678
Career and Technical Education Program	680,884	0	0	680,884	1,084,000	1,106,957	426,073
<u>Support Services</u>							
Health Services	1,538,432	0	0	1,538,432	2,716,360	2,802,668	1,264,236
Other Student Support	302,315	0	0	302,315	713,042	732,421	430,106
Regular Instruction Program	1,175,541	(10,307)	4,398	1,169,632	1,473,700	1,574,538	404,906
Special Education Program	836,729	0	0	836,729	1,185,885	996,239	159,510
Career and Technical Education Program	1,896	0	0	1,896	5,000	1,896	0
Technology	531,748	0	0	531,748	603,000	603,000	71,252
Fiscal Services	32,251	0	13,949	46,200	0	46,200	0
Transportation	114,585	0	0	114,585	350,700	291,924	177,339
<u>Capital Outlay</u>							
Regular Capital Outlay	2,173,542	(2,152,974)	959,213	979,781	2,461,001	3,946,693	2,966,912
Total Expenditures	\$ 17,618,505	\$ (2,166,172)	\$ 977,560	\$ 16,429,893	\$ 23,940,661	\$ 27,045,284	\$ 10,615,391
Excess (Deficiency) of Revenues Over Expenditures	\$ (91,699)	\$ 2,166,172	\$ (977,560)	\$ 1,096,913	\$ 489,000	\$ 281,905	\$ 815,008
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (447,585)	\$ 0	\$ 0	\$ (447,585)	\$ (489,000)	\$ (469,038)	\$ 21,453
Total Other Financing Sources	\$ (447,585)	\$ 0	\$ 0	\$ (447,585)	\$ (489,000)	\$ (469,038)	\$ 21,453
Net Change in Fund Balance	\$ (539,284)	\$ 2,166,172	\$ (977,560)	\$ 649,328	\$ 0	\$ (187,133)	\$ 836,461
Fund Balance, July 1, 2022	263,519	(2,166,172)	0	(1,902,653)	250,000	250,000	(2,152,653)
Fund Balance, June 30, 2023	\$ (275,765)	\$ 0	\$ (977,560)	\$ (1,253,325)	\$ 250,000	\$ 62,867	\$ (1,316,192)

Exhibit J-10

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 2,032,506	\$ 0	\$ 0	\$ 2,032,506	\$ 2,100,000	\$ 2,100,000	\$ (67,494)
Other Local Revenues	185,077	0	0	185,077	12,000	12,000	173,077
State of Tennessee	49,008	0	0	49,008	49,000	49,000	8
Federal Government	4,312,343	0	0	4,312,343	4,645,000	4,645,000	(332,657)
Other Governments and Citizens Groups	0	0	0	0	844,000	844,000	(844,000)
Total Revenues	\$ 6,578,934	\$ 0	\$ 0	\$ 6,578,934	\$ 7,650,000	\$ 7,650,000	\$ (1,071,066)
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 7,095,938	\$ (666,415)	\$ 213,377	\$ 6,642,900	\$ 7,650,000	\$ 7,650,000	\$ 1,007,100
Total Expenditures	\$ 7,095,938	\$ (666,415)	\$ 213,377	\$ 6,642,900	\$ 7,650,000	\$ 7,650,000	\$ 1,007,100
Excess (Deficiency) of Revenues Over Expenditures	\$ (517,004)	\$ 666,415	\$ (213,377)	\$ (63,966)	\$ 0	\$ 0	\$ (63,966)
Net Change in Fund Balance	\$ (517,004)	\$ 666,415	\$ (213,377)	\$ (63,966)	\$ 0	\$ 0	\$ (63,966)
Fund Balance, July 1, 2022	3,869,405	(666,415)	0	3,202,990	3,869,405	3,869,405	(666,415)
Fund Balance, June 30, 2023	\$ 3,352,401	\$ 0	\$ (213,377)	\$ 3,139,024	\$ 3,869,405	\$ 3,869,405	\$ (730,381)

Exhibit J-11

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 1,584,336	\$ 0	\$ 0	\$ 1,584,336	\$ 1,449,000	\$ 1,449,000	\$ 135,336
Other Local Revenues	95,930	0	0	95,930	11,000	11,000	84,930
State of Tennessee	155,193	0	0	155,193	192,000	192,000	(36,807)
Federal Government	1,182,489	0	0	1,182,489	588,000	1,345,255	(162,766)
Other Governments and Citizens Groups	1,170	0	0	1,170	0	0	1,170
Total Revenues	\$ 3,019,118	\$ 0	\$ 0	\$ 3,019,118	\$ 2,240,000	\$ 2,997,255	\$ 21,863
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Community Services	\$ 2,519,782	\$ (17,661)	\$ 13,206	\$ 2,515,327	\$ 2,240,000	\$ 2,997,255	\$ 481,928
Total Expenditures	\$ 2,519,782	\$ (17,661)	\$ 13,206	\$ 2,515,327	\$ 2,240,000	\$ 2,997,255	\$ 481,928
Excess (Deficiency) of Revenues Over Expenditures	\$ 499,336	\$ 17,661	\$ (13,206)	\$ 503,791	\$ 0	\$ 0	\$ 503,791
Net Change in Fund Balance	\$ 499,336	\$ 17,661	\$ (13,206)	\$ 503,791	\$ 0	\$ 0	\$ 503,791
Fund Balance, July 1, 2022	1,651,186	(17,661)	0	1,633,525	1,651,186	1,651,186	(17,661)
Fund Balance, June 30, 2023	\$ 2,150,522	\$ 0	\$ (13,206)	\$ 2,137,316	\$ 1,651,186	\$ 1,651,186	\$ 486,130

Exhibit J-12

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2022	Add: Encumbrances 6/30/2023	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 6,141,420	\$ 0	\$ 0	\$ 6,141,420	\$ 5,682,200	\$ 5,682,200	\$ 459,220
Other Local Revenues	585,467	0	0	585,467	10,000	10,000	575,467
State of Tennessee	8,602	0	0	8,602	8,000	8,000	602
Total Revenues	<u>\$ 6,735,489</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 6,735,489</u>	<u>\$ 5,700,200</u>	<u>\$ 5,700,200</u>	<u>\$ 1,035,289</u>
<u>Expenditures</u>							
<u>Other Debt Service</u>							
Education	\$ 1,366,797	\$ 0	\$ 0	\$ 1,366,797	\$ 189,800	\$ 1,366,797	\$ 0
<u>Capital Projects</u>							
Education Capital Projects	15,070,171	(13,054,765)	4,968,642	6,984,048	118,000	7,542,579	558,531
Total Expenditures	<u>\$ 16,436,968</u>	<u>\$ (13,054,765)</u>	<u>\$ 4,968,642</u>	<u>\$ 8,350,845</u>	<u>\$ 307,800</u>	<u>\$ 8,909,376</u>	<u>\$ 558,531</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (9,701,479)</u>	<u>\$ 13,054,765</u>	<u>\$ (4,968,642)</u>	<u>\$ (1,615,356)</u>	<u>\$ 5,392,400</u>	<u>\$ (3,209,176)</u>	<u>\$ 1,593,820</u>
<u>Other Financing Sources (Uses)</u>							
Other Loans Issued	\$ 12,000,000	\$ 0	\$ 0	\$ 12,000,000	\$ 0	\$ 12,000,000	\$ 0
Transfers In	1,366,797	0	0	1,366,797	0	1,366,797	0
Total Other Financing Sources	<u>\$ 13,366,797</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 13,366,797</u>	<u>\$ 0</u>	<u>\$ 13,366,797</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 3,665,318	\$ 13,054,765	\$ (4,968,642)	\$ 11,751,441	\$ 5,392,400	\$ 10,157,621	\$ 1,593,820
Fund Balance, July 1, 2022	<u>5,359,985</u>	<u>(13,054,765)</u>	<u>0</u>	<u>(7,694,780)</u>	<u>5,359,985</u>	<u>5,359,985</u>	<u>(13,054,765)</u>
Fund Balance, June 30, 2023	<u>\$ 9,025,303</u>	<u>\$ 0</u>	<u>\$ (4,968,642)</u>	<u>\$ 4,056,661</u>	<u>\$ 10,752,385</u>	<u>\$ 15,517,606</u>	<u>\$ (11,460,945)</u>

MISCELLANEOUS SCHEDULES

Exhibit K-1

Blount County, Tennessee
Schedule of Changes in Long-term Bonds and Other Loans Payable
Primary Government and Discretely Presented Blount County School Department
For the Year Ended June 30, 2023

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-22	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-23
<u>PRIMARY GOVERNMENT</u>								
<u>GOVERNMENTAL ACTIVITIES:</u>								
<u>BONDS PAYABLE</u>								
Payable through General Debt Service Fund								
Qualified School Construction Bond, Series 2010	\$ 14,855,000	2.6	% 10-7-10	9-14-27	\$ 4,813,271	\$ 0	\$ 926,929	\$ 3,886,342
General Obligation Refunding, Series 2015 B	19,785,000	2 to 4	3-5-15	6-1-31	16,530,000	0	1,615,000	14,915,000
General Obligation Refunding, Series 2016 A	8,920,000	.97 to 3.6	12-1-16	6-30-37	6,205,000	0	340,000	5,865,000
General Obligation Refunding, Series 2016 B	117,010,000	2 to 5	12-1-16	6-30-37	101,530,000	0	7,350,000	94,180,000
Total Bonds Payable - Governmental Activities					<u>\$ 129,078,271</u>	<u>\$ 0</u>	<u>\$ 10,231,929</u>	<u>\$ 118,846,342</u>
<u>BUSINESS-TYPE ACTIVITIES:</u>								
<u>BONDS PAYABLE</u>								
Payable from Hospital Revenue Bond Enterprise Fund by								
Blount Memorial Hospital, Inc.								
Hospital Revenue Refunding Bonds Series 2019A	67,705,000	2.07	10-4-19	6-1-29	\$ 50,375,000	\$ 0	\$ 6,765,000	\$ 43,610,000
Hospital Revenue Bonds Series 2019B	20,000,000	2.07	10-4-19	6-1-29	14,885,000	0	1,990,000	12,895,000
Total Bonds Payable - Business-type Activities					<u>\$ 65,260,000</u>	<u>\$ 0</u>	<u>\$ 8,755,000</u>	<u>\$ 56,505,000</u>
TOTAL PRIMARY GOVERNMENT					<u>\$ 194,338,271</u>	<u>\$ 0</u>	<u>\$ 18,986,929</u>	<u>\$ 175,351,342</u>
<u>DISCRETELY PRESENTED BLOUNT COUNTY SCHOOL DEPARTMENT</u>								
<u>OTHER LOANS</u>								
Payable from Education Capital Projects Fund								
Internal Loan from Primary Government - Capital Outlay Note Series 2017	1,272,000	1.1	7-12-17	6-30-25	\$ 557,091	\$ 0	\$ 183,669	\$ 373,422
Internal Loan from Primary Government - Capital Outlay Note Series 2022	12,000,000	2.6	2-10-23	5-1-34	0	12,000,000	865,000	11,135,000
Total Other Loans					<u>\$ 557,091</u>	<u>\$ 12,000,000</u>	<u>\$ 1,048,669</u>	<u>\$ 11,508,422</u>
TOTAL DISCRETELY PRESENTED BLOUNT COUNTY SCHOOL DEPARTMENT					<u>\$ 557,091</u>	<u>\$ 12,000,000</u>	<u>\$ 1,048,669</u>	<u>\$ 11,508,422</u>

Exhibit K-2

Blount County, Tennessee
Schedule of Long-term Debt Requirements by Year
Primary Government and Discretely Presented Blount County School Department

PRIMARY GOVERNMENT
GOVERNMENTAL ACTIVITIES:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2024	\$ 10,056,929	\$ 6,030,097	\$ 16,087,026
2025	10,456,929	5,599,033	16,055,962
2026	10,856,929	5,148,238	16,005,167
2027	11,323,173	4,695,905	16,019,078
2028	12,262,382	3,576,782	15,839,164
2029	12,600,000	2,942,502	15,542,502
2030	5,590,000	2,359,165	7,949,165
2031	2,490,000	2,127,520	4,617,520
2032	6,200,000	2,051,937	8,251,937
2033	6,665,000	1,749,033	8,414,033
2034	7,030,000	1,422,902	8,452,902
2035	7,345,000	1,144,233	8,489,233
2036	7,770,000	784,182	8,554,182
2037	8,200,000	402,860	8,602,860
Total	\$ 118,846,342	\$ 40,034,389	\$ 158,880,731

BUSINESS-TYPE ACTIVITIES:

Year Ending June 30	Revenue Bonds		
	Principal	Interest	Total
2024	\$ 8,935,000	\$ 1,169,654	\$ 10,104,654
2025	9,125,000	984,699	10,109,699
2026	9,315,000	795,812	10,110,812
2027	9,510,000	602,991	10,112,991
2028	9,710,000	406,133	10,116,133
2029	9,910,000	205,136	10,115,136
Total	\$ 56,505,000	\$ 4,164,425	\$ 60,669,425

(Continued)

Exhibit K-2

Blount County, Tennessee

Schedule of Long-term Debt Requirements by Year

Primary Government and Discretely Presented Blount County School Department (Cont.)

DISCRETELY PRESENTED BLOUNT COUNTY SCHOOL DEPARTMENT:

Year Ending June 30	Internal Loans - Due to Primary Government		
	Principal	Interest	Total
2024	\$ 1,070,690	\$ 293,618	\$ 1,364,308
2025	1,097,732	268,565	1,366,297
2026	935,000	242,840	1,177,840
2027	960,000	218,530	1,178,530
2028	985,000	193,570	1,178,570
2029	1,010,000	167,960	1,177,960
2030	1,035,000	141,700	1,176,700
2031	1,060,000	114,790	1,174,790
2032	1,090,000	87,230	1,177,230
2033	1,120,000	58,890	1,178,890
2034	1,145,000	29,770	1,174,770
Total	<u>\$ 11,508,422</u>	<u>\$ 1,817,463</u>	<u>\$ 13,325,885</u>

Exhibit K-3

Blount County, Tennessee
Schedule of Changes in Leases/SBITA Obligations
For the Year Ended June 30, 2023

Description	Original Amount of Issue	Interest Rate	Date of Issue	Maturity Date	Restated Outstanding 7-1-22 *	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-23
GOVERNMENTAL ACTIVITIES								
<u>LEASES PAYABLE</u>								
<u>Payable through General Fund</u>								
Land for Emergency Communications Equipment	\$ 707,528	1.2	% 5-19-11	5-19-46	\$ 516,074	\$ 0	\$ 18,683	\$ 497,391
Total Leases Payable					<u>\$ 516,074</u>	<u>\$ 0</u>	<u>\$ 18,683</u>	<u>\$ 497,391</u>
<u>SBITA PAYABLE</u>								
<u>Payable through General Fund</u>								
Tyler Tech *	1,147,022	5.45	9-1-19	9-1-24	\$ 554,868	\$ 0	\$ 238,249	\$ 316,619
UKG	799,137	5.45	7-22-22	7-22-27	0	799,137	130,724	668,413
Axon Cameras *	2,521,342	5.45	12-1-19	12-1-25	1,768,355	0	407,545	1,360,810
Total SBITA payable					<u>\$ 2,323,223</u>	<u>\$ 799,137</u>	<u>\$ 776,518</u>	<u>\$ 2,345,842</u>

* Outstanding 7-1-22 has been restated due to transitional requirements of GASB Statement No. 96.

