

OFFICIAL STATEMENT

New Issue
Book-Entry Only

Rating: Moody's "Aa2"

In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the County (i) interest on the Bonds will be excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Bonds is not treated as an item of tax preference in calculating the alternative minimum tax imposed on individuals under the Code. Under existing law, the Bonds and the income therefrom will be exempt from all state, county and municipal taxation in the State of Tennessee, except Tennessee franchise and excise taxes. (See "Tax Matters" herein).

\$33,630,000
MADISON COUNTY, TENNESSEE
GENERAL OBLIGATION SCHOOL BONDS, SERIES 2022

Dated: Date of Issuance:

Due: May 1, as shown below

Madison County, Tennessee (the "County") will issue its \$33,630,000 General Obligation School Bonds, Series 2022 (the "Bonds") in fully registered form, without coupons, and, when issued, except as otherwise set forth in the Detailed Notice of Sale, the Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), DTC will act as securities depository of the Bonds, and individual purchases of beneficial ownership interest in the Bonds will be made in book-entry form only, in denominations of \$5,000 or multiples thereof through DTC Participants. Interest on the Bonds will be payable semiannually on May 1 and November 1 of each year, commencing on November 1, 2022, calculated on the basis of a 360-day year consisting of twelve 30-day months.

Except as otherwise set forth in the Detailed Notice of Sale, payments of principal of and interest on the Bonds are to be made to purchasers by DTC through the Participants (as such term is herein defined) and purchasers will not receive physical delivery of Bonds purchased by them. See "The Bonds-Book-Entry-Only System." Principal of and interest on the Bonds are payable by the County to the designated corporate trust office of U.S. Bank Trust Company, National Association, Nashville, Tennessee, as registration and paying agent (the "Registration Agent").

The Bonds are subject to optional redemption on May 1, 2031 at a price of par, as more fully described herein. The Bonds are payable on May 1 of each year as follows:

| Maturity (May 1) | Principal | Interest Rate | Yield | CUSIP Number | Maturity (May 1) | Principal | Interest Rate | Yield | CUSIP Number |
|---------------------|-------------|------------------|--------------------|-----------------|---------------------|-------------|------------------|---------------------|-----------------|
| 2023 | \$1,025,000 | 5.000% | 1.690% | 557412YU1 | 2033 | \$1,715,000 | 4.000% | 2.570% ^C | 557412ZE6 |
| 2024 | 1,115,000 | 5.000 | 1.880 | 557412YV9 | 2034 | 1,780,000 | 4.000 | 2.650 ^C | 557412ZF3 |
| 2025 | 1,170,000 | 5.000 | 1.990 | 557412YW7 | 2035 | 1,855,000 | 4.000 | 2.730 ^C | 557412ZG1 |
| 2026 | 1,230,000 | 5.000 | 2.070 | 557412YX5 | 2036 | 1,930,000 | 4.000 | 2.790 ^C | 557412ZH9 |
| 2027 | 1,290,000 | 5.000 | 2.140 | 557412YY3 | 2037 | 2,005,000 | 3.125 | 3.160 | 557412ZJ5 |
| 2028 | 1,355,000 | 5.000 | 2.180 | 557412YZ0 | 2038 | 2,070,000 | 3.125 | 3.220 | 557412ZK2 |
| 2029 | 1,425,000 | 5.000 | 2.240 | 557412ZA4 | 2039 | 2,130,000 | 3.250 | 3.280 | 557412ZL0 |
| 2030 | 1,495,000 | 5.000 | 2.290 | 557412ZB2 | 2040 | 2,200,000 | 3.250 | 3.310 | 557412ZM8 |
| 2031 | 1,570,000 | 5.000 | 2.330 | 557412ZC0 | 2041 | 2,275,000 | 3.250 | 3.340 | 557412ZN6 |
| 2032 | 1,650,000 | 4.000 | 2.480 ^C | 557412ZD8 | 2042 | 2,345,000 | 3.250 | 3.370 | 557412ZP1 |

C Yield to May 1, 2031 Call Date

The Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the County. For the prompt payment of principal of and interest on the Bonds, the full faith and credit of the County are irrevocably pledged (See "The Bonds - Security-Source of Payment" and "Tax Levy" herein).

The Bonds are offered when, as and if issued, subject to the approval of the legality by Bass, Berry & Sims PLC, Nashville, Tennessee, Bond Counsel, whose opinion will be delivered with the Bonds. Certain legal matters will be passed upon for the County by Clayton-Little, PLLC, counsel to the County. Stephens Inc. is serving as Municipal Advisor to the County. The Bonds, in book-entry form, are expected to be available for delivery through Depository Trust Company in New York, New York, on or about April 20, 2022.

March 29, 2022

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or amended (collectively, the "Official Statement") by Madison County, Tennessee (the "County"), is an Official Statement with respect to the Bonds described herein that is deemed final by the County as of the date hereof (or of any such supplement or amendment). It is subject to completion with certain information to be established at the time of the sale of the Bonds as permitted by Rule 15c2-12 of the Securities and Exchange Commission.

No dealer, broker, salesman or other person has been authorized by the County or by Stephens Inc. (the "Municipal Advisor") to give any information or make any representations other than those contained in this Official Statement and, if given or made, such information or representations with respect to the County or the Bonds must not be relied upon as having been authorized by the County or the Municipal Advisor. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities other than the securities offered hereby to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

This Official Statement should be considered in its entirety and no one factor should be considered more or less important than any other by reason of its position in this Official Statement. Where statutes, reports or other documents are referred to herein, reference should be made to such statutes, reports or other documents for more complete information regarding the rights and obligations of parties thereto, facts and opinions contained therein and the subject matter thereof.

The information and expressions of opinion in this Official Statement are subject to change without notice and neither the delivery of this Official Statement nor any sale made under it shall, under any circumstances, create any implication that there has been no change in the affairs of the County since the date as of which information is given in this Official Statement.

In making an investment decision investors must rely on their own examination of the County and the terms of the offering, including the merits and risks involved. No registration statement relating to the Bonds has been filed with the Securities and Exchange Commission or with any state securities agency. The Bonds have not been approved or disapproved by the Commission or any state securities agency, nor has the Commission or any state securities agency passed upon the accuracy or adequacy of this Official Statement. Any representation to the contrary is a criminal offense.

All CUSIP numbers set forth herein have been assigned by Standard & Poor's CUSIP Service Bureau, a Division of The McGraw-Hill Companies, Inc., and are included solely for convenience of the Bondholders. The County is not responsible for the selection or use of these CUSIP numbers, nor is any representation made as to their correctness on the Bonds or as indicated herein.

The material contained herein has been obtained from sources believed to be current and reliable, but the accuracy thereof is not guaranteed. The Official Statement contains statements which are based upon estimates, forecasts, and matters of opinion, whether or not expressly so described, and such statements are intended solely as such and not as representations of fact. All summaries of statutes, resolutions, and reports contained herein are made subject to all the provisions of said documents. The Official Statement is not to be construed as a contract with the purchasers of any of the Madison County, Tennessee General Obligation School Bonds, Series 2022.

Table of Contents

| | |
|--|------------|
| Officials | i |
| Summary Statement | ii |
| Official Statement | 1 |
| Introduction | 1 |
| The Bonds | 1 |
| Description | 1 |
| Redemption | 2 |
| Security – Source of Payment | 3 |
| Levy of Tax | 3 |
| Remedies of Bondholders | 4 |
| Discharge and Satisfaction of Bonds | 4 |
| Book-Entry-Only System | 4 |
| Plan of Financing | 7 |
| Sources and Uses of Funds | 7 |
| The Projects | 7 |
| Rating | 7 |
| Continuing Disclosure | 7 |
| Future Issues | 8 |
| Litigation | 8 |
| Approval of Legal Proceedings | 8 |
| Tax Matters | 8 |
| Federal | 8 |
| State Taxes | 10 |
| Changes In Federal And State Tax Law | 10 |
| Municipal Advisor | 10 |
| Underwriting | 11 |
| Forward Looking Statements | 11 |
| Miscellaneous | 11 |
| Certificate of County Mayor | 12 |
| | |
| Form of Legal Opinion | Appendix A |
| | |
| Demographics and Financial Information Related to the County | Appendix B |
| | |
| Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2022 | Appendix C |
| | |
| Form of Continuing Disclosure Agreement | Appendix D |

[This page is intentionally left blank]

MADISON COUNTY, TENNESSEE
Madison County Courthouse
Jackson, Tennessee

OFFICIALS
Jimmy Harris
County Mayor

BOARD OF COMMISSIONERS

| | |
|----------------------------|-------------------------------------|
| William C. Martin | Jimmy C. Arnold |
| Luther T. Mercer | Arthur D. Johnson, Jr., Co-Chairman |
| Adrian Montague | Aaron "Billy" Ellison |
| Scott M. Brown | Terry Spearman |
| Doug W. Stephenson | Carl Alexander |
| Brett Beckham | Barbara Johnson |
| Tommy Gobbell | Karley Bond |
| Gary D. Deaton, Chairman | Joey Hale |
| Thomas "Trey" L. Cleek III | Jeff Wall |
| Cyndi Bryant | Mike Taylor |
| Katie Y. Brantley | Jason Compton |
| Claudell Brown, Jr. | Harold E. Petty |
| Willie Mae Hampton-Pearson | |

COUNTY OFFICIALS

| | |
|---------------------------|---------------------|
| Assessor of Property | Frances Hunley |
| County Clerk | Fred Birmingham |
| Finance Director | Karen Bell |
| Register of Deeds | Angie Byers |
| Highway Department CAO | Bart M. Walls, P.E. |
| Sheriff | John R. Mehr |
| Superintendent of Schools | Dr. Marlon King |
| Trustee | John Newman |

Counsel for the County
Clayton-Little, PLLC
Jackson, Tennessee

Bond Counsel
Bass, Berry & Sims PLC
Nashville, Tennessee

Registration and Paying Agent
U.S. Bank Trust Company, National Association
Nashville, Tennessee

Municipal Advisor
Stephens Inc.
Nashville, Tennessee

Underwriter
Piper Sandler & Co.
Minneapolis, Minnesota

[This page is intentionally left blank]

Summary Statement

This Summary is expressly qualified by the entire Official Statement, which should be viewed in its entirety by potential investors.

| | |
|----------------------------------|---|
| ISSUER | Madison County, Tennessee (the "County"). |
| ISSUE | \$33,630,000 General Obligation School Bonds, Series 2022 (the "Bonds"). |
| PURPOSE | The Bonds are being issued to provide funds to finance the (i) costs of constructing, renovating and equipping County school facilities and (ii) costs incident to the issuance and sale of the Bonds. See "The Bonds – Description" herein. |
| DATED DATE | Date of Delivery of Bonds |
| INTEREST DUE | Each May 1 and November 1, commencing November 1, 2022. |
| PRINCIPAL DUE | May 1, 2023 through May 1, 2042. |
| OPTIONAL REDEMPTION | The Bonds maturing on or after May 1, 2032 are subject to optional redemption at the option of the County on May 1, 2031 and thereafter, as a whole or in part, at any time, at the redemption price of par plus accrued interest to the redemption date. See "The Bonds – Optional Redemption" herein. |
| SECURITY | The Bonds shall be payable from unlimited <u>ad valorem</u> taxes to be levied on all taxable property within the County. For the prompt payment of principal of and interest on the Bonds, the full faith and credit of the County are irrevocably pledged. See "The Bonds – Security – Source of Payment" herein. |
| RATING | The Bonds have been assigned a rating of "Aa2" by Moody's Investor Services ("Moody's") based on documents and other information provided by the County. The rating reflects only the view of Moody's, and neither the County nor the Underwriter makes any representations as to the appropriateness of such rating. |

There is no assurance that such rating will continue for any given period of time or that it will not be lowered or withdrawn entirely by Moody's if in its judgment circumstances so warrant. Any such downward change in or withdrawal of the rating may have an adverse effect on the secondary market price of the Bonds. Any explanation of the significance of the rating may be obtained from Moody's.

TAX MATTERS In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the County (i) interest on the Bonds will be excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) interest on the Bonds is not treated as an item of tax preference in calculating the alternative minimum tax imposed on individuals under the Code. For an explanation of certain tax consequences under federal law which may result from the ownership of the Bonds, see the discussion under the heading “Tax Matters” herein. Under existing law, the Bonds and the income therefrom will be exempt from all state, county and municipal taxation in the State of Tennessee, except Tennessee franchise and excise taxes. (See “Tax Matters” herein).

REGISTRATION AND PAYING AGENT U.S. Bank Trust Company, National Association, Nashville, Tennessee.

MUNICIPAL ADVISOR..... Stephens Inc.

UNDERWRITER..... Piper Sandler & Co.

Official Statement

\$33,630,000

Madison County, Tennessee General Obligation School Bonds, Series 2022

Introduction

The Official Statement, including the cover page and appendices hereto, is furnished in connection with the issuance by Madison County, Tennessee (the “County”) of \$33,630,000 General Obligation School Bonds, Series 2022 (the “Bonds”).

The Bonds are being issued under and in full compliance with the constitution and statutes of the State of Tennessee, including Sections 49-3-1001 et seq., and a bond resolution adopted by the Board of County Commissioners of the County on March 1, 2022 (the “Resolution”).

This Official Statement includes descriptions of, among other matters, the Bonds, the Resolution, and the County. Such descriptions and information do not purport to be comprehensive or definitive. All references to the Resolution are qualified in their entirety by reference to the definitive document, including the form of the Bonds included in the Resolution. During the period of the offering of the Bonds, copies of the Resolution and any other documents described herein or in the Resolution may be obtained from the County. After delivery of the Bonds, copies of such documents will be available for inspection at the County Mayor's office. All capitalized terms used in this Official Statement and not otherwise defined herein have the meanings set forth in the Resolution.

The Bonds

Description

The Bonds are being issued to provide funds to finance the (i) costs of constructing, renovating and equipping County school facilities (the “Projects”) and (ii) costs incident to the issuance and sale of the Bonds.

The Bonds will be issued as fully registered book-entry Bonds (except as otherwise set forth in the Detailed Notice of Sale), without coupons, in denominations of \$5,000 or any integral multiple thereof. The Bonds will be dated their date of issuance. Interest on the Bonds, at the rates per annum set forth on the cover page and calculated on the basis of a 360-day year, consisting of twelve 30-day months, will be payable semiannually on May 1 and November 1 of each year (herein an “Interest Payment Date”), commencing November 1, 2022.

The Bonds will mature on the dates and in the amounts set forth on the cover page.

The Bonds will be initially registered only in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Bonds.

U.S. Bank Trust Company, National Association, Nashville, Tennessee (the “Registration Agent”) will make all interest payments with respect to the Bonds on each Interest Payment Date directly to the registered owners as shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the Interest Payment Date (the “Regular Record Date”) by check or draft mailed to such owners at their addresses shown on said registration records, without, except for final payment, the presentation or surrender of such registered Bonds, and all such payments shall discharge the obligations of the County in respect of such Bonds to

the extent of the payments so made. Payment of principal of the Bonds shall be made upon presentation and surrender of such Bonds to the Registration Agent as the same shall become due and payable. In the event the Bonds are no longer registered in the name of DTC or its successor or assigns, if requested by the Owner of at least \$1,000,000 in aggregate principal amount of the Bonds, payment of interest on such Bonds shall be paid by wire transfer to a bank within the continental United States or deposited to a designated account if such account is maintained with the Registration Agent and written notice of any such election and designated account is given to the Registration Agent prior to the record date.

Any interest on any Bond which is payable but is not punctually paid or duly provided for on any interest payment date (hereinafter "Defaulted Interest") shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by the County to the persons in whose names the Bonds are registered at the close of business on a date (the "Special Record Date") for the payment of such Defaulted Interest, which shall be fixed in the following manner: The County shall notify the Registration Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the County shall deposit with the Registration Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Registration Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest. Thereupon, not less than ten (10) days after the receipt by the Registration Agent of the notice of the proposed payment, the Registration Agent shall fix a Special Record Date for the payment of such Defaulted Interest which date shall not be more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment to the registered owners. The Registration Agent shall promptly notify the County of such Special Record Date and, in the name and at the expense of the County, not less than ten (10) days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each registered owner at the address thereof as it appears in the Bond registration records maintained by the Registration Agent as of the date of such notice. Nothing contained in the Resolution or in the Bonds shall impair any statutory or other rights in law or in equity of any registered owner arising as a result of the failure of the County to punctually pay or duly provide for the payment of principal of and interest on the Bonds when due.

Redemption

Optional Redemption

Bonds maturing on May 1, 2032 and thereafter shall be subject to redemption prior to maturity at the option of the County on or after May 1, 2031 as a whole or in part at any time at the redemption price of par, plus interest accrued to the redemption date.

If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be selected by the Board of County Commissioners of the County in its discretion. If less than all of the Bonds within a single maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the

Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

Notice of Redemption

Notice of call for redemption shall be given by the Registration Agent not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Bonds for which proper notice was given. An optional redemption notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to affect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the County nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant will not affect the validity of such redemption. From and after any redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth in the Resolution. In the case of a Conditional Redemption, the failure of the County to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the Depository or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain Outstanding.

Security – Source of Payment

The Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the County. For the prompt payment of principal of and interest on the Bonds, the full faith and credit of the County are irrevocably pledged.

Levy of Tax

Pursuant to the Resolution, the County has covenanted to annually levy and collect a tax upon all taxable property within the County, in addition to all other taxes authorized by law, sufficient to pay principal of and interest on the Bonds when due, and levied a direct annual tax in such amount as may be found necessary each year to pay principal and interest coming due on the Bonds in said year. Principal and interest falling due at any time when there are insufficient funds on hand from this tax levy will be paid from the current funds of the County and reimbursement therefor will be made out of the taxes provided for under the Resolution to be levied when the collected. Such tax may be reduced to the extent of any appropriations from other legally available funds, taxes and revenues of the County, to the payment of debt service on the Bonds.

Under Tennessee law, the County's legislative body is authorized to levy a tax on all taxable property within the County, or a portion thereof, without limitation as to rate or amount, and a referendum is neither required nor permitted to set the rate or amount. For a more complete statement of the general covenants and provisions pursuant to which the Bonds are issued, reference is made to the Resolution.

Remedies of Bondholders

Under Tennessee law, any Bondholder has the right, in addition to all other rights:

(1) By mandamus or other suit, action or proceeding in any court of competent jurisdiction to enforce its rights against the County, including, but not limited to, the right to require the County to assess, levy and collect taxes adequate to carry out any agreement as to, or pledge of, such taxes, fees, rents, tolls, or other charges, and to require the County to carry out any other covenants and agreements, or

(2) By action or suit in equity, to enjoin any acts or things which may be unlawful or a violation of the rights of such Bondholder.**Discharge and Satisfaction of Bonds**

The Bonds may be discharged and defeased in any one or more of the following ways:

(a) By depositing sufficient funds as and when required with the Registration Agent, to pay the principal of and interest on such Bonds as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency and which has trust powers (“an Agent”; which Agent may be the Registration Agent) in trust or escrow, on or before the date of maturity, sufficient money or Defeasance Obligations, as hereafter defined, the principal of and interest on which, when due and payable, will provide sufficient moneys to pay or redeem such Bonds and to pay interest thereon when due until the maturity date;

(c) By delivering such Bonds to the Registration Agent, for cancellation by it;

and if the County shall also pay or cause to be paid all other sums payable under the Resolution, or make adequate provision therefor, and by resolution of the Governing Body instruct any such Escrow Agent to pay amounts when and as required to the Registration Agent for the payment of principal of and interest on such Bonds when due, then such Bonds shall be discharged and satisfied and all covenants, agreements and obligations of the County to the holders of such Bonds shall be fully discharged and satisfied.

If the County pays and discharges the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the registered owners of such Bonds shall thereafter be entitled only to payment out of the money or Defeasance Obligations.

Defeasance Obligations are direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, which bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

Book-Entry-Only System

Except as otherwise provided in the Detailed Notice of Sale, the Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for the Securities, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of

the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instrument from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC’s Procedures. Under its usual

procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from Issuer or Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of County or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Securities at any time by giving reasonable notice to the County or Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Security certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that County believes to be reliable, but County takes no responsibility for the accuracy thereof.

THE COUNTY AND THE REGISTRATION AGENT HAVE NO RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT; (II) THE PAYMENT BY DTC OR ANY PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF OR INTEREST ON THE BONDS; (III) THE DELIVERY OR TIMELINESS OF DELIVERY BY ANY PARTICIPANT OR ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE RESOLUTION TO BE GIVEN TO BONDHOLDERS; OR (IV) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR CEDE & CO. AS BONDHOLDER.

(remainder of page intentionally left blank)

Plan of Financing

Sources and Uses of Funds

The following table sets forth the sources and uses of funds in connection with the issuance of the Bonds.

Sources of Funds

| | |
|-------------------------------|------------------------|
| Par Amount | \$33,630,000.00 |
| Reoffering Premium (Discount) | 2,459,104.00 |
| Issuer Contribution | <u>138,888.75</u> |
| Total Sources | <u>\$36,227,992.75</u> |

Uses of Funds

| | |
|---|-------------------------|
| Deposit to Construction Fund | \$36,000,901.39 |
| Costs of Issuance (includes Underwriter's Discount and Expenses) | <u>227,091.36</u> |
| Total Uses | <u>\$ 36,227,992.75</u> |

The Projects

The proceeds of the Bonds (other than proceeds used pay issuance costs) authorized to be issued under the Resolution, will be used to finance the Projects. Pursuant to the Resolution, a portion of the proceeds of the Bonds will be deposited in a construction fund (the "Construction Fund") to be held and invested by the County, and used to pay costs of the Projects, reimbursement to the County for any funds previously expended for costs of the Projects, and to pay costs of issuance of the Bonds. Moneys in the Construction Fund may be invested as permitted by Tennessee law and may not be used for any purpose other than the Projects.

Rating

The Bonds have been assigned a rating of "Aa2" by Moody's Investor Services ("Moody's") based on documents and other information provided by the County. The rating reflects only the view of Moody's, and neither the County nor the Underwriter make any representation as to the appropriateness of such rating.

There is no assurance that such rating will continue for any given period of time or that it will not be lowered or withdrawn entirely by Moody's if in its judgment circumstances so warrant. Any such downward change in or withdrawal of the rating may have an adverse effect on the secondary market price of the Bonds. Any explanation of the significance of the rating may be obtained from Moody's.

Continuing Disclosure

The County will at the time the Bonds are delivered execute a Continuing Disclosure Agreement under which it will covenant for the benefit of holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the County by not later than twelve months after the end of each fiscal year commencing with the fiscal year ending June 30, 2022 (the "Annual Report"), and to provide notice of the occurrence of certain enumerated events. All continuing disclosure filings will be

made with the Municipal Securities Rulemaking Board (“MSRB”) at www.emma.msrb.org and any State Information Depository (“SID”). If the County is unable to provide the Annual Report to the MSRB and the SID, if any, by the date set forth above for the filing of the Annual Report, notice of such failure shall be sent to the MSRB and the SID, if any, on or before such date. The specific nature of the information to be contained in the Annual Report or the notices of enumerated events is set forth in the form of Continuing Disclosure Agreement attached hereto as Appendix D. These covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b), as it may be amended from time to time (the “Rule”).

The County’s continuing disclosure undertakings for its General Obligation School Bonds, Series 2009 and its General Obligation Refunding Bonds, Series 2010 each list “privilege tax” as a category of information to be updated annually. This category was mistakenly listed in those undertakings and the County does not levy a “privilege tax”. The County has not failed to comply in any material respect with the previous undertakings in the past five years.

Future Issues

Depending on population and school enrollment growth, the County does not currently have any plans for any capital financings during the remaining fiscal year. The County may issue additional bonds to refinance currently outstanding bonds of the County in the event sufficient debt service savings may be achieved.

Litigation

The County, like other similar bodies, is subject to a variety of suits and proceedings arising in the ordinary conduct of its affairs. After reviewing the current status of all pending and threatened litigation with its counsel, the County believes that, while the outcome of litigation cannot be predicted, the final settlement of all lawsuits which have been filed and of any actions or claims pending or threatened against the County or its officials in such capacity are adequately covered by insurance or by sovereign immunity or will not have a material adverse effect upon the County's financial condition.

As of the date of this Official Statement, the County has no knowledge or information concerning any pending or threatened litigation contesting the authority of the County to issue, sell or deliver the Bonds. The County has no knowledge or information of any actions pending or expected that would materially affect the County's ability to pay the debt service requirements of the Bonds.

Approval of Legal Proceedings

Legal matters incident to the authorization and issuance of the Bonds are subject to the unqualified approving opinion of Bass, Berry & Sims PLC, Bond Counsel. A copy of the opinion will be available upon delivery of the Bonds. (See Appendix A). Certain legal matters will be passed upon for the County by Clayton-Little, PLLC, Counsel to the County.

Tax Matters

Federal

General. Bass, Berry & Sims PLC, Nashville, Tennessee, is Bond Counsel for the Bonds. Their opinion under existing law, relying on certain statements by the County and assuming compliance by the County with certain covenants, is that interest on the Bonds:

- is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and
- is not treated as an item of tax preference in calculating the alternative minimum tax imposed on individuals under the Code.

The Code imposes requirements on the Bonds that the County must continue to meet after the Bonds are issued. These requirements generally involve the way that the Bond proceeds must be invested and ultimately used. If the County does not meet these requirements, it is possible that a bondholder may have to include interest on the Bonds in its federal gross income on a retroactive basis to the date of issue. The County has covenanted to do everything necessary to meet these requirements of the Code.