Exhibit K-4

Blount County, Tennessee
Schedule of Lease Requirements/SBITA by Year

Year Ending June 30	Leases		
	Principal	Interest	Total
2024	\$ 18,907	\$ 5,969	\$ 24,876
2025	19,134	5,742	24,876
2026	19,364	5,512	24,876
2027	19,596	5,280	24,876
2028	19,831	5,045	24,876
2029	20,069	4,807	24,876
2030	20,310	4,566	24,876
2031	20,554	4,322	24,876
2032	20,800	4,075	24,875
2033	21,050	3,826	24,876
2034	21,303	3,573	24,876
2035	21,558	3,318	24,876
2036	21,817	3,059	24,876
2037	22,078	2,797	24,875
2038	22,344	2,532	24,876
2039	22,612	2,264	24,876
2040	22,883	1,993	24,876
2041	23,158	1,718	24,876
2042	23,435	1,441	24,876
2043	23,717	1,159	24,876
2044	24,001	875	24,876
2045	24,289	586	24,875
2046	24,581	295	24,876
Total	\$ 497,391	\$ 74,754	\$ 572,145

Year Ending June 30	SBITA		
	Principal	Interest	Total
2024	\$ 831,558	\$ 117,910	\$ 949,468
2025	676,870	75,651	752,521
2026	645,376	41,496	686,872
2027	176,860	6,092	182,952
2028	15,178	68	15,246
Total	\$ 2,345,842	\$ 241,217	\$ 2,587,059

Exhibit K-5

Blount County, Tennessee
Schedule of Notes Receivable
Primary Government
June 30, 2023

Description	Debtor	Original Amount of Note	Date of Issue	Date of Maturity	Interest Rate	Balance 6-30-23
<u>General Fund</u>						
Amazon Project	Industrial Development Board of Blount County and the cities of Alcoa and Maryville, Tennessee	\$ 6,000,000	1-21-21	3-1-44	0%	<u>\$ 5,279,360</u>
Total Notes Receivable						<u><u>\$ 5,279,360</u></u>

Exhibit K-6

Blount County, Tennessee
Schedule of Leases Receivable
Primary Government
June 30, 2023

Description	Debtor	Original Amount of Lease	Date of Issue	Date of Maturity	Interest Rate	7-1-22	Deductions	Balance 6-30-23
<u>General Fund</u>								
Verizon Phone Tower	Eco-Site II, LLC	\$ 332,256	7-1-21	2-1-45	1.2 %	\$ 304,982	\$ 11,779	\$ 293,203
Total Leases Receivable						\$ 304,982	\$ 11,779	\$ 293,203

Exhibit K-7

Blount County, Tennessee

Schedule of Transfers

Primary Government and Discretely Presented Blount County School Department

For the Year Ended June 30, 2023

From Fund	To Fund	Purpose	Amount
<u>PRIMARY GOVERNMENT</u>			
General	General Debt Service	Tax credit bond rebate	\$ 679,121
"	Public Library	Operations	1,386,715
Highway/Public Works	Highway Capital Projects	Capital expenditures	4,680,365
Self-Insurance	General	Shared payroll expense	254,150
Public Library	General	Maintenance and custodial services	<u>265,355</u>
Total Transfers Primary Government			<u>\$ 7,265,706</u>
<u>DISCRETELY PRESENTED BLOUNT BLOUNT COUNTY SCHOOL DEPARTMENT</u>			
General Purpose School	Education Capital Projects	Debt service contribution	\$ 1,366,797
School Federal Projects	General Purpose School	Indirect costs	<u>447,585</u>
Total Transfers Discretely Presented Blount County School Department			<u>\$ 1,814,382</u>

Exhibit K-8

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

Official	Authorization	Bond	Surety
County Mayor	Section 8-24-102, <i>TCA</i>	\$ 100,000	Cincinnati Insurance Company
Base salary/Total compensation		<u>\$ 164,608</u>	
Highway Superintendent	Section 8-24-102, <i>TCA</i>	100,000	Cincinnati Insurance Company
Base salary/Total compensation		<u>\$ 130,641</u>	
Director of Schools	State Board of Education and County Board of Education	100,000	Cincinnati Insurance Company
Base salary		\$ 152,000	
Health, vision and dental insurance premiums		1,230	
Longevity pay		8,000	
Chief executive officer training supplement		1,000	
Total compensation		<u>\$ 162,230</u>	
Trustee	Section 8-24-102, <i>TCA</i>	6,384,568	Cincinnati Insurance Company
Base salary/Total compensation		<u>\$ 107,968</u>	
Assessor of Property	Section 8-24-102, <i>TCA</i>	50,000	Cincinnati Insurance Company
Base salary/Total compensation		<u>\$ 107,968</u>	
County Clerk	Section 8-24-102, <i>TCA</i>	100,000	Cincinnati Insurance Company
Base salary/Total compensation		<u>\$ 107,968</u>	
Circuit and General Sessions Courts Clerk	Section 8-24-102, <i>TCA</i>	100,000	Cincinnati Insurance Company
Base salary		\$ 107,968	
Additional 10% for overseeing more than one court		10,797	
Total compensation		<u>\$ 118,765</u>	
Clerk and Master	Section 8-24-102, <i>TCA</i>	100,000	Cincinnati Insurance Company
Base salary		\$ 107,968	
Special commissioner fees		10,200	
Total compensation		<u>\$ 118,168</u>	
Register of Deeds	Section 8-24-102, <i>TCA</i>	100,000	Cincinnati Insurance Company
Base salary/Total compensation		<u>\$ 107,968</u>	
Sheriff	Section 8-24-102, <i>TCA</i>	100,000	Cincinnati Insurance Company
Base salary		\$ 130,641	
Superintendent of workhouse		13,064	
Director of Juvenile Detention Center		13,064	
Total compensation		<u>\$ 156,769</u>	
Director of Accounts and Budgets	County Commission	100,000	Cincinnati Insurance Company
Base salary		\$ 107,968	
Assistant mayor		31,490	
Total compensation		<u>\$ 139,458</u>	
Purchasing Agent - Katie Branham Kerr (7/1/22 to 6/23/23)	County Commission	100,000	Cincinnati Insurance Company
Base salary/Total compensation		<u>\$ 86,448</u>	
Purchasing Agent - Jackie Cooper, Interim (5/22/23 to 6/30/23)	County Commission	100,000	Cincinnati Insurance Company
Base salary/Total compensation		<u>\$ 9,245</u>	
Total Purchasing Agent compensation		<u>\$ 95,693</u>	
Employee Blanket Bonds:			
Public Employee Dishonesty		500,000	Travelers Casualty and Surety Company
Forgery or alteration		500,000	"
Money and Securities - On Premises		500,000	"
Money and Securities - Messenger		500,000	"
Computer Fraud		500,000	"

Exhibit K-9

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Other General Government Fund
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 41,105,203	\$ 0	\$ 0	\$ 0	\$ 0	0
Discount on Property Taxes	(665,110)	0	0	0	0	0
Trustee's Collections - Prior Year	304,167	0	0	0	0	0
Trustee's Collections - Bankruptcy	166,433	0	0	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	192,693	0	0	0	0	0
Interest and Penalty	87,453	0	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	3,049,745	0	0	0	0	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	0	0	0	0	0
Hotel/Motel Tax	1,820,779	0	0	0	0	0
Litigation Tax - General	328,000	0	0	0	0	0
Litigation Tax - Special Purpose	0	1,473	8,518	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	166,543	0	0	0	0
Litigation Tax - Courthouse Security	127,973	0	0	0	0	0
Business Tax	1,342,879	0	0	0	0	0
Mixed Drink Tax	311,320	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	404,793	0	0	0	0	0
Wholesale Beer Tax	401,661	0	0	0	0	0
Total Local Taxes	\$ 48,977,989	\$ 168,016	\$ 8,518	\$ 0	\$ 0	0

(Continued)

Exhibit K-9

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Other General Government Fund
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 772,343	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Permits</u>						
Building Permits	689,353	0	0	0	0	0
Other Permits	16,815	0	0	0	0	0
Total Licenses and Permits	<u>\$ 1,478,511</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Drug Control Fines	\$ 0	\$ 0	\$ 0	\$ 0	1,656	\$ 0
Drug Court Fees	20,731	0	0	0	0	0
Veterans Treatment Court Fees	1,792	0	0	0	0	0
DUI Treatment Fines	2,151	0	0	0	0	0
Data Entry Fee - Circuit Court	109,625	0	0	0	0	0
<u>Criminal Court</u>						
Fines	2,772	0	0	0	0	0
Officers Costs	24,914	0	0	0	0	0
Veterans Treatment Court Fees	494	0	0	0	0	0
Data Entry Fee - Criminal Court	5,132	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	67,012	0	0	0	0	0
Officers Costs	576,269	0	0	0	0	0
Game and Fish Fines	75	0	0	0	0	0
Drug Control Fines	0	0	0	0	10,619	0
Veterans Treatment Court Fees	11,618	0	0	0	0	0
Jail Fees	34,218	0	0	0	0	0

(Continued)

Exhibit K-9

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

	Special Revenue Funds						
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Other General Government Fund	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>							
<u>General Sessions Court (Cont.)</u>							
District Attorney General Fees	\$ 54,381	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
DUI Treatment Fines	16,946	0	0	0	0	0	0
Courtroom Security Fee	18,889	0	0	0	0	0	0
Victims Assistance Assessments	37,842	0	0	0	0	0	0
<u>Juvenile Court</u>							
Fines	3,026	0	0	0	0	0	0
Officers Costs	87,956	0	0	0	0	0	0
Drug Court Fees	19	0	0	0	0	0	0
Courtroom Security Fee	2,393	0	0	0	0	0	0
<u>Chancery Court</u>							
Officers Costs	10,299	0	0	0	0	0	0
<u>Judicial District Drug Program</u>							
Drug Task Force Forfeitures and Seizures	5,441	0	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>							
Proceeds from Confiscated Property	0	0	0	0	4,300	0	0
Other Fines, Forfeitures, and Penalties	61,453	0	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 1,155,448	\$ 0	\$ 0	\$ 0	\$ 16,575	\$ 0	0
<u>Charges for Current Services</u>							
<u>General Service Charges</u>							
Other General Service Charges	\$ 242,682	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Fees</u>							
Copy Fees	3,305	0	0	15,437	0	0	0
Library Fees	0	0	0	34,003	0	0	0
Telephone Commissions	188,358	0	0	0	188,358	0	0

(Continued)

Exhibit K-9

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

	Special Revenue Funds						Other General Government Fund
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control		
<u>Charges for Current Services (Cont.)</u>							
<u>Fees (Cont.)</u>							
Additional Fees - Titling and Registration	\$ 162,078	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	0	0
Data Processing Fee - Register	40,696	0	0	0	0	0	0
Probation Fees	298,196	0	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	21,000	0	0	0	0	0	0
Data Processing Fee - County Clerk	23,564	0	0	0	0	0	0
Vehicle Registration Reinstatement Fees	6,485	0	0	0	0	0	0
<u>Education Charges</u>							
Other Charges for Services	8,469	0	0	0	0	0	0
Total Charges for Current Services	<u>\$ 994,833</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 49,440</u>	<u>\$ 188,358</u>	<u>\$ 0</u>	<u>0</u>
<u>Other Local Revenues</u>							
<u>Recurring Items</u>							
Investment Income	\$ 2,062,377	\$ 0	\$ 0	\$ 58,373	\$ 96,059	\$ 794,626	
Lease/Rentals	14,906	0	0	0	0	0	0
Sale of Materials and Supplies	1,716	0	0	0	0	0	0
Sale of Maps	82	0	0	0	0	0	0
Sale of Recycled Materials	0	0	0	0	0	0	0
Miscellaneous Refunds	44,407	0	0	0	0	0	0
<u>Nonrecurring Items</u>							
Accrued Interest on Debt Issues	0	0	0	0	0	0	0
Sale of Equipment	630	0	0	0	0	0	0
Sale of Property	473,938	0	0	0	0	0	0
Damages Recovered from Individuals	4,082	0	0	0	0	0	0
Contributions and Gifts	0	0	0	76,320	0	0	0

(Continued)

Exhibit K-9

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Other General Government Fund
<u>Other Local Revenues (Cont.)</u>						
<u>Other Local Revenues</u>						
Other Local Revenues	\$ 668,897	\$ 0	\$ 0	\$ 107,027	\$ 0	\$ 0
Total Other Local Revenues	\$ 3,271,035	\$ 0	\$ 0	\$ 241,720	\$ 96,059	\$ 794,626
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 1,990,550	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	393,516	0	0	0	0	0
General Sessions Court Clerk	1,683,471	0	0	0	0	0
Clerk and Master	430,581	0	0	0	0	0
Juvenile Court Clerk	166,118	0	0	0	0	0
Register	754,244	0	0	0	0	0
Sheriff	81,864	0	0	0	0	0
Trustee	3,398,557	0	0	0	0	0
Total Fees Received From County Officials	\$ 8,898,901	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<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	9,498	0	0	0	0	0
Other Public Safety Grants	110,293	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	606,185	0	0	0	0	0
<u>Public Works Grants</u>						
Litter Program	74,300	0	0	0	0	0

(Continued)

Exhibit K-9

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

	Special Revenue Funds					Other General Government Fund
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues</u>						
Beer Tax	\$ 19,200	\$ 0	\$ 0	\$ 0	\$ 0	0
Vehicle Certificate of Title Fees	111,974	0	0	0	0	0
Alcoholic Beverage Tax	268,493	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	645,269	0	0	0	0	0
State Revenue Sharing - Telecommunications	60,217	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	152,867	0	0	0	0	0
Contracted Prisoner Boarding	1,360,675	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	262,372	0	0	0	0	0
Other State Revenues	260,782	0	0	0	0	0
Total State of Tennessee	<u>\$ 3,966,289</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
<u>Federal Government</u>						
<u>Federal Through State</u>						
American Rescue Plan Act Grant #1	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	235,375
Other Federal through State	569,249	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Asset Forfeiture Funds	0	0	0	0	50,452	0
Tax Credit Bond Rebate	679,121	0	0	0	0	0
Other Direct Federal Revenue	1,878,238	0	0	0	0	0
Total Federal Government	<u>\$ 3,126,608</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>50,452</u>	<u>\$ 235,375</u>

(Continued)

Exhibit K-9

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Other General Government Fund
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 20,880	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Paving and Maintenance	0	0	0	0	0	0
Contributions	252,839	0	0	0	0	0
Contracted Services	142,496	0	0	1,141,143	0	0
<u>Citizens Groups</u>						
Donations	219,854	0	0	0	0	0
<u>Other</u>						
Other	239,742	0	0	0	0	0
Opioid Settlement Funds - Past Remediation	371,448	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 1,247,259	\$ 0	\$ 0	\$ 1,141,143	\$ 0	\$ 0
Total	\$ 73,116,873	\$ 168,016	\$ 8,518	\$ 1,432,303	\$ 351,444	\$ 1,030,001

(Continued)

Exhibit K-9

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

	Special Revenue Funds		Debt Service Fund	Capital Projects Funds		Total
	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 0	\$ 0	\$ 14,255,448	\$ 0	\$ 1,258,909	\$ 56,619,560
Discount on Property Taxes	0	0	(230,717)	0	(20,377)	(916,204)
Trustee's Collections - Prior Year	0	0	149,636	0	12,211	466,014
Trustee's Collections - Bankruptcy	0	0	57,937	0	5,099	229,469
Circuit Clerk/Clerk and Master Collections - Prior Years	0	0	66,853	0	5,899	265,445
Interest and Penalty	0	0	38,839	0	3,084	129,376
Payments in-Lieu-of Taxes - Local Utilities	0	298,780	103,658	0	9,147	411,585
Payments in-Lieu-of Taxes - Other	0	0	18,441	0	1,627	3,069,813
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	5,025,654	2,033,785	4,126,380	0	11,185,819
Hotel/Motel Tax	0	0	0	0	0	1,820,779
Litigation Tax - General	0	0	0	0	0	328,000
Litigation Tax - Special Purpose	0	0	0	0	0	9,991
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	166,543
Litigation Tax - Courthouse Security	0	0	0	0	0	127,973
Business Tax	0	0	463,844	0	42,043	1,848,766
Mixed Drink Tax	0	0	0	0	0	311,320
Mineral Severance Tax	0	115,403	0	0	0	115,403
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	0	0	0	0	404,793
Wholesale Beer Tax	0	0	0	0	0	401,661
Total Local Taxes	\$ 0	\$ 5,439,837	\$ 16,957,724	\$ 4,126,380	\$ 1,317,642	\$ 76,996,106

(Continued)

Exhibit K-9

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

	Special Revenue Funds		Debt Service Fund	Capital Projects Funds		Total
	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	772,343
<u>Permits</u>						
Building Permits	0	0	0	0	0	689,353
Other Permits	0	235,921	0	0	0	252,736
Total Licenses and Permits	\$ 0	\$ 235,921	\$ 0	\$ 0	\$ 0	1,714,432
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Drug Control Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	1,656
Drug Court Fees	0	0	0	0	0	20,731
Veterans Treatment Court Fees	0	0	0	0	0	1,792
DUI Treatment Fines	0	0	0	0	0	2,151
Data Entry Fee - Circuit Court	0	0	0	0	0	109,625
<u>Criminal Court</u>						
Fines	0	0	0	0	0	2,772
Officers Costs	0	0	0	0	0	24,914
Veterans Treatment Court Fees	0	0	0	0	0	494
Data Entry Fee - Criminal Court	0	0	0	0	0	5,132
<u>General Sessions Court</u>						
Fines	0	0	0	0	0	67,012
Officers Costs	0	0	0	0	0	576,269
Game and Fish Fines	0	0	0	0	0	75
Drug Control Fines	0	0	0	0	0	10,619
Veterans Treatment Court Fees	0	0	0	0	0	11,618
Jail Fees	0	0	0	0	0	34,218

(Continued)

Exhibit K-9

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

	Special Revenue Funds		Debt Service Fund	Capital Projects Funds		Total
	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
District Attorney General Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	54,381
DUI Treatment Fines	0	0	0	0	0	16,946
Courtroom Security Fee	0	0	0	0	0	18,889
Victims Assistance Assessments	0	0	0	0	0	37,842
<u>Juvenile Court</u>						
Fines	0	0	0	0	0	3,026
Officers Costs	0	0	0	0	0	87,956
Drug Court Fees	0	0	0	0	0	19
Courtroom Security Fee	0	0	0	0	0	2,393
<u>Chancery Court</u>						
Officers Costs	0	0	0	0	0	10,299
<u>Judicial District Drug Program</u>						
Drug Task Force Forfeitures and Seizures	0	0	0	0	0	5,441
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	0	4,300
Other Fines, Forfeitures, and Penalties	0	0	0	0	0	61,453
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	1,172,023
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Other General Service Charges	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	242,682
<u>Fees</u>						
Copy Fees	0	0	0	0	0	18,742
Library Fees	0	0	0	0	0	34,003
Telephone Commissions	0	0	0	0	0	376,716

(Continued)

Exhibit K-9

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

	<u>Special Revenue Funds</u>		<u>Debt Service</u>	<u>Capital Projects Funds</u>		
	<u>Constitu -</u>	<u>Highway /</u>	<u>Fund</u>	<u>Highway</u>	<u>Other</u>	
	<u>Officers -</u>	<u>Public</u>	<u>General</u>	<u>Capital</u>	<u>Capital</u>	
	<u>Fees</u>	<u>Works</u>	<u>Debt</u>	<u>Projects</u>	<u>Projects</u>	<u>Total</u>
			<u>Service</u>			
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Additional Fees - Titling and Registration	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 162,078
Special Commissioner Fees/Special Master Fees	10,200	0	0	0	0	10,200
Data Processing Fee - Register	0	0	0	0	0	40,696
Probation Fees	0	0	0	0	0	298,196
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0	21,000
Data Processing Fee - County Clerk	0	0	0	0	0	23,564
Vehicle Registration Reinstatement Fees	0	0	0	0	0	6,485
<u>Education Charges</u>						
Other Charges for Services	0	0	0	0	0	8,469
Total Charges for Current Services	\$ 10,200	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,242,831
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 0	\$ 325,508	\$ 1,279,369	\$ 0	\$ 8,477	\$ 4,624,789
Lease/Rentals	0	0	0	0	0	14,906
Sale of Materials and Supplies	0	0	0	0	0	1,716
Sale of Maps	0	0	0	0	0	82
Sale of Recycled Materials	0	2,172	0	0	0	2,172
Miscellaneous Refunds	0	0	0	0	0	44,407
<u>Nonrecurring Items</u>						
Accrued Interest on Debt Issues	0	0	51,988	0	0	51,988
Sale of Equipment	0	232	0	0	0	862
Sale of Property	0	0	0	0	0	473,938
Damages Recovered from Individuals	0	0	0	0	0	4,082
Contributions and Gifts	0	18,400	0	0	0	94,720

(Continued)

Exhibit K-9

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

	<u>Special Revenue Funds</u>		<u>Debt Service</u> <u>Fund</u>	<u>Capital Projects Funds</u>		
	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Total
<u>Other Local Revenues (Cont.)</u>						
<u>Other Local Revenues</u>						
Other Local Revenues	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 775,924
Total Other Local Revenues	\$ 0	\$ 346,312	\$ 1,331,357	\$ 0	\$ 8,477	\$ 6,089,586
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,990,550
Circuit Court Clerk	0	0	0	0	0	393,516
General Sessions Court Clerk	0	0	0	0	0	1,683,471
Clerk and Master	0	0	0	0	0	430,581
Juvenile Court Clerk	0	0	0	0	0	166,118
Register	0	0	0	0	0	754,244
Sheriff	0	0	0	0	0	81,864
Trustee	0	0	0	0	0	3,398,557
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,898,901
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,000
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	0	0	0	0	0	9,498
Other Public Safety Grants	0	0	0	0	0	110,293
<u>Health and Welfare Grants</u>						
Health Department Programs	0	0	0	0	0	606,185
<u>Public Works Grants</u>						
Litter Program	0	0	0	0	0	74,300

(Continued)

Exhibit K-9

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

	Special Revenue Funds		Debt Service Fund	Capital Projects Funds		Total
	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues</u>						
Beer Tax	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	19,200
Vehicle Certificate of Title Fees	0	0	0	0	0	111,974
Alcoholic Beverage Tax	0	0	0	0	0	268,493
Opioid Settlement Funds - TN Abatement Council	0	0	0	0	0	645,269
State Revenue Sharing - Telecommunications	0	0	20,563	0	1,966	82,746
State Shared Sports Gaming Privilege Tax	0	0	0	0	0	152,867
Contracted Prisoner Boarding	0	0	0	0	0	1,360,675
Gasoline and Motor Fuel Tax	0	3,758,378	0	0	0	3,758,378
Petroleum Special Tax	0	89,634	0	0	0	89,634
Registrar's Salary Supplement	0	0	0	0	0	15,164
Other State Grants	0	0	0	0	0	262,372
Other State Revenues	0	0	0	0	0	260,782
Total State of Tennessee	\$ 0	\$ 3,848,012	\$ 20,563	\$ 0	\$ 1,966	\$ 7,836,830
<u>Federal Government</u>						
<u>Federal Through State</u>						
American Rescue Plan Act Grant #1	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	235,375
Other Federal through State	0	0	0	132,148	0	701,397
<u>Direct Federal Revenue</u>						
Asset Forfeiture Funds	0	0	0	0	0	50,452
Tax Credit Bond Rebate	0	0	0	0	0	679,121
Other Direct Federal Revenue	0	0	0	0	0	1,878,238
Total Federal Government	\$ 0	\$ 0	\$ 0	\$ 132,148	\$ 0	\$ 3,544,583

(Continued)

Exhibit K-9

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

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>		
	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Total
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 20,880
Paving and Maintenance	0	150,847	0	0	0	150,847
Contributions	0	0	6,128	0	378,792	637,759
Contracted Services	0	0	0	0	0	1,283,639
<u>Citizens Groups</u>						
Donations	0	0	0	0	0	219,854
<u>Other</u>						
Other	0	0	0	0	0	239,742
Opioid Settlement Funds - Past Remediation	0	0	0	0	0	371,448
Total Other Governments and Citizens Groups	\$ 0	\$ 150,847	\$ 6,128	\$ 0	\$ 378,792	\$ 2,924,169
Total	\$ 10,200	\$ 10,020,929	\$ 18,315,772	\$ 4,258,528	\$ 1,706,877	\$ 110,419,461

Exhibit K-10

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

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Internal School
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 23,086,966	\$ 0	\$ 0	\$ 0	\$ 0
Discount on Property Taxes	(381,696)	0	0	0	0
Trustee's Collections - Prior Year	199,012	0	0	0	0
Trustee's Collections - Bankruptcy	93,588	0	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	107,810	0	0	0	0
Interest and Penalty	57,373	0	0	0	0
Payments in-Lieu-of Taxes - T.V.A.	13,279	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	164,459	0	0	0	0
Payments in-Lieu-of Taxes - Other	29,864	0	0	0	0
<u>County Local Option Taxes</u>					
Local Option Sales Tax	24,105,874	0	0	0	0
Business Tax	744,974	0	0	0	0
Mixed Drink Tax	339,003	0	0	0	0
Total Local Taxes	\$ 48,560,506	\$ 0	\$ 0	\$ 0	\$ 0
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	\$ 5,667	\$ 0	\$ 0	\$ 0	\$ 0
Total Licenses and Permits	\$ 5,667	\$ 0	\$ 0	\$ 0	\$ 0
<u>Charges for Current Services</u>					
<u>Education Charges</u>					
Contract for Instructional Services with Other LEA's	\$ 48,000	\$ 0	\$ 0	\$ 0	\$ 0
Receipts from Individual Schools	0	0	2,032,506	0	0

(Continued)

Exhibit K-10

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

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Internal School
<u>Charges for Current Services (Cont.)</u>					
<u>Education Charges (Cont.)</u>					
Community Service Fees - Children	\$ 0	\$ 0	\$ 0	\$ 1,584,336	\$ 0
Other Charges for Services	223,314	0	0	0	0
Total Charges for Current Services	\$ 271,314	\$ 0	\$ 2,032,506	\$ 1,584,336	\$ 0
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 810,645	\$ 0	\$ 128,420	\$ 95,930	\$ 0
Lease/Rentals	12,290	0	0	0	0
Sale of Materials and Supplies	7,355	0	453	0	0
<u>Nonrecurring Items</u>					
Sale of Equipment	32,177	0	3,743	0	0
Damages Recovered from Individuals	1,529	0	0	0	0
Contributions and Gifts	405	0	52,461	0	0
<u>Other Local Revenues</u>					
Other Local Revenues	84,855	0	0	0	4,698,096
Total Other Local Revenues	\$ 949,256	\$ 0	\$ 185,077	\$ 95,930	\$ 4,698,096
<u>State of Tennessee</u>					
<u>State Education Funds</u>					
Basic Education Program	\$ 50,569,373	\$ 0	\$ 0	\$ 0	\$ 0
Early Childhood Education	586,070	0	0	0	0
School Food Service	0	0	49,008	0	0
Other State Education Funds	288,415	0	0	155,193	0
Career Ladder Program	144,435	0	0	0	0

(Continued)

Exhibit K-10

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

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Internal School
<u>State of Tennessee (Cont.)</u>					
<u>Other State Revenues</u>					
State Revenue Sharing - T.V.A.	\$ 1,694,217	\$ 0	\$ 0	\$ 0	\$ 0
State Revenue Sharing - Telecommunications	32,477	0	0	0	0
Other State Grants	95,158	0	0	0	0
Total State of Tennessee	<u>\$ 53,410,145</u>	<u>\$ 0</u>	<u>\$ 49,008</u>	<u>\$ 155,193</u>	<u>\$ 0</u>
<u>Federal Government</u>					
<u>Federal Through State</u>					
USDA School Lunch Program	\$ 0	\$ 0	\$ 2,473,620	\$ 0	\$ 0
USDA - Commodities	0	0	425,802	0	0
Breakfast	0	0	887,218	0	0
USDA - Other	0	0	525,703	0	0
Vocational Education - Basic Grants to States	0	214,631	0	0	0
Title I Grants to Local Education Agencies	0	2,501,812	0	0	0
Special Education - Grants to States	98,736	2,655,914	0	0	0
English Language Acquisition Grants	0	24,187	0	0	0
Eisenhower Professional Development State Grants	0	280,633	0	0	0
COVID-19 Grant #3	0	0	0	1,182,489	0
COVID-19 Grant B	0	437,240	0	0	0
COVID-19 Grant C	0	1,552,389	0	0	0
COVID-19 Grant D	0	7,245,815	0	0	0
American Rescue Plan Act Grant #1	0	823,744	0	0	0
American Rescue Plan Act Grant #2	0	16,663	0	0	0
American Rescue Plan Act Grant #3	0	4,489	0	0	0
Other Federal through State	0	1,769,289	0	0	0

(Continued)

Exhibit K-10

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

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Internal School
<u>Federal Government (Cont.)</u>					
<u>Direct Federal Revenue</u>					
ROTC Reimbursement	\$ 140,936	\$ 0	\$ 0	\$ 0	\$ 0
Total Federal Government	\$ 239,672	\$ 17,526,806	\$ 4,312,343	\$ 1,182,489	\$ 0
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Contributions	\$ 11,000	\$ 0	\$ 0	\$ 0	\$ 0
<u>Other</u>					
Other	0	0	0	1,170	0
Total Other Governments and Citizens Groups	\$ 11,000	\$ 0	\$ 0	\$ 1,170	\$ 0
Total	\$ 103,447,560	\$ 17,526,806	\$ 6,578,934	\$ 3,019,118	\$ 4,698,096

(Continued)

Exhibit K-10

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

	<u>Capital Projects Fund</u>	
	Education Capital Projects	Total
<u>Local Taxes</u>		
<u>County Property Taxes</u>		
Current Property Tax	\$ 5,873,979	\$ 28,960,945
Discount on Property Taxes	(95,040)	(476,736)
Trustee's Collections - Prior Year	54,527	253,539
Trustee's Collections - Bankruptcy	23,797	117,385
Circuit Clerk/Clerk and Master Collections - Prior Years	27,527	135,337
Interest and Penalty	14,391	71,764
Payments in-Lieu-of Taxes - T.V.A.	0	13,279
Payments in-Lieu-of Taxes - Local Utilities	42,683	207,142
Payments in-Lieu-of Taxes - Other	7,593	37,457
<u>County Local Option Taxes</u>		
Local Option Sales Tax	0	24,105,874
Business Tax	191,963	936,937
Mixed Drink Tax	0	339,003
Total Local Taxes	<u>\$ 6,141,420</u>	<u>\$ 54,701,926</u>
<u>Licenses and Permits</u>		
<u>Licenses</u>		
Marriage Licenses	\$ 0	\$ 5,667
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 5,667</u>
<u>Charges for Current Services</u>		
<u>Education Charges</u>		
Contract for Instructional Services with Other LEA's	\$ 0	\$ 48,000
Receipts from Individual Schools	0	2,032,506

(Continued)

Exhibit K-10

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

	<u>Capital Projects Fund</u>	
	Education Capital Projects	Total
<u>Charges for Current Services (Cont.)</u>		
<u>Education Charges (Cont.)</u>		
Community Service Fees - Children	\$ 0	\$ 1,584,336
Other Charges for Services	0	223,314
Total Charges for Current Services	<u>\$ 0</u>	<u>\$ 3,888,156</u>
<u>Other Local Revenues</u>		
<u>Recurring Items</u>		
Investment Income	\$ 585,467	\$ 1,620,462
Lease/Rentals	0	12,290
Sale of Materials and Supplies	0	7,808
<u>Nonrecurring Items</u>		
Sale of Equipment	0	35,920
Damages Recovered from Individuals	0	1,529
Contributions and Gifts	0	52,866
<u>Other Local Revenues</u>		
Other Local Revenues	0	4,782,951
Total Other Local Revenues	<u>\$ 585,467</u>	<u>\$ 6,513,826</u>
<u>State of Tennessee</u>		
<u>State Education Funds</u>		
Basic Education Program	\$ 0	\$ 50,569,373
Early Childhood Education	0	586,070
School Food Service	0	49,008
Other State Education Funds	0	443,608
Career Ladder Program	0	144,435

(Continued)

Exhibit K-10

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

	Capital Projects Fund		
	Education Capital Projects	Total	
State of Tennessee (Cont.)			
Other State Revenues			
State Revenue Sharing - T.V.A.	\$ 0	\$ 1,694,217	
State Revenue Sharing - Telecommunications	8,602	41,079	
Other State Grants	0	95,158	
Total State of Tennessee	\$ 8,602	\$ 53,622,948	
Federal Government			
Federal Through State			
USDA School Lunch Program	\$ 0	\$ 2,473,620	
USDA - Commodities	0	425,802	
Breakfast	0	887,218	
USDA - Other	0	525,703	
Vocational Education - Basic Grants to States	0	214,631	
Title I Grants to Local Education Agencies	0	2,501,812	
Special Education - Grants to States	0	2,754,650	
English Language Acquisition Grants	0	24,187	
Eisenhower Professional Development State Grants	0	280,633	
COVID-19 Grant #3	0	1,182,489	
COVID-19 Grant B	0	437,240	
COVID-19 Grant C	0	1,552,389	
COVID-19 Grant D	0	7,245,815	
American Rescue Plan Act Grant #1	0	823,744	
American Rescue Plan Act Grant #2	0	16,663	
American Rescue Plan Act Grant #3	0	4,489	
Other Federal through State	0	1,769,289	