A bondholder or who is a particular kind of taxpayer may also have additional tax consequences from owning the Bonds. This is possible if a bondholder is:

- an S corporation,
- a United States branch of a foreign corporation,
- a financial institution,
- a property and casualty or a life insurance company,
- an individual receiving Social Security or railroad retirement benefits,
- an individual claiming the earned income credit or
- a borrower of money to purchase or carry the Bonds.

If a bondholder is in any of these categories, it should consult its tax advisor.

Bond Counsel is not responsible for updating its opinion in the future. It is possible that future events or changes in applicable law could change the tax treatment of the interest on the Bonds or affect the market price of the Bonds. See also “Changes in Federal and State Tax Law” below in this heading.

Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel on the federal income tax treatment of interest on the Bonds, or under State, local or foreign tax law.

Bond Premium. If a bondholder purchases a Bond for a price that is more than the principal amount, generally the excess is “bond premium” on that Bond. The tax accounting treatment of bond premium is complex. It is amortized over time and as it is amortized a bondholder’s tax basis in that Bond will be reduced. The holder of a Bond that is callable before its stated maturity date may be required to amortize the premium over a shorter period, resulting in a lower yield on such Bonds. A bondholder in certain circumstances may realize a taxable gain upon the sale of a Bond with bond premium, even though the Bond is sold for an amount less than or equal to the owner’s original cost. If a bondholder owns any Bonds with bond premium, it should consult its tax advisor regarding the tax accounting treatment of bond premium.

Original Issue Discount. A Bond will have “original issue discount” if the price paid by the original purchaser of such Bond is less than the principal amount of such Bond. Bond Counsel’s opinion is that any original issue discount on these Bonds as it accrues is excluded from a bondholder’s federal gross income under the Internal Revenue Code. The tax accounting treatment of original issue discount is complex. It accrues on an actuarial basis and as it accrues a bondholder’s tax basis in these Bonds will be increased. If a bondholder owns one of these Bonds, it should consult its tax advisor regarding the tax treatment of original issue discount.

Information Reporting and Backup Withholding. Information reporting requirements apply to interest on tax-exempt obligations, including the Bonds. In general, such requirements are satisfied if the

interest recipient completes, and provides the payor with a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Bonds from gross income for Federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's Federal income tax once the required information is furnished to the Internal Revenue Service.

State Taxes

Under existing law, the Bonds and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on interest on the Bonds during the period the Bonds are held or beneficially owned by any organization or entity, or other than a sole proprietorship or general partnership doing business in the State of Tennessee, and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Bonds in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

Changes In Federal And State Tax Law

From time to time, there are Presidential proposals, proposals of various federal and Congressional committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Bonds or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds. It cannot be predicted whether, or in what form, these proposals might be enacted or if enacted, whether they would apply to Bonds prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

Municipal Advisor

Stephens Inc. is serving as Municipal Advisor to the County in connection with the issuance of the Bonds. Stephens Inc., in its capacity as Municipal Advisor, has relied on the opinion of Bond Counsel and has not verified and does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal or state income tax status of the Bonds.

The information set forth herein has been obtained by the County and other sources believed to be reliable. The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the County and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

Underwriting

Piper Sandler & Co., Minneapolis, MN, acting for and on behalf of itself and such other securities dealers as it may designate, will purchase the Bonds for an aggregate purchase price of \$36,000,901.39, which is par, plus net original issue premium of \$2,459,104.00, less \$88,202.61 underwriter's discount.

The Underwriter may offer and sell the Bonds to certain dealers (including dealer banks and dealers depositing the Bonds into investment trusts) and others at prices different from the public offering prices stated on the cover page of this Official Statement. Such initial public offering prices may be changed from time to time by the Underwriter.

Forward Looking Statements

The statements contained in this Official Statement, and in any other information provided that are not purely historic, are forward-looking statements, including statements regarding the expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available on the date hereof, and assumes no obligation to update any such forward-looking statements.

The forward-looking statements herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business and policy decisions, all of which are difficult or impossible to predict accurately and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement would prove to be accurate.

Miscellaneous

Any statement made in this Official Statement involving matters of opinion and estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

The execution and delivery of this Official Statement was duly authorized by the County.

(remainder of page intentionally left blank)

[This page is intentionally left blank]

Certificate of County Mayor

I, Jimmy Harris, do hereby certify that I am the duly qualified and acting County Mayor of Madison County, Tennessee, and as such official, I do hereby further certify with respect to the Official Statement dated March 29, 2022 issued in connection with the sale of the County's \$33,630,000 General Obligation School Bonds, Series 2022 and to the best of my knowledge, information, and belief (a) the descriptions and statements contained in said Official Statement were at the time of acceptance of the winning bids and are on the date hereof true and correct in all material respects; and (b) that said Official Statement did not at the time of the acceptance of the winning bids and does not on the date hereof contain an untrue statement of a material fact or omit to state a material fact required to be stated where necessary to make the statements made, in light of the circumstances under which they are made, not misleading.

WITNESS my official signature this 20th day of April, 2022.

/s/ Jimmy Harris
County Mayor

I, Fred Birmingham, do hereby certify that I am the duly qualified and acting County Clerk of Madison County, Tennessee, and as such official, I do hereby certify that Jimmy Harris is the duly qualified and acting County Mayor of said County and that the signature appended to the foregoing certificate is the true and genuine signature of such official.

WITNESS my official signature and the seal of said Madison County, Tennessee as of the date subscribed to the foregoing certificate.

/s/ Fred Birmingham
County Clerk

(SEAL)

[This page is intentionally left blank]

APPENDIX A

Form of Legal Opinion of Bass, Berry & Sims PLC, Attorneys,
Nashville, Tennessee relating to the Bonds.

(Opinion of Bond Counsel)

Bass, Berry & Sims PLC
150 Third Avenue South, Suite 2800
Nashville, Tennessee 37201

April 20, 2022

We have acted as bond counsel to Madison County, Tennessee (the “Issuer”) in connection with the issuance of \$33,630,000 General Obligation School Bonds, Series 2022, dated the date hereof (the “Bonds”). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify such facts by independent investigation.

Based on our examination, we are of the opinion, as of the date hereof, as follows:

1. The Bonds have been duly authorized, executed and issued in accordance with the constitution and laws of the State of Tennessee and constitute valid and binding general obligations of the Issuer.

2. The resolution of the Board of County Commissioners of the Issuer authorizing the Bonds has been duly and lawfully adopted, is in full force and effect and is a valid and binding agreement of the Issuer enforceable in accordance with its terms.

3. The principal of and interest on the Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the County. The Bonds constitute general obligations of the Issuer for the payment of which the Issuer has validly and irrevocably pledged its full faith and credit.

4. Interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and interest on the Bonds is not treated as an item of tax preference in calculating the alternative minimum tax imposed on individuals under the Code. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Code, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause interest on the Bonds to be so included in gross income retroactive to the date of issuance of the Bonds. The Issuer has covenanted to comply with all such requirements. Except as set forth in this Paragraph 4, we express no opinion regarding other federal tax consequences arising with respect to the Bonds.

5. Under existing law, the Bonds and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on all or a portion of the interest on any of the Bonds during the period such Bonds are held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee, and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Bonds in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership doing business in the State of Tennessee.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the resolution authorizing the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds.

This opinion is given as of the date hereof, and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Yours truly,

Bass, Berry & Sims PLC

APPENDIX B

Demographic and General Financial Information
Related to the County

GENERAL INFORMATION

Madison County, Tennessee (the “County”) is located in the center of Western Tennessee approximately 80 miles northeast of Memphis and 125 miles southwest of Nashville. The western portion of Tennessee comprises 21 counties, including the Shelby County/Memphis area. Geographical location has played a major role in the growth and development of the County. The City of Jackson, the County seat and located approximately midway between Memphis and Nashville, serves as a “hub” of West Tennessee. Jackson is recognized as the retail, employment, medical, media, law, cultural, and educational center for West Tennessee.

COVID-19

The worldwide spread of COVID-19, a respiratory disease caused by a novel strain of coronavirus, has affected the State, including the County, and is considered a Public Health Emergency of International Concern by the World Health Organization. The spread of COVID-19 has led to quarantine and other “social-distancing” measures in affected regions, including the State and the County, undertaken, from time to time, by government agencies, businesses, schools and other entities. The State’s Governor declared a state of emergency in March 2020 and issued State-wide stay-at-home orders for much of the State, including the Issuer, at various points for all but essential businesses. Although the stay-at-home orders for the County have been lifted, additional social-distancing measures may be instituted by the State and County, if necessary, to mitigate the spread of COVID-19. Further, individuals may choose on their own to modify their behavior in order to mitigate the spread of COVID-19. As such, the disease has affected travel and commercial markets within the State and may continue to do so in the future. As of February 19, 2022, there were approximately 438 confirmed active cases of COVID-19 in the County and 397 deaths.

Multiple vaccines for the virus that causes COVID-19 were developed in late 2020. To date, three vaccines have been approved for distribution in the United States with each of these vaccines having an efficacy rate exceeding 65%. Multiple variants of the virus that causes COVID-19 have been documented in the United States and globally, but studies so far suggest that antibodies generated through vaccination with approved vaccines recognize these variants to varying extents. COVID-19 vaccines are currently available to all residents within the State, including the County, who are age 5 and older.

Given the evolving nature of the spread of the disease and the behavior of governments, businesses, and individuals in response thereto, the Issuer is unable to predict (i) the extent or duration of the COVID-19 outbreak or other epidemic or pandemic, (ii) the extent or duration of existing or future quarantines, business or school closures, travel restrictions and other measures relating to COVID-19 or other epidemic or pandemic, (iii) whether and to what extent the COVID-19 outbreak or other epidemic or pandemic may adversely affect the operations of the Issuer, (iv) the impact of COVID-19 on the financial condition of the County or (v) the impact of, or the timing of distribution of, the COVID-19 vaccines.

From an operations perspective, the County is working proactively to preserve effective staffing for all essential County operations, and is following guidance produced by the Centers for Disease Control and Prevention for businesses and employers. From a financial perspective, there was no material change in property tax collections in Fiscal Year 2020 or 2021 as a result of the pandemic, as most property taxes for the applicable tax year were due prior to March. Likewise, the Issuer did not see any material change in property tax collections in Fiscal Year 2022 as a result of the pandemic. There can be no assurance that future property tax collections will not be impacted.

Though no assurances can be made, the County expects its current liquidity position to be adequate to fund essential services and to make timely payments on its debt service when due. In connection with COVID-19, the County has received \$3 million in local support grant funds from the State and approximately \$1.5 million from the Cares Act Provider Relief Fund. Also, the County expects to receive \$19.4 million from

the federal American Rescue Plan Act of 2021. The County expects to apply such aid to various operating and capital expenditures within the County.

DEMOGRAPHIC DATA

Population

The U.S. Census Bureau has designated Jackson, Tennessee as a Metropolitan Statistical Area (MSA) that consists of Madison and Chester counties. The Jackson, Tennessee MSA had a 2010 Census population of 179,694 and a 2020 estimated population of 179,131. The Jackson, Tennessee MSA is anchored by the City of Jackson, Tennessee that had a 2010 Census population of 65,211 and a 2020 estimated population of 68,205.

The Madison County population during the 2020 Census was 98,360 which was relatively flat compared to the 2020 Census.

POPULATION

| | <u>County</u> | <u>Tennessee</u> |
|------------------|---------------|------------------|
| 1970 U.S. Census | 65,774 | 3,926,018 |
| 1980 U.S. Census | 74,546 | 4,600,252 |
| 1990 U.S. Census | 78,345 | 4,890,626 |
| 2000 U.S. Census | 92,076 | 5,703,719 |
| 2010 U.S. Census | 98,251 | 6,355,518 |
| 2020 U.S. Census | 98,360 | 6,920,119 |

Source: U.S. Census Bureau

Per Capita Personal Income

In 2020, Madison County had a per capita personal income of \$46,574 that was 91% of the state's per capita personal income of \$51,046.

| | <u>County</u> | <u>Tennessee</u> | <u>% of State</u> |
|---------------------------------|---------------|------------------|-------------------|
| 2011 Per Capita Personal Income | \$36,809 | \$37,751 | 97.5% |
| 2012 Per Capita Personal Income | \$37,212 | \$39,418 | 94.4% |
| 2013 Per Capita Personal Income | \$36,564 | \$39,519 | 92.5% |
| 2014 Per Capita Personal Income | \$36,980 | \$40,841 | 90.5% |
| 2015 Per Capita Personal Income | \$38,923 | \$42,648 | 91.3% |
| 2016 Per Capita Personal Income | \$39,847 | \$43,637 | 91.3% |
| 2017 Per Capita Personal Income | \$41,158 | \$45,134 | 91.2% |
| 2018 Per Capita Personal Income | \$42,109 | \$47,203 | 89.2% |
| 2019 Per Capita Personal Income | \$43,702 | \$49,009 | 89.2% |
| 2020 Per Capita Personal Income | \$46,574 | \$51,046 | 91.2% |

Source: Bureau of Economic Analysis, CA1-3 Personal Income Summary

Housing

In 2020, Madison County had a median housing value of \$165,000 that was 67.4% of the state median housing value of \$244,900.

| | Madison County | Tennessee | % of State |
|---------------------------|---------------------------|------------------|-------------------|
| 2011 Median Housing Value | 115,000 | 150,925 | 76.2% |
| 2012 Median Housing Value | 125,000 | 160,000 | 78.1% |
| 2013 Median Housing Value | 127,900 | 165,000 | 77.5% |
| 2014 Median Housing Value | 120,000 | 166,000 | 72.3% |
| 2015 Median Housing Value | 124,900 | 175,000 | 71.4% |
| 2016 Median Housing Value | 130,000 | 185,000 | 70.3% |
| 2017 Median Housing Value | 135,000 | 196,800 | 68.6% |
| 2018 Median Housing Value | 140,000 | 210,000 | 66.7% |
| 2019 Median Housing Value | 146,000 | 226,000 | 64.6% |
| 2020 Median Housing Value | 165,000 | 244,900 | 67.4% |

Source: Tennessee Housing Development Agency – This data reflects only the sales prices of new and existing homes that were sold in the respective years. This data may not be representative of the median value of all homes in the County or State.

[The remainder of this page is intentionally left blank.]

ECONOMIC DATA

Major Employers

The following table shows the County's largest employers and their respective number of employees in the County, as well as the industry in which they operate.

| LIST OF MAJOR EMPLOYERS | | |
|--------------------------------------|-------------------------------|------------------|
| Employer | Industry | Employees |
| West Tennessee Healthcare | Hospitals | 7,000 |
| Jackson-Madison County School System | Education-Schools & Colleges | 1,806 |
| Delta Faucet Company | Manufacturing | 1,315 |
| The Kellogg Company | Manufacturing | 1,164 |
| Stanley Black & Decker | Manufacturing | 1,008 |
| Pringles Manufacturing | Food Services | 900 |
| Madison County | Local Government | 898 |
| City of Jackson | Local Government | 724 |
| The Jackson Clinic | Education and Health Services | 715 |
| Porter-Cable Corporation | Tool Manufacturing | 650 |
| Kirkland's Inc. | Home Décor | 572 |
| TBDN Tennessee Company | Manufacturing | 533 |
| Union University | Education-Schools & Colleges | 500 |

Source: Jackson, Tennessee Chamber of Commerce and the Tennessee Department of Economic and Community Development.

[The remainder of this page is intentionally left blank.]

Employment and Unemployment Data

| Year | Employment | Unemployment | Total Labor Force | Unemployment Percent | | |
|--------|------------|--------------|-------------------|----------------------|-------|------|
| | | | | County | State | U.S. |
| 2012 | 44,442 | 4,023 | 48,465 | 8.3% | 8.0% | 8.1% |
| 2013 | 43,858 | 3,814 | 47,672 | 8.0% | 7.7% | 7.4% |
| 2014 | 43,430 | 3,169 | 46,599 | 6.8% | 6.6% | 6.2% |
| 2015 | 43,925 | 2,704 | 46,629 | 5.8% | 5.6% | 5.3% |
| 2016 | 45,485 | 2,344 | 47,829 | 4.9% | 4.8% | 4.9% |
| 2017 | 46,114 | 1,871 | 47,985 | 3.9% | 3.7% | 4.4% |
| 2018 | 46,810 | 1,799 | 48,609 | 3.7% | 3.5% | 3.9% |
| 2019 | 47,599 | 1,778 | 49,377 | 3.6% | 3.4% | 3.7% |
| 2020 | 45,302 | 3,726 | 49,028 | 7.6% | 7.5% | 8.1% |
| 2021 | 47,158 | 2,222 | 49,380 | 4.5% | 4.6% | 5.4% |
| Dec-21 | 48,146 | 1,643 | 49,789 | 3.3% | 3.8% | 3.9% |

Source: Bureau of Labor Statistics

Transportation

The County is the geographical center of the 21 western Tennessee counties. Major thoroughfares include Interstate 40, running east-west through the County; U.S. Highway 412, a four-lane connector highway to Interstate 155 through Dyersburg to Interstate 55 in Missouri; US. Highway 45, a four-lane highway running north-south through the County to connect the Purchase Parkway to Interstate 24 in Kentucky. Other major highways through Madison County include 18, 70, 198, 223, and various other secondary state highways.

In addition to the highway system, two major railroads cross the County. The CSX runs east-west, and the Norfolk Southern runs north-south.

The McKellar-Sipes Regional Airport provides scheduled service to Atlanta, Georgia and St. Louis, Missouri. This general aviation airport can also handle corporate service, cargo service, and various charter services. The airport has two asphalt runways, one that is 6,006 feet and the other that is 3,538 feet. The Memphis International Airport, an hour and 15 minute drive west, and Nashville International Airport, a two-hour drive east on Interstate 40, allow worldwide access to Jackson.

Healthcare Services

Madison County and the surrounding area's healthcare are serviced by Jackson-Madison County General Hospital and West TN Healthcare North Hospital. Combined the hospitals have a total of 787 beds. The Jackson – Madison County General Hospital is the flagship of West Tennessee Healthcare and is a 635-bed care center. The only tertiary care hospital between Memphis and Nashville, the hospital serves a 17-county area of rural West Tennessee. Approximately 400,000 persons reside within the service area. West TN Healthcare North Hospital is a 152-bed community healthcare provider.

Retail Trade

The combination of healthcare services, higher educational institutions, employment opportunities associated with industrial and commercial development, and accessibility create a strong retail presence in Madison County. The County's retail sales in 2020 totaled \$2.371 billion, a 63% increase since 2001.

| | | | |
|-------------------|-----------------|-------------------|-----------------|
| 2001 Retail Sales | \$1,457,427,394 | 2011 Retail Sales | \$2,048,478,602 |
| 2002 Retail Sales | \$1,472,362,110 | 2012 Retail Sales | \$2,113,813,208 |
| 2003 Retail Sales | \$1,599,056,646 | 2013 Retail Sales | \$2,080,429,525 |
| 2004 Retail Sales | \$1,683,959,142 | 2014 Retail Sales | \$2,075,367,149 |
| 2005 Retail Sales | \$1,728,791,687 | 2015 Retail Sales | \$2,124,071,298 |
| 2006 Retail Sales | \$1,833,773,622 | 2016 Retail Sales | \$2,216,768,298 |
| 2007 Retail Sales | \$1,919,233,507 | 2017 Retail Sales | \$2,127,144,023 |
| 2008 Retail Sales | \$1,890,032,771 | 2018 Retail Sales | \$2,107,556,727 |
| 2009 Retail Sales | \$1,710,952,332 | 2019 Retail Sales | \$2,366,037,186 |
| 2010 Retail Sales | \$1,894,613,825 | 2020 Retail Sales | \$2,371,195,942 |

Source: Tennessee Department of Revenue

Restaurants, Lodging and Entertainment

As all other economic areas in the County have flourished, the tourism, restaurants and lodging business have expanded in sales and number of establishments. Jackson – Madison County recognized the importance of the business years ago by building the first convention center outside of the four metropolitan centers in the state. Other amenities and attractions include the Jackson Symphony, the Carnegie Center for Arts, the Shannon Street Blue Fest, musical and theatrical events by the Arts Council and universities, Pinson Mounds for religious rites of Native Americans, Oman Arena, the Annual Miss Tennessee Volunteer Pageant, multiple parks, the West Tennessee State Fair, and the West Tennessee Farmer's Market.

Higher Education

Madison County has five accredited four-year and postgraduate institutions, two community colleges, and a technology center. These institutions include Bethel University – Jackson Campus, Jackson State Community College, Lane College, Tennessee College of Applied Technology at Jackson, Union University, University of Memphis – Lambuth Campus, University of Tennessee at Martin – Jackson Center, and West Tennessee Business College.

[The remainder of this page is intentionally left blank.]

Public Education

The County consolidated its public schools with those in the city of Jackson in 1990. The Jackson-Madison County Schools had an average daily membership of 11,981 for the 2019-2020 school year.

| Average Daily | | Average Daily | |
|---------------|------------|---------------|------------|
| School Year | Membership | School Year | Membership |
| 2000-2001 | 13,817 | 2010-2011 | 12,756 |
| 2001-2002 | 13,668 | 2011-2012 | 12,649 |
| 2002-2003 | 13,521 | 2012-2013 | 12,704 |
| 2003-2004 | 13,589 | 2013-2014 | 12,599 |
| 2004-2005 | 13,654 | 2014-2015 | 12,543 |
| 2005-2006 | 13,731 | 2015-2016 | 12,492 |
| 2006-2007 | 13,783 | 2016-2017 | 12,404 |
| 2007-2008 | 13,409 | 2017-2018 | 12,237 |
| 2008-2009 | 13,134 | 2018-2019 | 12,069 |
| 2009-2010 | 12,808 | 2019-2020 | 11,981 |

Source: Tennessee Department of Education

The West Tennessee School for the Deaf is located in Jackson. Located on a ten acre site in Jackson, Tennessee, this state elementary school serves hearing impaired children ranging in age from 2-13, throughout West Tennessee.

Private schools in the area include Augustine School, Jackson Christian School, Jackson Preparatory School, The Montessori Center of Jackson, Sacred Heart of Jesus High School, St. Mary's Catholic School, Trinity Christian Academy, and University School of Jackson.

Accounting and Financial Reporting for Retirement Commitments

See page 86, Note G of the Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2021.

Accounting and Financial Reporting for Other Postemployment Benefits

See page 105, Note H of the Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2021.

[The remainder of this page is intentionally left blank.]

SELECTED FINANCIAL INFORMATION REGARDING THE COUNTY

General

The County accounts for its financial resources on the basis of funds and account groups, each of which is considered a separate accounting entity. The General Fund is the general operating fund of the County. Other funds include Special Revenue Funds, the General Debt Service Fund, Capital Projects Funds, Internal Service Funds and Trust and Agency Funds. For additional information regarding the component units, see Notes to the General Purpose Financial Statements contained in APPENDIX C hereto.

Revenues applicable to the payment of the principal of and interest on the Notes are accounted for in the Debt Service Fund. Revenues securing the payment of principal of and interest on the Notes are derived from the collection of ad valorem taxes levied on all taxable property within the boundaries of the County. Such tax collections for the Notes will be used exclusively to pay the principal of and interest on the Notes. Included as APPENDIX C to this Official Statement are the General Purpose Financial Statements and notes thereto for the fiscal year ended June 30, 2021. Potential purchasers should read APPENDIX C in its entirety for more complete information concerning the County's financial position.

The County uses the modified accrual basis of accounting for all Governmental Funds, Expendable Trust Funds and Agency Funds. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized when the related fund liability is incurred. Funds where expenditures determine the eligibility for grants recognize revenue at the time of the expenditures. Grant proceeds received prior to meeting the aforementioned revenue recognition policy are recorded as deferred revenues. Principal and interest on general long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

The primary revenue susceptible to accrual are revenues received from the State of Tennessee. Sales tax collected and held by the State at year end on behalf of the County and its component units are also recognized as revenue.

All Proprietary Funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned and their expenses are recognized when incurred.

For additional information regarding these funds, see Notes to the Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2021, in APPENDIX C hereto.

**MADISON COUNTY, TENNESSEE
GENERAL FINANCIAL INFORMATION
SUMMARY OF OUTSTANDING DEBT ⁽¹⁾**

| Original Amount Issued | Issue | Date Issued | Maturity Date | Interest Rate | Principal Outstanding 6/30/2021 ⁽¹⁾ |
|---------------------------------------|---------------------------------|----------------|------------------|------------------|--|
| <u>Bonds</u> | | | | | |
| 34,805,000 | GO Bonds, Series 2018 | 05/23/18 | 05/01/28 | 5.00% | 28,335,000 |
| 17,820,000 | GO Bonds, Series 2018A | 12/20/18 | 05/01/34 | 3.0% - 5.0% | 16,075,000 |
| 9,020,000 | GO School Bonds, Series 2019 | 06/06/19 | 05/01/34 | 2.5% - 5.0% | 8,100,000 |
| 9,760,000 | GO Refunding Bonds, Series 2020 | 01/03/20 | 04/01/23 | 5.00% | 5,810,000 |
| 33,630,000 | GO School Bonds, Series 2022 | 04/20/22 | 05/01/42 | 3.125% - 5.00% | 33,630,000 |
| Total Bonds Outstanding | | | | | \$91,950,000 |
| <u>Notes</u> | | | | | |
| 7,635,000 | GO Refunding Notes, Series 2020 | 10/29/20 | 04/01/29 | 2.0% - 3.0% | 6,825,000 |
| Total Notes Outstanding | | | | | \$6,825,000 |
| <u>Leases</u> | | | | | |
| 1,299,914 | Fire Department - Ladder Truck | 09/20/19 | 09/20/25 | 4.10% | 965,021 |
| Total Leases Outstanding | | | | | \$965,021 |
| Total Current Outstanding Debt | | | | | \$99,740,021 |

**DEBT STATEMENT
(as of June 30, 2021) ⁽¹⁾**

| | | |
|---|--|----------------------|
| Outstanding Debt | | |
| Total Current Outstanding Debt | | \$99,740,021 |
| Less: Debt Service Fund Balance (as of June 30, 2020) | | (16,442,837) |
| Net Direct Debt | | \$83,297,184 |
| Net Overlapping Debt (as of June 30, 2021) | | |
| City of Jackson (Estimate) | | 60,837,500 |
| Town of Medon | | 0 |
| City of Humboldt | | 51,594 |
| City of Three Way | | 1,760,000 |
| Total Net Overlapping Debt | | \$62,649,094 |
| Overall Net Debt | | \$145,946,278 |

DEBT RECORD

There is no record of a default on bond principal and interest from information available.

(1) As of 6/30/21 and adjusted for GO School Bonds, Series 2022.

Sources: Annual Financial Report for Fiscal Year Ending June 30, 2021 and the Finance Director's Office.

POPULATION

| | <u>County</u> | <u>Tennessee</u> |
|----------------------------|---------------|------------------|
| 1970 U.S. Census | 65,774 | 3,926,018 |
| 1980 U.S. Census | 74,546 | 4,600,252 |
| 1990 U.S. Census | 78,345 | 4,890,626 |
| 2000 U.S. Census | 92,076 | 5,703,719 |
| 2010 U.S. Census | 98,251 | 6,355,518 |
| 2020 U.S. Census | 98,360 | 6,920,119 |
| Source: U.S. Census Bureau | | |

PER CAPITA DEBT RATIOS

| | |
|----------------------------|------------|
| Current Outstanding Debt | \$1,014.03 |
| Net Direct Debt | 846.86 |
| Total Net Overlapping Debt | 636.94 |
| Overall Net Debt | 1,483.80 |

DEBT RATIOS

| | <u>Estimated Actual Value</u> | <u>Assessed Value</u> |
|-------------------------------|-----------------------------------|---------------------------|
| Property Values | \$8,652,937,722 | \$2,394,465,817 |
| Outstanding Debt to | 1.15% | 4.17% |
| Net Direct Debt to | 0.96% | 3.48% |
| Total Net Overlapping Debt to | 0.72% | 2.62% |
| Overall Net Debt to | 1.69% | 6.10% |

DEBT TREND

| | <u>6/30/2021</u> | <u>6/30/2020</u> | <u>6/30/2019</u> | <u>6/30/2018</u> | <u>6/30/2017</u> |
|-------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Bonds | \$58,320,000 | \$66,935,000 | \$75,915,000 | \$58,875,000 | \$31,180,000 |
| Notes | 6,825,000 | 9,104,000 | 9,104,000 | 9,915,000 | 1,000,000 |
| Leases | 965,021 | 1,135,831 | 0 | 0 | 0 |
| Total Debt | \$66,110,021 | \$77,174,831 | \$85,019,000 | \$68,790,000 | \$32,180,000 |
| Less: Debt Service Fund | (16,442,837) | (16,009,312) | (13,789,769) | (12,345,527) | (9,218,544) |
| Total Net Debt | \$49,667,184 | \$61,165,519 | \$71,229,231 | \$56,444,473 | \$22,961,456 |

Sources: Annual Financial Reports prepared by The Comptroller of the Treasury, Division of County Audit, for the years ending June 30, 2017 to 2021 and County officials.

DEBT SERVICE REQUIREMENTS
(as of June 30, 2021)⁽¹⁾

| | | Principal | | | | Interest | | | |
|---------|---------|--------------|---------------|--------------|-----------|-----------------|---------------|--------------|---------------|
| Year | Ending | Outstanding | Plus: GO | Total | Percent | Outstanding | Plus: GO | Total | Total Debt |
| Ending | June 30 | Principal | School Bonds, | Outstanding | Principal | Interest | School Bonds, | Outstanding | Service |
| June 30 | | (as of | Series 2022 | Principal | Retired | (as of 6/30/21) | Series 2022 | Interest | Requirements |
| | | 6/30/21) | | | | | | | |
| 1 | 2022 | 10,022,813 | | 10,022,813 | | 2,872,772 | | 2,872,772 | 12,895,585 |
| 2 | 2023 | 7,800,104 | 1,025,000 | 8,825,104 | | 2,397,081 | 1,400,699 | 3,797,780 | 12,622,884 |
| 3 | 2024 | 6,412,693 | 1,115,000 | 7,527,693 | | 2,033,342 | 1,307,919 | 3,341,261 | 10,868,954 |
| 4 | 2025 | 6,710,593 | 1,170,000 | 7,880,593 | | 1,736,192 | 1,252,169 | 2,988,361 | 10,868,954 |
| 5 | 2026 | 7,028,818 | 1,230,000 | 8,258,818 | 42.6% | 1,419,468 | 1,193,669 | 2,613,137 | 10,871,955 |
| 6 | 2027 | 7,130,000 | 1,290,000 | 8,420,000 | | 1,093,156 | 1,132,169 | 2,225,325 | 10,645,325 |
| 7 | 2028 | 7,455,000 | 1,355,000 | 8,810,000 | | 766,606 | 1,067,669 | 1,834,275 | 10,644,275 |
| 8 | 2029 | 2,790,000 | 1,425,000 | 4,215,000 | | 424,706 | 999,919 | 1,424,625 | 5,639,625 |
| 9 | 2030 | 2,030,000 | 1,495,000 | 3,525,000 | | 321,506 | 928,669 | 1,250,175 | 4,775,175 |
| 10 | 2031 | 2,085,000 | 1,570,000 | 3,655,000 | 71.3% | 264,031 | 853,919 | 1,117,950 | 4,772,950 |
| 11 | 2032 | 2,150,000 | 1,650,000 | 3,800,000 | | 204,981 | 775,419 | 980,400 | 4,780,400 |
| 12 | 2033 | 2,215,000 | 1,715,000 | 3,930,000 | | 140,494 | 709,419 | 849,913 | 4,779,913 |
| 13 | 2034 | 2,280,000 | 1,780,000 | 4,060,000 | | 72,200 | 640,819 | 713,019 | 4,773,019 |
| 14 | 2035 | | 1,855,000 | 1,855,000 | | | 569,619 | 569,619 | 2,424,619 |
| 15 | 2036 | | 1,930,000 | 1,930,000 | 86.9% | | 495,419 | 495,419 | 2,425,419 |
| 16 | 2037 | | 2,005,000 | 2,005,000 | | | 418,219 | 418,219 | 2,423,219 |
| 17 | 2038 | | 2,070,000 | 2,070,000 | | | 355,563 | 355,563 | 2,425,563 |
| 18 | 2039 | | 2,130,000 | 2,130,000 | | | 290,875 | 290,875 | 2,420,875 |
| 19 | 2040 | | 2,200,000 | 2,200,000 | | | 221,650 | 221,650 | 2,421,650 |
| 20 | 2041 | | 2,275,000 | 2,275,000 | 97.6% | | 150,150 | 150,150 | 2,425,150 |
| 21 | 2042 | | 2,345,000 | 2,345,000 | 100.0% | | 76,213 | 76,213 | 2,421,213 |
| | | \$66,110,021 | \$33,630,000 | \$99,740,021 | | \$13,746,538 | \$14,840,162 | \$28,586,699 | \$128,326,720 |

(1) As of 6/30/21 and adjusted for GO School Bonds, Series 2022.

Sources: Annual Financial Report for Fiscal Year Ending June 30, 2021 and the Finance Director's Office.

Real Property Assessment, Tax Levy and Collection Procedures

State Taxation of Property; Classifications of Taxable Property; Assessment Rates

Under the Constitution and laws of the State of Tennessee, all real and personal property is subject to taxation, except to the extent that the General Assembly of the State of Tennessee (the "General Assembly") exempts certain constitutionally permitted categories of property from taxation. Property exempt from taxation includes federal, state and local government property, property of housing authorities, certain low cost housing for elderly persons, property owned and used exclusively for certain religious, charitable, scientific and educational purposes and certain other property as defined under the Tennessee Code Annotated.

Under the Constitution and laws of the State of Tennessee, property is classified into three separate classes for purposes of taxation: Real Property; Tangible Personal Property; and Intangible Personal Property. Real Property includes lands, structures, improvements, machinery and equipment affixed to realty and related rights and interests. Real Property is required constitutionally to be classified into four subclassifications and assessed at the rates as follows:

(a) Public Utility Property (which includes all property of every kind used or held for use in the operation of a public utility, such as railroad companies, certain telephone companies, freight and private car companies, street car companies, power companies, express companies and other public utility companies), to be assessed at 55% of its value;

(b) Industrial and Commercial Property (which includes all property of every kind used or held for use for any commercial, mining, industrial, manufacturing, business or similar purpose), to be assessed at 40% of its value;

(c) Residential Property (which includes all property which is used or held for use for dwelling purposes and contains no more than one rental unit), to be assessed at 25% of its value; and

(d) Farm Property (which includes all real property used or held for use in agriculture), to be assessed at 25% of its value.

Tangible Personal Property includes personal property such as goods, chattels and other articles of value, which are capable of manual or physical possession and certain machinery and equipment. Tangible Personal Property is required constitutionally to be classified into three subclassifications and assessed at the rates as follows:

(a) Public Utility Property, to be assessed at 55% of its value;

(b) Industrial and Commercial Property, to be assessed at 30% of its value; and

(c) All other Tangible Personal Property (including that used in agriculture), to be assessed at 5% of its value, subject to an exemption of \$7,500 worth of Tangible Personal Property for personal household goods and furnishings, wearing apparel and other tangible personal property in the hands of a taxpayer.

Intangible Personal Property includes personal property, such as money, any evidence of debt owed to a taxpayer, any evidence of ownership in a corporation or other business organization having multiple owners and all other forms of property, the value of which is expressed in terms of what the property represents rather than its own intrinsic value. The Constitution of the State of Tennessee empowers the General Assembly to classify Intangible Personal Property into subclassifications and to establish a ratio of assessment to value in each class or subclass and to provide fair and equitable methods of apportionment of the value to the State of Tennessee for purposes of taxation.

The Constitution of the State of Tennessee requires that the ratio of assessment to value of property in each class or subclass be equal and uniform throughout the State of Tennessee and that the General Assembly direct the

method to ascertain the value and definition of property in each class or subclass. Each respective taxing authority is constitutionally required to apply the same tax rate to all property within its jurisdiction.

County Taxation of Property

The Constitution of the State of Tennessee empowers the General Assembly to authorize the several counties and incorporated towns in the State of Tennessee to impose taxes for county and municipal purposes in the manner prescribed by law. Under the *Tennessee Code Annotated*, the General Assembly has authorized the counties in Tennessee to levy an *ad valorem* tax on all taxable property within their respective jurisdictions, the amount of which is required to be fixed by the county legislative body of each county.

All property is required to be taxed according to its values upon the principles established in regard to State taxation as described above, including equality and uniformity. All counties, which levy and collect taxes to pay off any bonded indebtedness are empowered, through the respective county legislative bodies, to place all funds levied and collected into a special fund of the respective counties and to appropriate and use the money for the purpose of discharging any bonded indebtedness of the respective counties.

Assessment of Property

The function of assessment is to assess all property (with certain exceptions) to the person or persons owning or claiming to own such property on January 1 for the year for which the assessment is made. All assessment of real and personal property are required to be made annually and as of January 1 for the year to which the assessment applies. Not later than May 20 of each year, the assessor of property in each county is required to (a) make an assessment of all property in the county and (b) note upon the assessor's records the current classification and assessed value of all taxable property within the assessor's jurisdiction.

The assessment records are open to public inspection at the assessor's office during normal business hours. The assessor is required to notify each taxpayer of any change in the classification or assessed value of the taxpayer's property and to cause a notice to be published in a newspaper of general circulation stating where and when such records may be inspected and describing certain information concerning the convening of the county board of equalization. The notice to taxpayers and such published notice are required to be provided and published at least 10 days before the local board of equalization begins its annual session.

Valuation for Property Tax Purposes

The value of all property is based upon its sound, intrinsic and immediate value for purposes of sale between a willing seller and a willing buyer without consideration of speculative values. In determining the value of all property of every kind, the assessor is to be guided by, and follow the instructions of, the appropriate assessment manuals issued by the division of property assessments and approved by the State board of equalization. Such assessment manuals are required to take into account various factors that are generally recognized by appraisers as bearing on the sound, intrinsic and immediate economic value of property at the time of assessment.

PROPERTY VALUATION AND PROPERTY TAX

| Fiscal Year Tax Year | 2020-2021 2020 | 2019-2020 2019 | 2018-2019 2018 | 2017-2018 2017 | 2016-2017 2016 |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Estimated Actual Values | | | | | |
| Residential & Farm | \$4,929,121,915 | \$4,425,982,900 | \$4,364,520,200 | \$4,142,227,862 | \$4,102,183,907 |
| Commercial & Industrial | 2,444,734,749 | 2,129,223,500 | 2,199,253,700 | 1,984,830,637 | 1,933,185,439 |
| Personal Tangible Property | 1,100,606,430 | 1,031,485,205 | 965,825,742 | 945,633,461 | 875,082,223 |
| Public Utilities | 178,474,628 | 190,725,277 | 178,671,987 | 91,519,566 | 176,925,251 |
| Total Estimated Actual Values | \$8,652,937,722 | \$7,777,416,882 | \$7,708,271,629 | \$7,164,211,526 | \$7,087,376,820 |
| Annual Percentage Change | 11.26% | 0.90% | 7.59% | 1.08% | 1.51% |
| Estimated Per Capita Amount | \$87,972 | \$79,071 | \$78,976 | \$73,400 | \$72,681 |
| Assessed Values | | | | | |
| Residential & Farm (at 25%) | \$1,123,894,165 | \$1,106,861,155 | \$1,091,444,105 | \$1,030,624,695 | \$1,020,475,980 |
| Commercial & Industrial (at 40%) | 889,319,315 | 849,969,440 | 877,992,995 | 789,015,575 | 769,286,530 |
| Personal Tangible Property (at 30%) | 303,230,046 | 309,445,784 | 289,747,891 | 282,334,618 | 261,288,684 |
| Public Utilities (at 30%-55%) | 78,022,291 | 83,384,560 | 78,123,299 | 40,022,447 | 77,227,872 |
| Total Assessed Values | \$2,394,465,817 | \$2,349,660,939 | \$2,337,308,290 | \$2,141,997,335 | \$2,128,279,066 |
| Annual Percentage Change | 1.91% | 0.53% | 9.12% | 0.64% | 1.00% |
| Estimated Per Capita Amount | \$24,344 | \$23,888 | \$23,947 | \$21,946 | \$21,825 |
| Appraisal Ratio | 91.12% | 100.00% | 100.00% | 99.49% | 99.49% |
| Assessed Values to Actual Values | 27.67% | 30.21% | 30.32% | 29.90% | 30.03% |
| Property Tax Rate | | | | | |
| County General | \$1.2713 | \$1.1133 | \$1.1333 | \$1.1510 | \$1.1510 |
| Public School | 0.3020 | 0.3203 | 0.3203 | 0.1720 | 0.1980 |
| Debt Service Fund | 0.4961 | 0.5161 | 0.4961 | 0.4449 | 0.3485 |
| Highway Fund | 0.0751 | 0.0751 | 0.0751 | 0.0825 | 0.0829 |
| Solid Waste/Sanitation | 0.0422 | 0.0397 | 0.0346 | 0.0444 | 0.0494 |
| Juvenile Court/Local Purpose | 0.0718 | 0.0693 | 0.0544 | 0.0599 | 0.0649 |
| Education Capital Projects | 0.0389 | 0.0848 | 0.0948 | 0.0600 | 0.1400 |
| General Capital Projects | 0.0526 | 0.1314 | 0.1414 | 0.1353 | 0.1153 |
| Other Special Revenue | <u>0.0000</u> | <u>0.0000</u> | <u>0.0000</u> | <u>0.3000</u> | <u>0.0000</u> |
| Total Property Tax Rate | <u>\$2.3500</u> | <u>\$2.3500</u> | <u>\$2.3500</u> | <u>\$2.4500</u> | <u>\$2.1500</u> |
| Taxes Levied | \$56,269,947 | \$55,217,032 | \$54,926,745 | \$52,478,935 | \$45,758,000 |
| Collections | | | | | |
| Current Fiscal Year | \$54,330,593 | \$53,521,147 | \$52,888,773 | \$51,486,270 | \$44,123,641 |
| Percent Collected Current FY | 96.55% | 96.93% | 96.29% | 98.11% | 96.43% |

Sources: State Board of Equalization Tax Aggregate Report of Tennessee, 2016-2020, and County officials.

TOP TAXPAYERS

| <u>Taxpayer</u> | <u>Type of Product/Service</u> | <u>Tax Year 2020 Assessed Value</u> | <u>% of Total Assessment</u> |
|------------------------------|--|---|----------------------------------|
| Bodine Aluminum | Aluminum Supplier | 32,650,948 | 1.36% |
| Pringles Manufacturing Co. | Manufacturing | 29,250,496 | 1.22% |
| Gerdau Ameristeel | Steel Production | 22,257,246 | 0.93% |
| Southwest Tennessee Electric | Energy Co-Op | 15,000,367 | 0.63% |
| Black & Decker | Home Improvement Products Manufacturer | 12,792,781 | 0.53% |
| Owens Corning | Insulation/Roofing | 17,162,658 | 0.72% |
| Gary Taylor | Commercial Real Estate | 12,442,590 | 0.52% |
| AT&T/Bellsouth | Telecommunications | 11,460,153 | 0.48% |
| Delta Faucet | Plumbing Fixtures | 11,108,062 | 0.46% |
| Norfolk Southern | Railroads | 9,709,426 | 0.41% |

Source: Madison County Trustee

FUND BALANCES

| | <u>6/30/2021</u> | <u>6/30/2020</u> | <u>6/30/2019</u> | <u>6/30/2018</u> | <u>6/30/2017</u> |
|---------------------------------|---------------------|---------------------|----------------------|----------------------|---------------------|
| GOVERNMENTAL | | | | | |
| General Government Fund | \$19,065,362 | \$11,216,971 | \$10,209,813 | \$8,356,195 | \$7,285,272 |
| Highway/Public Works | 14,389,224 | 13,379,878 | 11,610,406 | 13,295,915 | 9,140,076 |
| Special Revenue Fund | 2,665,001 | 2,813,551 | 3,848,087 | 5,714,798 | 4,795,730 |
| Debt Service Fund | 16,442,837 | 16,009,312 | 13,789,769 | 12,345,527 | 9,218,544 |
| Capital Projects Funds | 11,351,873 | 28,187,643 | 49,911,371 | 33,002,091 | 2,926,967 |
| School Department Fund | 26,727,786 | 22,773,731 | 33,351,284 | 33,382,175 | 22,046,282 |
| Total Governmental Funds | <u>\$90,642,083</u> | <u>\$94,381,086</u> | <u>\$122,720,730</u> | <u>\$106,096,701</u> | <u>\$55,412,871</u> |

Sources: Annual Financial Reports prepared by The Comptroller of the Treasury, Division of County Audit, for the years ending June 30, 2017 to 2021.

COUNTY PORTION OF LOCAL SALES TAX

| | <u>2020-2021</u> | <u>2019-2020</u> | <u>2018-2019</u> | <u>2017-2018</u> | <u>2016-2017</u> |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Rate (Percent of retail sales) | 2.75% | 2.75% | 2.75% | 2.75% | 2.75% |
| Distribution | | | | | |
| General Fund | \$1,545,218 | \$1,354,445 | \$1,081,623 | \$1,083,944 | \$923,846 |
| General Purpose School Fund | 41,596,548 | 37,004,224 | 36,607,151 | 35,621,733 | 40,197,529 |
| Cities Fund | 23,308,037 | 20,682,785 | 20,977,708 | 19,870,823 | 13,947,377 |
| Cities Property Tax Fund | 195,358 | 146,005 | 142,638 | 990,830 | 108,867 |
| Total Amount Collected | <u>\$66,645,161</u> | <u>\$59,187,459</u> | <u>\$58,809,120</u> | <u>\$57,567,330</u> | <u>\$55,177,619</u> |
| % of Increase | 12.60% | 0.64% | 2.16% | 4.33% | 2.23% |

Sources: Annual Financial Reports prepared by The Comptroller of the Treasury, Division of County Audit, for the years ending June 30, 2017 to 2021.

[This page is intentionally left blank]

APPENDIX C

Comprehensive Annual Financial Report of the County for the
Fiscal Year Ended June 30, 2022



ANNUAL FINANCIAL REPORT

Madison County, Tennessee

For the Year Ended June 30, 2021

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

**ANNUAL FINANCIAL REPORT
MADISON COUNTY, TENNESSEE
FOR THE YEAR ENDED JUNE 30, 2021**

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

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

***LEE ANN WEST, CPA, CGFM
Audit Manager***

***LAUREN LEWIS, CPA
SHELBI TUCKER, CFE
SAVANNA USERY
COLBY CAREY
CHANDLER CAREY
ELISHA CROWELL, CISA, CFE
State Auditors***

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

MADISON COUNTY, TENNESSEE TABLE OF CONTENTS

| | Exhibit | Page(s) |
|---|---------|---------|
| Summary of Audit Findings | | 6 |
| <u>INTRODUCTORY SECTION</u> | | 7 |
| Madison County Officials | | 8-9 |
| <u>FINANCIAL SECTION</u> | | 10 |
| Independent Auditor's Report | | 11-14 |
| Management's Discussion and Analysis | | 15-21 |
| BASIC FINANCIAL STATEMENTS: | | 22 |
| Government-wide Financial Statements: | | |
| Statement of Net Position | A | 23-24 |
| Statement of Activities | B | 25-26 |
| Fund Financial Statements: | | |
| Governmental Funds: | | |
| Balance Sheet | C-1 | 27-32 |
| Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position | C-2 | 33 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances | C-3 | 34-35 |
| Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities | C-4 | 36 |
| Statements of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget: | | |
| General Fund | C-5 | 37-40 |
| Highway/Public Works Fund | C-6 | 41 |
| Proprietary Funds: | | |
| Statement of Net Position | D-1 | 42 |
| Statement of Revenues, Expenses, and Changes in Net Position | D-2 | 43 |
| Statement of Cash Flows | D-3 | 44 |
| Fiduciary Funds: | | |
| Statement of Net Position | E-1 | 45 |
| Statement of Changes in Net Position | E-2 | 46 |
| Index and Notes to the Financial Statements | | 47-115 |
| REQUIRED SUPPLEMENTARY INFORMATION: | | 116 |
| Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on Participation in the Public Employee Pension Plan of TCRS – Primary Government | F-1 | 117 |
| Schedule of Contributions Based on Participation in the Public Employee Pension Plan of TCRS – Primary Government | F-2 | 118 |

| | Exhibit | Page(s) |
|---|---------|---------|
| Schedule of Contributions Based on Participation in the Teacher Retirement Plan of TCRS – Discretely Presented Madison County School Department | F-3 | 119 |
| Schedule of Contributions Based on Participation in the Teacher Legacy Pension Plan of TCRS – Discretely Presented Madison County School Department | F-4 | 120 |
| Schedule of Proportionate Share of the Net Pension Asset in the Teacher Retirement Plan of TCRS – Discretely Presented Madison County School Department | F-5 | 121 |
| Schedule of Proportionate Share of the Net Pension Asset in the Teacher Legacy Pension Plan of TCRS – Discretely Presented Madison County School Department | F-6 | 122 |
| Schedule of Changes in Total OPEB Liability and Related Ratios - Self-Insurance Plan - Primary Government | F-7 | 123 |
| Schedule of Changes in Total OPEB Liability and Related Ratios - Local Education Plan - Discretely Presented Madison County School Department | F-8 | 124 |
| Notes to the Required Supplementary Information | | 125 |
| COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES: | | 126 |
| Nonmajor Governmental Funds: | | 127-128 |
| Combining Balance Sheet | G-1 | 129-132 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances | G-2 | 133-134 |
| Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget: | | |
| Juvenile Services Fund | G-3 | 135 |
| Solid Waste/Sanitation Fund | G-4 | 136 |
| Special Purpose Fund | G-5 | 137 |
| Drug Control Fund | G-6 | 138 |
| Community Development/Industrial Park Fund | G-7 | 139 |
| Major Governmental Funds: | | 140 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance – Actual (Budgetary Basis) and Budget: | | |
| General Debt Service Fund | H-1 | 141 |
| General Capital Projects Fund | H-2 | 142-143 |
| Proprietary Funds: | | 144 |
| Combining Statement of Net Position | I-1 | 145 |
| Combining Statement of Revenues, Expenses, and Changes in Net Position | I-2 | 146 |
| Combining Statement of Cash Flows | I-3 | 147 |
| Fiduciary Funds: | | 148 |
| Combining Statement of Net Position | J-1 | 149 |
| Combining Statement of Changes in Net Position | J-2 | 150 |
| Component Unit: | | |
| Discretely Presented Madison County School Department: | | 151 |
| Statement of Activities | K-1 | 152 |
| Balance Sheet – Governmental Funds | K-2 | 153-154 |
| Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position | K-3 | 155 |

| | Exhibit | Page(s) |
|---|---------|---------|
| Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds | K-4 | 156-157 |
| Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities | K-5 | 158 |
| Combining Balance Sheet - Nonmajor Governmental Funds | K-6 | 159 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds | K-7 | 160 |
| Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget: | | |
| General Purpose School Fund | K-8 | 161-162 |
| School Federal Projects Fund | K-9 | 163-164 |
| Central Cafeteria Fund | K-10 | 165 |
| Education Capital Projects Fund | K-11 | 166 |
| Fiduciary Fund: | | |
| Statement of Fiduciary Net Position | K-12 | 167 |
| Statement of Changes in Fiduciary Net Position | K-13 | 168 |
| Miscellaneous Schedules: | | 169 |
| Schedule of Changes in Long-term Notes, Capital Lease, and Bonds | L-1 | 170 |
| Schedule of Long-term Debt Requirements by Year | L-2 | 171 |
| Schedule of Transfers - Discretely Presented Madison County School Department | L-3 | 172 |
| Schedule of Salaries and Official Bonds of Principal Officials – Primary Government and Discretely Presented Madison County School Department | L-4 | 173 |
| Schedule of Detailed Revenues – All Governmental Fund Types | L-5 | 174-187 |
| Schedule of Detailed Revenues – All Governmental Fund Types – Discretely Presented Madison County School Department | L-6 | 188-191 |
| Schedule of Detailed Expenditures – All Governmental Fund Types | L-7 | 192-223 |
| Schedule of Detailed Expenditures – All Governmental Fund Types – Discretely Presented Madison County School Department | L-8 | 224-239 |
| Schedule of Detailed Additions, Deductions, and Changes in Net Position - City Custodial Funds | L-9 | 240 |
| <u>SINGLE AUDIT SECTION</u> | | 241 |
| Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> | | 242-243 |
| Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance | | 244-246 |
| Schedule of Expenditures of Federal Awards and State Grants | | 247-249 |
| Summary Schedule of Prior-year Findings | | 250 |
| Schedule of Findings and Questioned Costs | | 251-253 |
| Management's Corrective Action Plan | | 254-255 |

Summary of Audit Findings

Annual Financial Report
Madison County, Tennessee
For the Year Ended June 30, 2021

Scope

We have audited the basic financial statements of Madison County as of and for the year ended June 30, 2021.