(Continued)

Exhibit K-10

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

	<u>Capital Projects Fund</u>	
	Education Capital Projects	Total
<u>Federal Government (Cont.)</u>		
<u>Direct Federal Revenue</u>		
ROTC Reimbursement	\$ 0	\$ 140,936
Total Federal Government	<u>\$ 0</u>	<u>\$ 23,261,310</u>
<u>Other Governments and Citizens Groups</u>		
<u>Other Governments</u>		
Contributions	\$ 0	\$ 11,000
<u>Other</u>		
Other	0	1,170
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 12,170</u>
Total	<u>\$ 6,735,489</u>	<u>\$ 142,006,003</u>

Exhibit K-11

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

General FundGeneral GovernmentCounty Commission

Board and Committee Members Fees	\$	102,060	
Social Security		6,325	
Employer Medicare		1,479	
Communication		3,093	
Dues and Memberships		2,200	
Lease Payments		212	
Legal Notices, Recording, and Court Costs		3,079	
Postal Charges		145	
Printing, Stationery, and Forms		166	
Travel		8,100	
Tuition		4,025	
Data Processing Supplies		48	
Food Supplies		50	
Office Supplies		47	
Other Supplies and Materials		224	
Other Charges		375	
Total County Commission			\$ 131,628

Board of Equalization

Board and Committee Members Fees	\$	3,780	
Social Security		195	
Unemployment Compensation		2	
Employer Medicare		46	
Total Board of Equalization			4,023

Beer Board

Legal Notices, Recording, and Court Costs	\$	956	
Total Beer Board			956

Other Boards and Committees

Communication	\$	97	
Workers' Compensation Insurance		138	
Total Other Boards and Committees			235

County Mayor/Executive

County Official/Administrative Officer	\$	164,608	
Secretary(ies)		68,131	
Clerical Personnel		35,085	
Social Security		15,261	
Pensions		11,454	
Life Insurance		160	
Medical Insurance		46,124	
Dental Insurance		790	
Unemployment Compensation		39	
Employer Medicare		3,690	
Communication		2,561	
Dues and Memberships		165	

(Continued)

Exhibit K-11

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

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

Postal Charges	\$	78	
Printing, Stationery, and Forms		40	
Travel		35	
Tuition		100	
Food Supplies		253	
Gasoline		684	
Office Supplies		690	
Workers' Compensation Insurance		471	
Total County Mayor/Executive			\$ 350,419

Personnel Office

Supervisor/Director	\$	87,771	
Clerical Personnel		204,705	
Social Security		17,149	
Pensions		20,181	
Life Insurance		254	
Medical Insurance		62,346	
Dental Insurance		1,381	
Unemployment Compensation		105	
Employer Medicare		4,011	
Advertising		1,022	
Communication		2,582	
Contracts with Private Agencies		3,841	
Dues and Memberships		2,296	
Lease Payments		351	
Legal Services		2,010	
Licenses		176	
Postal Charges		2,074	
Travel		76	
Tuition		798	
Other Contracted Services		46,000	
Instructional Supplies and Materials		35,512	
Office Supplies		2,188	
Other Supplies and Materials		5,705	
Workers' Compensation Insurance		942	
Other Charges		239	
Data Processing Equipment		1,738	
Furniture and Fixtures		1,542	
Total Personnel Office			506,995

Election Commission

County Official/Administrative Officer	\$	97,171
Clerical Personnel		124,027
Temporary Personnel		18,772
Overtime Pay		3,268
Election Commission		30,200
Election Workers		193,208

(Continued)

Exhibit K-11

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

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

In-service Training	\$	10,900	
Social Security		24,930	
Pensions		15,480	
Life Insurance		199	
Medical Insurance		23,322	
Dental Insurance		552	
Unemployment Compensation		459	
Employer Medicare		5,830	
Communication		7,845	
Lease Payments		1,712	
Legal Notices, Recording, and Court Costs		17,819	
Licenses		43,833	
Postal Charges		7,116	
Rentals		3,012	
Travel		1,692	
Food Supplies		1,349	
Gasoline		203	
Office Supplies		13,453	
Workers' Compensation Insurance		1,727	
Total Election Commission			\$ 648,079

Register of Deeds

County Official/Administrative Officer	\$	107,968	
Clerical Personnel		379,482	
Part-time Personnel		1,032	
Social Security		29,032	
Pensions		32,874	
Life Insurance		484	
Medical Insurance		71,070	
Dental Insurance		2,279	
Unemployment Compensation		196	
Employer Medicare		6,802	
Communication		5,415	
Dues and Memberships		1,685	
Lease Payments		1,251	
Postal Charges		387	
Printing, Stationery, and Forms		210	
Travel		2,468	
Tuition		200	
Other Contracted Services		37,908	
Data Processing Supplies		300	
Office Supplies		2,167	
Workers' Compensation Insurance		1,884	
Furniture and Fixtures		702	
Total Register of Deeds			685,796

(Continued)

Exhibit K-11

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

General Fund (Cont.)General Government (Cont.)Development

Supervisor/Director	\$	96,883	
Foremen		152,729	
Secretary(ies)		102,472	
Other Salaries and Wages		480,959	
Social Security		50,192	
Pensions		54,383	
Life Insurance		783	
Medical Insurance		123,056	
Dental Insurance		3,336	
Unemployment Compensation		360	
Employer Medicare		11,738	
Communication		18,819	
Dues and Memberships		8,618	
Engineering Services		13,792	
Lease Payments		1,532	
Legal Notices, Recording, and Court Costs		1,696	
Maintenance and Repair Services - Office Equipment		1,978	
Maintenance and Repair Services - Vehicles		16,438	
Postal Charges		1,361	
Printing, Stationery, and Forms		2,095	
Tuition		3,040	
Other Contracted Services		1,845	
Gasoline		24,820	
Instructional Supplies and Materials		4,946	
Office Supplies		10,974	
Uniforms		7,267	
Software		14,020	
Workers' Compensation Insurance		2,355	
Communication Equipment		13,051	
Data Processing Equipment		40,233	
Office Equipment		13,199	
Health Equipment		1,241	
Total Development			\$ 1,280,211

County Buildings

Supervisor/Director	\$	41,180
Custodial Personnel		209,712
Maintenance Personnel		233,110
Part-time Personnel		43,740
Overtime Pay		5,460
Social Security		30,981
Pensions		32,524
Life Insurance		530
Medical Insurance		101,984
Dental Insurance		2,661
Unemployment Compensation		336
Employer Medicare		7,414

(Continued)

Exhibit K-11

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

General Fund (Cont.)General Government (Cont.)County Buildings (Cont.)

Communication	\$	5,363	
Lease Payments		10,260	
Maintenance Agreements		85,472	
Maintenance and Repair Services - Buildings		75,346	
Maintenance and Repair Services - Equipment		52,018	
Maintenance and Repair Services - Vehicles		145	
Pest Control		4,738	
Travel		1,203	
Permits		932	
Custodial Supplies		43,812	
Gasoline		6,754	
Natural Gas		94,102	
Office Supplies		368	
Uniforms		787	
Utilities		661,480	
Workers' Compensation Insurance		2,512	
Building Improvements		75,817	
Maintenance Equipment		2,564	
Total County Buildings			\$ 1,833,305

Other General Administration

Supervisor/Director	\$	89,744	
Social Security		5,255	
Pensions		6,192	
Life Insurance		60	
Medical Insurance		16,344	
Dental Insurance		276	
Unemployment Compensation		21	
Employer Medicare		1,229	
Communication		1,449	
Other Contracted Services		98,703	
Liability Insurance		670,000	
Workers' Compensation Insurance		1,000	
Motor Vehicles		38,976	
Health Equipment		383,688	
Total Other General Administration			1,312,937

Preservation of Records

Supervisor/Director	\$	55,500	
Other Salaries and Wages		30,589	
Social Security		5,159	
Pensions		5,940	
Life Insurance		85	
Medical Insurance		11,550	
Dental Insurance		276	
Unemployment Compensation		42	
Employer Medicare		1,206	

(Continued)

Exhibit K-11

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

General Fund (Cont.)General Government (Cont.)Preservation of Records (Cont.)

Communication	\$	2,299	
Data Processing Services		4,500	
Dues and Memberships		264	
Lease Payments		54	
Postal Charges		98	
Other Contracted Services		2,460	
Office Supplies		641	
Other Supplies and Materials		1,916	
Workers' Compensation Insurance		314	
Total Preservation of Records			\$ 122,893

Risk Management

Supervisor/Director	\$	76,340	
Other Salaries and Wages		52,039	
Social Security		7,461	
Pensions		8,858	
Life Insurance		118	
Medical Insurance		23,382	
Dental Insurance		552	
Unemployment Compensation		42	
Employer Medicare		1,745	
Communication		1,585	
Dues and Memberships		425	
Lease Payments		4,476	
Maintenance and Repair Services - Vehicles		910	
Postal Charges		12	
Travel		2,375	
Tuition		1,995	
Other Contracted Services		700	
Gasoline		1,871	
Office Supplies		821	
Workers' Compensation Insurance		314	
Data Processing Equipment		1,576	
Furniture and Fixtures		2,273	
Total Risk Management			189,870

FinanceAccounting and Budgeting

Supervisor/Director	\$	107,968
Accountants/Bookkeepers		358,901
Part-time Personnel		3,523
Overtime Pay		391
Social Security		28,749
Pensions		28,797
Life Insurance		370
Medical Insurance		61,424
Dental Insurance		1,151

(Continued)

Exhibit K-11

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

General Fund (Cont.)Finance (Cont.)Accounting and Budgeting (Cont.)

Unemployment Compensation	\$	169	
Employer Medicare		6,775	
Communication		4,552	
Dues and Memberships		1,070	
Lease Payments		2,857	
Legal Notices, Recording, and Court Costs		1,014	
Postal Charges		3,908	
Printing, Stationery, and Forms		4,626	
Travel		3,712	
Tuition		846	
Food Supplies		1,284	
Office Supplies		1,490	
Workers' Compensation Insurance		1,099	
Furniture and Fixtures		300	
Total Accounting and Budgeting			\$ 624,976

Purchasing

Supervisor/Director	\$	94,067	
Purchasing Personnel		308,461	
Overtime Pay		3,706	
Social Security		24,087	
Pensions		23,844	
Life Insurance		338	
Medical Insurance		37,006	
Dental Insurance		1,335	
Unemployment Compensation		174	
Employer Medicare		5,633	
Communication		4,204	
Contracts with Private Agencies		16,799	
Dues and Memberships		1,569	
Lease Payments		348	
Legal Notices, Recording, and Court Costs		4,477	
Postal Charges		52	
Printing, Stationery, and Forms		102	
Travel		3,125	
Tuition		4,928	
Data Processing Supplies		192	
Food Supplies		141	
Office Supplies		1,123	
Other Supplies and Materials		522	
Workers' Compensation Insurance		942	
Other Charges		229	
Data Processing Equipment		2,517	
Total Purchasing			539,921

Central Services

Local Retirement	\$	387,314
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(Continued)

Exhibit K-11

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

General Fund (Cont.)Finance (Cont.)Central Services (Cont.)

Audit Services	\$	56,818	
Communication		7,607	
Consultants		20,000	
Contracts with Government Agencies		235,337	
Contracts with Other Public Agencies		234,073	
Contributions		1,500	
Dues and Memberships		34,106	
Legal Services		94,658	
Legal Notices, Recording, and Court Costs		1,040,651	
Pauper Burials		4,300	
Postal Charges		5,492	
Other Contracted Services		94,929	
Office Supplies		876	
Trustee's Commission		979,870	
Other Charges		76,162	
Site Development		342,449	
Total Central Services			\$ 3,616,142

Property Assessor's Office

County Official/Administrative Officer	\$	107,968	
Assistant(s)		573,159	
Clerical Personnel		207,699	
Social Security		52,625	
Pensions		61,440	
Life Insurance		897	
Medical Insurance		201,778	
Dental Insurance		3,532	
Unemployment Compensation		357	
Employer Medicare		12,307	
Communication		9,271	
Contracts with Government Agencies		4,755	
Contracts with Private Agencies		68,505	
Data Processing Services		94,922	
Dues and Memberships		11,399	
Lease Payments		21,218	
Legal Services		4,848	
Maintenance and Repair Services - Vehicles		2,542	
Postal Charges		5,343	
Printing, Stationery, and Forms		659	
Travel		8,547	
Tuition		2,445	
Duplicating Supplies		1,329	
Gasoline		2,158	
Office Supplies		1,670	
Uniforms		598	
Other Supplies and Materials		1,757	
Workers' Compensation Insurance		2,669	
Other Charges		494	
Total Property Assessor's Office			1,466,891

(Continued)

Exhibit K-11

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

General Fund (Cont.)Finance (Cont.)Reappraisal Program

Gasoline	\$	113	
Total Reappraisal Program			\$ 113

County Trustee's Office

County Official/Administrative Officer	\$	107,968	
Clerical Personnel		313,075	
Temporary Personnel		1,160	
Social Security		24,975	
Pensions		29,052	
Life Insurance		371	
Medical Insurance		71,397	
Dental Insurance		1,909	
Unemployment Compensation		128	
Employer Medicare		5,850	
Communication		4,382	
Dues and Memberships		1,519	
Lease Payments		195	
Legal Services		3,006	
Legal Notices, Recording, and Court Costs		240	
Maintenance Agreements		9,996	
Postal Charges		28,482	
Printing, Stationery, and Forms		1,872	
Travel		2,775	
Tuition		1,235	
Other Contracted Services		11,868	
Duplicating Supplies		781	
Office Supplies		5,083	
Other Supplies and Materials		187	
Workers' Compensation Insurance		1,099	
Total County Trustee's Office			628,605

County Clerk's Office

County Official/Administrative Officer	\$	107,968	
Clerical Personnel		854,241	
Part-time Personnel		30,887	
Social Security		57,235	
Pensions		62,209	
Life Insurance		994	
Medical Insurance		236,655	
Dental Insurance		4,890	
Unemployment Compensation		529	
Employer Medicare		13,484	
Communication		8,572	
Dues and Memberships		1,368	
Lease Payments		6,621	
Maintenance Agreements		22,476	
Postal Charges		88,449	

(Continued)

Exhibit K-11

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

General Fund (Cont.)Finance (Cont.)County Clerk's Office (Cont.)

Printing, Stationery, and Forms	\$	1,163	
Travel		2,814	
Tuition		300	
Office Supplies		17,087	
Periodicals		356	
Workers' Compensation Insurance		3,925	
Other Charges		114	
Data Processing Equipment		16,321	
Total County Clerk's Office			\$ 1,538,658

Data Processing

Supervisor/Director	\$	90,215	
Data Processing Personnel		155,103	
Overtime Pay		92	
Social Security		14,358	
Pensions		14,537	
Life Insurance		205	
Medical Insurance		33,778	
Dental Insurance		575	
Unemployment Compensation		105	
Employer Medicare		3,358	
Communication		73,277	
Data Processing Services		358,037	
Licenses		224,616	
Maintenance and Repair Services - Equipment		4,531	
Travel		3,818	
Tuition		14,138	
Other Contracted Services		466,492	
Data Processing Supplies		897	
Equipment Parts - Light		17,050	
Office Supplies		1,469	
Workers' Compensation Insurance		942	
Data Processing Equipment		5,852	
Furniture and Fixtures		411	
Other Capital Outlay		799,137	
Total Data Processing			2,282,993

Other Finance

Assistant(s)	\$	123,260	
Other Salaries and Wages		31,490	
Social Security		8,568	
Pensions		9,980	
Life Insurance		67	
Medical Insurance		17,396	
Dental Insurance		299	
Unemployment Compensation		21	
Employer Medicare		2,004	
Total Other Finance			193,085

(Continued)

Exhibit K-11

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

General Fund (Cont.)Administration of JusticeCircuit Court Judge

Clerical Personnel	\$	3,847	
Jury and Witness Expense		5,110	
Social Security		239	
Unemployment Compensation		12	
Employer Medicare		56	
Communication		2,539	
Legal Notices, Recording, and Court Costs		566	
Licenses		3,380	
Maintenance Agreements		53	
Postal Charges		6,908	
Printing, Stationery, and Forms		628	
Data Processing Supplies		886	
Food Preparation Supplies		306	
Food Supplies		1,767	
Office Supplies		1,152	
Other Supplies and Materials		341	
Workers' Compensation Insurance		175	
Building Improvements		8,380	
Total Circuit Court Judge			\$ 36,345

Circuit Court Clerk

County Official/Administrative Officer	\$	118,765
Assistant(s)		283,114
Supervisor/Director		73,396
Salary Supplements		4,800
Clerical Personnel	1,552,113	
Temporary Personnel		4,264
Part-time Personnel		13,547
Overtime Pay		249
Social Security		120,134
Pensions		132,668
Life Insurance		2,030
Medical Insurance		409,237
Dental Insurance		10,338
Unemployment Compensation		1,039
Employer Medicare		28,096
Bank Charges		46
Communication		25,571
Contracts with Private Agencies		3,196
Data Processing Services		19,090
Dues and Memberships		2,924
Lease Payments		4,091
Licenses		29
Maintenance Agreements		61,876
Maintenance and Repair Services - Office Equipment		1,409
Maintenance and Repair Services - Vehicles		10
Postal Charges		16,952

(Continued)

Exhibit K-11

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

General Fund (Cont.)Administration of Justice (Cont.)Circuit Court Clerk (Cont.)

Printing, Stationery, and Forms	\$	11,092	
Travel		4,674	
Tuition		6,862	
Other Contracted Services		916	
Custodial Supplies		535	
Data Processing Supplies		14,051	
Duplicating Supplies		6,620	
Food Preparation Supplies		187	
Food Supplies		2,064	
Gasoline		208	
Library Books/Media		577	
Office Supplies		12,681	
Other Supplies and Materials		19,203	
Workers' Compensation Insurance		7,536	
In Service/Staff Development		1,853	
Data Processing Equipment		51,437	
Furniture and Fixtures		1,500	
Office Equipment		950	
Total Circuit Court Clerk			\$ 3,031,930

Criminal Court

Supervisor/Director	\$	81,303	
Probation Officer(s)		350,405	
Secretary(ies)		89,102	
Social Security		31,279	
Pensions		32,699	
Life Insurance		542	
Medical Insurance		73,310	
Dental Insurance		2,705	
Unemployment Compensation		266	
Employer Medicare		7,315	
Communication		5,344	
Dues and Memberships		1,620	
Lease Payments		347	
Travel		19,772	
Tuition		7,239	
Other Contracted Services		3,637	
Drugs and Medical Supplies		90,686	
Food Supplies		185	
Instructional Supplies and Materials		3,663	
Office Supplies		3,835	
Workers' Compensation Insurance		1,727	
Total Criminal Court			806,981

General Sessions Judge

Judge(s)	\$	737,968	
Secretary(ies)		150,039	

(Continued)

Exhibit K-11

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

General Fund (Cont.)Administration of Justice (Cont.)General Sessions Judge (Cont.)

Social Security	\$	46,295	
Pensions		61,229	
Life Insurance		406	
Medical Insurance		85,698	
Dental Insurance		1,933	
Unemployment Compensation		65	
Employer Medicare		12,339	
Communication		5,894	
Dues and Memberships		3,384	
Lease Payments		77	
Legal Notices, Recording, and Court Costs		423	
Maintenance and Repair Services - Office Equipment		540	
Travel		3,290	
Tuition		1,070	
Food Supplies		53	
Library Books/Media		2,871	
Office Supplies		6,280	
Workers' Compensation Insurance		1,099	
Total General Sessions Judge			\$ 1,120,953

Drug Court

Drugs and Medical Supplies	\$	1,525	
Office Supplies		1,046	
Total Drug Court			2,571

Chancery Court

County Official/Administrative Officer	\$	107,968	
Clerical Personnel		271,955	
Social Security		21,837	
Pensions		20,249	
Life Insurance		349	
Medical Insurance		68,476	
Dental Insurance		1,657	
Unemployment Compensation		236	
Employer Medicare		5,230	
Communication		8,743	
Dues and Memberships		1,293	
Lease Payments		913	
Legal Notices, Recording, and Court Costs		183	
Postal Charges		15,555	
Printing, Stationery, and Forms		3,486	
Travel		321	
Other Contracted Services		28,200	
Office Supplies		12,105	
Other Supplies and Materials		205	
Workers' Compensation Insurance		1,256	
Data Processing Equipment		2,172	
Total Chancery Court			572,389

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court

Youth Service Officer(s)	\$	271,393	
Salary Supplements		16,837	
Secretary(ies)		40,047	
Other Salaries and Wages		162,999	
Social Security		29,357	
Pensions		25,167	
Life Insurance		369	
Medical Insurance		59,827	
Dental Insurance		1,312	
Unemployment Compensation		189	
Employer Medicare		6,866	
Communication		8,240	
Contracts with Other Public Agencies		4,729	
Dues and Memberships		4,742	
Lease Payments		1,491	
Medical and Dental Services		7,600	
Postal Charges		63	
Printing, Stationery, and Forms		77	
Travel		16,000	
Tuition		5,265	
Data Processing Supplies		150	
Drugs and Medical Supplies		3,732	
Food Supplies		914	
Library Books/Media		813	
Office Supplies		1,416	
Uniforms		43	
Software		6,750	
Workers' Compensation Insurance		1,570	
Other Charges		19	
Building Improvements		8,517	
Furniture and Fixtures		635	
Total Juvenile Court			\$ 687,129

Office of Public Defender

Clerical Personnel	\$	44,308	
Social Security		2,747	
Unemployment Compensation		42	
Employer Medicare		642	
Total Office of Public Defender			47,739

Judicial Commissioners

Clerical Personnel	\$	199,252
Social Security		12,173
Pensions		6,534
Life Insurance		145
Medical Insurance		6,978
Dental Insurance		276

(Continued)

Exhibit K-11

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

General Fund (Cont.)Administration of Justice (Cont.)Judicial Commissioners (Cont.)

Unemployment Compensation	\$	205	
Employer Medicare		2,869	
Communication		2,583	
Dues and Memberships		561	
Lease Payments		200	
Office Supplies		1,602	
Workers' Compensation Insurance		1,410	
Total Judicial Commissioners			\$ 234,788

Probation Services

Supervisor/Director	\$	83,335	
Probation Officer(s)		300,064	
Accountants/Bookkeepers		47,383	
Secretary(ies)		36,909	
Overtime Pay		230	
Social Security		27,233	
Pensions		31,287	
Life Insurance		497	
Medical Insurance		111,712	
Dental Insurance		2,254	
Unemployment Compensation		219	
Employer Medicare		6,369	
Communication		9,036	
Contracts with Government Agencies		11,175	
Contracts with Other Public Agencies		29,270	
Dues and Memberships		200	
Lease Payments		209	
Licenses		2,700	
Postal Charges		9	
Printing, Stationery, and Forms		1,500	
Travel		485	
Drugs and Medical Supplies		12,010	
Office Supplies		3,925	
Uniforms		812	
Workers' Compensation Insurance		1,570	
Total Probation Services			720,393

Victim Assistance Programs

Contributions	\$	42,974	
Total Victim Assistance Programs			42,974

Public SafetySheriff's Department

County Official/Administrative Officer	\$	130,641	
Assistant(s)		228,886	
Supervisor/Director		630,177	
Deputy(ies)		4,758,865	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Investigator(s)	\$ 1,235,620
Captain(s)	254,172
Lieutenant(s)	785,631
Sergeant(s)	535,067
Computer Programmer(s)	287,291
Salary Supplements	223,500
Mechanic(s)	88,935
Clerical Personnel	363,433
Attendants	40,047
Part-time Personnel	245,763
Longevity Pay	65,000
Overtime Pay	624,317
In-service Training	137,600
Social Security	625,484
Pensions	984,215
Life Insurance	9,277
Medical Insurance	1,912,823
Dental Insurance	40,899
Unemployment Compensation	4,244
Employer Medicare	147,685
Advertising	150
Communication	301,749
Contracts with Government Agencies	1,700
Confidential Drug Enforcement Payments	2,500
Dues and Memberships	10,407
Evaluation and Testing	18,119
Lease Payments	7,237
Legal Services	10,070
Licenses	26,152
Maintenance Agreements	185,520
Maintenance and Repair Services - Equipment	8,197
Maintenance and Repair Services - Vehicles	74,063
Matching Share	53,750
Postal Charges	7,557
Printing, Stationery, and Forms	17,287
Rentals	5,160
Travel	119,142
Tuition	65,647
Other Contracted Services	18,165
Basic Skills Materials	145,436
Custodial Supplies	1,400
Data Processing Supplies	29,354
Drugs and Medical Supplies	6,582
Duplicating Supplies	947
Electricity	10,845
Equipment and Machinery Parts	2,145
Food Supplies	1,992

(Continued)

Exhibit K-11

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

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

Garage Supplies	\$	1,444	
Gasoline		575,297	
Instructional Supplies and Materials		5,473	
Law Enforcement Supplies		207,646	
Office Supplies		26,760	
Small Tools		218	
Tires and Tubes		49,875	
Uniforms		167,607	
Vehicle Parts		108,136	
Workers' Compensation Insurance		243,000	
Building Improvements		52,093	
Data Processing Equipment		4,392	
Furniture and Fixtures		50,923	
Law Enforcement Equipment		394,744	
Other Equipment		63,025	
Total Sheriff's Department			\$ 17,441,478

Administration of the Sexual Offender Registry

Maintenance Agreements	\$	25,700	
Other Charges		6,850	
Total Administration of the Sexual Offender Registry			32,550

Jail

Deputy(ies)	\$	3,929,574	
Investigator(s)		96,660	
Captain(s)		87,521	
Lieutenant(s)		360,506	
Sergeant(s)		323,487	
Social Workers		42,852	
Salary Supplements		16,325	
Clerical Personnel		188,159	
Part-time Personnel		15,777	
Overtime Pay		204,071	
In-service Training		36,800	
Social Security		312,266	
Pensions		388,148	
Life Insurance		5,225	
Medical Insurance		978,394	
Dental Insurance		22,938	
Unemployment Compensation		2,634	
Employer Medicare		73,196	
Contracts with Private Agencies		16,711	
Maintenance Agreements		7,238	
Maintenance and Repair Services - Buildings		6,606	
Maintenance and Repair Services - Equipment		30,865	
Medical and Dental Services		3,147,053	
Printing, Stationery, and Forms		3,305	

(Continued)

Exhibit K-11

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

General Fund (Cont.)Public Safety (Cont.)Jail (Cont.)

Basic Skills Materials	\$	14,344	
Custodial Supplies		113,486	
Data Processing Supplies		1,481	
Food Preparation Supplies		41,061	
Food Supplies		790,544	
Law Enforcement Supplies		30,508	
Prisoners Clothing		81,907	
Uniforms		61,604	
Other Supplies and Materials		3,344	
Workers' Compensation Insurance		154,000	
Data Processing Equipment		2,197	
Law Enforcement Equipment		49,088	
Total Jail			\$ 11,639,875

Workhouse

County Official/Administrative Officer	\$	13,064	
Social Security		786	
Pensions		1,352	
Employer Medicare		186	
Total Workhouse			15,388

Juvenile Services

Deputy(ies)	\$	960,619	
Captain(s)		79,306	
Lieutenant(s)		68,633	
Sergeant(s)		200,269	
Salary Supplements		13,064	
Overtime Pay		12,927	
Social Security		78,014	
Pensions		95,920	
Life Insurance		1,345	
Medical Insurance		249,785	
Dental Insurance		6,400	
Unemployment Compensation		542	
Employer Medicare		18,247	
Maintenance Agreements		11,031	
Tuition		1,390	
Food Supplies		1,919	
Law Enforcement Supplies		4,267	
Office Supplies		2,485	
Prisoners Clothing		4,092	
Uniforms		17,473	
Workers' Compensation Insurance		35,000	
Data Processing Equipment		4,759	
Other Equipment		7,400	
Total Juvenile Services			1,874,887

(Continued)

Exhibit K-11

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

General Fund (Cont.)Public Safety (Cont.)Fire Prevention and Control

Contracts with Private Agencies	\$ 111,250	
Total Fire Prevention and Control		\$ 111,250

Civil Defense

Assistant(s)	\$ 33,216	
Supervisor/Director	72,121	
Social Security	6,385	
Pensions	7,249	
Life Insurance	90	
Medical Insurance	7,038	
Dental Insurance	276	
Unemployment Compensation	32	
Employer Medicare	1,493	
Communication	8,082	
Data Processing Services	17,481	
Dues and Memberships	165	
Lease Payments	322	
Postal Charges	29	
Travel	1,246	
Other Contracted Services	14,765	
Food Supplies	11,204	
Gasoline	3,021	
Office Supplies	63	
Uniforms	1,377	
Other Supplies and Materials	3,697	
Workers' Compensation Insurance	314	
Communication Equipment	3,171	
Law Enforcement Equipment	9,253	
Motor Vehicles	42,767	
Total Civil Defense		244,857

Other Emergency Management

Contracts with Government Agencies	\$ 447,526	
Total Other Emergency Management		447,526

Public Health and WelfareLocal Health Center

Medical Personnel	\$ 511,723	
Clerical Personnel	64,689	
Part-time Personnel	52,373	
Social Security	35,906	
Pensions	36,048	
Life Insurance	573	
Medical Insurance	126,188	
Dental Insurance	2,629	
Unemployment Compensation	402	
Employer Medicare	8,567	

(Continued)

Exhibit K-11

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

General Fund (Cont.)Public Health and Welfare (Cont.)Local Health Center (Cont.)