Results

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

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

Finding

The following is a summary of the audit finding:

OFFICE OF FINANCE DIRECTOR

- ◆ The office did not reconcile the Employee Insurance Fund clearing account with billings.



INTRODUCTORY SECTION

Madison County Officials
June 30, 2021

Officials

Jimmy Harris, County Mayor
Bart Walls, Highway Engineer
Dr. Marlon King, Director of Schools
John Newman, Trustee
Frances Hunley, Assessor of Property
Fred Birmingham, County Clerk
Kathy Blount, Circuit and General Sessions Courts Clerk
Bart Swift, Juvenile Court Clerk
Pam Carter, Clerk and Master
Anjanette Byers, Register of Deeds
John Mehr, Sheriff
Karen Bell, Finance Director

Board of County Commissioners

Gary Deaton, Chairman
Carl Alexander
Jimmy Arnold
Brett Beckham
Katie Brantley
Claudell Brown, Jr.
Scott Brown
Cyndi Bryant
Jay Bush
Thomas Cleek
Jason Compton
Aaron Ellison
Tommy Gobbell

Joey Hale
Willie Mae Hampton-Pearson
Arthur Johnson, Jr.
Barbara Johnson
William Martin
Luther Mercer
Adrian Montague
Harold Petty
Terry Spearman
Doug Stephenson
Mike Taylor
Jeff Wall

Board of Education

James Johnson, Chairman
Doris Black
Andre Darnell
Sherry Franks
Scott Gatlin
Debbie Gaugh
Janice Hampton
A. J. Massey
Dr. Ken Newman

Financial Management Committee

Arthur Johnson, Jr., Chairman
Jimmy Harris, County Mayor
Bart Walls, Highway Engineer
Dr. Marlon King, Director of Schools
Gary Deaton
Joey Hale
Luther Mercer

(Continued)

Madison County Officials (Cont.)

Audit Committee

Jason Compton, Chairman

Jim Campbell

Marcus Love

Adrian Montague

Jason Schultz

Doug Stephenson

Mike Taylor

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Madison County, Tennessee, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Internal School Fund of the Madison County School Department, a discretely presented component unit, which represent 0.8 percent, one percent, and 1.2 percent, respectively, of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Internal School Fund of the Madison County School Department is based solely on the report of the other auditors. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Madison County, Tennessee, as of June 30, 2021, and the respective changes in financial position and the respective budgetary comparisons for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note V. B., Madison County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. GASB 84 defines what is meant by fiduciary activities. It establishes the four types of fiduciary funds for reporting purposes. In addition, GASB 84 changes the title of "Agency" Funds to "Custodial" Funds and requires that Custodial Funds, unlike Agency Funds, should present fund net position. Our opinion is not modified with respect to this matter.

Emphasis of Matter

We draw attention to Note I.D.10 to the financial statements, which describes a prior-period adjustment reducing the beginning Governmental Activities net position totaling (\$1,474,557). This prior-period adjustment was necessary because liabilities for some accrued leave balances had been omitted in prior years.

We draw attention to Note I.D.11. to the financial statements, which describes a restatement to the beginning Custodial Funds net position totaling \$5,759,231 on the Statement of Changes in Net Position – Fiduciary Funds and a restatement to the discretely presented Madison County School Department's net position totaling \$1,034,463 on the Government-wide Statement of Activities. These restatements were necessary because of the transitional requirements of GASB Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedule of changes in the county's net pension asset and related ratios, schedules of county and school contributions, schedules of school's proportionate share of the net pension assets, and schedules of county and school changes in the total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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 and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Madison County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and General Capital Projects funds, combining and individual fund financial statements of the Madison County School Department (a discretely presented component unit), miscellaneous schedules, and other information such as the introductory section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is also presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and General Capital Projects funds, combining and individual fund financial statements of the Madison County School Department (a discretely presented component unit), schedule of expenditures of federal awards, and miscellaneous schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 by us and by other

auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and General Capital Projects funds, combining and individual fund financial statements of the Madison County School Department (a discretely presented component unit), schedule of expenditures of federal awards, and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 27, 2021, on our consideration of Madison 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 Madison 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 Madison County’s internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

September 27, 2021

JEM/sl

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Madison County Government (the county), we offer readers of the county's financial statements this narrative overview and analysis of the financial activities of the county for the fiscal year ended June 30, 2021.

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

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

FINANCIAL HIGHLIGHTS

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

- Total assets and deferred outflows of resources at year-end exceeded liabilities and deferred inflows of resources by \$82,897,801 (i.e., net position).
- Total revenues of the governmental activities were \$89,964,623 an increase of \$5,363,890 from fiscal year 2020.
- Total expenditures of the governmental activities were \$72,273,940 an increase of \$3,329,070 from fiscal year 2020. The major increases came from increased expenses in public safety and public health and welfare.

OVERVIEW OF THE ANNUAL FINANCIAL REPORT

The Annual Financial Report consists of three sections: 1) the government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements. These statements are organized so the reader can understand the county as a financial whole. The statements then proceed to provide an increasingly detailed look at specific financial activities.

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

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

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

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

The government-wide financial statements not only include the county, known as the primary government, but also legally separate entities for which the county is financially accountable. These entities, Madison County School Department and Madison County Emergency Communications District, are listed as component units and are reported separately from the financial information presented for the primary government itself.

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

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Madison County maintains 11 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Other Special Revenue, Highway/Public Works, General Debt Service, and General Capital Projects funds, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the nonmajor governmental funds combining statements elsewhere in this report.

Proprietary funds. Madison County uses internal service funds to account for its self-insured employee health insurance program and workers compensation. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

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

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

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

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

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Madison County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$82,897,801 at the close of the most recent fiscal year for the governmental activities. The Constitution for the State of Tennessee allows only the local legislative body authorization to issue debt. Therefore, whenever the Madison County Board of Education requires additional money to fund school construction and equipment, the related debt must be issued by the Madison County Government. As of June 30, 2021, Madison County had outstanding debt totaling \$25,760,150 for capital purposes for the Madison County Board of Education, but the capital assets are reported in the financial statements of the Madison County Board of Education. As a result, the county

has incurred the related liability without a corresponding increase in the county's capital assets, thereby significantly decreasing its unrestricted net position.

| | <u>2021</u> | <u>2020</u> |
|--|-----------------------|-----------------------|
| Assets: | | |
| Current and Other Assets | \$ 133,453,730 | \$ 130,165,597 |
| Capital Assets | 93,344,249 | 77,497,599 |
| Total Assets | <u>\$ 226,797,979</u> | <u>\$ 207,663,196</u> |
| Deferred Outflows of Resources: | | |
| Deferred Charge on Refunding | \$ 170,033 | \$ 351,111 |
| Pension Changes in Investment Earnings | 728,548 | 0 |
| Pension Changes in Assumptions | 0 | 508,677 |
| Pension Contributions after Measurement Date | 1,669,950 | 1,694,756 |
| OPEB Changes in Assumptions | 663,715 | 796,504 |
| Total Deferred Outflows of Resources | <u>\$ 3,232,246</u> | <u>\$ 3,351,048</u> |
| Liabilities: | | |
| Other Liabilities | \$ 12,660,114 | \$ 2,751,792 |
| Long-term Liabilities Outstanding | 84,682,998 | 92,395,444 |
| Total Liabilities | <u>\$ 97,343,112</u> | <u>\$ 95,147,236</u> |
| Deferred Inflows of Resources: | | |
| Deferred Current Property Taxes | \$ 48,653,186 | \$ 46,680,882 |
| Pension Changes in Experience | 506,512 | 583,777 |
| Pension Changes in Investment Earnings | 0 | 1,189,624 |
| OPEB Changes in Experience | 629,614 | 0 |
| OPEB Changes in Assumptions | 0 | 731,050 |
| Total Deferred Inflows of Resources | <u>\$ 49,789,312</u> | <u>\$ 49,185,333</u> |
| Net Position: | | |
| Net Investment in Capital Assets | \$ 49,083,056 | \$ 28,769,386 |
| Restricted | 31,350,614 | 49,794,529 |
| Unrestricted | 2,464,131 | (11,882,240) |
| Total Net Position | <u>\$ 82,897,801</u> | <u>\$ 66,681,675</u> |

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

An additional portion of the county's net position (\$31,350,614) represents resources that are subject to external restrictions on how they may be used.

Madison County Changes in Net Position

| | Governmental Activities | |
|--|--------------------------------|---------------|
| | 2021 | 2020 |
| Revenues: | | |
| Program Revenues: | | |
| Charges for Services | \$ 13,356,146 | \$ 13,862,715 |
| Operating Grants and Contributions | 12,379,007 | 11,841,010 |
| Capital Grants and Contributions | 2,331,181 | 94,000 |
| General Revenues: | | |
| Property Taxes | 48,675,464 | 46,157,234 |
| Other Taxes | 6,421,319 | 4,473,011 |
| Grants and Contributions Not Restricted to Specific Programs | 5,910,467 | 5,528,015 |
| Unrestricted Investment Income | 297,235 | 1,903,672 |
| Miscellaneous | 593,804 | 741,076 |
| Total Revenues | \$ 89,964,623 | \$ 84,600,733 |
| Expenses: | | |
| General Government | \$ 6,313,903 | \$ 8,601,731 |
| Finance | 4,188,364 | 4,281,857 |
| Administration of Justice | 5,964,801 | 4,248,093 |
| Public Safety | 33,065,797 | 31,508,901 |
| Public Health and Welfare | 10,554,817 | 7,147,380 |
| Social, Cultural, and Recreational Services | 2,771,542 | 3,080,772 |
| Agriculture and Natural Resources | 494,930 | 520,756 |
| Highway/Public Works | 5,503,235 | 6,058,246 |
| Interest on Long-term Debt | 3,416,551 | 3,497,134 |
| Total Expenses | \$ 72,273,940 | \$ 68,944,870 |
| Change in Net Position | \$ 17,690,683 | \$ 15,655,863 |
| Net Position, July 1 | 66,681,675 | 51,025,812 |
| Prior-period Adjustment | (1,474,557) | 0 |
| Net Position, June 30 | \$ 82,897,801 | \$ 66,681,675 |

Capital Assets and Debt Administration

Capital assets. The county's investment in capital assets for its governmental activities as of June 30, 2021, totaled \$93,344,249 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, other capital assets (includes equipment), and infrastructure (roads, highway, and bridges). The major increases in assets and long-term liabilities were mostly caused by the large borrowing for the jail and school improvements.

Long-term debt. For a county the size of Madison, debt is relatively low. The county issued refunding capital outlay notes totaling \$7,635,000 in October 2020. Moody's, Madison County's credit rating agency, says, "Madison County's credit position is very strong, has

manageable debt, and has a moderate pension liability.” It is rated Aa2. All debt is backed by full faith and credit of the county.

Madison County's Outstanding Debt
As of June 30, 2021

| | Governmental Activities |
|---|----------------------------|
| Notes Payable through General Debt Service Fund | \$ 6,825,000 |
| Capital Lease Payable through General Capital Projects Fund | 965,021 |
| Bonds Payable through General Debt Service Fund | 58,320,000 |
| Total Long-term Debt | \$ 66,110,021 |

ECONOMIC FACTORS

Private business activity of Madison County citizens fuel the progress of governmental activity. A few of the drivers of Madison County’s economy are listed below:

- A. Agriculture: From the University of Tennessee for 2015, “total direct agricultural output was estimated at \$1.8 billion. With multiplier effects, agricultural outputs had a total estimated economic impact of \$2.4 billion. This means, for every dollar of direct output from agriculture, the total economic impact on the county’s economy is \$1.37.

- B. Workforce: From the Jackson, TN Chamber, more than 300,000 people make up Jackson’s regional workforce. Jackson is Madison County’s largest city. Half of the workforce commutes to Jackson for work, and while here, spend money in our community. This means they leave sales tax money here, without us having to provide all government services.

- C. Manufacturing: With over 70 manufacturing and distribution facilities in the county, the county continues on a steady growth pattern from these companies. Many of the companies have been in Madison County for decades. Last year, more than 775 new industrial jobs were created in Madison County, and the companies invested nearly \$217 million in the community.

- D. Location: (1) Located on I-40 with 10 interchanges and easy access to I-55. (2) Major highways include US 70 and US 412 providing east-west routes. US 45 and US 45 bypass provide north-south routes. State routes include Highways 18, 198, and 223. (3) Madison County is within one-day’s drive of 76 percent of the United States population. (4) CSX, Norfolk-Southern, and West Tennessee Railroad serve Madison County. (5) McKellar-Sipes Regional Airport offers multiple daily flights to St. Louis, Missouri, and Atlanta, Georgia, with plans for expansion. (6) The World FedEx headquarters is located in nearby

Memphis, TN, which means lower transportation costs and faster delivery times for Madison County's industries.

- E. Healthcare: Madison County is home to West Tennessee Healthcare with Jackson-Madison County General Hospital as its flagship. The hospital district was created by the state legislature for the benefit of Jackson and Madison County, and the benefits it has provided have gone far beyond those anticipated. This public organization owns seven hospitals, two medical centers, an outpatient surgical facility, along with other healthcare related facilities and services. Today, the health system serves over 500,000 people in 19 counties of West Tennessee and Southeast Missouri. They employ over 7,000 employees, and their services are a major draw to our community. This system provides high quality compassionate care to the people of West Tennessee and serves as the region's largest employer.

- F. Education: Madison County is home to Union University; University of Memphis at Lambuth; University of Tennessee at Martin, Jackson Center; Lane College; Bethel University at Jackson; Tennessee College of Applied Technology-Jackson; and Jackson State Community College. Also, there are several other institutions located nearby. Also, Madison County has several private schools, which attract several thousands of students. This gives parents choices in their children's education. Choice, in economic terms, is usually good.

The largest problem with the economy of Madison County is the perception that public schools are not good. With public schools' education the vast majority of the workforce, public education must produce quality workers for Madison County's growing economy. The school system is continuing with their 10-year plan to re-vamp buildings and curriculum. This plan, even though it's in the beginning stages, seems to have the support of a majority of elected officials. The plan is being completed without a tax increase. Lower taxes are usually good for the economy.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Madison County's finances for all those with an interest in the county's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Karen Bell, Finance Director
Suite 100
1981 Hollywood
Jackson, Tennessee 38305

BASIC FINANCIAL STATEMENTS

Exhibit A

Madison County, Tennessee
Statement of Net Position
June 30, 2021

| | Primary Governmental Activities | Component Unit Madison County School Department |
|---|---------------------------------------|--|
| <u>ASSETS</u> | | |
| Cash | \$ 51,183 | \$ 1,166,958 |
| Equity in Pooled Cash and Investments | 75,956,315 | 19,213,956 |
| Inventories | 0 | 109 |
| Accounts Receivable | 1,235,363 | 145,143 |
| Allowance for Uncollectibles | (308) | 0 |
| Due from Other Governments | 2,612,279 | 11,444,035 |
| Due from Component Units | 7,002 | 0 |
| Property Taxes Receivable | 50,746,920 | 7,318,928 |
| Allowance for Uncollectible Property Taxes | (1,146,074) | (179,258) |
| Net Pension Asset - Agent Plan | 3,991,050 | 1,999,767 |
| Net Pension Asset - Teacher Retirement Plan | 0 | 703,590 |
| Net Pension Asset - Teacher Legacy Pension Plan | 0 | 9,249,795 |
| Restricted Assets | | |
| Amounts Accumulated for Pension Benefits | 0 | 1,137,165 |
| Amounts Accumulated for OPEB Benefits | 0 | 513,595 |
| Capital Assets: | | |
| Assets Not Depreciated: | | |
| Land | 7,196,300 | 2,881,861 |
| Construction in Progress | 45,666,278 | 1,493,809 |
| Assets Net of Accumulated Depreciation: | | |
| Buildings and Improvements | 15,366,240 | 72,648,260 |
| Infrastructure | 17,000,441 | 52,955 |
| Other Capital Assets | 8,114,990 | 6,916,177 |
| Total Assets | <u>\$ 226,797,979</u> | <u>\$ 136,706,845</u> |

DEFERRED OUTFLOWS OF RESOURCES

| | | |
|--|---------------------|----------------------|
| Deferred Charge on Refunding | \$ 170,033 | \$ 0 |
| Pension Changes in Experience | 0 | 377,775 |
| Pension Changes in Investment Earnings | 728,548 | 2,488,212 |
| Pension Changes in Assumptions | 0 | 862,362 |
| Pension Changes in Proportion | 0 | 178,683 |
| Pension Contributions After Measurement Date | 1,669,950 | 5,542,301 |
| OPEB Changes in Experience | 0 | 775,007 |
| OPEB Changes in Assumptions | 663,715 | 1,662,847 |
| OPEB Changes in Proportion | 0 | 728,207 |
| OPEB Contributions After Measurement Date | 0 | 1,144,652 |
| Total Deferred Outflows of Resources | <u>\$ 3,232,246</u> | <u>\$ 13,760,046</u> |

(Continued)

Exhibit A

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

| | Primary Governmental Activities | Component Unit Madison County School Department |
|---|---------------------------------------|--|
| <u>LIABILITIES</u> | | |
| Accounts Payable | \$ 1,200,261 | \$ 217,540 |
| Accrued Payroll | 669,179 | 0 |
| Payroll Deductions Payable | 595,367 | 2,447,114 |
| Contracts Payable | 15 | 536,278 |
| Due to Primary Government | 0 | 7,002 |
| Due to Other Governments | 9,516,122 | 0 |
| Due to Joint Ventures | 44,930 | 0 |
| Accrued Interest Payable | 511,928 | 0 |
| Other Current Liabilities | 122,312 | 0 |
| Noncurrent Liabilities: | | |
| Due Within One Year - Debt | 10,022,813 | 0 |
| Due Within One Year - Other | 3,470,005 | 227,759 |
| Due in More Than One Year - Debt | 62,639,268 | 0 |
| Due in More Than One Year - Other | 8,550,912 | 16,014,315 |
| Total Liabilities | <u>\$ 97,343,112</u> | <u>\$ 19,450,008</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | |
| Deferred Current Property Taxes | \$ 48,653,186 | \$ 6,978,863 |
| Pension Changes in Experience | 506,512 | 4,877,249 |
| Pension Changes in Proportion | 0 | 108,048 |
| OPEB Changes in Experience | 629,614 | 941,381 |
| OPEB Changes in Assumptions | 0 | 1,253,679 |
| OPEB Changes in Proportion | 0 | 351,899 |
| Total Deferred Inflows of Resources | <u>\$ 49,789,312</u> | <u>\$ 14,511,119</u> |
| <u>NET POSITION</u> | | |
| Net Investment in Capital Assets | \$ 49,083,056 | \$ 83,993,062 |
| Restricted for: | | |
| General Government | 303,671 | 0 |
| Finance | 69,471 | 0 |
| Administration of Justice | 396,585 | 0 |
| Public Safety | 1,033,506 | 0 |
| Public Health and Welfare | 1,345,253 | 0 |
| Highways/Public Works | 7,960,201 | 0 |
| Capital Outlay | 7,672,180 | 9,359 |
| Debt Service | 8,578,697 | 0 |
| Education | 0 | 1,201,921 |
| Operation of Non-instructional Services | 0 | 1,351,419 |
| Pensions | 3,991,050 | 11,953,152 |
| Hybrid Retirement Stabilization Funds | 0 | 1,137,165 |
| OPEB | 0 | 513,595 |
| Unrestricted | <u>2,464,131</u> | <u>16,346,091</u> |
| Total Net Position | <u>\$ 82,897,801</u> | <u>\$ 116,505,764</u> |

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

Exhibit B

Madison County, Tennessee
Statement of Activities
For the Year Ended June 30, 2021

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | |
|---|-----------------------|----------------------------|---|---|--|---|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government Total Governmental Activities | Component Unit Madison County School Department |
| Primary Government: | | | | | | |
| Governmental Activities: | | | | | | |
| General Government | \$ 6,313,903 | \$ 1,092,216 | \$ 1,188,068 | \$ 0 | \$ (4,033,619) | \$ 0 |
| Finance | 4,188,364 | 3,593,932 | 0 | 0 | (594,432) | 0 |
| Administration of Justice | 5,964,801 | 2,987,331 | 25,000 | 0 | (2,952,470) | 0 |
| Public Safety | 33,065,797 | 3,873,331 | 1,834,048 | 1,351,622 | (26,006,796) | 0 |
| Public Health and Welfare | 10,554,817 | 1,601,211 | 5,928,415 | 0 | (3,025,191) | 0 |
| Social, Cultural, and Recreational Services | 2,771,542 | 116,363 | 0 | 73,021 | (2,582,158) | 0 |
| Agriculture and Natural Resources | 494,930 | 4,749 | 36,413 | 0 | (453,768) | 0 |
| Highways/Public Works | 5,503,235 | 87,013 | 3,367,063 | 906,538 | (1,142,621) | 0 |
| Interest on Long-term Debt | 3,416,551 | 0 | 0 | 0 | (3,416,551) | 0 |
| Total Primary Government | \$ 72,273,940 | \$ 13,356,146 | \$ 12,379,007 | \$ 2,331,181 | \$ (44,207,606) | \$ 0 |
| Component Unit: | | | | | | |
| Madison County School Department | \$ 131,593,602 | \$ 199,134 | \$ 28,177,754 | \$ 19,292 | \$ 0 | \$ (103,197,422) |
| Total Component Unit | \$ 131,593,602 | \$ 199,134 | \$ 28,177,754 | \$ 19,292 | \$ 0 | \$ (103,197,422) |

(Continued)

Exhibit B

Madison County, Tennessee
Statement of Activities (Cont.)

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | |
|--|----------|----------------------------|---|---|--|---|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary | Component Unit |
| | | | | | Government Total Governmental Activities | Madison County School Department |
| General Revenues: | | | | | | |
| Taxes: | | | | | | |
| Property Taxes Levied for General Purposes | | | | | \$ 36,636,474 | \$ 8,274,051 |
| Property Taxes Levied for Debt Service | | | | | 12,038,990 | 0 |
| Local Option Sales Taxes | | | | | 1,544,815 | 41,769,149 |
| Hotel/Motel Tax | | | | | 862,186 | 0 |
| Litigation Tax | | | | | 665,839 | 0 |
| Business Tax | | | | | 3,007,959 | 0 |
| Mixed Drink Tax | | | | | 2,144 | 220,012 |
| Wholesale Beer Tax | | | | | 283,332 | 0 |
| Other Local Taxes | | | | | 55,044 | 0 |
| Grants and Contributions Not Restricted to Specific Programs | | | | | 5,910,467 | 60,767,346 |
| Unrestricted Investment Income | | | | | 297,235 | 0 |
| Miscellaneous | | | | | 593,804 | 164,599 |
| Total General Revenues | | | | | <u>\$ 61,898,289</u> | <u>\$ 111,195,157</u> |
| Change in Net Position | | | | | | |
| Change in Net Position | | | | | \$ 17,690,683 | \$ 7,997,735 |
| Net Position, July 1, 2020 | | | | | 66,681,675 | 107,473,566 |
| Prior-period Adjustment - See Note I.D.10 | | | | | (1,474,557) | 0 |
| Restatement - See Note I.D.11 | | | | | 0 | 1,034,463 |
| Net Position, June 30, 2021 | | | | | <u><u>\$ 82,897,801</u></u> | <u><u>\$ 116,505,764</u></u> |

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

Exhibit C-1

Madison County, Tennessee
Balance Sheet
Governmental Funds
June 30, 2021

| | Major Funds | | | | |
|--|----------------------|-----------------------------|------------------------------|----------------------------|--------------------------------|
| | General | Other Special Revenue | Highway / Public Works | General Debt Service | General Capital Projects |
| <u>ASSETS</u> | | | | | |
| Cash | \$ 10,000 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Equity in Pooled Cash and Investments | 18,744,987 | 9,516,122 | 14,329,491 | 16,193,803 | 10,223,028 |
| Accounts Receivable | 695,801 | 0 | 29,802 | 205,240 | 20,796 |
| Allowance for Uncollectibles | 0 | 0 | 0 | 0 | 0 |
| Due from Other Governments | 1,107,333 | 0 | 600,361 | 0 | 3,534 |
| Due from Other Funds | 198,060 | 0 | 0 | 0 | 40,189 |
| Due from Component Units | 0 | 0 | 0 | 0 | 7,002 |
| Property Taxes Receivable | 30,214,601 | 0 | 1,795,750 | 12,737,188 | 2,703,463 |
| Allowance for Uncollectible Property Taxes | (702,877) | 0 | (41,649) | (285,426) | (46,189) |
| Total Assets | <u>\$ 50,267,905</u> | <u>\$ 9,516,122</u> | <u>\$ 16,713,755</u> | <u>\$ 28,850,805</u> | <u>\$ 12,951,823</u> |
| <u>LIABILITIES</u> | | | | | |
| Accounts Payable | \$ 359,067 | \$ 0 | \$ 272,596 | \$ 850 | \$ 162,815 |
| Accrued Payroll | 557,993 | 0 | 0 | 0 | 0 |
| Payroll Deductions Payable | 472,064 | 0 | 28,335 | 0 | 0 |
| Contracts Payable | 0 | 0 | 15 | 0 | 0 |
| Due to Other Funds | 26,114 | 0 | 1,543 | 10,190 | 0 |
| Due to Other Governments | 0 | 9,516,122 | 0 | 0 | 0 |
| Due to Joint Ventures | 6,158 | 0 | 0 | 0 | 0 |
| Other Current Liabilities | 121,501 | 0 | 0 | 0 | 0 |
| Total Liabilities | <u>\$ 1,542,897</u> | <u>\$ 9,516,122</u> | <u>\$ 302,489</u> | <u>\$ 11,040</u> | <u>\$ 162,815</u> |

(Continued)

Exhibit C-1

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

| | Major Funds | | | | |
|--|---------------|-----------------------------|------------------------------|----------------------------|--------------------------------|
| | General | Other Special Revenue | Highway / Public Works | General Debt Service | General Capital Projects |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | | |
| Deferred Current Property Taxes | \$ 28,912,095 | \$ 0 | \$ 1,718,675 | \$ 12,217,745 | \$ 2,632,461 |
| Deferred Delinquent Property Taxes | 481,461 | 0 | 27,457 | 179,183 | 10,880 |
| Other Deferred/Unavailable Revenue | 266,090 | 0 | 275,910 | 0 | 0 |
| Total Deferred Inflows of Resources | \$ 29,659,646 | \$ 0 | \$ 2,022,042 | \$ 12,396,928 | \$ 2,643,341 |
| <u>FUND BALANCES</u> | | | | | |
| Restricted: | | | | | |
| Restricted for General Government | \$ 165,378 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Restricted for Finance | 69,471 | 0 | 0 | 0 | 0 |
| Restricted for Administration of Justice | 396,585 | 0 | 0 | 0 | 0 |
| Restricted for Public Safety | 217,176 | 0 | 0 | 0 | 0 |
| Restricted for Public Health and Welfare | 40,536 | 0 | 0 | 0 | 0 |
| Restricted for Other Operations | 0 | 0 | 0 | 0 | 0 |
| Restricted for Highways/Public Works | 0 | 0 | 8,080,410 | 0 | 0 |
| Restricted for Capital Outlay | 0 | 0 | 0 | 0 | 7,661,300 |
| Restricted for Debt Service | 0 | 0 | 0 | 8,741,409 | 0 |
| Committed: | | | | | |
| Committed for General Government | 852,249 | 0 | 0 | 0 | 47,000 |
| Committed for Finance | 0 | 0 | 0 | 0 | 42,863 |
| Committed for Administration of Justice | 0 | 0 | 0 | 0 | 27,035 |
| Committed for Public Safety | 0 | 0 | 0 | 0 | 151,686 |
| Committed for Public Health and Welfare | 0 | 0 | 0 | 0 | 30,000 |
| Committed for Highways/Public Works | 0 | 0 | 6,308,814 | 0 | 0 |
| Committed for Capital Outlay | 0 | 0 | 0 | 0 | 2,185,783 |
| Committed for Debt Service | 0 | 0 | 0 | 7,701,428 | 0 |

(Continued)

Exhibit C-1

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

| | Major Funds | | | | |
|---|----------------------|-----------------------------|------------------------------|----------------------------|--------------------------------|
| | General | Other Special Revenue | Highway / Public Works | General Debt Service | General Capital Projects |
| <u>FUND BALANCES (Cont.)</u> | | | | | |
| Assigned: | | | | | |
| Assigned for General Government | \$ 71,559 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Assigned for Finance | 21,978 | 0 | 0 | 0 | 0 |
| Assigned for Administration of Justice | 13,761 | 0 | 0 | 0 | 0 |
| Assigned for Public Safety | 138,092 | 0 | 0 | 0 | 0 |
| Assigned for Public Health and Welfare | 21,639 | 0 | 0 | 0 | 0 |
| Assigned for Social, Cultural, and Recreational Services | 9,593 | 0 | 0 | 0 | 0 |
| Assigned for Agriculture and Natural Resources | 548 | 0 | 0 | 0 | 0 |
| Assigned for Other Operations | 110,336 | 0 | 0 | 0 | 0 |
| Unassigned | 16,936,461 | 0 | 0 | 0 | 0 |
| Total Fund Balances | <u>\$ 19,065,362</u> | <u>\$ 0</u> | <u>\$ 14,389,224</u> | <u>\$ 16,442,837</u> | <u>\$ 10,145,667</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 50,267,905</u> | <u>\$ 9,516,122</u> | <u>\$ 16,713,755</u> | <u>\$ 28,850,805</u> | <u>\$ 12,951,823</u> |

(Continued)

Exhibit C-1

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

| | Nonmajor Funds | Other Govern- mental Funds | Total Governmental Funds |
|--|-------------------|-------------------------------------|--------------------------------|
| <u>ASSETS</u> | | | |
| Cash | \$ 41,183 | \$ | 51,183 |
| Equity in Pooled Cash and Investments | 3,403,571 | | 72,411,002 |
| Accounts Receivable | 277,322 | | 1,228,961 |
| Allowance for Uncollectibles | (308) | | (308) |
| Due from Other Governments | 901,051 | | 2,612,279 |
| Due from Other Funds | 0 | | 238,249 |
| Due from Component Units | 0 | | 7,002 |
| Property Taxes Receivable | 3,295,918 | | 50,746,920 |
| Allowance for Uncollectible Property Taxes | (69,933) | | (1,146,074) |
| | \$ 7,848,804 | \$ | 126,149,214 |
| Total Assets | | | |
| <u>LIABILITIES</u> | | | |
| Accounts Payable | \$ 102,113 | \$ | 897,441 |
| Accrued Payroll | 111,186 | | 669,179 |
| Payroll Deductions Payable | 94,968 | | 595,367 |
| Contracts Payable | 0 | | 15 |
| Due to Other Funds | 200,402 | | 238,249 |
| Due to Other Governments | 0 | | 9,516,122 |
| Due to Joint Ventures | 38,772 | | 44,930 |
| Other Current Liabilities | 811 | | 122,312 |
| Total Liabilities | \$ 548,252 | \$ | 12,083,615 |

(Continued)

Exhibit C-1

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

| | <u>Nonmajor Funds</u> | <u>Other Govern- mental Funds</u> | <u>Total Governmental Funds</u> |
|--|---------------------------|---|---|
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | |
| Deferred Current Property Taxes | \$ 3,172,210 | | \$ 48,653,186 |
| Deferred Delinquent Property Taxes | | 42,163 | 741,144 |
| Other Deferred/Unavailable Revenue | | 214,972 | 756,972 |
| Total Deferred Inflows of Resources | <u>\$ 3,429,345</u> | | <u>\$ 50,151,302</u> |
| <u>FUND BALANCES</u> | | | |
| Restricted: | | | |
| Restricted for General Government | \$ 0 | | \$ 165,378 |
| Restricted for Finance | | 0 | 69,471 |
| Restricted for Administration of Justice | | 0 | 396,585 |
| Restricted for Public Safety | | 789,854 | 1,007,030 |
| Restricted for Public Health and Welfare | | 1,074,058 | 1,114,594 |
| Restricted for Other Operations | | 138,293 | 138,293 |
| Restricted for Highways/Public Works | | 0 | 8,080,410 |
| Restricted for Capital Outlay | | 0 | 7,661,300 |
| Restricted for Debt Service | | 0 | 8,741,409 |
| Committed: | | | |
| Committed for General Government | | 0 | 899,249 |
| Committed for Finance | | 0 | 42,863 |
| Committed for Administration of Justice | | 0 | 27,035 |
| Committed for Public Safety | | 305,260 | 456,946 |
| Committed for Public Health and Welfare | | 357,536 | 387,536 |
| Committed for Highways/Public Works | | 0 | 6,308,814 |
| Committed for Capital Outlay | | 1,206,206 | 3,391,989 |
| Committed for Debt Service | | 0 | 7,701,428 |

(Continued)

Exhibit C-1

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

FUND BALANCES (Cont.)

Assigned:

| | <u>Nonmajor Funds</u> | | <u>Total Governmental Funds</u> |
|---|---------------------------|----|---|
| Assigned for General Government | \$ 0 | \$ | 71,559 |
| Assigned for Finance | 0 | | 21,978 |
| Assigned for Administration of Justice | 0 | | 13,761 |
| Assigned for Public Safety | 0 | | 138,092 |
| Assigned for Public Health and Welfare | 0 | | 21,639 |
| Assigned for Social, Cultural, and Recreational Services | 0 | | 9,593 |
| Assigned for Agriculture and Natural Resources | 0 | | 548 |
| Assigned for Other Operations | 0 | | 110,336 |
| Unassigned | 0 | | 16,936,461 |
| Total Fund Balances | <u>\$ 3,871,207</u> | \$ | <u>63,914,297</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 7,848,804</u> | \$ | <u>126,149,214</u> |

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

Exhibit C-2

Madison County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2021

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) | | \$ | 63,914,297 |
| (1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. | | | |
| Add: land | \$ | 7,196,300 | |
| Add: construction in progress | | 45,666,278 | |
| Add: buildings and improvements net of accumulated depreciation | | 15,366,240 | |
| Add: infrastructure net of accumulated depreciation | | 17,000,441 | |
| Add: other capital assets net of accumulated depreciation | | <u>8,114,990</u> | 93,344,249 |
| (2) Internal service funds are used by management to charge the costs of employee health benefits to individual funds and to reflect the activity of the county's workers' compensation fund. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. | | | 3,248,895 |
| (3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. | | | |
| Less: note payable | \$ | (6,825,000) | |
| Less: bonds payable | | (58,320,000) | |
| Less: capital lease payable | | (965,021) | |
| Add: deferred amount on refunding | | 170,033 | |
| Less: compensated absences payable | | (5,065,205) | |
| Less: net OPEB liability | | (6,955,712) | |
| Less: accrued interest payable | | (511,928) | |
| Less: other deferred revenue - premium on debt | | <u>(6,552,060)</u> | (85,024,893) |
| (4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be amortized and recognized as components of pension and OPEB expense in future years. | | | |
| Add: deferred outflows of resources related to pensions | \$ | 2,398,498 | |
| Less: deferred inflows of resources related to pensions | | (506,512) | |
| Add: deferred outflows of resources related to OPEB | | 663,715 | |
| Less: deferred inflows of resources related to OPEB | | <u>(629,614)</u> | 1,926,087 |
| (5) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds. | | | 3,991,050 |
| (6) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds. | | | <u>1,498,116</u> |
| Net position of governmental activities (Exhibit A) | | \$ | <u><u>82,897,801</u></u> |

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

Exhibit C-3

Madison County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2021

| | Major Funds | | | | Nonmajor | Total |
|---|---------------|------------------------------|----------------------------|--------------------------------|-------------------------------------|---------------|
| | General | Highway / Public Works | General Debt Service | General Capital Projects | Other Govern- mental Funds | |
| <u>Revenues</u> | | | | | | |
| Local Taxes | \$ 37,772,392 | \$ 1,933,361 | \$ 12,663,052 | \$ 1,397,645 | \$ 2,846,966 | \$ 56,613,416 |
| Licenses and Permits | 396,906 | 0 | 0 | 0 | 0 | 396,906 |
| Fines, Forfeitures, and Penalties | 455,362 | 0 | 0 | 0 | 58,929 | 514,291 |
| Charges for Current Services | 1,029,656 | 0 | 0 | 0 | 1,535,008 | 2,564,664 |
| Other Local Revenues | 545,903 | 32,216 | 289,545 | 46,700 | 91,311 | 1,005,675 |
| Fees Received From County Officials | 6,281,534 | 0 | 0 | 0 | 0 | 6,281,534 |
| State of Tennessee | 2,816,821 | 4,292,265 | 0 | 2,028,583 | 3,908,900 | 13,046,569 |
| Federal Government | 3,421,524 | 95,814 | 0 | 0 | 42,573 | 3,559,911 |
| Other Governments and Citizens Groups | 2,349,609 | 0 | 420,000 | 1,500 | 37,778 | 2,808,887 |
| Total Revenues | \$ 55,069,707 | \$ 6,353,656 | \$ 13,372,597 | \$ 3,474,428 | \$ 8,521,465 | \$ 86,791,853 |
| <u>Expenditures</u> | | | | | | |
| Current: | | | | | | |
| General Government | \$ 2,764,254 | \$ 0 | \$ 0 | \$ 277,159 | \$ 0 | \$ 3,041,413 |
| Finance | 3,459,912 | 0 | 0 | 339,191 | 0 | 3,799,103 |
| Administration of Justice | 4,897,977 | 0 | 0 | 28,041 | 0 | 4,926,018 |
| Public Safety | 23,812,674 | 0 | 0 | 18,998,225 | 3,625,315 | 46,436,214 |
| Public Health and Welfare | 1,585,591 | 0 | 0 | 5,000 | 4,980,207 | 6,570,798 |
| Social, Cultural, and Recreational Services | 2,625,531 | 0 | 0 | 374,157 | 0 | 2,999,688 |
| Agriculture and Natural Resources | 438,034 | 0 | 0 | 0 | 0 | 438,034 |
| Other Operations | 7,780,935 | 0 | 0 | 39,209 | 180,526 | 8,000,670 |
| Highways | 0 | 5,344,310 | 0 | 0 | 0 | 5,344,310 |
| Debt Service: | | | | | | |
| Principal on Debt | 0 | 0 | 9,425,000 | 170,810 | 0 | 9,595,810 |
| Interest on Debt | 0 | 0 | 3,264,528 | 46,569 | 0 | 3,311,097 |
| Other Debt Service | 0 | 0 | 352,475 | 0 | 0 | 352,475 |
| Total Expenditures | \$ 47,364,908 | \$ 5,344,310 | \$ 13,042,003 | \$ 20,278,361 | \$ 8,786,048 | \$ 94,815,630 |

(Continued)

Exhibit C-3

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

| | Major Funds | | | | Nonmajor | Total |
|--|---------------|------------------------------|----------------------------|--------------------------------|--|----------------|
| | General | Highway / Public Works | General Debt Service | General Capital Projects | Funds Other Govern- mental Funds | |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 7,704,799 | \$ 1,009,346 | \$ 330,594 | \$ (16,803,933) | \$ (264,583) | \$ (8,023,777) |
| <u>Other Financing Sources (Uses)</u> | | | | | | |
| Refunding Debt Issued | \$ 0 | \$ 0 | \$ 7,635,000 | \$ 0 | \$ 0 | \$ 7,635,000 |
| Premiums on Debt Sold | 0 | 0 | 761,799 | 0 | 0 | 761,799 |
| Insurance Recovery | 143,592 | 0 | 0 | 84,196 | 0 | 227,788 |
| Payments to Refunded Debt Escrow Agent | 0 | 0 | (8,293,868) | 0 | 0 | (8,293,868) |
| Total Other Financing Sources (Uses) | \$ 143,592 | \$ 0 | \$ 102,931 | \$ 84,196 | \$ 0 | \$ 330,719 |
| Net Change in Fund Balances | \$ 7,848,391 | \$ 1,009,346 | \$ 433,525 | \$ (16,719,737) | \$ (264,583) | \$ (7,693,058) |
| Fund Balance, July 1, 2020 | 11,216,971 | 13,379,878 | 16,009,312 | 26,865,404 | 4,135,790 | 71,607,355 |
| Fund Balance, June 30, 2021 | \$ 19,065,362 | \$ 14,389,224 | \$ 16,442,837 | \$ 10,145,667 | \$ 3,871,207 | \$ 63,914,297 |

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

Exhibit C-4

Madison 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, 2021

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) | | \$ (7,693,058) |
| (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 | \$ 20,047,373 | |
| Less: current-year depreciation expense | <u>(4,173,664)</u> | 15,873,709 |
| (2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position. | | |
| Less: book value of capital assets disposed | | (27,059) |
| (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, 2021 | \$ 1,498,116 | |
| Less: deferred delinquent property taxes and other deferred June 30, 2020 | <u>(1,349,066)</u> | 149,050 |
| (4) The issuance of long-term debt (e.g., bonds, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. | | |
| Add: principal payments on bonds | \$ 8,615,000 | |
| Add: principal payments on notes | 810,000 | |
| Add: principal payments on capital lease | 170,810 | |
| Less: refunding note proceeds | (7,635,000) | |
| Add: refunded debt principal | 8,276,000 | |
| Add: change in premium on debt issuances | 209,193 | |
| Less: change in deferred amount on refunding debt | <u>(181,078)</u> | 10,264,925 |
| (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 | \$ 93,492 | |
| Change in compensated absences payable (net of prior period adjustment) | (774,862) | |
| Change in net OPEB liability | (484,138) | |
| Change in deferred outflows related to OPEB | (132,789) | |
| Change in deferred inflows related to OPEB | 101,436 | |
| Change in net pension asset - agent plan | (977,935) | |
| Change in deferred outflows related to pensions | 195,065 | |
| Change in deferred inflows related to pensions | <u>1,266,889</u> | (712,842) |
| (6) Internal service funds are used by management to charge the costs of employee insurance to individual funds and to reflect activities of the county's workers' compensation fund. The net revenue (expense) of certain activities of the internal service funds are reported with governmental activities in the statement of activities. | | <u>(164,042)</u> |
| Change in net position of governmental activities (Exhibit B) | | <u>\$ 17,690,683</u> |

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

Exhibit C-5

Madison County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund
For the Year Ended June 30, 2021

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2020 | Add: Encumbrances 6/30/2021 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---------------------------------------|---------------------------|-----------------------------------|-----------------------------------|---|----------------------|----------------------|--|
| | | | | | Original | Final | |
| <u>Revenues</u> | | | | | | | |
| Local Taxes | \$ 37,772,392 | \$ 0 | \$ 0 | \$ 37,772,392 | \$ 34,617,197 | \$ 34,617,197 | \$ 3,155,195 |
| Licenses and Permits | 396,906 | 0 | 0 | 396,906 | 424,215 | 424,215 | (27,309) |
| Fines, Forfeitures, and Penalties | 455,362 | 0 | 0 | 455,362 | 536,716 | 536,716 | (81,354) |
| Charges for Current Services | 1,029,656 | 0 | 0 | 1,029,656 | 1,107,886 | 1,109,863 | (80,207) |
| Other Local Revenues | 545,903 | 0 | 0 | 545,903 | 94,413 | 107,766 | 438,137 |
| Fees Received From County Officials | 6,281,534 | 0 | 0 | 6,281,534 | 5,847,220 | 5,847,220 | 434,314 |
| State of Tennessee | 2,816,821 | 0 | 0 | 2,816,821 | 1,772,295 | 2,396,489 | 420,332 |
| Federal Government | 3,421,524 | 0 | 0 | 3,421,524 | 118,000 | 4,741,930 | (1,320,406) |
| Other Governments and Citizens Groups | 2,349,609 | 0 | 0 | 2,349,609 | 1,435,670 | 1,796,734 | 552,875 |
| Total Revenues | \$ 55,069,707 | \$ 0 | \$ 0 | \$ 55,069,707 | \$ 45,953,612 | \$ 51,578,130 | \$ 3,491,577 |
| <u>Expenditures</u> | | | | | | | |
| <u>General Government</u> | | | | | | | |
| County Commission | \$ 177,704 | \$ (239) | \$ 157 | \$ 177,622 | \$ 211,159 | \$ 204,752 | \$ 27,130 |
| County Mayor/Executive | 225,597 | (127) | 300 | 225,770 | 249,377 | 249,390 | 23,620 |
| Personnel Office | 247,911 | (39) | 76 | 247,948 | 250,676 | 251,609 | 3,661 |
| County Attorney | 99,900 | 0 | 0 | 99,900 | 67,900 | 99,900 | 0 |
| Election Commission | 427,664 | (402) | 1,000 | 428,262 | 455,662 | 452,506 | 24,244 |
| Register of Deeds | 405,959 | (1,890) | 0 | 404,069 | 389,526 | 421,080 | 17,011 |
| County Buildings | 440,367 | (4,031) | 18,948 | 455,284 | 494,271 | 505,038 | 49,754 |
| Other Facilities | 588,587 | (3,092) | 49,903 | 635,398 | 698,079 | 699,301 | 63,903 |
| Preservation of Records | 84,908 | 0 | 0 | 84,908 | 94,597 | 98,141 | 13,233 |
| Risk Management | 65,657 | 0 | 1,175 | 66,832 | 68,457 | 69,321 | 2,489 |
| <u>Finance</u> | | | | | | | |
| Accounting and Budgeting | 777,394 | (3,303) | 4,237 | 778,328 | 864,978 | 864,265 | 85,937 |
| Property Assessor's Office | 694,365 | (25) | 19 | 694,359 | 739,232 | 738,907 | 44,548 |
| Reappraisal Program | 276,645 | (200) | 1,672 | 278,117 | 386,027 | 374,009 | 95,892 |
| County Trustee's Office | 439,973 | (183) | 568 | 440,358 | 440,540 | 448,336 | 7,978 |
| County Clerk's Office | 680,913 | (150) | 580 | 681,343 | 719,331 | 720,286 | 38,943 |
| Data Processing | 499,326 | (2,205) | 14,707 | 511,828 | 507,662 | 528,710 | 16,882 |

(Continued)

Exhibit C-5

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

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2020 | Add: Encumbrances 6/30/2021 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|----------------------------------|---------------------------|-----------------------------------|-----------------------------------|---|------------------|-----------|--|
| | | | | | Original | Final | |
| <u>Expenditures (Cont.)</u> | | | | | | | |
| <u>Finance (Cont.)</u> | | | | | | | |
| Other Finance | \$ 91,296 | \$ 0 | \$ 195 | \$ 91,491 | \$ 91,185 | \$ 92,295 | 804 |
| <u>Administration of Justice</u> | | | | | | | |
| Circuit Court | 1,461,645 | 0 | 0 | 1,461,645 | 1,412,271 | 1,541,969 | 80,324 |
| General Sessions Court | 379,921 | 0 | 0 | 379,921 | 412,083 | 413,134 | 33,213 |
| Drug Court | 500 | 0 | 0 | 500 | 15,000 | 15,000 | 14,500 |
| Chancery Court | 781,903 | (3,095) | 12,187 | 790,995 | 864,240 | 850,756 | 59,761 |
| Juvenile Court | 521,296 | (4,899) | 325 | 516,722 | 460,289 | 543,580 | 26,858 |
| Juvenile Court Clerk | 425,430 | 0 | 446 | 425,876 | 434,941 | 442,547 | 16,671 |
| District Attorney General | 74,467 | 0 | 0 | 74,467 | 75,091 | 75,891 | 1,424 |
| Office of Public Defender | 109,384 | 0 | 0 | 109,384 | 132,066 | 126,361 | 16,977 |
| Other Administration of Justice | 77,125 | (2,445) | 803 | 75,483 | 113,582 | 81,004 | 5,521 |
| Courtroom Security | 1,066,306 | 0 | 0 | 1,066,306 | 1,232,076 | 1,104,316 | 38,010 |
| <u>Public Safety</u> | | | | | | | |
| Sheriff's Department | 9,355,782 | (109,195) | 103,272 | 9,349,859 | 8,933,069 | 9,829,997 | 480,138 |
| Special Patrols | 824,415 | (4,159) | 2,816 | 823,072 | 879,614 | 944,586 | 121,514 |
| Drug Enforcement | 727,376 | (943) | 1,293 | 727,726 | 742,024 | 794,030 | 66,304 |
| Jail | 8,832,778 | (15,458) | 10,349 | 8,827,669 | 8,659,644 | 9,014,710 | 187,041 |
| Workhouse | 1,708,335 | (876) | 774 | 1,708,233 | 1,687,772 | 1,761,386 | 53,153 |
| Work Release Program | 40,597 | 0 | 0 | 40,597 | 40,704 | 41,649 | 1,052 |
| Fire Prevention and Control | 1,276,027 | (18,167) | 13,365 | 1,271,225 | 1,409,513 | 1,297,106 | 25,881 |
| Civil Defense | 382,858 | 0 | 2,299 | 385,157 | 364,834 | 392,187 | 7,030 |
| Disaster Relief | 143,664 | 0 | 300 | 143,964 | 0 | 155,275 | 11,311 |
| Inspection and Regulation | 245,416 | (450) | 3,624 | 248,590 | 306,832 | 290,420 | 41,830 |
| County Coroner/Medical Examiner | 248,734 | 0 | 0 | 248,734 | 206,160 | 249,371 | 637 |
| Other Public Safety | 26,692 | 0 | 0 | 26,692 | 0 | 26,700 | 8 |
| <u>Public Health and Welfare</u> | | | | | | | |
| Local Health Center | 1,363,096 | (27,219) | 16,682 | 1,352,559 | 1,965,074 | 1,545,070 | 192,511 |
| Rabies and Animal Control | 200,554 | (3,699) | 4,957 | 201,812 | 268,513 | 230,777 | 28,965 |
| Other Local Welfare Services | 21,941 | 0 | 0 | 21,941 | 21,941 | 21,941 | 0 |