Communication	\$	23,491	
Contracts with Government Agencies		96,810	
Dues and Memberships		375	
Maintenance Agreements		4,786	
Maintenance and Repair Services - Buildings		1,334	
Maintenance and Repair Services - Equipment		926	
Pest Control		452	
Travel		4,496	
Custodial Supplies		1,836	
Food Supplies		476	
Office Supplies		66	
Utilities		43,342	
Workers' Compensation Insurance		3,768	
Other Charges		1,668	
Maintenance Equipment		8,419	
Total Local Health Center			\$ 1,031,343

Rabies and Animal Control

Supervisor/Director	\$	75,230	
Medical Personnel		88,752	
Truck Drivers		5,800	
Part-time Personnel		35,583	
Overtime Pay		14,052	
Other Salaries and Wages		298,365	
Social Security		30,810	
Pensions		26,889	
Life Insurance		418	
Medical Insurance		57,735	
Dental Insurance		2,110	
Unemployment Compensation		326	
Employer Medicare		7,206	
Communication		4,871	
Lease Payments		12,332	
Licenses		380	
Maintenance and Repair Services - Buildings		4,579	
Maintenance and Repair Services - Equipment		18,465	
Maintenance and Repair Services - Vehicles		1,633	
Transportation - Other than Students		3,878	
Travel		1,785	
Tuition		332	
Other Contracted Services		3,697	
Animal Food and Supplies		12,391	
Custodial Supplies		6,612	
Drugs and Medical Supplies		103,263	
Gasoline		15,431	
Office Supplies		2,267	
Uniforms		1,450	
Workers' Compensation Insurance		1,884	
Total Rabies and Animal Control			838,526

(Continued)

Exhibit K-11

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

General Fund (Cont.)Public Health and Welfare (Cont.)Recycling Center

Other Salaries and Wages	\$	26,626	
Social Security		1,633	
Pensions		1,837	
Life Insurance		30	
Unemployment Compensation		21	
Employer Medicare		382	
Communication		422	
Maintenance Agreements		32,886	
Equipment and Machinery Parts		127	
Office Supplies		57	
Workers' Compensation Insurance		200	
Building Improvements		5,860	
Plant Operation Equipment		33,075	
Total Recycling Center			\$ 103,156

Social, Cultural, and Recreational ServicesParks and Fair Boards

Contracts with Government Agencies	\$	1,278,824	
Total Parks and Fair Boards			1,278,824

Agriculture and Natural ResourcesAgricultural Extension Service

Communication	\$	3,185	
Contracts with Government Agencies		213,037	
Lease Payments		2,096	
Total Agricultural Extension Service			218,318

Soil Conservation

Supervisor/Director	\$	85,420	
Educational Assistants		73,658	
Social Security		9,576	
Pensions		10,976	
Life Insurance		120	
Medical Insurance		23,322	
Dental Insurance		552	
Unemployment Compensation		42	
Employer Medicare		2,239	
Communication		2,053	
Dues and Memberships		108	
Lease Payments		1,144	
Postal Charges		349	
Travel		654	
Tuition		728	
Other Contracted Services		9,925	
Gasoline		371	
Office Supplies		510	
Total Soil Conservation			221,747

(Continued)

Exhibit K-11

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

General Fund (Cont.)Other OperationsIndustrial Development

Contracts for Development Costs	\$ 3,976,100	
Total Industrial Development		\$ 3,976,100

Veterans' Services

Assistant(s)	\$ 69,311	
Supervisor/Director	74,479	
Clerical Personnel	51,152	
Social Security	11,614	
Pensions	13,451	
Life Insurance	178	
Medical Insurance	23,262	
Dental Insurance	828	
Unemployment Compensation	63	
Employer Medicare	2,716	
Communication	3,519	
Lease Payments	132	
Maintenance Agreements	1,443	
Maintenance and Repair Services - Vehicles	209	
Postal Charges	345	
Printing, Stationery, and Forms	631	
Travel	1,466	
Tuition	100	
Duplicating Supplies	862	
Gasoline	879	
Office Supplies	1,767	
Workers' Compensation Insurance	471	
Furniture and Fixtures	664	
Total Veterans' Services		259,542

Contributions to Other Agencies

Contributions	\$ 142,928	
Total Contributions to Other Agencies		142,928

HighwaysLitter and Trash Collection

Attendants	\$ 47,953	
Social Security	2,829	
Pensions	3,309	
Life Insurance	52	
Medical Insurance	6,763	
Dental Insurance	268	
Unemployment Compensation	21	
Employer Medicare	662	
Contracts with Government Agencies	3,200	
Contracts with Other Public Agencies	22,200	
Licenses	25	
Other Contracted Services	6,500	
Workers' Compensation Insurance	1,200	
Total Litter and Trash Collection		94,982

(Continued)

Exhibit K-11

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

General Fund (Cont.)Principal on DebtGeneral Government

Principal on Leases	\$ 18,683	
Principal on SBITA	<u>776,518</u>	
Total General Government		\$ 795,201

Interest on DebtGeneral Government

Interest on Leases	\$ 6,193	
Interest on SBITA	<u>157,704</u>	
Total General Government		163,897

Capital ProjectsGeneral Administration Projects

Data Processing Equipment	\$ 253,703	
Total General Administration Projects		253,703

Administration of Justice Projects

Building Construction	\$ 216,263	
Total Administration of Justice Projects		216,263

Public Safety Projects

Lease Payments	\$ 68,210	
Interest on Notes	51,988	
Communication Equipment	110,823	
Motor Vehicles	<u>1,471,169</u>	
Total Public Safety Projects		<u>1,702,190</u>

Total General Fund \$ 68,367,454

Courthouse and Jail Maintenance FundGeneral GovernmentCounty Buildings

Trustee's Commission	\$ 1,668	
Building Improvements	<u>199,887</u>	
Total County Buildings		\$ 201,555

Total Courthouse and Jail Maintenance Fund 201,555

Law Library FundOther OperationsOther Charges

Licenses	\$ 9,696	
Trustee's Commission	<u>85</u>	
Total Other Charges		\$ 9,781

Total Law Library Fund 9,781

(Continued)

Exhibit K-11

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

Public Library FundSocial, Cultural, and Recreational ServicesLibraries

County Official/Administrative Officer	\$	103,867	
Supervisor/Director		139,153	
Librarians		520,659	
Paraprofessionals		139,289	
Audiovisual Personnel		40,028	
Secretary(ies)		124,636	
Cafeteria Personnel		41,020	
Part-time Personnel		230,599	
Overtime Pay		46	
Social Security		79,207	
Pensions		91,283	
Life Insurance		1,070	
Medical Insurance		189,462	
Dental Insurance		4,728	
Unemployment Compensation		890	
Local Retirement		32,139	
Employer Medicare		18,728	
Bank Charges		2,977	
Communication		28,830	
Data Processing Services		14,072	
Dues and Memberships		5,380	
Lease Payments		6,152	
Licenses		52,280	
Postal Charges		225	
Printing, Stationery, and Forms		694	
Travel		6,046	
Tuition		1,527	
Other Contracted Services		3,408	
Data Processing Supplies		13,170	
Food Preparation Supplies		4,563	
Food Supplies		32,921	
Library Books/Media		148,086	
Office Supplies		13,220	
Periodicals		15,874	
Utilities		164,835	
Software		1,172	
Liability Insurance		35,640	
Trustee's Commission		1,010	
Workers' Compensation Insurance		6,200	
Total Libraries			\$ 2,315,086

Capital ProjectsGeneral Administration Projects

Building Improvements	\$	20,950	
Total General Administration Projects			<u>20,950</u>

Total Public Library Fund \$ 2,336,036

(Continued)

Exhibit K-11

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

Drug Control FundPublic SafetySheriff's Department

Other Contracted Services	\$	17,837	
Animal Food and Supplies		21,988	
Trustee's Commission		3,087	
Building Improvements		764	
Law Enforcement Equipment		48,262	
Other Equipment		7,999	
Total Sheriff's Department			<u>\$ 99,937</u>

Total Drug Control Fund \$ 99,937

Other General Government Special Revenue FundOther OperationsAmerican Rescue Plan Act Grant #1

Accountants/Bookkeepers	\$	50,285	
Social Security		3,030	
Pensions		3,324	
Life Insurance		59	
Medical Insurance		6,978	
Dental Insurance		276	
Unemployment Compensation		21	
Employer Medicare		709	
Data Processing Services		47,440	
Other Contracted Services		36,195	
Workers' Compensation Insurance		157	
Other Construction		108,435	
Total American Rescue Plan Act Grant #1			<u>\$ 256,909</u>

Total Other General Government Special Revenue Fund 256,909

Constitutional Officers - Fees FundAdministration of JusticeChancery Court

Special Commissioner Fees/Special Master Fees	\$	10,200	
Total Chancery Court			<u>\$ 10,200</u>

Total Constitutional Officers - Fees Fund 10,200

Highway/Public Works FundHighwaysAdministration

County Official/Administrative Officer	\$	130,641	
Assistant(s)		103,962	
Supervisor/Director		85,421	
Accountants/Bookkeepers		96,316	
Salary Supplements		26,128	
Maintenance Personnel		90,578	
Overtime Pay		2,502	

(Continued)

Exhibit K-11

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

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

Other Salaries and Wages	\$	57,113	
Social Security		35,303	
Pensions		38,772	
Life Insurance		402	
Medical Insurance		68,202	
Dental Insurance		1,864	
Unemployment Compensation		156	
Local Retirement		131,625	
Employer Medicare		8,291	
Communication		34,167	
Dues and Memberships		6,278	
Licenses		1,589	
Maintenance Agreements		3,934	
Postal Charges		12	
Travel		4,085	
Tuition		1,295	
Custodial Supplies		5,949	
Drugs and Medical Supplies		85	
Electricity		2,874	
Office Supplies		8,407	
Software		24,138	
Other Supplies and Materials		76,423	
Liability Insurance		194,000	
Trustee's Commission		140,454	
Workers' Compensation Insurance		11,000	
Building Improvements		91,579	
Data Processing Equipment		32,492	
Furniture and Fixtures		6,385	
Total Administration			\$ 1,522,422

Highway and Bridge Maintenance

Supervisor/Director	\$	388,526
Assessment Personnel		118,798
Foremen		102,522
Equipment Operators		1,502,101
Laborers		140,973
Overtime Pay		87,526
Social Security		136,042
Pensions		152,339
Life Insurance		2,346
Medical Insurance		548,949
Dental Insurance		10,345
Unemployment Compensation		1,130
Employer Medicare		31,816
Engineering Services		14,942
Lease Payments		6,711
Travel		4,820

(Continued)

Exhibit K-11

Blount 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	\$	205,699	
Asphalt - Hot Mix		4,900,868	
Asphalt - Liquid		82,146	
Concrete		52,131	
Crushed Stone		196,869	
Fertilizer, Lime, and Seed		12,095	
Food Supplies		10,358	
Pipe - Metal		262,655	
Road Signs		80,180	
Salt		58,857	
Structural Steel		8,800	
Uniforms		15,625	
Drainage Materials		1,000	
Software		887	
Workers' Compensation Insurance		74,000	
Highway Construction		280,697	
Highway Equipment		8,060	
Total Highway and Bridge Maintenance			\$ 9,500,813

Operation and Maintenance of Equipment

Supervisor/Director	\$	79,018	
Materials Supervisor		41,342	
Mechanic(s)		209,537	
Overtime Pay		2,581	
Social Security		19,309	
Pensions		22,940	
Life Insurance		324	
Medical Insurance		79,212	
Dental Insurance		1,657	
Unemployment Compensation		126	
Employer Medicare		4,516	
Maintenance and Repair Services - Vehicles		4,444	
Diesel Fuel		195,216	
Equipment and Machinery Parts		206,560	
Gasoline		95,825	
Lubricants		10,041	
Propane Gas		6,392	
Tires and Tubes		62,691	
Uniforms		9,638	
Workers' Compensation Insurance		9,000	
Total Operation and Maintenance of Equipment			<u>1,060,369</u>

Total Highway/Public Works Fund \$ 12,083,604

(Continued)

Exhibit K-11

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

General Debt Service FundPrincipal on DebtGeneral Government

Principal on Bonds	\$ 10,231,929	
Total General Government		\$ 10,231,929

Interest on DebtGeneral Government

Interest on Bonds	\$ 6,437,479	
Total General Government		6,437,479

Other Debt ServiceGeneral Government

Financial Advisory Services	\$ 12,000	
Legal Services	3,750	
Trustee's Commission	327,294	
Other Charges	16,314	
Total General Government		359,358

Total General Debt Service Fund		\$ 17,028,766
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Highway Capital Projects FundCapital ProjectsHighway and Street Capital Projects

Engineering Services	\$ 190,801	
Other Contracted Services	112,488	
Building Improvements	637,926	
Highway Construction	1,866,785	
Highway Equipment	1,279,400	
Total Highway and Street Capital Projects		\$ 4,087,400

Total Highway Capital Projects Fund		4,087,400
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Other Capital Projects FundCapital ProjectsGeneral Administration Projects

Consultants	\$ 54,558	
Data Processing Equipment	74,951	
Total General Administration Projects		\$ 129,509

Public Safety Projects

Trustee's Commission	\$ 25,541	
Building Improvements	370,800	
Total Public Safety Projects		396,341

Other General Government Projects

Building Improvements	\$ 946,980	
Plant Operation Equipment	3,716	
Right-of-Way	2,091	
Disabilities Act Improvements	62,455	
Other Capital Outlay	14,415	
Total Other General Government Projects		1,029,657

Total Other Capital Projects Fund		1,555,507
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Total Governmental Funds - Primary Government		\$ 106,037,149
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Exhibit K-12

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 31,689,814	
Career Ladder Program	110,200	
Salary Supplements	934,556	
Educational Assistants	1,900,539	
Other Salaries and Wages	129,101	
Social Security	2,022,925	
Pensions	2,831,450	
Life Insurance	29,972	
Medical Insurance	5,670,340	
Dental Insurance	124,286	
Employer Medicare	479,313	
Contracts with Government Agencies	10,000	
Printing, Stationery, and Forms	3,145	
Contracts for Substitute Teachers - Certified	1,975,411	
Instructional Supplies and Materials	840,667	
Textbooks - Bound	966,538	
Other Supplies and Materials	2,500	
Other Charges	25,712	
Furniture and Fixtures	241,351	
Other Equipment	10,794	
Other Capital Outlay	57,627	
Total Regular Instruction Program		\$ 50,056,241

Special Education Program

Teachers	\$ 5,288,744	
Career Ladder Program	8,500	
Educational Assistants	1,432,463	
Social Security	390,675	
Pensions	476,966	
Life Insurance	6,005	
Medical Insurance	1,196,462	
Dental Insurance	25,637	
Employer Medicare	92,222	
Instructional Supplies and Materials	119,813	
Other Supplies and Materials	994	
In Service/Staff Development	7,549	
Special Education Equipment	12,384	
Total Special Education Program		9,058,414

Career and Technical Education Program

Teachers	\$ 2,908,508
Career Ladder Program	7,500
Social Security	167,616
Pensions	236,845
Life Insurance	2,676
Medical Insurance	521,599

(Continued)

Exhibit K-12

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

General Purpose School Fund (Cont.)Instruction (Cont.)Career and Technical Education Program (Cont.)

Dental Insurance	\$	10,872	
Employer Medicare		39,250	
Maintenance and Repair Services - Equipment		2,932	
Instructional Supplies and Materials		103,182	
Textbooks - Bound		1,636	
Other Supplies and Materials		295	
Liability Insurance		1,490	
In Service/Staff Development		600	
Total Career and Technical Education Program			\$ 4,005,001

Other

Local Retirement	\$	1,029,947	
Total Other			1,029,947

Support ServicesAttendance

Supervisor/Director	\$	55,814	
Clerical Personnel		31,184	
Social Security		5,285	
Pensions		6,994	
Life Insurance		78	
Medical Insurance		3,916	
Dental Insurance		155	
Employer Medicare		1,236	
Total Attendance			104,662

Health Services

Medical Personnel	\$	16,996	
Secretary(ies)		33,867	
Other Salaries and Wages		51,823	
Social Security		6,266	
Pensions		7,471	
Life Insurance		106	
Medical Insurance		22,475	
Dental Insurance		277	
Employer Medicare		1,507	
Dues and Memberships		138	
Medical and Dental Services		2,000	
Travel		2,071	
Drugs and Medical Supplies		1,551	
Food Supplies		351	
Instructional Supplies and Materials		20,371	
Office Supplies		203	
Other Supplies and Materials		14	
In Service/Staff Development		707	
Total Health Services			168,194

(Continued)

Exhibit K-12

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

General Purpose School Fund (Cont.)Support Services (Cont.)Other Student Support

Guidance Personnel	\$	1,465,611	
Social Workers		52,801	
Secretary(ies)		69,160	
Social Security		90,382	
Pensions		126,850	
Life Insurance		1,474	
Medical Insurance		282,779	
Dental Insurance		5,524	
Employer Medicare		21,767	
Evaluation and Testing		24,790	
Instructional Supplies and Materials		5,040	
Office Supplies		454	
In Service/Staff Development		3,674	
Total Other Student Support			\$ 2,150,306

Regular Instruction Program

Supervisor/Director	\$	222,016	
Librarians		1,306,120	
Secretary(ies)		41,787	
Other Salaries and Wages		133,016	
Social Security		99,292	
Pensions		145,518	
Life Insurance		1,431	
Medical Insurance		275,106	
Dental Insurance		6,456	
Employer Medicare		23,221	
Contracts with Government Agencies		38,421	
Travel		25,042	
Other Contracted Services		50,017	
Food Supplies		6,710	
Instructional Supplies and Materials		72	
Library Books/Media		56,000	
Other Supplies and Materials		97	
In Service/Staff Development		7,702	
Total Regular Instruction Program			2,438,024

Special Education Program

Psychological Personnel	\$	462,569	
Social Security		24,858	
Pensions		33,543	
Life Insurance		379	
Medical Insurance		67,936	
Dental Insurance		1,107	
Employer Medicare		6,470	
Contracts with Private Agencies		321,910	
Lease Payments		1,204	

(Continued)

Exhibit K-12

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Travel	\$	16,097	
In Service/Staff Development		7,964	
Total Special Education Program			\$ 944,037

Career and Technical Education Program

Supervisor/Director	\$	9,544	
Secretary(ies)		73,063	
Social Security		4,511	
Pensions		5,499	
Life Insurance		90	
Medical Insurance		17,013	
Dental Insurance		293	
Employer Medicare		1,054	
Tuition		900	
Total Career and Technical Education Program			111,967

Technology

Supervisor/Director	\$	104,358	
Computer Programmer(s)		294,956	
Clerical Personnel		47,110	
Other Salaries and Wages		92,365	
Social Security		32,304	
Pensions		37,178	
Life Insurance		508	
Medical Insurance		51,084	
Dental Insurance		1,380	
Employer Medicare		7,555	
Licenses		566,324	
Maintenance and Repair Services - Equipment		48,917	
Other Contracted Services		1,330	
Data Processing Supplies		79,946	
Other Supplies and Materials		650	
In Service/Staff Development		1,600	
Data Processing Equipment		211,790	
Total Technology			1,579,355

Board of Education

Other Salaries and Wages	\$	205,872	
Board and Committee Members Fees		33,608	
Social Security		8,100	
Pensions		5,771	
Life Insurance		45	
Medical Insurance		8,868	
Dental Insurance		230	
Unemployment Compensation		11,932	
Employer Medicare		2,773	

(Continued)

Exhibit K-12

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

General Purpose School Fund (Cont.)Support Services (Cont.)Board of Education (Cont.)