(Continued)

Exhibit C-5

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

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2020 | Add: Encumbrances 6/30/2021 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|---------------|--|
| | | | | | Original | Final | |
| <u>Expenditures (Cont.)</u> | | | | | | | |
| <u>Social, Cultural, and Recreational Services</u> | | | | | | | |
| Libraries | \$ 1,373,262 | \$ 0 | \$ 0 | \$ 1,373,262 | \$ 1,373,262 | \$ 1,373,262 | \$ 0 |
| Parks and Fair Boards | 1,146,949 | (2,563) | 6,990 | 1,151,376 | 1,169,872 | 1,174,577 | 23,201 |
| Other Social, Cultural, and Recreational | 105,320 | (1,475) | 2,603 | 106,448 | 166,527 | 170,893 | 64,445 |
| <u>Agriculture and Natural Resources</u> | | | | | | | |
| Agricultural Extension Service | 281,565 | (10,354) | 548 | 271,759 | 288,272 | 295,069 | 23,310 |
| Soil Conservation | 89,469 | 0 | 0 | 89,469 | 124,105 | 113,337 | 23,868 |
| Flood Control | 67,000 | 0 | 0 | 67,000 | 67,000 | 67,000 | 0 |
| <u>Other Operations</u> | | | | | | | |
| Tourism | 32,500 | 0 | 0 | 32,500 | 32,500 | 32,500 | 0 |
| Industrial Development | 72,000 | 0 | 0 | 72,000 | 72,000 | 72,000 | 0 |
| Airport | 245,594 | 0 | 0 | 245,594 | 243,113 | 243,633 | (1,961) |
| Veterans' Services | 85,376 | 0 | 371 | 85,747 | 95,918 | 96,863 | 11,116 |
| Other Charges | 432,597 | 0 | 0 | 432,597 | 525,124 | 526,124 | 93,527 |
| Employee Benefits | 442,420 | 0 | 0 | 442,420 | 0 | 458,720 | 16,300 |
| COVID-19 Grant #1 | 42,025 | 0 | 0 | 42,025 | 0 | 42,025 | 0 |
| COVID-19 Grant #2 | 1,601,275 | 0 | 12,300 | 1,613,575 | 0 | 2,836,841 | 1,223,266 |
| COVID-19 Grant #3 | 7,464 | 0 | 0 | 7,464 | 0 | 55,000 | 47,536 |
| COVID-19 Grant #4 | 53,251 | 0 | 0 | 53,251 | 0 | 53,251 | 0 |
| COVID-19 Grant #5 | 2,007,059 | 0 | 94,101 | 2,101,160 | 0 | 2,193,216 | 92,056 |
| COVID-19 Grant C | 96,107 | 0 | 0 | 96,107 | 0 | 96,107 | 0 |
| Miscellaneous | 2,663,267 | (3,530) | 3,564 | 2,663,301 | 2,233,127 | 2,849,185 | 185,884 |
| Total Expenditures | \$ 47,364,908 | \$ (224,413) | \$ 387,506 | \$ 47,528,001 | \$ 43,756,812 | \$ 51,357,212 | \$ 3,829,211 |
| <u>Excess (Deficiency) of Revenues</u> | | | | | | | |
| Over Expenditures | \$ 7,704,799 | \$ 224,413 | \$ (387,506) | \$ 7,541,706 | \$ 2,196,800 | \$ 220,918 | \$ 7,320,788 |
| <u>Other Financing Sources (Uses)</u> | | | | | | | |
| Insurance Recovery | \$ 143,592 | \$ 0 | \$ 0 | \$ 143,592 | \$ 0 | \$ 133,446 | \$ 10,146 |
| Transfers In | 0 | 0 | 0 | 0 | 250,000 | 0 | 0 |
| Total Other Financing Sources | \$ 143,592 | \$ 0 | \$ 0 | \$ 143,592 | \$ 250,000 | \$ 133,446 | \$ 10,146 |

(Continued)

Exhibit C-5

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

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2020 | Add: Encumbrances 6/30/2021 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|-----------------------------|---------------------------|-----------------------------------|-----------------------------------|---|------------------|---------------|--|
| | | | | | Original | Final | |
| Net Change in Fund Balance | \$ 7,848,391 | \$ 224,413 | \$ (387,506) | \$ 7,685,298 | \$ 2,446,800 | \$ 354,364 | \$ 7,330,934 |
| Fund Balance, July 1, 2020 | 11,216,971 | (224,413) | 0 | 10,992,558 | 8,996,823 | 10,985,098 | 7,460 |
| Fund Balance, June 30, 2021 | \$ 19,065,362 | \$ 0 | \$ (387,506) | \$ 18,677,856 | \$ 11,443,623 | \$ 11,339,462 | \$ 7,338,394 |

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

Exhibit C-6

Madison 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, 2021

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2020 | Add: Encumbrances 6/30/2021 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|----------------|--|
| | | | | | Original | Final | |
| <u>Revenues</u> | | | | | | | |
| Local Taxes | \$ 1,933,361 | \$ 0 | \$ 0 | \$ 1,933,361 | \$ 1,902,881 | \$ 1,909,430 | \$ 23,931 |
| Other Local Revenues | 32,216 | 0 | 0 | 32,216 | 11,000 | 11,000 | 21,216 |
| State of Tennessee | 4,292,265 | 0 | 0 | 4,292,265 | 3,996,054 | 3,996,054 | 296,211 |
| Federal Government | 95,814 | 0 | 0 | 95,814 | 0 | 600,000 | (504,186) |
| Total Revenues | \$ 6,353,656 | \$ 0 | \$ 0 | \$ 6,353,656 | \$ 5,909,935 | \$ 6,516,484 | \$ (162,828) |
| <u>Expenditures</u> | | | | | | | |
| <u>Highways</u> | | | | | | | |
| Administration | \$ 381,755 | \$ 0 | \$ 604 | \$ 382,359 | \$ 472,943 | \$ 504,929 | \$ 122,570 |
| Highway and Bridge Maintenance | 2,472,030 | (15,540) | 33,407 | 2,489,897 | 3,319,413 | 3,636,823 | 1,146,926 |
| Operation and Maintenance of Equipment | 305,747 | (3,172) | 7,842 | 310,417 | 527,911 | 528,725 | 218,308 |
| Other Charges | 218,420 | (265) | 265 | 218,420 | 230,000 | 230,000 | 11,580 |
| Employee Benefits | 60,762 | 0 | 0 | 60,762 | 113,375 | 113,375 | 52,613 |
| Capital Outlay | 1,905,596 | (79,079) | 415,618 | 2,242,135 | 2,529,656 | 2,831,406 | 589,271 |
| Total Expenditures | \$ 5,344,310 | \$ (98,056) | \$ 457,736 | \$ 5,703,990 | \$ 7,193,298 | \$ 7,845,258 | \$ 2,141,268 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 1,009,346 | \$ 98,056 | \$ (457,736) | \$ 649,666 | \$ (1,283,363) | \$ (1,328,774) | \$ 1,978,440 |
| Net Change in Fund Balance | \$ 1,009,346 | \$ 98,056 | \$ (457,736) | \$ 649,666 | \$ (1,283,363) | \$ (1,328,774) | \$ 1,978,440 |
| Fund Balance, July 1, 2020 | 13,379,878 | (98,056) | 0 | 13,281,822 | 11,411,266 | 13,281,822 | 0 |
| Fund Balance, June 30, 2021 | \$ 14,389,224 | \$ 0 | \$ (457,736) | \$ 13,931,488 | \$ 10,127,903 | \$ 11,953,048 | \$ 1,978,440 |

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

Exhibit D-1

Madison County, Tennessee
Statement of Net Position
Proprietary Funds
June 30, 2021

| | Governmental Activities |
|---------------------------------------|---------------------------------------|
| | <u>Internal Service Funds</u> |
| <u>ASSETS</u> | |
| Equity in Pooled Cash and Investments | \$ 2,797,681 |
| Accounts Receivable | 6,402 |
| Due from Other Funds | <u>747,632</u> |
| Total Assets | <u>\$ 3,551,715</u> |
| <u>LIABILITIES</u> | |
| Accounts Payable | \$ 302,820 |
| Total Liabilities | <u>\$ 302,820</u> |
| <u>NET POSITION</u> | |
| Unrestricted | <u>\$ 3,248,895</u> |
| Net Position | <u><u>\$ 3,248,895</u></u> |

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

Exhibit D-2

Madison County, Tennessee
Statement of Revenues, Expenses, and
Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2021

| | Governmental Activities <hr/> Internal Service Funds <hr/> |
|---------------------------------------|---|
| <u>Operating Revenues</u> | |
| Self-Insurance Premiums/Contributions | \$ 6,186,133 |
| Total Operating Revenues | <u>\$ 6,186,133</u> |
| <u>Operating Expenses</u> | |
| Medical Claims | \$ 6,258,440 |
| Liability Claims | 37,585 |
| Other Charges | 59,508 |
| Total Operating Expenses | <u>\$ 6,355,533</u> |
| Operating Income (Loss) | <u>\$ (169,400)</u> |
| <u>Nonoperating Revenues</u> | |
| Investment Income | \$ 5,358 |
| Total Nonoperating Revenues | <u>\$ 5,358</u> |
| Change in Net Position | \$ (164,042) |
| Net Position, July 1, 2020 | <u>3,412,937</u> |
| Net Position, June 30, 2021 | <u><u>\$ 3,248,895</u></u> |

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

Exhibit D-3

Madison County, Tennessee
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2021

| | Governmental Activities |
|---|------------------------------|
| | Internal Service Funds |
| | <hr/> |
| <u>Cash Flows from Operating Activities</u> | |
| Receipts for Self-Insurance Premiums | \$ 5,945,457 |
| Payments for Medical Claims | (6,199,830) |
| Payments for Liability Claims | (37,585) |
| Payments for Administrative Costs | (59,508) |
| Net Cash Provided By (Used In) Operating Activities | <u>\$ (351,466)</u> |
| <u>Cash Flows from Investing Activities</u> | |
| Interest on Investments | <u>\$ 5,358</u> |
| Net Cash Provided By (Used In) Investing Activities | <u>\$ 5,358</u> |
| Increase (Decrease) in Cash | \$ (346,108) |
| Cash, July 1, 2020 | <u>3,143,789</u> |
| Cash, June 30, 2021 | <u><u>\$ 2,797,681</u></u> |
| <u>Reconciliation of Net Operating Income (Loss)</u> <u>to Net Cash Provided By (Used In) Operating Activities</u> | |
| Operating Income (Loss) | \$ (169,400) |
| Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities: | |
| (Increase) Decrease in Due from Other Funds | 1,165 |
| (Increase) Decrease in Accounts Receivables | (241,841) |
| Increase (Decrease) in Accounts Payable | <u>58,610</u> |
| Net Cash Provided By (Used In) Operating Activities | <u><u>\$ (351,466)</u></u> |
| <u>Reconciliation of Cash With the Statement of Net Position</u> <u>Equity in Pooled Cash and Investments Per Net Position</u> | |
| | <u>\$ 2,797,681</u> |
| Cash, June 30, 2021 | <u><u>\$ 2,797,681</u></u> |

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

Exhibit E-1

Madison County, Tennessee
Statement of Net Position
Fiduciary Funds
June 30, 2021

| | <u>Custodial Funds</u> |
|---|----------------------------|
| <u>ASSETS</u> | |
| Cash | \$ 5,783,907 |
| Equity in Pooled Cash and Investments | 218,630 |
| Accounts Receivable | 113,792 |
| Due from Other Governments | <u>4,202,332</u> |
| Total Assets | <u>\$ 10,318,661</u> |
| <u>LIABILITIES</u> | |
| Due to Other Taxing Units | \$ 4,385,272 |
| Other Current Liabilities | <u>77,329</u> |
| Total Liabilities | <u>\$ 4,462,601</u> |
| <u>NET POSITION</u> | |
| Restricted for Individuals, Organizations and Other Governments | <u>\$ 5,856,060</u> |
| Total Net Position | <u><u>\$ 5,856,060</u></u> |

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

Madison County, Tennessee
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended June 30, 2021

| | <u>Custodial Funds</u> |
|--|----------------------------|
| <u>ADDITIONS</u> | |
| Sales Tax Collections for Other Governments | \$ 23,547,502 |
| Property Tax Collections for Other Governments | 290,837 |
| Hotel/Motel Tax Collections for Other Governments | 1,278,279 |
| Fines/Fees and Other Collections | 25,353,648 |
| District Attorney General Collections | 9,338 |
| Total Additions | <u>\$ 50,479,604</u> |
| <u>DEDUCTIONS</u> | |
| Payment of Sales Tax Collections to Other Governments | \$ 23,547,502 |
| Payment of Property Tax Collections to Other Governments | 290,837 |
| Payment of Hotel/Motel Tax for Other Governments | 1,278,279 |
| Payments to State | 9,260,764 |
| Payments to Cities, Individuals, and Others | 16,002,072 |
| Payment of District Attorney General Expenses | 3,321 |
| Total Deductions | <u>\$ 50,382,775</u> |
| Net Increase (Decrease) in Fiduciary in Net Position | \$ 96,829 |
| Net Position, July 1, 2020 | 0 |
| Restatement - See Note I.D.11 | <u>5,759,231</u> |
| Net Position, June 30, 2021 | <u>\$ 5,856,060</u> |

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

MADISON COUNTY, TENNESSEE
Index of Notes to the Financial Statements

| Note | Page(s) |
|---|---------|
| I. Summary of Significant Accounting Policies | |
| A. Reporting Entity | 49 |
| B. Government-wide and Fund Financial Statements | 50 |
| C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation | 51 |
| D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance | |
| 1. Deposits and Investments | 54 |
| 2. Receivables and Payables | 55 |
| 3. Restricted Assets | 56 |
| 4. Capital Assets | 57 |
| 5. Deferred Outflows/Inflows of Resources | 57 |
| 6. Compensated Absences | 58 |
| 7. Long-term Debt and Long-term Obligations | 59 |
| 8. Net Position and Fund Balance | 59 |
| 9. Minimum Fund Balance Policy | 61 |
| 10. Prior-period Adjustment | 61 |
| 11. Restatements | 61 |
| E. Pension Plans | 61 |
| F. Other Postemployment Benefit (OPEB) Plans | 62 |
| 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 | 63 |
| 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 | 63 |
| III. Stewardship, Compliance, and Accountability | |
| Budgetary Information | 63 |
| IV. Detailed Notes on All Funds | |
| A. Deposits and Investments | 64 |
| B. Capital Assets | 72 |
| C. Construction Commitments | 74 |
| D. Interfund Receivables, Payables, and Transfers | 74 |
| E. Operating Leases | 75 |
| F. Capital Lease | 76 |
| G. Long-term Debt | 77 |
| H. Long-term Obligations | 80 |
| I. On-Behalf Payments | 81 |
| J. Short-term Debt | 82 |

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

| Note | Page(s) |
|--|----------------|
| V. Other Information | |
| A. Risk Management | 82 |
| B. Accounting Changes | 84 |
| C. Contingent Liabilities | 84 |
| D. Change in Administration | 85 |
| E. Joint Ventures | 85 |
| F. Jointly Governed Organizations | 86 |
| G. Retirement Commitments | |
| 1. Tennessee Consolidated Retirement System (TCRS) | 86 |
| 2. Deferred Compensation | 104 |
| H. Other Postemployment Benefits (OPEB) | 105 |
| I. Office of Central Accounting and Budgeting | 114 |
| J. Purchasing Law | 114 |
| K. Subsequent Event | 115 |

MADISON COUNTY, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Madison County's financial statements are presented in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments.

The following are the more significant accounting policies of Madison County:

A. Reporting Entity

Madison County is a public municipal corporation governed by an elected 25-member board. As required by GAAP, these financial statements present Madison County (the primary government) and its component units. The financial statements of the Madison County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of its omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

The Madison County School Department operates the public school system in the county, and the voters of Madison County elect its board. The school department is fiscally dependent on the county because it may not issue debt, and its budget and property tax levy are subject to the county commission's approval. The school department's taxes are levied under the taxing authority of the county and are included as part of the county's total tax levy.

The Madison County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Madison County, and the Madison County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the county commission's approval. The financial statements of the Madison County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

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

Administrative Office:

Madison County Emergency Communications District
914 N. Highland Avenue
Jackson, TN 38301

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. However, the primary government of Madison County does not have any business-type activities to report. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The Madison 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.

Madison County issues all debt for the discretely presented Madison County School Department. There were no debt issues contributed by the county to the school department during the year ended June 30, 2021.

Separate financial statements are provided for governmental funds, proprietary funds (internal service), and fiduciary funds. The internal service funds are 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 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 Madison County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. Madison County reports two proprietary funds, internal service funds. It has no enterprise funds to report.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All other governmental funds are aggregated into a single column on the fund financial statements. The internal service funds 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 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Madison County considers grants and similar revenues to be available if they are collected within 120 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are

recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

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 custodial funds.

Madison 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 Special Revenue Fund –This special revenue fund accounts for the proceeds received from the American Rescue Plan.

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.

General Capital Projects Fund – This fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Additionally, Madison County reports the following fund types:

Internal Service Funds – These funds, the Employee Insurance and the Workers’ Compensation funds, are used to account for the county’s self-insured health and workers’ compensation programs. Premiums charged to the various county funds and employee payroll deductions are placed in these funds to pay the claims of county employees.

Custodial Funds – These funds account for amounts collected in a custodial capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Madison County, assessments for the watershed district, hotel/motel taxes for the Jackson-Madison County Community Economic Development Commission, and restricted revenues held for the benefit of the Office of District Attorney General.

The discretely presented Madison 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 accounts for transactions involving building construction and renovations of the school department.

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

Fiduciary Fund – The Pension Trust Fund is used to account for a former City of Jackson Teacher Retirement Plan, which was assumed by the Madison County Board of Education as a result of the consolidation of the city and county school systems.

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 (FY21) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior year balances (FY20) 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 (internal service funds) used to account for employees' health insurance coverage and workers' compensation. 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 funds are insurance premiums/contributions. Operating expenses for the internal service funds include administrative expenses, medical benefits, and workers' compensation benefits.

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

1. Deposits and Investments

For purposes of the Statement of Cash Flows, cash consists of Equity in Pooled Cash and Investments 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 Madison 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 Debt Service Fund. Madison 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. Madison County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value.

2. Receivables and Payables

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

All health department and property taxes receivables are shown with an allowance for uncollectibles. Health department receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to 1.18 percent of total taxes levied.

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

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current

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

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

3. Restricted Assets

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

Restricted assets also consist of amounts held in trust by the Tennessee School Board Association (TSBA) OPEB Trust for the benefit of the discretely presented Madison County School Department. These funds are held and invested by the trust pursuant to an irrevocable agreement and may only be used to reimburse the Madison County School Department for postemployment benefits paid from school department funds. To date, the Madison County School Department has not requested any amounts to be reimbursed by the trust. Trust documents provide that the funds are not subject to the claims of general creditors of the school department.

Since the payment of postemployment benefits has not been administered through this trust, the trust is not considered to be in compliance with paragraph 4 of Governmental Accounting Standards Board Statement No. 75. OPEB liabilities of the school department are therefore reported gross and have not been reduced by balances of the

trust. The trust is reported as an asset and restricted fund balance of the school department's General Purpose School Fund.

4. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government and the discretely presented Madison County School Department as assets with an initial, individual cost of \$15,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

| <u>Assets</u> | <u>Years</u> |
|----------------------------|--------------|
| Buildings and Improvements | 25 - 40 |
| Other Capital Assets | 5 - 30 |
| Infrastructure: | |
| Roads | 5 - 30 |
| Bridges | 30 |
| Schools | 10 |

5. Deferred Outflows/Inflows of Resources

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

and proportion; pension changes in investment earnings; employer contributions made to the pension and OPEB plans after the measurement date; and a deferred charge on refunding. 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. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet. These items are from the following sources: current and delinquent property taxes, pension and OPEB changes in experience and 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.

6. Compensated Absences

Madison County and the discretely presented Madison County School Department permit employees to accumulate a limited amount of earned but unused vacation benefits that will be paid to employees upon separation from service. Additionally, Madison County permits non-law enforcement personnel to accumulate up to 240 hours of compensatory time and law enforcement personnel to accumulate up to 480 hours of compensatory time which will be paid to employees upon separation of service. Additionally, Madison County has permitted law enforcement personnel to accumulate an unlimited amount of earned but unused holiday time that will be paid to employees upon separation from service. All vacation, compensatory, and holiday time is accrued when incurred in the government-wide statements for the county. A liability for vacation, compensatory, and holiday pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

Madison County and the discretely presented Madison County School Department permit employees to accumulate a limited amount of earned but unused sick leave; however, the granting of sick leave has no guaranteed payment attached, except for employees of the highway department.

7. Long-term Debt and Long-term Obligations

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

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

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

8. Net Position and Fund Balance

In the government-wide financial statements and the proprietary funds 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, 2021, Madison County had \$25,760,150 in outstanding debt for capital purposes for the discretely presented Madison County School Department. This debt is a liability of Madison County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Madison County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

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

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

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

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

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes but are neither restricted nor committed (excluding stabilization arrangements). The county commission has by resolution authorized the county's finance committee to make assignments

for the general government. The Board of Education makes assignments for the school department.

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

9. Minimum Fund Balance Policy

To provide management with appropriate guidelines and direction to assist in making sound decisions related to managing the fund balance of certain governmental funds, the county commission adopted the following minimum fund balance policy:

General Fund – 15 percent of next year’s budget in unassigned fund balance.

General Debt Service Fund – 40 percent of next year’s budget in a combination of restricted, committed, and unassigned fund balances.

10. Prior-period Adjustment

Compensated absences were restated \$1,474,557 from the prior year because compensatory time for county employees and holiday pay for the sheriff’s department had been omitted.

11. Restatements

Due to the implementation of GASB Statement 84, a special revenue fund (Internal School Fund) is reflected in the financial statements of the discretely presented Madison County School Department. A restatement of \$1,034,463 has been presented to reflect the beginning balance of this fund.

In prior years, the custodial funds had no measurement focus. However, due to the implementation of GASB Statement 84, the beginning balance of these funds has been restated by \$5,759,231 using the economic measurement focus and the accrual basis of accounting.

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 Madison County’s

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

Discretely Presented Madison 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 Madison 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 Madison County School Department

Exhibit K-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 changes 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 Madison County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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

The county is required by state statute to adopt annual budgets. Annual budgets are prepared on the basis in which current available funds must be sufficient to meet current expenditures. Expenditures and encumbrances may not legally exceed

appropriations authorized by the county commission and any authorized revisions. Unencumbered appropriations lapse at the end of each fiscal year.

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

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

At June 30, 2021, Madison County and the Madison County School Department had the following significant encumbrances:

| <u>Funds</u> | <u>Amount</u> |
|----------------------------|---------------|
| Primary Government: | |
| Major Funds: | |
| General | \$ 387,506 |
| Highway/Public Works | 457,736 |
| General Capital Projects | 298,584 |
| Nonmajor Funds: | |
| Juvenile Services | 40,786 |
| Solid/Waste Sanitation | 73,017 |
| Special Purpose | 55,296 |
| Drug Control | 2,191 |
| School Department: | |
| Major Funds: | |
| General Purpose School | 1,108,733 |
| School Federal Projects | 73,400 |
| Education Capital Projects | 2,386,651 |
| Nonmajor Fund: | |
| Central Cafeteria | 247,201 |

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Madison County and the Madison 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 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 pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

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

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

by the state treasurer upon concurrence by the commissioner of financial institutions and finance and administration. There are currently only two eligible programs that have been approved by the state treasurer: the Certificate of Deposit Account Registry Service (CDARS) and the Insured Cash Sweep (ICS), which operate through IntraFi Network, LLC.

Investments

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

Investment Balances. As of June 30, 2021, Madison County had the following investments carried at amortized cost using a Stable Net Asset Value, amortized cost using a floating Net Asset Value, or fair value within the fair value hierarchy established by generally accepted accounting principles. Separate disclosures concerning pooled investments cannot be made for Madison County and the discretely presented Madison County School Department since both pool their deposits and investments through the county trustee.

| Investment | Weighted Average Maturity (days) | Maturities | Fair Value or Amortized Cost |
|-----------------------------------|---|------------------|---------------------------------------|
| Investments at Amortized Cost: | | | |
| State Treasurer's Investment Pool | 1 to 68 | N/A | \$ 19,331 |
| Investments at Fair Value: | | | |
| Municipal Bonds | N/A | 7/1/21 to 4/1/26 | <u>6,089,562</u> |
| Total | | | <u><u>\$ 6,108,893</u></u> |

| Investment by Fair Value Level | Fair Value 6/30/2021 | Fair Value Measurements Using Quoted Prices in Active Markets for Identical Assets (Level 1) |
|--------------------------------|----------------------------|---|
| Municipal Bonds | <u>\$ 6,089,562</u> | <u>\$ 6,089,562</u> |
| Total | <u><u>\$ 6,089,562</u></u> | <u><u>\$ 6,089,562</u></u> |

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

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. Madison 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. Madison County has no investment policy that would further limit its investment choices. As of June 30, 2021, Madison County's investment in the municipal bonds was rated A1 to Aaa3 by Moody's Investor's Service and A- to AA+ by Fitch Ratings.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the county's investment in a single issuer. Madison County places no limit on the amount the county may invest in one issuer. More than five percent of the county's investments are in the Federal Home Loan Mortgage Corporation. These investments represent all of the county's investments.

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 Consolidated Annual Financial Report at <https://www.tn.gov/finance/rd-doa/fa-accfin-ar.html>.

TCRS Stabilization Trust

Legal Provisions. The Madison 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 Madison 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.

At June 30, 2021, the Madison 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 | \$ 352,521 |
| Developed Market International Equity | N/A | N/A | 159,203 |
| Emerging Market International Equity | N/A | N/A | 45,487 |
| U.S. Fixed Income | N/A | N/A | 227,433 |
| Real Estate | N/A | N/A | 113,718 |
| Short-term Securities | N/A | N/A | 11,370 |
| NAV - Private Equity and Strategic Lending | N/A | N/A | 227,433 |
| Total | | | \$ 1,137,165 |

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>.

OPEB Trust

Legal Provisions. The Madison County School Department is a member of the Tennessee School Board OPEB Trust. The school department has placed funds into the irrevocable trust as authorized by the Other Postemployment Benefit Trust Act of 2006, Section 8-50-1201, et. seq., *Tennessee Code Annotated*. 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 postemployment benefits of that member's employees. Trust documents provide that the funds are not subject to the claims of general creditors of the school department.

The trust is authorized to make investments in securities as authorized by each member's investment committee. The Madison County School Department has authorized investments in equity investments, fixed income investments, and cash and equivalents.

Investment Balances. At June 30, 2021, the Madison County School Department had the following investments held by the trust on its behalf.

| Investment | Weighted Average Maturity (days) | Maturities | Fair Value |
|-----------------------------|---|------------|----------------|
| Investments at Fair Value: | | | |
| Equities | N/A | N/A | \$ 347,190 |
| Fixed Income and Preferreds | N/A | N/A | 153,051 |
| Structured Investments | N/A | N/A | 4,109 |
| Cash | N/A | N/A | 9,245 |
| Total | | | \$ 513,595 |

| Investment by Fair Value Level | Fair Value Measurements Using | | | | NAV |
|--------------------------------|-------------------------------|--|---|--|-------|
| | Fair Value 6-30-21 | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | |
| Equities | \$ 347,190 | \$ 347,190 | \$ 0 | \$ 0 | 0 |
| U.S. Fixed Income & Preferreds | 153,051 | 0 | 153,051 | 0 | 0 |
| Structured Investments | 4,109 | 0 | 0 | 4,109 | 0 |
| Cash | 9,245 | 0 | 9,245 | 0 | 0 |
| Total | \$ 513,595 | \$ 347,190 | \$ 162,296 | \$ 4,109 | 0 |

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

Risks and Uncertainties. The trust's investments include various types of investment funds, which in turn invest in any combination of stock, bonds and other investments exposed to various risks, such as interest rate, credit, and market risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported for trust investments.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Madison County School Department does not have a formal investment policy that limits trust

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. The Madison County School Department does not have a formal investment policy that limits the credit ratings of individual investments made by the trust.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the county's investment in a single issuer. Madison County School Department places no limit on the amount the county may invest in one issuer.

Custodial Credit Risk. Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the county will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Pursuant to the trust agreement, investments are held in the name of the trust for the benefit of the Madison County School Department to pay postemployment benefits of the school department employees.

For further information concerning the school departments investments with the TSBA, audited financial statements of the TSBA OPEB Trust may be obtained from the TSBA administrative office at 525 Brick Church Park Drive, Nashville, TN 37207.

B. Capital Assets

Capital assets activity for the year ended June 30, 2021, was as follows:

Primary Government

Governmental Activities:

| | Balance 7-1-20 | Increases | Decreases | Balance 6-30-21 |
|--|-----------------------|-----------------------|-------------------|-----------------------|
| Capital Assets Not Depreciated: | | | | |
| Land | \$ 7,196,300 | \$ 0 | \$ 0 | \$ 7,196,300 |
| Construction in Progress | 27,871,184 | 17,795,094 | 0 | 45,666,278 |
| Total Capital Assets Not Depreciated | <u>\$ 35,067,484</u> | <u>\$ 17,795,094</u> | <u>\$ 0</u> | <u>\$ 52,862,578</u> |
| Capital Assets Depreciated: | | | | |
| Buildings and Improvements | \$ 31,290,112 | \$ 399,663 | \$ 0 | \$ 31,689,775 |
| Infrastructure | 62,745,029 | 514,137 | 0 | 63,259,166 |
| Other Capital Assets | 28,984,606 | 1,338,479 | 372,972 | 29,950,113 |
| Total Capital Assets Depreciated | <u>\$ 123,019,747</u> | <u>\$ 2,252,279</u> | <u>\$ 372,972</u> | <u>\$ 124,899,054</u> |
| Less Accumulated Depreciation For: | | | | |
| Buildings and Improvements | \$ 15,547,754 | \$ 775,781 | \$ 0 | \$ 16,323,535 |
| Infrastructure | 44,586,602 | 1,672,123 | 0 | 46,258,725 |
| Other Capital Assets | 20,455,276 | 1,725,760 | 345,913 | 21,835,123 |
| Total Accumulated Depreciation | <u>\$ 80,589,632</u> | <u>\$ 4,173,664</u> | <u>\$ 345,913</u> | <u>\$ 84,417,383</u> |
| Total Capital Assets Depreciated, Net | <u>\$ 42,430,115</u> | <u>\$ (1,921,385)</u> | <u>\$ 27,059</u> | <u>\$ 40,481,671</u> |
| Governmental Activities Capital Assets, Net | <u>\$ 77,497,599</u> | <u>\$ 15,873,709</u> | <u>\$ 27,059</u> | <u>\$ 93,344,249</u> |

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

Governmental Activities:

| | |
|---|--------------------------------|
| General Government | \$ 100,828 |
| Finance | 89,587 |
| Administration of Justice | 174,074 |
| Public Safety | 1,619,014 |
| Public Health and Welfare | 212,134 |
| Social, Cultural, and Recreational Services | 86,653 |
| Agriculture and Natural Resources | 2,657 |
| Highways/Public Works | <u>1,888,717</u> |
| Total Depreciation Expense - Governmental Activities | <u><u>\$ 4,173,664</u></u> |

Discretely Presented Madison County School Department

Governmental Activities:

| | Balance 7-1-20 | Increases | Decreases | Balance 6-30-21 |
|--|-----------------------------|----------------------------|----------------------------|-----------------------------|
| Capital Assets Not Depreciated: | | | | |
| Land | \$ 2,881,861 | \$ 0 | \$ 0 | \$ 2,881,861 |
| Construction in Progress | 2,438,952 | 1,493,809 | 2,438,952 | 1,493,809 |
| Total Capital Assets Not Depreciated | <u>\$ 5,320,813</u> | <u>\$ 1,493,809</u> | <u>\$ 2,438,952</u> | <u>\$ 4,375,670</u> |
| Capital Assets Depreciated: | | | | |
| Buildings and Improvements | \$ 139,847,218 | \$ 4,451,944 | \$ 0 | \$ 144,299,162 |
| Infrastructure | 702,413 | 0 | 0 | 702,413 |
| Other Capital Assets | 21,741,901 | 701,684 | 0 | 22,443,585 |
| Total Capital Assets Depreciated | <u>\$ 162,291,532</u> | <u>\$ 5,153,628</u> | <u>\$ 0</u> | <u>\$ 167,445,160</u> |
| Less Accumulated Depreciated For: | | | | |
| Buildings and Improvements | \$ 68,540,379 | \$ 3,110,523 | \$ 0 | \$ 71,650,902 |
| Infrastructure | 602,111 | 47,347 | 0 | 649,458 |
| Other Capital Assets | 14,520,195 | 1,007,213 | 0 | 15,527,408 |
| Total Accumulated Depreciation | <u>\$ 83,662,685</u> | <u>\$ 4,165,083</u> | <u>\$ 0</u> | <u>\$ 87,827,768</u> |
| Total Capital Assets Depreciated, Net | <u>\$ 78,628,847</u> | <u>\$ 988,545</u> | <u>\$ 0</u> | <u>\$ 79,617,392</u> |
| Governmental Activities Capital Assets, Net | <u><u>\$ 83,949,660</u></u> | <u><u>\$ 2,482,354</u></u> | <u><u>\$ 2,438,952</u></u> | <u><u>\$ 83,993,062</u></u> |

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

Governmental Activities:

| | |
|---|-------------------------|
| Instruction | \$ 2,715,081 |
| Support Services | 1,179,699 |
| Operation of Non-instructional Services | <u>270,303</u> |
| Total Depreciation Expense - Governmental Activities | <u>\$ 4,165,083</u> |

C. Construction Commitments

At June 30, 2021, the General Capital Projects Fund had uncompleted construction contracts of \$8,777,057 for the jail expansion project and the equestrian area. The school department's Education Capital Projects Fund had uncompleted construction contracts of \$297,122 for various school renovation projects. Funding has been received for these future expenditures.

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2021, was as follows:

Due to/from Other Funds:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|--------------------------|-------------------------|---------------|
| Primary Government: | | |
| General | Nonmajor governmental | \$ 198,060 |
| General Capital Projects | General | 26,114 |
| " | Highway/Public Works | 1,543 |
| " | Nonmajor governmental | 2,342 |
| " | General Debt Service | 10,190 |
| Employee Insurance | General | 608,910 |
| " | Highway/Public Works | 34,063 |
| " | Nonmajor governmental | 104,659 |
| Discretely Presented | | |
| School Department: | | |
| General Purpose School | School Federal Projects | 720,366 |

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

The receivable in the Employee Insurance Fund totaling \$747,632 was in transit from the General, Juvenile Services, Solid Waste/Sanitation, Special Purpose, and Highway/Public Works funds in the amounts of \$608,910, \$37,222, \$1,589, \$65,848, and \$34,063, respectively.

Due to/from Primary Government and Component Unit:

| Receivable Fund | Payable Fund | Amount |
|--------------------------|----------------------------|----------|
| Primary Government: | Component Unit: | |
| General Capital Projects | School Department: | |
| " | General Purpose School | \$ 6,203 |
| | Education Capital Projects | 799 |

Interfund Transfers:

Interfund transfers for the year ended June 30, 2021, consisted of the following amounts:

Discretely Presented Madison County School Department

| Transfers Out | Transfers In | | | Purpose |
|------------------------------|-----------------------------|------------------------------|----------------------------|--|
| | General Purpose School Fund | School Federal Projects Fund | Nonmajor Governmental Fund | |
| General Purpose School Fund | \$ 0 | \$ 3,500,000 | \$ 0 | Cash flow funds |
| School Federal Projects Fund | 603,223 | 0 | 0 | Indirect Costs |
| " | 137,182 | 0 | 0 | To cover expenditures for CCEIS |
| " | 2,500,000 | 0 | 0 | Cash flow funds |
| " | 366,740 | 0 | 0 | To reimburse COVID expenses with ESSER funds |
| " | 0 | 0 | 1,214,275 | To reimburse COVID expenses with ESSER funds |
| Total | \$ 3,607,145 | \$ 3,500,000 | \$ 1,214,275 | |

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

E. Operating Leases

The discretely presented Madison County School Department rents copiers laptops, and software under operating leases considered to be noncancelable.

The rental expenditures for the year ended June 30, 2021, were \$337,823. There are no provisions for contingent or sublease rentals in the agreements. The future minimum lease payments for these leases are as follows:

| Year Ending June 30 | Amount |
|---------------------------|-------------------|
| 2022 | \$ 317,693 |
| 2023 | <u>317,693</u> |
| Total | <u>\$ 635,386</u> |

F. Capital Lease

On September 20, 2019, Madison County entered into a six-year lease-purchase agreement for a ladder fire truck for the Madison County Fire Department. The terms of the agreement require total lease payments of \$1,299,914 plus interest of 4.1 percent. Title to the equipment transfers to Madison County at the end of the lease period. The lease payments are made from the General Capital Projects Fund.

The assets acquired through capital leases are as follows:

| <u>Asset</u> | Governmental Activities |
|--------------------------------|----------------------------|
| Equipment | \$ 1,299,914 |
| Less: Accumulated Depreciation | <u>(173,322)</u> |
| Total Book Value | <u>\$ 1,126,592</u> |

Future minimum lease payments and the net present value of these minimum lease payments as of June 30, 2021, were as follows:

| Year Ending June 30 | Governmental Funds |
|--|-----------------------|
| 2022 | \$ 217,379 |
| 2023 | 217,379 |
| 2024 | 217,379 |
| 2025 | 217,379 |
| 2026 | 217,380 |
| Total Minimum Lease Payments | \$ 1,086,896 |
| Less: Amount Representing Interest | <u>(121,875)</u> |
| Present Value of Minimum Lease Payments | <u>\$ 965,021</u> |

G. Long-term Debt

Primary Government

General Obligation Bonds and Notes

General Obligation Bonds – Madison County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the government. General obligation bonds were issued for original terms of up to 16 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, 2021, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements – Madison County issues capital outlay notes to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes are direct obligations and pledge the full faith, credit, and taxing authority of the government. The capital outlay note outstanding was issued for original terms of 9 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. The note, included in long-term debt as of June 30, 2021, will be retired from the General Debt Service Fund.

General obligation bonds, the capital outlay note, and the capital lease outstanding as of June 30, 2021, for governmental activities are as follows:

| Type | Interest Rate | Final Maturity | Original Amount of Issue | Balance 6-30-21 |
|--|---------------|----------------|--------------------------|-----------------|
| General Obligation Bonds | 2.5 to 5% % | 5-1-34 | \$ 61,645,000 | \$ 52,510,000 |
| General Obligation Bonds - Refunding | 5 | 4-1-23 | 9,760,000 | 5,810,000 |
| Direct Borrowing and Direct Placement: | | | | |
| Capital Outlay Note - Refunding | 2 to 3 | 4-1-29 | 7,635,000 | 6,825,000 |
| Capital Lease | 4.1 | 9-20-25 | 1,299,914 | 965,021 |

The annual requirements to amortize all general obligation bonds and the note outstanding as of June 30, 2021, including interest payments, are presented in the following table:

| Year Ending June 30 | Bonds | | |
|------------------------|---------------|---------------|---------------|
| | Principal | Interest | Total |
| 2022 | \$ 9,050,000 | \$ 2,644,607 | \$ 11,694,607 |
| 2023 | 6,795,000 | 2,192,106 | 8,987,106 |
| 2024 | 5,395,000 | 1,852,356 | 7,247,356 |
| 2025 | 5,660,000 | 1,587,856 | 7,247,856 |
| 2026 | 5,945,000 | 1,304,857 | 7,249,857 |
| 2027-2031 | 18,830,000 | 2,712,206 | 21,542,206 |
| 2032-2034 | 6,645,000 | 417,675 | 7,062,675 |
| Total | \$ 58,320,000 | \$ 12,711,663 | \$ 71,031,663 |

| Year Ending June 30 | Note - Direct Placement | | |
|------------------------|-------------------------|------------|--------------|
| | Principal | Interest | Total |
| 2022 | \$ 795,000 | \$ 188,600 | \$ 983,600 |
| 2023 | 820,000 | 172,700 | 992,700 |
| 2024 | 825,000 | 156,300 | 981,300 |
| 2025 | 850,000 | 131,550 | 981,550 |
| 2026 | 875,000 | 106,050 | 981,050 |
| 2027-2029 | 2,660,000 | 157,800 | 2,817,800 |
| Total | \$ 6,825,000 | \$ 913,000 | \$ 7,738,000 |

There is \$16,442,837 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$590, based on the 2020 federal census. Total debt per capita, including bonds, the note, the capital lease, and unamortized debt premiums, totaled \$770, based on the 2020 federal census.

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

| <u>Description of Debt</u> | <u>Outstanding 6-30-21</u> |
|---|--------------------------------|
| <u>Bonds Payable</u> | |
| <u>Contributions from the General Purpose School Fund</u> | |
| General Obligation Refunding Bonds, Series 2020 | \$ <u>5,810,000</u> |
| Total | \$ <u><u>5,810,000</u></u> |

Changes in Long-term Debt

Long-term debt activity for the year ended June 30, 2021, was as follows:

| Governmental Activities: | | | Capital Lease - Direct Placement |
|-----------------------------|----------------------|--------------------------------|---|
| | Bonds | Notes - Direct Placement | |
| Balance, July 1, 2020 | \$ 66,935,000 | \$ 8,276,000 | \$ 1,135,831 |
| Additions | 0 | 7,635,000 | 0 |
| Reductions | (8,615,000) | (9,086,000) | (170,810) |
| Balance, June 30, 2021 | \$ <u>58,320,000</u> | \$ <u>6,825,000</u> | \$ <u>965,021</u> |
| Balance Due Within One Year | \$ <u>9,050,000</u> | \$ <u>795,000</u> | \$ <u>177,813</u> |

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

| | |
|--|-----------------------------|
| Total Noncurrent Liabilities - Debt, June 30, 2021 | \$ 66,110,021 |
| Less: Balance Due Within One Year - Debt | (10,022,813) |
| Add: Unamortized Premium on Debt | <u>6,552,060</u> |
| Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A | <u><u>\$ 62,639,268</u></u> |

Current Refunding

On October 29, 2020, Madison County refunded two capital outlay notes with a separate general obligation capital outlay note. The county issued \$7,635,000 of general obligation capital outlay notes to provide resources to purchase U.S. government securities that were placed in an irrevocable trust to generate resources for all future debt service payments of the refunded debt. As a result, the refunded capital outlay notes are considered defeased, and the liability has been removed from the county's long-term debt. Because of the refunding, total debt service payments over the next eight years will be reduced by \$569,228, and an economic gain (difference between the present value of the debt service payments of the refunded capital outlay notes and refunding notes) of \$571,950 was obtained.

H. Long-term Obligations

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2021, was as follows:

Governmental Activities:

| | <u>Compensated Absences</u> | <u>Net OPEB Liability</u> |
|-----------------------------|---------------------------------|-------------------------------|
| Balance, July 1, 2020 | \$ 2,815,786 | \$ 6,471,574 |
| Additions | 5,916,014 | 674,725 |
| Reductions | <u>(3,666,595)</u> | <u>(190,587)</u> |
| Balance, June 30, 2021 | <u>\$ 5,065,205</u> | <u>\$ 6,955,712</u> |
| Balance Due Within One Year | <u>\$ 3,470,005</u> | <u>\$ 0</u> |

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

| | |
|---|---------------------|
| Total Noncurrent Liabilities - Other, June 30, 2021 | \$ 12,020,917 |
| Less: Balance Due Within One Year - Other | <u>(3,470,005)</u> |
| Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A | <u>\$ 8,550,912</u> |

Compensated absences and the net OPEB liability will be paid from the employing funds, primarily the General and Highway/Public Works funds.

Discretely Presented Madison County School Department

Changes in Long-term Obligations

Long-term obligations activity for the discretely presented Madison County School Department for the year ended June 30, 2021, was as follows:

Governmental Activities:

| | <u>Compensated Absences</u> | <u>Net OPEB Liability</u> |
|-----------------------------|---------------------------------|-------------------------------|
| Balance, July 1, 2020 | \$ 353,061 | \$ 15,199,128 |
| Additions | 401,300 | 2,628,235 |
| Reductions | <u>(431,617)</u> | <u>(1,908,033)</u> |
| Balance, June 30, 2021 | <u>\$ 322,744</u> | <u>\$ 15,919,330</u> |
| Balance Due Within One Year | <u>\$ 227,759</u> | <u>\$ 0</u> |

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

| | |
|---|----------------------|
| Total Noncurrent Liabilities - Other, June 30, 2021 | \$ 16,242,074 |
| Less: Balance Due Within One Year - Other | <u>(227,759)</u> |
| Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A | <u>\$ 16,014,315</u> |

Compensated absences and the net OPEB liability will be paid from the employing funds, primarily the General Purpose School and Central Cafeteria funds.

I. On-Behalf Payments – Discretely Presented Madison County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Madison County School Department. These payments are made by the state to the Local Education Group Insurance. The plan is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2021, were \$444,222. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

J. Short-term Debt

During the year, Madison County borrowed \$450,000 from the General Debt Service Fund to provide temporary operating funds for the Juvenile Services (\$250,000) and Solid Waste/Sanitation (\$200,000) funds. This loan was retired prior to June 30, 2021, as required by state statutes. Short-term debt activity for the year ended June 30, 2021, was as follows:

| | Balance 7-1-20 | Issued | Paid | Balance 6-30-21 |
|------------------------|-------------------|------------|--------------|--------------------|
| Tax Anticipation Notes | \$ 0 | \$ 450,000 | \$ (450,000) | \$ 0 |

V. OTHER INFORMATION

A. Risk Management

Primary Government

Employee Health Insurance

The county has chosen to establish the Employee Insurance Fund for risks associated with the employees' health insurance plan. The Employee 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 \$100,000 per specific loss and 100 percent of expected claims. The county obtained an excess risk insurance policy to cover claims beyond any amounts exceeding these limits. The premiums for the excess risk insurance and administration fees are paid directly to the administrator of the county's employee insurance plan by the various funds and departments participating in the plan.

All full-time employees of the primary government are eligible to participate. A premium charge is allocated to each fund that accounts for full-time employees. This charge is based on demographics of the group, cost of medical care, prior-claim experience, and expected liability during the 2020-21 year. Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. The Employee 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. Claims liabilities include incremental claim 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:

| | Beginning of Fiscal Year Liability | Current Year Claims and Estimates | Payments | Balance at Fiscal Year-end |
|---------|---|--|----------------|----------------------------------|
| 2019-20 | \$ 197,528 | \$ 5,096,977 | \$ (5,050,295) | \$ 244,210 |
| 2020-21 | 244,210 | 6,258,440 | (6,199,830) | 302,820 |

Workers' Compensation Insurance

Madison County has elected to implement and administer an On-the-Job Program under the provisions of Section 50-6-106(16), *Tennessee Code Annotated (TCA)*, to provide uniform procedures for the reporting, treatment, and compensation of qualified individuals who are injured or fall ill while performing their duties. During the year, the county established the Workers' Compensation Fund for risks associated with workers' compensation claims. The Workers' Compensation Fund is accounted for as an Internal Service Fund in which assets are set aside for claim settlements.

Liability, Property, and Casualty

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

Discretely Presented Madison County School Department

Employee Health Insurance

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

Workers' Compensation Insurance

The school department participates in the Local Government Workers' Compensation Fund (LGWCF), a public entity risk pool established under

provisions of Section 29-20-401, Tennessee Code Annotated, by the Tennessee County Services Association to provide a program of workers' compensation coverage to employees of local governments. The county pays an annual premium to the LGWCF for its workers' compensation insurance coverage. The LGWCF is to be self-sustaining through member premiums. The LGWCF reinsures through commercial insurance companies for claims exceeding \$500,000.

Liability, Property, and Casualty

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

B. Accounting Changes

GASB Statement No. 84, *Fiduciary Activities* establishes additional guidance for the identification, accounting, and reporting of fiduciary activities. The statement clarifies the four types of fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

GASB Statement No. 90, *Majority Equity Interest* modifies previous guidance and provides guidance for the measurement and reporting of majority equity interest in a legally separate organization. This statement also provides guidance for reporting a component unit if a government acquires a 100 percent equity interest in that component unit.

Paragraphs 4 and 5 of GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* became effective during the year. Paragraph 4 establishes certain component unit criteria for a legally separate entity by the primary government in the absence of a governing board. Paragraph 5 clarifies that the financial benefit burden in paragraph 7 of GASB Statement 84 is applicable to only defined benefit pension plans and defined benefit OPEB plans that are administered through certain trusts.

C. Contingent Liabilities

The county has received various federal and state grants and other assistance for specific purposes that are subject to review and audit by grantor agencies.

Such audits could result in reimbursements to the grantor agencies for expenditures disallowed under the terms of the grants. County management is not aware of any potential disallowances and believes that reimbursements, if any, would not be material.

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

D. Change in Administration

On June 30, 2020, Thomas Ray Washington left the Office of Director of Schools and was succeeded by Dr. Marlon King on July 1, 2020.

E. Joint Ventures

Madison County and the city of Jackson jointly operate the Jackson-Madison County Airport Authority, Jackson-Madison County Community Economic Development Commission, Jackson-Madison County General Hospital, and Jackson-Madison County Library. The boards of the Airport Authority, General Hospital, Community Economic Development Commission, and Jackson-Madison County Library each comprise five members who are alternately appointed each year by Madison County and the city of Jackson.

Madison County has control over budgeting and financing of the above joint ventures only to the extent of representation by its appointed board or commission members. Madison County contributed \$73,900 to the Airport Authority for its operations in addition to processing the airport's payroll during the year ended June 30, 2021. One-half of this contribution was refunded to Madison County by the city of Jackson per an agreement between Madison County and the city of Jackson. Madison County provides annual support to the library for its operations. Funding for the Community Economic Development Commission is provided through a hotel/motel tax levied jointly by the city of Jackson and Madison County. Twenty percent of the monies collected from this tax is allocated to the Community Economic Development Commission pursuant to the provisions of a private act. Madison County does not have an equity interest in any of the above-mentioned joint ventures. Complete financial statements for the above-noted joint ventures can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

Jackson-Madison County Airport Authority
308 Grady Montgomery Drive
Jackson, TN 38301

Jackson-Madison County Community
Economic Development Commission
197 Auditorium Street
Jackson, TN 38301

Jackson-Madison County General Hospital
620 Skyline Drive
Jackson, TN 38301-3956

Jackson-Madison County Library
433 East LaFayette
Jackson, TN 38301

F. Jointly Governed Organizations

The West Tennessee Railroad Authority (WTRA) was created by Gibson County in conjunction with the counties of Chester, Madison, McNairy, Obion, and Weakley. The WTRA's board includes the mayors of Chester, Gibson, Madison, McNairy, Obion, and Weakley counties, and one at-large member from each of these areas. However, the counties do not have any ongoing financial interest or responsibility for the entity.