Audit Services	\$	31,000	
Dues and Memberships		8,706	
Financial Advisory Services		1,272	
Legal Services		32,511	
Printing, Stationery, and Forms		262	
Rentals		15,161	
Travel		108	
Tuition		1,399	
Other Contracted Services		7,180	
Other Supplies and Materials		489	
Liability Insurance		409,415	
Trustee's Commission		853,513	
Workers' Compensation Insurance		364,000	
In Service/Staff Development		2,277	
Criminal Investigation of Applicants - TBI		20,544	
Other Charges		84,672	
Total Board of Education			\$ 2,109,708

Director of Schools

County Official/Administrative Officer	\$	152,000	
Assistant(s)		227,146	
Supervisor/Director		126,742	
Career Ladder Program		1,000	
Secretary(ies)		172,198	
Social Security		43,300	
Pensions		56,509	
Life Insurance		428	
Medical Insurance		81,883	
Dental Insurance		1,647	
Employer Medicare		10,127	
Advertising		80,520	
Dues and Memberships		5,364	
Medical and Dental Services		6,000	
Postal Charges		8,801	
Printing, Stationery, and Forms		226	
Travel		1,425	
Other Contracted Services		3,970	
Food Supplies		8,350	
Office Supplies		7,911	
Other Supplies and Materials		6,904	
In Service/Staff Development		5,340	
Other Charges		7,835	
Total Director of Schools			1,015,626

Office of the Principal

Principals	\$	2,231,129	
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(Continued)

Exhibit K-12

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

Accountants/Bookkeepers	\$	101,295	
Assistant Principals		1,659,324	
Secretary(ies)		1,624,979	
Social Security		325,741	
Pensions		439,247	
Life Insurance		4,510	
Medical Insurance		887,944	
Dental Insurance		20,016	
Employer Medicare		78,529	
Communication		84,787	
Dues and Memberships		2,400	
Internet Connectivity		132,610	
Rentals		4,000	
Other Contracted Services		3,511	
Other Supplies and Materials		28,784	
Other Charges		335,000	
Other Equipment		136,960	
Total Office of the Principal			\$ 8,100,766

Fiscal Services

Supervisor/Director	\$	82,217	
Accountants/Bookkeepers		109,595	
Social Security		11,097	
Pensions		12,052	
Life Insurance		166	
Medical Insurance		39,328	
Dental Insurance		823	
Employer Medicare		2,595	
Travel		850	
In Service/Staff Development		5,895	
Total Fiscal Services			264,618

Operation of Plant

Custodial Personnel	\$	3,102,034	
Social Security		179,881	
Pensions		193,924	
Life Insurance		3,199	
Medical Insurance		630,522	
Dental Insurance		16,388	
Employer Medicare		42,702	
Contracts with Other Public Agencies		24,293	
Evaluation and Testing		1,014	
Maintenance Agreements		289,970	
Maintenance and Repair Services - Equipment		22,043	
Permits		2,100	
Contracts for Landfill Facilities		2,928	

(Continued)

Exhibit K-12

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

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

Other Contracted Services	\$	12,414	
Custodial Supplies		291,672	
Electricity		3,137,439	
Fuel Oil		9,390	
Natural Gas		243,019	
Water and Sewer		470,310	
Plant Operation Equipment		74,614	
Other Equipment		43,967	
Total Operation of Plant			\$ 8,793,823

Maintenance of Plant

Supervisor/Director	\$	104,877	
Secretary(ies)		51,271	
Maintenance Personnel		749,433	
Social Security		53,662	
Pensions		55,837	
Life Insurance		933	
Medical Insurance		157,859	
Dental Insurance		4,479	
Employer Medicare		12,550	
Architects		89,148	
Lease Payments		53,511	
Maintenance Agreements		269,093	
Maintenance and Repair Services - Buildings		557,950	
Maintenance and Repair Services - Equipment		171,625	
Maintenance and Repair Services - Vehicles		20,684	
Pest Control		21,435	
Rentals		19,900	
Permits		2,190	
Other Contracted Services		49,683	
Equipment and Machinery Parts		296,857	
Gasoline		64,082	
Small Tools		919	
Vehicle Parts		8,582	
Other Supplies and Materials		162,287	
Administration Equipment		94,427	
Building Improvements		119,695	
Heating and Air Conditioning Equipment		102,095	
Maintenance Equipment		23,086	
Motor Vehicles		45,020	
Other Capital Outlay		59,147	
Total Maintenance of Plant			3,422,317

Transportation

Supervisor/Director	\$	55,953
Clerical Personnel		51,269

(Continued)

Exhibit K-12

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

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

Other Salaries and Wages	\$	67,688	
Social Security		10,312	
Pensions		12,998	
Life Insurance		144	
Medical Insurance		26,296	
Dental Insurance		674	
Employer Medicare		2,412	
Contracts with Parents		5,146	
Contracts with Vehicle Owners		6,745,981	
Maintenance and Repair Services - Vehicles		4,541	
Medical and Dental Services		814	
Tires and Tubes		910	
Total Transportation			\$ 6,985,138

Operation of Non-Instructional ServicesFood Service

Cafeteria Personnel	\$	32,500	
Social Security		2,015	
Employer Medicare		471	
Food Supplies		14,082	
Total Food Service			49,068

Early Childhood Education

Teachers	\$	397,405	
Educational Assistants		125,135	
Social Security		30,347	
Pensions		43,281	
Life Insurance		549	
Medical Insurance		118,301	
Dental Insurance		2,886	
Employer Medicare		7,097	
Contracts with Other Public Agencies		33,568	
Instructional Supplies and Materials		6,641	
Total Early Childhood Education			765,210

Capital OutlayRegular Capital Outlay

Architects	\$	41,443	
Other Contracted Services		52,000	
Building Construction		4,463,701	
Data Processing Equipment		35,538	
Furniture and Fixtures		10,323	
Other Capital Outlay		1,120,775	
Total Regular Capital Outlay			5,723,780

Total General Purpose School Fund \$ 108,876,202

(Continued)

Exhibit K-12

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

School Federal Projects FundInstructionRegular Instruction Program

Teachers	\$	3,218,026	
Educational Assistants		885,240	
In-service Training		125,884	
Social Security		233,820	
Pensions		284,946	
Life Insurance		3,731	
Medical Insurance		560,654	
Dental Insurance		12,080	
Employer Medicare		56,781	
Contracts for Substitute Teachers - Certified		1,238	
Instructional Supplies and Materials		306,105	
Software		418,251	
Regular Instruction Equipment		1,510,123	
Total Regular Instruction Program			\$ 7,616,879

Special Education Program

Teachers	\$	145,180	
Clerical Personnel		120,777	
Educational Assistants		1,460,633	
Speech Pathologist		46,390	
Social Security		102,383	
Pensions		77,872	
Life Insurance		1,292	
Medical Insurance		241,294	
Dental Insurance		7,603	
Employer Medicare		24,734	
Instructional Supplies and Materials		93,642	
Special Education Equipment		291,903	
Total Special Education Program			2,613,703

Career and Technical Education Program

Other Salaries and Wages	\$	122,832	
Social Security		10,733	
Pensions		12,450	
Life Insurance		170	
Medical Insurance		12,514	
Employer Medicare		2,510	
Instructional Supplies and Materials		91,003	
Other Supplies and Materials		33,978	
Vocational Instruction Equipment		394,694	
Total Career and Technical Education Program			680,884

Support ServicesHealth Services

Medical Personnel	\$	1,140,058	
Social Security		67,116	

(Continued)

Exhibit K-12

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

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

Pensions	\$	71,121	
Life Insurance		1,437	
Medical Insurance		177,245	
Dental Insurance		4,581	
Employer Medicare		15,735	
Drugs and Medical Supplies		40,899	
Other Supplies and Materials		833	
Health Equipment		9,507	
Other Equipment		9,900	
Total Health Services			\$ 1,538,432

Other Student Support

Guidance Personnel	\$	104,088	
Social Workers		53,495	
Social Security		9,076	
Pensions		13,195	
Life Insurance		173	
Medical Insurance		47,210	
Dental Insurance		837	
Employer Medicare		2,123	
Travel		24,310	
Other Contracted Services		15,735	
In Service/Staff Development		11,205	
Other Charges		20,868	
Total Other Student Support			302,315

Regular Instruction Program

Supervisor/Director	\$	104,887	
Secretary(ies)		51,244	
Clerical Personnel		44,259	
Other Salaries and Wages		447,471	
Social Security		37,855	
Pensions		52,403	
Life Insurance		509	
Medical Insurance		89,350	
Dental Insurance		2,153	
Employer Medicare		9,073	
Travel		5,879	
Other Contracted Services		219,235	
Other Supplies and Materials		778	
In Service/Staff Development		109,991	
Other Charges		454	
Total Regular Instruction Program			1,175,541

Special Education Program

Supervisor/Director	\$	199,554	
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(Continued)

Exhibit K-12

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

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

Psychological Personnel	\$	221,605	
Clerical Personnel		167,514	
Social Security		34,603	
Pensions		45,885	
Life Insurance		459	
Medical Insurance		67,147	
Dental Insurance		1,442	
Employer Medicare		8,270	
Contracts with Private Agencies		50,000	
Travel		614	
In Service/Staff Development		39,636	
Total Special Education Program			\$ 836,729

Career and Technical Education Program

Travel	\$	631	
In Service/Staff Development		1,265	
Total Career and Technical Education Program			1,896

Technology

Computer Programmer(s)	\$	41,330	
Social Security		2,381	
Pensions		1,361	
Life Insurance		45	
Medical Insurance		12,421	
Dental Insurance		243	
Employer Medicare		557	
Software		473,410	
Total Technology			531,748

Fiscal Services

Other Contracted Services	\$	32,251	
Total Fiscal Services			32,251

Transportation

Contracts with Parents	\$	160	
Contracts with Vehicle Owners		114,425	
Total Transportation			114,585

Capital OutlayRegular Capital Outlay

Building Improvements	\$	2,094,092	
Heating and Air Conditioning Equipment		79,450	
Total Regular Capital Outlay			2,173,542

Total School Federal Projects Fund \$ 17,618,505

(Continued)

Exhibit K-12

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

Central Cafeteria FundOperation of Non-Instructional ServicesFood Service

Supervisor/Director	\$	68,747	
Accountants/Bookkeepers		42,628	
Cafeteria Personnel		2,339,851	
Social Security		145,735	
Pensions		80,755	
Life Insurance		1,596	
Medical Insurance		261,959	
Dental Insurance		7,346	
Employer Medicare		34,560	
Dues and Memberships		5,130	
Lease Payments		32,107	
Maintenance Agreements		84,101	
Maintenance and Repair Services - Equipment		159,062	
Printing, Stationery, and Forms		2,341	
Transportation - Other than Students		12,209	
Travel		2,233	
Permits		1,680	
Other Contracted Services		83,333	
Custodial Supplies		41,806	
Food Preparation Supplies		189,381	
Food Supplies		2,048,386	
Office Supplies		4,490	
Uniforms		18,268	
USDA - Commodities		425,802	
Software		5,222	
Other Supplies and Materials		62	
Workers' Compensation Insurance		65,000	
In Service/Staff Development		19,354	
Other Charges		269	
Data Processing Equipment		3,151	
Food Service Equipment		909,374	
Total Food Service			\$ 7,095,938

Total Central Cafeteria Fund \$ 7,095,938

Extended School Program FundOperation of Non-Instructional ServicesCommunity Services

Assistant(s)	\$	101,946
Part-time Personnel		1,847,317
Social Security		116,266
Pensions		51,592
Life Insurance		746
Medical Insurance		180,952
Dental Insurance		4,264
Employer Medicare		27,401

(Continued)

Exhibit K-12

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

Extended School Program Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services (Cont.)

Contracts with Vehicle Owners	\$	28,675	
Lease Payments		1,080	
Travel		898	
Other Contracted Services		29,120	
Food Supplies		76,453	
Instructional Supplies and Materials		13,396	
Software		2,508	
Other Supplies and Materials		12,106	
Trustee's Commission		17,077	
Data Processing Equipment		3,442	
Other Equipment		4,543	
Total Community Services			\$ 2,519,782

Total Extended School Program Fund \$ 2,519,782

Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$	4,243,963	
Total Community Services			\$ 4,243,963

Total Internal School Fund 4,243,963

Education Capital Projects Fund

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$	1,366,797	
Total Education			\$ 1,366,797

Capital Projects

Education Capital Projects

Architects	\$	48,807	
Engineering Services		2,955	
Trustee's Commission		125,186	
Building Construction		10,829,534	
Building Improvements		3,354,745	
Heating and Air Conditioning Equipment		617,582	
Other Capital Outlay		91,362	
Total Education Capital Projects			15,070,171

Total Education Capital Projects Fund 16,436,968

Total Governmental Funds - Blount County School Department \$ 156,791,358

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

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Blount County, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Blount County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated January 19, 2024. Our report on the business-type activities, the aggregate discretely presented component units, and the Hospital Revenue Bond Enterprise Fund was qualified due to a material uncertainty regarding ownership rights to assets and revenues of the Blount Memorial Hospital. Our report includes a reference to other auditors who audited the financial statements of the discretely presented Blount Memorial Hospital, Inc., and the Internal School Fund of the discretely presented Blount County School Department, as described in our report on Blount County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify the following deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be significant deficiencies: 2023-001(A) and 2023-002.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Blount 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: 2023-001(B).

Blount County's Responses to the Findings

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

Purpose of this Report

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

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

January 19, 2024

JEM/gc



JASON E. MUMPOWER
Comptroller

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

Independent Auditor's Report

Blount County Mayor and
Board of County Commissioners
Blount 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 Blount County's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Blount County's major federal programs for the year ended June 30, 2023. Blount 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, Blount County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Blount 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 Blount County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Blount County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Blount 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 Blount 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 Blount 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 Blount 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 Blount County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Blount County, Tennessee, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Blount County's basic financial statements. We issued our report thereon dated January 19, 2024. Our report on the business-type activities, the aggregate discretely presented component units, and the Hospital Revenue Bond Enterprise Fund was qualified due to a material uncertainty regarding ownership rights to assets and revenues of the Blount Memorial Hospital. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to

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

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

January 19, 2024

JEM/gc

Blount County, Tennessee, and the Blount County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (9) (10)
For the Year-Ended June 30, 2023

Federal/Pass-Through Agency/State Grantor Program Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster: (4)			
School Breakfast Program	10.553	N/A	\$ 1,496,473
National School Lunch Program	10.555	N/A	4,664,186 (5)
COVID 19 - Pandemic EBT Administrative Costs	10.649	N/A	3,135
Passed-through State Department of Agriculture :			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	441,215 (5)
Passed-through East Tennessee Human Resource Agency:			
Child and Adult Care Food Program	10.558	N/A	15,231
Passed-through State Department of Health:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-23-75635	129,525
Total U.S. Department of Agriculture			<u>\$ 6,749,765</u>
U.S. Department of Military:			
Passed-through State Department of General Services:			
Section 1033 Excess Property Program (Noncash Assistance)	12.U01	N/A	\$ 79,924 (6)
Total U.S. Department of Military			<u>\$ 79,924</u>
U.S. Department of the Interior:			
Direct Program:			
Payments in Lieu of Taxes	15.226	N/A	\$ 306,000
Total U.S. Department of the Interior			<u>\$ 306,000</u>
U.S. Department of Justice:			
Direct Programs:			
Public Safety Partnership and Community Policing Grants	16.710	N/A	\$ 75,878
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	23,671
Passed-through State Department of Finance and Administration:			
Project Safe Neighborhood	16.609	N/A	2,063
Total U.S. Department of Justice			<u>\$ 101,612</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Planning and Construction	20.205	(3)	\$ 233,794
Passed-through Department of Safety and Homeland Security:			
Alcohol Open Container Requirements	20.607	(7)	26,666
Highway Safety Cluster: (4)			
State and Community Highway Safety	20.600	(8)	115,403
Passed-through State Department of Military:			
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	(3)	9,359
Total U.S. Department of Transportation			<u>\$ 385,222</u>
U.S. Department of the Treasury:			
Direct Program:			
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	\$ 235,375
Total U.S. Department of the Treasury			<u>\$ 235,375</u>

(Continued)

Blount County, Tennessee, and the Blount County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (9) (10) (Cont.)

Federal/Pass-Through Agency/State Grantor Program Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	(3)	\$ 2,696,752
Special Education Cluster: (4)			
Special Education - Grants to States	84.027	(3)	2,910,791 (5)
COVID 19 - Special Education - Grants to States	84.027	84.027X	445,893 (5)
Special Education - Preschool Grants	84.173	(3)	116,071 (5)
COVID 19 - Special Education - Preschool Grants	84.173	84.173X	16,663 (5)
Career and Technical Education - Basic Grants to States	84.048	(3)	377,724
English Language Acquisition State Grants	84.365	(3)	310,694
Supporting Effective Instruction State Grants	84.367	(3)	28,195
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	(3)	2,386,352 (5)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	(3)	7,245,815 (5)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund - Homeless Children and Youth - (ESSER ARP)	84.425W	(3)	4,489 (5)
Total U.S. Department of Education			<u>\$ 16,539,439</u>
U.S. Department of Health and Human Services:			
Passed-through State Department of Health:			
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	34349-16623	\$ 42,090 (5)
Medicaid Cluster: (4)			
Medical Assistance Program	93.778	GG-23-75635	22,661
Maternal and Child Health Services Block Grant to the States	93.994	GG-23-75635	24,610
Passed-through State Department of Education:			
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	N/A	1,499,502 (5)
COVID 19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	N/A	125,884
Passed-through State Department of Human Services:			
CCDF Cluster: (4)			
COVID 19 - Child Care and Development Block Grant	93.575	N/A	1,182,488
Total U.S. Department of Health and Human Services			<u>\$ 2,897,235</u>
Executive Office of the President:			
Passed-through Laurel County, Kentucky Fiscal Court:			
High Intensity Drug Trafficking Areas Program	95.001	N/A	\$ 31,192
Total Executive Office of the President			<u>\$ 31,192</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Homeland Security Grant Program	97.067	(3)	\$ 48,000
Total U.S. Department of Homeland Security			<u>\$ 48,000</u>
Total Expenditures of Federal Grants			<u>\$ 27,373,764</u>

(Continued)

Blount County, Tennessee, and the Blount County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (9) (10) (Cont.)

State Grants		Contract Number	Expenditures
Learning Camp Transportation - State Department of Education	N/A	(3)	\$ 98,673
Stream Mini Camp - State Department of Education	N/A	(3)	88,352
Summer Learning Camp - State Department of Education	N/A	(3)	969,837
Coordinated School Health - State Department of Education	N/A	(3)	125,000
Family Resource Center - State Department of Education	N/A	(3)	29,612
Safe Schools Act - State Department of Education	N/A	(3)	45,451
Early Childhood Education - State Department of Education	N/A	(3)	586,070
Supporting Access in Rural Counties (SPARC) - State Department of Education	N/A	(3)	95,158
Extended School Food Program - State Department of Human Services	N/A	(3)	155,193
Governor's Direct Appropriation Grant - State Department of Finance and Administration	N/A	(3)	327,903
Drug Court Discretionary Grant Program - State Department of Mental Health	N/A	(3)	97,000
Addictions Recovery Program - State Department of Mental Health	N/A	(3)	8,995
Mental Health Transportation Direct Appropriation Grant - State Department of Mental Health	N/A	(3)	110,293
Violent Crime Intervention Fund - State Department of Finance and Administration	N/A	(3)	126,738
Juvenile Court Home Base - State Department of Finance and Administration	N/A	(3)	29,639
Health Department Program - State Department of Health	N/A	(3)	606,185
Juvenile Justice - State Commission on Children and Youth	N/A	(3)	9,000
Litter Program - State Department of Transportation	N/A	(3)	74,300
Total State Grants			<u>\$ 3,583,399</u>

FAL = Federal Assistance Listing

N/A = Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
(2) Blount County elected not to use the 10% de minimus cost rate permitted in the Uniform Guidance.
(3) Information not available.
(4) Child Nutrition Cluster total \$6,601,874; Highway Safety Cluster total \$115,403; Special Education Cluster total \$3,489,418;
Medicaid Cluster total \$22,661; CCDF Cluster total \$1,182,488.
(5) Total for FAL No 10.555 is \$5,105,401; Total for FAL No 84.027 is \$3,356,684; Total for FAL No 84.173 is \$132,734;
Total for FAL No 84.425 is \$9,636,656; Total for FAL No 93.323 is \$1,541,592.
(6) During the year ended June 30, 2023, Blount County received excess military equipment from the U.S. Department of Military
valued at \$79,924.
(7) Pass-through identifying numbers for 20.607 were:
Z-22-THS029: \$8,716; Z-23-THS027: \$17,950.
(8) Pass-through identifying numbers for 20.600 were:
Z-22-THS026: \$5,609; Z-22-THS027: \$2,801; Z-22-THS028: \$23,362; Z-23-THS028: \$43,844; Z-23-THS029: \$38,110; Z-23-THS030: \$1,677.
(9) No amounts (\$0) were passed through to subrecipients.
(10) CONSOLIDATED ADMINISTRATION
The following amounts were consolidated for administration purposes:

Program Title	FAL Number	Amount Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	\$ 202,477
English Language Acquisition State Grants	84.365	138
Supporting Effective Instruction State Grants	84.367	5,510
		<u>\$ 208,125</u>

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

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or not. Presented below are financial statement findings along with their current status from the Annual Financial Report for Blount County, Tennessee, for the year ended June 30, 2023.

Prior-year Financial Statement Findings

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

Prior-year Federal Awards Findings

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

BLOUNT COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2023

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Our report on the financial statements of the business-type activities, aggregate discretely presented component units, and the Hospital Revenue Bond Enterprise Fund of Blount County is qualified. Our report on the financial statements of the governmental activities, General Fund, Other General Government Fund, Highway/Public Works Fund, General Debt Service Fund, and the aggregate remaining fund information of Blount County is unmodified.

2. Internal Control Over Financial Reporting:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **YES**

3. Noncompliance material to the financial statements noted? **NO**

Federal Awards:

4. Internal Control Over Major Federal Programs:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**

5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**

7. Identification of Major Federal Programs:
 - * Assistance Listing Numbers: 10.553 and 10.555 Child Nutrition Cluster: School Breakfast Program and National School Lunch Program
 - * Assistance Listing Number: 21.027 COVID 19 - Coronavirus State and Local Fiscal Recovery Funds
 - * Assistance Listing Number: 84.425 COVID 19 - Education Stabilization Fund
 - * Assistance Listing Number: 93.575 COVID 19 - Child Care and Development Block Grant

8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$821,213**

9. Auditee qualified as low-risk auditee? **YES**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

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

OFFICES OF TRUSTEE, DIRECTOR OF ACCOUNTS AND BUDGETS, AND DIRECTOR OF SCHOOLS

FINDING 2023-001

THE SCHOOL FEDERAL PROJECTS FUND HAD A CASH OVERDRAFT FOR THE MAJORITY OF THE YEAR AND THE TRUSTEE PAID CHECKS FROM THE SCHOOL FEDERAL PROJECTS FUND THAT EXCEEDED AVAILABLE FUNDS

(A. - Internal Control – Significant Deficiency Under
Government Auditing Standards; B. – Noncompliance Under
Government Auditing Standards)

We noted the following deficiencies related to the School Federal Projects Fund:

- A. The School Federal Projects Fund had a cash overdraft for 11 of 12 months during the fiscal year by as much as \$2,190,856. This cash overdraft resulted from the issuance of checks exceeding cash on deposit with the county trustee. Sound business practices dictate that disbursements be held within available funds.
- B. The trustee paid checks issued from the School Federal Projects Fund that exceeded the available cash on deposit. Section 8-11-104(5), *Tennessee Code Annotated (TCA)*, prohibits the trustee from paying a check if sufficient funds are not available. Additionally, Section 5-8-210, *TCA* requires the trustee to verify the department's fund balance and certify that funds are available. When the county trustee has certified that funds are available, the total amount certified shall be charged to the fund on which the check or checks are drawn on at least a daily basis so that a current balance is maintained.

These deficiencies exist because the finance department issued checks exceeding cash on deposit with the trustee, and the trustee continued paying checks that exceeded available cash. The cash overdraft was liquidated as of June 30, 2023, with receipt of funds from the Tennessee Department of Education. However, it should be noted the cash overdrafts persisted following the June 30, 2023, year end.

RECOMMENDATION

The finance department and school department personnel should monitor the cash balance and not issue checks exceeding cash on deposit with the county trustee. The county trustee should not pay checks that exceed available cash as required by state statute.

MANAGEMENT'S RESPONSE

No formal management's response was submitted. However, an explanation to the finding is included in the Corrective Action Plan.

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 2023-002

THE SCHOOL DEPARTMENT FAILED TO REQUEST REIMBURSEMENTS FOR GRANT EXPENDITURES ON A TIMELY BASIS RESULTING IN A DEFICIT IN UNASSIGNED FUND BALANCE AT JUNE 30, 2023

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

School department personnel failed to request reimbursements for grant expenditures related to state and federal programs on a timely basis. Receivables resulting from reimbursement requests totaling \$1,068,510 in the General Purpose School Fund, and \$517,426 in the School Federal Projects Fund, have been deferred. These receivables are not reflected as revenues in the fund financial statements since they were not received within the department's 60-day availability period. The corresponding expenditures were incurred prior to June 30, 2023, but reimbursements were not requested from the Tennessee Department of Education until August 17, 2023, for the General Purpose School Fund and September 13, 2023, for the School Federal Projects Fund. Sound business practices dictate that requests for grant reimbursements be made on a current basis.

The failure to submit requests for reimbursements on a timely basis in the General Purpose School Fund limited its operating funds by relying on existing cash and fund balances to cover expenditures that the state or federal programs would otherwise reimburse. The failure to submit requests for reimbursements on a timely basis in the School Federal Projects Fund resulted in the fund having a deficit in the unassigned fund balance of \$525,765 at June 30, 2023. As noted above, grant funds were requested and received subsequent to June 30, 2023, liquidating the deficit.

RECOMMENDATION

Requests for reimbursements from grant funds should be made on a timely basis.

MANAGEMENT'S RESPONSE

No formal management's response was submitted. However, an explanation to the finding is included in the Corrective Action Plan.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

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

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

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

Finding Number	Title of Finding	Corrective Action Plan Page Number
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OFFICES OF COUNTY MAYOR, TRUSTEE AND DIRECTOR OF SCHOOL

2023-001	The School Federal Projects Fund had a cash overdraft for the majority of the year and the trustee paid checks from the School Federal Projects Fund that exceeded available funds.	276
2023-002	The school department failed to request reimbursements for grant expenditures on a timely basis resulting in a deficit in unassigned fund balance at June 30, 2023.	277



**BLOUNT COUNTY MAYOR
ED MITCHELL**

"LET'S BE BLOUNT...WORK HARD, WORK HONEST, WORK TOGETHER"

Corrective Action Plan

FINDING 2023-001: THE SCHOOL FEDERAL PROJECTS FUND HAD A CASH OVERDRAFT FOR THE MAJORITY OF THE YEAR AND THE TRUSTEE PAID CHECKS FROM THE SCHOOL FEDERAL PROJECTS FUND THAT EXCEEDED AVAILABLE FUNDS

Response and Corrective Action Plan Prepared by:

Scott Graves, Blount County Trustee; Kristi Yates, Blount County Schools Chief Financial Officer; Brian Baldwin, Blount County Director of Accounts and Budgets

Person Responsible for Implementing the Corrective Action:

Scott Graves, Blount County Trustee; Kristi Yates, Blount County Schools Chief Financial Officer; Brian Baldwin, Blount County Director of Accounts and Budgets

Anticipated Completion Date of Corrective Action:

February 29, 2024

Repeat Finding:

No

Reason Corrective Action was Not Taken in the Prior Year:

N/A

Planned Corrective Action:

Blount County has a history of following the rules and places great emphasis on obtaining no finding audits. We do not agree with the interpretation of the statute and sought legal opinions from Attorneys Chuck Cagle and Craig Garrett related to Tennessee Code Annotated 5-8-210(h)(1) and 8-11-104(5). Their legal reviews agreed with the county's position and as such, management believes that these statutes were correctly obeyed.

While we do not have the same interpretation of the statute, Blount County will seek approval for an interfund loan for the remainder of this fiscal year from the County Board of Education and the County Commission requesting a transfer of funds to cover any cash deficits for the remainder of Fiscal Year 2023/2024 to avoid a repeat finding.

Blount County looks forward to continued efforts with the Comptroller's Office to ensure state statutes are correctly interpreted and applied by Blount County.

FINDING 2023-002: THE SCHOOL DEPARTMENT FAILED TO REQUEST REIMBURSEMENTS FOR GRANT EXPENDITURES ON A TIMELY BASIS RESULTING IN A DEFICIT IN UNASSIGNED FUND BALANCE AT JUNE 30, 2023

Response and Corrective Action Plan Prepared by:

Troy Logan, Blount County Schools Assistant Chief Financial Officer,
Kristi Yates, Blount County Schools Chief Financial Officer, and
Deena Finley, Blount County Schools Financial Assistant

Person Responsible for Implementing the Corrective Action:

Kristi Yates, CFO and Deena Finley, Assistant CFO Blount County Schools

Anticipated Completion Date of Corrective Action:

11/30/2023

Repeat Finding:

No

Reason Corrective Action was Not Taken in the Prior Year:

N/A

Planned Corrective Action:

Final Expenditure Reports (FER) are required reporting for the TN Department of Education. Deadlines were issued by the TN Department of Education, which we met in requesting timely reimbursements. Required documentation must be submitted to the TN Department of Education as supporting documentation for the reimbursement requests. We had to complete all year end accrual entries for expenditures in order for our reports to be accurate; therefore, the earliest we could request final year-end reimbursements was mid-August.

Once reimbursements are submitted on the TN Department of Education program (ePlan) from Blount County Schools, there are several review and approval workflows required by the TN Department of Education before the voucher can be created for payment. The approval process can be delayed especially if changes are required to complete the FER. This was the case with both General Fund reimbursement and Federal Fund reimbursement that resulted in the receipt being recorded after the 60 days allowable recognition of revenue.

Going forward additional focus will be placed on working with the TN Department of Education at year-end with a greater emphasis in meeting the 60 days threshold after year-end closing.

Signature:

A handwritten signature in blue ink, appearing to read "Ed Mitchell", written over a horizontal line.

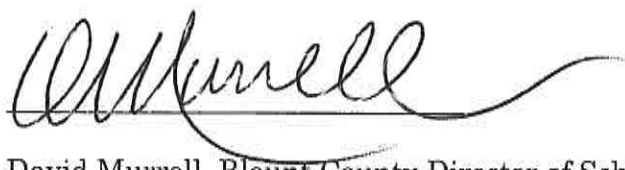
Ed Mitchell, Blount County Mayor

Signature:

A handwritten signature in red ink, appearing to read "Scott Graves", written over a horizontal line.

Scott Graves, Blount County Trustee

Signature:

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

David Murrell, Blount County Director of Schools