The Gibson County Railroad Authority (GCRA) was created by the county, in conjunction with Madison County and the cities of Trenton, Humboldt, Dyer, Rutherford, and Kenton. The GCRA's board includes the mayors of Gibson and Madison counties; the city mayors of Trenton, Humboldt, Dyer, Rutherford, and Kenton; and one at-large member from each of these areas. However, the counties and cities do not have any ongoing financial interest or responsibility for the entity.

G. Retirement Commitments

1. Tennessee Consolidated Retirement Plan (TCRS)

Primary Government

General Information About the Pension Plan

Madison County closed the retirement plan for new hires effective July 1, 2012. Employees hired prior to July 1, 2012, remain on the plan.

Plan Description. Employees of Madison County, non-certified employees of the discretely presented Madison County School Department, and employees of the Madison County Airport are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 65.86 percent, the non-certified employees of the discretely presented school department comprised 33 percent, and employees of the Madison

County Airport comprised 1.14 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

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

Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) 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, 2020, the following employees were covered by the benefit terms:

| | |
|--|-------|
| Inactive Employees or Beneficiaries Currently Receiving Benefits | 895 |
| Inactive Employees Entitled to But Not Yet Receiving Benefits | 734 |
| Active Employees | 559 |
| Total | 2,188 |

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees are noncontributory. Madison 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, 2021, the employer contribution for Madison County was \$2,541,136 based on a rate of 11.58 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Madison 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)

Madison County’s net pension liability (asset) was measured as of June 30, 2020, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability as of the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|--|
| Inflation | 2.5% |
| Salary Increases | Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4% |
| Investment Rate of Return | 7.25%, Net of Pension Plan Investment Expenses, Including Inflation |
| Cost of Living Adjustment | 2.25% |

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

The actuarial assumptions used in the June 30, 2020, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. 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, 2016, actuarial experience study. A blend of future capital market projections and historical market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 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 | 5.69 | % 31 % |
| International Equity Emerging Market | 5.29 | 14 |
| International Equity Private Equity and Strategic Lending | 6.36 | 4 |
| U.S. Fixed Income Real Estate | 5.79 | 20 |
| | 2.01 | 20 |
| | 4.32 | 10 |
| Short-term Securities | 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 7.25 percent based on a blending of the factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 7.25 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 Madison

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

Changes in the Net Pension Liability (Asset)

| | Increase (Decrease) | | |
|---|--------------------------------------|--|--|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (Asset) (a)-(b) |
| Balance, July 1, 2019 | \$ 149,060,108 | \$ 156,702,349 | \$ (7,642,241) |
| Changes for the Year: | | | |
| Service Cost | \$ 1,911,612 | \$ 0 | \$ 1,911,612 |
| Interest | 10,696,873 | 0 | 10,696,873 |
| Differences Between Expected and Actual Experience | (803,386) | 0 | (803,386) |
| Contributions-Employer | 0 | 2,605,252 | (2,605,252) |
| Contributions-Employees | 0 | 245 | (245) |
| Net Investment Income | 0 | 7,665,923 | (7,665,923) |
| Benefit Payments, Including Refunds of Employee Contributions | (6,857,280) | (6,857,280) | 0 |
| Administrative Expense | 0 | (50,907) | 50,907 |
| Other Changes | 0 | 2,245 | (2,245) |
| Net Changes | <u>\$ 4,947,819</u> | <u>\$ 3,365,478</u> | <u>\$ 1,582,341</u> |
| Balance, June 30, 2020 | <u>\$ 154,007,927</u> | <u>\$ 160,067,827</u> | <u>\$ (6,059,900)</u> |

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

| | | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability (Asset) |
|--------------------|--------|-------------------------------|--------------------------------------|--|
| Primary Government | 65.86% | \$ 101,429,621 | \$ 105,420,671 | \$ (3,991,050) |
| Airport | 1.14% | 1,755,690 | 1,824,773 | (69,083) |
| School Department | 33.00% | 50,822,616 | 52,822,383 | (1,999,767) |
| Total | | \$ 154,007,927 | \$ 160,067,827 | \$ (6,059,900) |

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Madison County calculated using the discount rate of 7.25 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 (6.25%) or one percentage point higher (8.25%) than the current rate:

| | 1% Decrease | Current Discount Rate | 1% Increase |
|-----------------------|----------------|-----------------------------|----------------|
| Madison County | 6.25% | 7.25% | 8.25% |

Net Pension Liability (Asset) \$ 12,443,563 \$ (6,059,900) \$ (21,632,346)

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, 2021, Madison County recognized pension expense of \$1,905,329.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2021, Madison County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|---|--|
| Difference Between Expected and Actual Experience | \$ 0 | \$ 769,074 |
| Net Difference Between Projected and Actual Earnings on Pension Plan | | |
| Investments | 1,106,207 | 0 |
| Changes in Assumptions | 0 | 0 |
| Contributions Subsequent to the Measurement Date of June 30, 2020 (1) | <u>2,541,136</u> | N/A |
| Total | <u>\$ 3,647,343</u> | <u>\$ 769,074</u> |

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2020,” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--------------------|--------------------------------------|-------------------------------------|
| Primary Government | \$ 2,398,498 | \$ 506,512 |
| Airport | 47,270 | 8,768 |
| School Department | <u>1,201,575</u> | <u>253,794</u> |
| Total | <u>\$ 3,647,343</u> | <u>\$ 769,074</u> |

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

| Year Ending June 30 | Amount |
|------------------------|----------------|
| 2022 | \$ (1,112,116) |
| 2023 | 91,312 |
| 2024 | 650,118 |
| 2025 | 707,819 |
| 2026 | 0 |
| Thereafter | 0 |

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

Discretely Presented Madison County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Madison County, non-certified employees of the discretely presented Madison County School Department, and employees of the Madison County Airport are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 65.86 percent, the non-certified employees of the discretely presented school department comprised 33 percent, and employees of the Madison County Airport comprised 1.14 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the Madison 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 an automatic cost of living adjustment (COLA) 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 COLA, 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, 2021, to the Teacher Retirement Plan were \$383,282, which is 2.02 percent of covered payroll. 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, 2021, the school department reported a liability (asset) of (\$703,590) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2020, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2020, the school department's proportion was 1.237316 percent. The proportion as of June 30, 2019, was 1.209468 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2021, the school department recognized pension expense of \$289,577.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2021, 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 | \$ 26,139 | \$ 176,318 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 57,317 | 0 |
| Changes in Assumptions | 22,061 | 0 |
| Changes in Proportion of Net Pension Liability (Asset) | 68,121 | 12,383 |
| LEA's Contributions Subsequent to the Measurement Date of June 30, 2020 | <u>383,282</u> | <u>N/A</u> |
| Total | <u>\$ 556,920</u> | <u>\$ 188,701</u> |

The school department's employer contributions of \$383,282, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase of net pension asset in the year ending June 30, 2022. 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 |
|------------------------|----------|
| 2022 | \$ (679) |
| 2023 | 7,604 |
| 2024 | 11,827 |
| 2025 | 13,030 |
| 2026 | (6,384) |
| Thereafter | (40,461) |

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, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|--|
| Inflation | 2.5% |
| Salary Increases | Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4% |
| Investment Rate of Return | 7.25%, Net of Pension Plan Investment Expenses, Including Inflation |
| Cost of Living Adjustment | 2.25% |

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

The actuarial assumptions used in the June 30, 2020, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. 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, 2016, actuarial experience study. A blend of future capital market projections and historical market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 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 | 5.69 | % | 31 | % |
| International Equity Emerging Market | 5.29 | | 14 | |
| International Equity Private Equity and Strategic Lending | 6.36 | | 4 | |
| U.S. Fixed Income | 5.79 | | 20 | |
| Real Estate | 2.01 | | 20 | |
| Short-term Securities | 4.32 | | 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 7.25 percent based on a blending of the factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 7.25 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 7.25 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 (6.25%) or one percentage point higher (8.25%) than the current rate:

| | | | |
|--|----------------------|--------------------------------|----------------------|
| School Department's Proportionate Share of the Net Pension Liability (Asset) | 1% Decrease 6.25% | Current Discount Rate 7.25% | 1% Increase 8.25% |
|--|----------------------|--------------------------------|----------------------|

Net Pension Liability (Asset) \$ 547,276 \$ (703,590) \$ (1,625,632)

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

Teacher Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Teachers of the Madison 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 an automatic cost of living adjustment (COLA) 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 Madison County School Department for the year ended June 30, 2021, to the Teacher Legacy Pension Plan were \$4,322,492, which is 10.27 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, 2021, the school department reported a liability (asset) of (\$9,249,795) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2020, 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, 2020, the school department's proportion was 1.212971 percent. The proportion measured at June 30, 2019, was 1.258949 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2021, the school department recognized (negative pension expense) of (\$469,367).

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2021, 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 | \$ 351,636 | \$ 4,447,137 |
| Changes in Assumptions | 840,301 | 0 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 2,065,847 | 0 |
| Changes in Proportion of Net Pension Liability (Asset) | 110,562 | 95,665 |
| LEA's Contributions Subsequent to the Measurement Date of June 30, 2020 | <u>4,322,492</u> | <u>N/A</u> |
| Total | <u>\$ 7,690,838</u> | <u>\$ 4,542,802</u> |

The school department's employer contributions of \$4,322,492 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a decrease in net pension liability in the year ending June 30, 2022. 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 |
|------------------------|----------------|
| 2022 | \$ (2,340,357) |
| 2023 | (305,976) |
| 2024 | 103,402 |
| 2025 | 1,368,475 |
| 2026 | 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, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|--|
| Inflation | 2.5% |
| Salary Increases | Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4% |
| Investment Rate of Return | 7.25%, Net of Pension Plan Investment Expenses, Including Inflation |
| Cost of Living Adjustment | 2.25% |

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

The actuarial assumptions used in the June 30, 2020, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. 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, 2016, actuarial experience study. A blend of future capital market projections and historical market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 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 | 5.69 | % | 31 | % |
| International Equity Emerging Market | 5.29 | | 14 | |
| International Equity Private Equity and Strategic Lending | 6.36 | | 4 | |
| U.S. Fixed Income Real Estate | 5.79 | | 20 | |
| | 2.01 | | 20 | |
| | 4.32 | | 10 | |
| Short-term Securities | 0.00 | | 1 | |
| | | | 100 | % |
| Total | | | 100 | % |

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 7.25 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 7.25 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 (6.25%) or one percentage point higher (8.25%) than the current rate:

| School Department's Proportionate Share of the Net Pension Liability (Asset) | 1% Decrease 6.25% | Current Discount Rate 7.25% | 1% Increase 8.25% |
|---|-------------------------|--------------------------------------|-------------------------|
|---|-------------------------|--------------------------------------|-------------------------|

Net Pension
Liability (Asset) \$ 28,766,657 \$ (9,249,795) \$ (40,774,363)

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

2. Deferred Compensation

Madison County offers all employees a deferred compensation plan established pursuant to IRC Section 457 and also offers employees hired on or after July 1, 2012, a deferred compensation plan established pursuant to IRC Sections 401(a). Madison County will match each eligible participant’s 457(b) salary deferrals dollar-for-dollar on the first one percent of compensation and 50 percent on the next six percent of compensation. This match will be deposited into a 401(a) account.

The Madison County School Department offers its full-time, non-certified employees hired on or after July 1, 2012, deferred compensation plans established pursuant to IRC Sections 457 and 401(a). The Madison County School Department will contribute four percent to each eligible participant’s 401(a) and match each eligible participant’s 457(b) salary deferrals dollar-for-dollar on the first three percent of compensation. This match will be deposited into a 401(a) account.

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state’s 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher’s salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$948,528 and teachers contributed \$276,810 to this deferred compensation pension plan.

H. Other Postemployment Benefits (OPEB)

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

Self-Insured Postemployment Benefits Plan

Primary Government

Madison County and the Jackson-Madison County Airport Authority provide OPEB benefits to its employees through a self-insured health plan. The primary government employees comprised 98.9 percent and the airport employees comprised 1.1 percent.

Plan Description. The county and the airport participate in a self-insured postemployment benefits plan administered by Blue Cross Blue Shield for its retirees. Employees are eligible for OPEB benefits if they retire at age 55 with at least five year of service or any age with at least 30 years of service. Coverage ends at age 65. 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 No. 75.

Benefits Provided. The plan provides healthcare, dental, and life insurance benefits to retirees and their dependents.

The benefit terms provide for the county and the airport to pay a percentage of healthcare costs depending on years of service. The county and the airport pay 75 percent of the healthcare cost for employees with over 30 years of service and 65 percent for employees with 20-29 years of service. A retiree who is at least age 55 with five years of service is required to pay 100 percent of the premium. Employees are eligible to participate in the healthcare plan until they reach age 65. Surviving spouses of eligible retirees may be able to continue coverage until they reach Medicare eligibility.

The benefit terms provide for eligible retirees to receive vision and dental benefits for life by paying 100 percent of the premium cost.

Employees Covered by Benefit Terms

At the measurement date of June 30, 2021, the following employees were covered by the benefit terms:

| | |
|--|-------------------|
| Inactive Employees or Beneficiaries Currently Receiving Benefits | 12 |
| Inactive Employees Entitled to But Not Yet Receiving Benefits | 0 |
| Active Employees | 637 |
| Total | <u><u>649</u></u> |

Total OPEB Liability

The total OPEB liability of \$7,058,126 was measured as of June 30, 2021, and was determined by an actuarial valuation as of July 1, 2019, that was rolled forward to the measurement date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the July 1, 2019, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

| | |
|--|---|
| Inflation | 2.5% |
| Discount Rate | 2.75% |
| Healthcare Cost Trend Rate | 4.5% |
| Retirees share of Benefit-related Cost | 25% to 100% depending on years of service |

The discount rate was based on the Bond Buyer GO-20 bond index.

Mortality rates were based on the RP-2000 Blue Collar Healthy Annuitant Mortality Table.

The actuarial assumptions used in the July 1, 2019, valuation were based on plan data and costs presented by the county with concurrence by the actuary.

Changes in the Total OPEB Liability

| | |
|-----------------------|---------------------------------|
| | <u>Total OPEB Liability</u> |
| Balance July 1, 2020 | \$ 6,568,604 |
| Changes for the Year: | |
| Service Cost | \$ 490,729 |
| Interest | 191,500 |
| Benefit Payments | <u>(192,707)</u> |
| Net Changes | <u>\$ 489,522</u> |
| Balance June 30, 2021 | <u><u>\$ 7,058,126</u></u> |

Allocation of the Total OPEB Liability

| | | |
|--------------------|-------|---------------------------------|
| | | <u>Total OPEB Liability</u> |
| Primary Government | 98.9% | \$ 6,955,712 |
| Airport | 1.1% | <u>102,414</u> |
| Total | | <u><u>\$ 7,058,126</u></u> |

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2021, the county recognized OPEB expense of \$713,927. For the year ended June 30, 2021, Madison County reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

| | | |
|--|---|--|
| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
| Difference Between Expected and Actual Experience | \$ 0 | \$ 636,617 |
| Changes of Assumptions/Inputs | <u>671,097</u> | <u>0</u> |
| Total | <u><u>\$ 671,097</u></u> | <u><u>\$ 636,617</u></u> |

**Allocation of Deferred Outflows or Resources and
Deferred Inflows of Resources**

| | Deferred Outflows | Deferred Inflows |
|--------------------|----------------------|---------------------|
| Primary Government | \$ 663,715 | \$ 629,614 |
| Airport | 7,382 | 7,003 |
| Total | \$ 671,097 | \$ 636,617 |

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

| Year Ending June 30 | Amount |
|------------------------|-----------|
| 2022 | \$ 31,698 |
| 2023 | 31,698 |
| 2024 | 31,698 |
| 2025 | 31,698 |
| 2026 | 31,698 |
| Thereafter | (124,010) |

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 discount rate of 2.75 percent, as well as what the OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.75%) or one percentage point higher (3.75%) than the current rate:

| <u>Discount Rate</u> | 1% Decrease | Current Discount Rate 2.75% | 1% Increase 3.75% |
|----------------------|----------------|--------------------------------------|-------------------------|
| Total OPEB Liability | \$ 7,629,718 | \$ 7,058,126 | \$ 6,424,925 |

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 healthcare cost trend rate of 4.5 percent, as well as what the OPEB liability would be if it were calculated using a trend rate that is one percentage point lower (3.5%) or one percentage point higher (5.5%) than the current rate:

| <u>Healthcare Cost Trend Rate</u> | 1% | Current Trend Rate | 1% Increase |
|-----------------------------------|----------|--------------------------|----------------|
| | Decrease | 4.5% | |
| | 3.5% | | 5.5% |

| | | | |
|----------------------|--------------|--------------|--------------|
| Total OPEB Liability | \$ 6,264,070 | \$ 7,058,126 | \$ 7,922,355 |
|----------------------|--------------|--------------|--------------|

OPEB Provided through State Administered Public Entity Risk Pool

Discretely Presented Madison County School Department

The school department provides healthcare benefits to its employees under the Local Education Plan (LEP) until they reach Medicare eligibility. The certified employees of the school department may then join the Tennessee Plan - Medicare (TNM) which provides supplemental medical insurance for retirees with Medicare. However, the school department does not provide any subsidy (direct or indirect) to this plan and therefore does not recognize any OPEB liability associated with the TNM. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

The school department's total OPEB liability was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2020, actuarial valuation of each plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

| | |
|--|--|
| Actuarial Cost Method | Entry Age Normal |
| Inflation | 2.1% |
| Salary Increases | Salary increases used in the July 1, 2020, TCRS actuarial valuation; 3.44% to 8.72%, including inflation |
| Discount Rate | 2.21% |
| Healthcare Cost Trend Rates | Based on the Getzen Model, with trend starting at 9.02% for pre-65 retirees in the 2021 calendar year, and decreasing annually over a 10-year period to an ultimate trend rate of 4.5% |
| Retirees Share of Benefit Related Cost | Discussed below |

The discount rate was 2.21 percent, based on an average rating of AA/Aa as shown the Bond Buyer 20-Year Municipal GO AA index closest to but not later than the measurement date.

Mortality rates were based on the results of a statewide experience study undertaken on behalf of the Tennessee Consolidated Retirement System (TCRS). These mortality rates were used in the July 1, 2020, actuarial valuation of the TCRS.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2020, valuations were the same as those employed in the July 1, 2019, Pension Actuarial Valuation of the TCRS. These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2012 - June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the RP-2014 Healthy Participant Mortality Table for Annuitants for non-disabled post-retirement mortality, with mortality improvement projected to all future years using Scale MP-2016. Post-retirement tables are Blue Collar and adjusted with a 2 percent load for males and a -3 percent load for females. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load.

Changes in Assumptions. The discount rate changed from 3.51 percent as of the beginning of the measurement period to 2.21 percent as of the measurement date of June 30, 2020. This change in assumption increased the total OPEB liability. Other changes in assumptions include adjustments to initial per capita costs and health trend rates. The trend rate applicable to the 2021 plan year was revised from 6.03 percent to 9.02 percent. The assumed long term inflation rate was changed from 2.2 percent to 2.1 percent.

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

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

Benefits Provided. The Madison County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-301 establishes and amends the benefit terms of the LEP. All members have the option of

choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. During the year, Madison County provided direct subsidies of \$35 to \$839 per month toward the cost of the insurance plan selected by the retiree. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms

At the measurement date of June 30, 2020, the following employees were covered by the benefit terms:

| | |
|--|---------------------|
| Inactive Employees or Beneficiaries Currently Receiving Benefits | 135 |
| Inactive Employees Entitled to But Not Yet Receiving Benefits | 3 |
| Active Employees Eligible for Benefits | 1,137 |
| Total | <u><u>1,275</u></u> |

A state insurance committee, created in accordance with *TCA 8-27-301*, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$1,144,652 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

| | <u>Share of Collective Liability</u> | | |
|--|---|------------------------------------|---------------------------------|
| | <u>Madison County School Department 73.366%</u> | <u>State of TN 26.644%</u> | <u>Total OPEB Liability</u> |
| Balance July 1, 2019 | \$ 15,199,128 | \$ 5,445,269 | \$ 20,644,397 |
| Changes for the Year: | | | |
| Service Cost | \$ 696,339 | \$ 252,792 | \$ 949,131 |
| Interest | 534,900 | 194,184 | 729,084 |
| Difference between Expected and Actuarial Experience | (636,626) | (231,114) | (867,740) |
| Changes in Proportion | (55,266) | 55,266 | 0 |
| Changes in Assumption and Other Inputs | 1,397,344 | 507,277 | 1,904,621 |
| Benefit Payments | (1,216,490) | (441,621) | (1,658,111) |
| Net Changes | \$ 720,202 | \$ 336,783 | \$ 1,056,985 |
| Balance June 30, 2020 | \$ 15,919,330 | \$ 5,782,052 | \$ 21,701,382 |

The Madison County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the LEP. The Madison County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employers' long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$397,484 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Madison County School Department's proportionate share of the collective OPEB liability was 73.366 percent and the State of Tennessee's share was 26.644 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2021, the school department recognized OPEB expense of \$1,706,530, including the state's share of the expense. At June 30, 2021, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|---|--|
| Difference Between Expected and Actual Experience | \$ 775,007 | \$ 941,381 |
| Changes of Assumptions/Inputs | 1,662,847 | 1,253,679 |
| Changes in Proportion and Differences Between Amounts Paid as Benefits Came Due and Proportionate Share Amounts Paid by the Employer and Nonemployer Contributors As Benefits Came Due | 728,207 | 351,899 |
| Benefits Paid After the Measurement Date of June 30, 2020 | 1,144,652 | 0 |
| Total | <u>\$ 4,310,713</u> | <u>\$ 2,546,959</u> |

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

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

| <u>Year Ending June 30</u> | <u>School Department</u> |
|--------------------------------|------------------------------|
| 2022 | \$ 77,970 |
| 2023 | 77,970 |
| 2024 | 77,970 |
| 2025 | 77,970 |
| 2026 | 77,970 |
| Thereafter | 229,252 |

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

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

| <u>Discount Rate</u> | 1% Decrease | Current Discount Rate | 1% Increase |
|----------------------|----------------|-----------------------------|----------------|
| | 1.21% | 2.21% | 3.21% |

| | | | |
|--|---------------|---------------|---------------|
| Proportionate Share of the Collective Total OPEB Liability | \$ 16,925,590 | \$ 15,919,330 | \$ 14,952,841 |
|--|---------------|---------------|---------------|

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

| <u>Healthcare Cost Trend Rate</u> | 1% Decrease | Current Rate | 1% Increase |
|-----------------------------------|----------------|-----------------|----------------|
| | 8.02 to 3.5% | 9.02 to 4.5% | 10.02 to 5.5% |

| | | | |
|--|---------------|---------------|---------------|
| Proportionate Share of the Collective Total OPEB Liability | \$ 14,422,633 | \$ 15,919,330 | \$ 17,669,086 |
|--|---------------|---------------|---------------|

I. Office of Central Accounting and Budgeting

Office of Director of Finance

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

J. Purchasing Law

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

K. Subsequent Event

On August 25, 2021, the county's General Debt Service Fund issued a \$150,000 tax anticipation note to the Juvenile Services Fund for temporary operating funds.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit F-1

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

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Total Pension Liability | | | | | | | |
| Service Cost | \$ 2,503,861 | \$ 2,546,359 | \$ 2,320,142 | \$ 2,184,793 | \$ 2,084,731 | \$ 2,017,207 | \$ 1,911,612 |
| Interest | 8,528,421 | 9,078,436 | 9,360,868 | 9,698,497 | 9,932,081 | 10,336,534 | 10,696,873 |
| Differences Between Actual and Expected Experience | 957,864 | (2,479,699) | (1,529,465) | (1,407,887) | (236,715) | (700,451) | (803,386) |
| Change in Assumptions | 0 | 0 | 0 | 3,129,363 | 0 | 0 | 0 |
| Benefit Payments, Including Refunds of Employee Contributions | (4,443,515) | (4,954,709) | (5,351,522) | (5,677,430) | (5,970,114) | (6,297,714) | (6,857,280) |
| Net Change in Total Pension Liability | \$ 7,546,631 | \$ 4,190,387 | \$ 4,800,023 | \$ 7,927,336 | \$ 5,809,983 | \$ 5,355,576 | \$ 4,947,819 |
| Total Pension Liability, Beginning | 113,430,172 | 120,976,803 | 125,167,190 | 129,967,213 | 137,894,549 | 143,704,532 | 149,060,108 |
| Total Pension Liability, Ending (a) | \$ 120,976,803 | \$ 125,167,190 | \$ 129,967,213 | \$ 137,894,549 | \$ 143,704,532 | \$ 149,060,108 | \$ 154,007,927 |
| Plan Fiduciary Net Position | | | | | | | |
| Contributions - Employer | \$ 4,523,436 | \$ 3,938,838 | \$ 3,717,662 | \$ 3,471,879 | \$ 3,474,411 | \$ 3,377,176 | \$ 2,605,252 |
| Contributions - Employee | 2,017 | 300 | 652 | 0 | 192 | 413 | 245 |
| Net Investment Income | 17,536,366 | 3,782,858 | 3,321,558 | 14,342,408 | 11,496,238 | 10,962,524 | 7,665,923 |
| Benefit Payments, Including Refunds of Employee Contributions | (4,443,515) | (4,954,709) | (5,351,522) | (5,677,430) | (5,970,114) | (6,297,714) | (6,857,280) |
| Administrative Expense | (43,681) | (47,023) | (61,810) | (61,023) | (63,975) | (55,605) | (50,907) |
| Other | 0 | 0 | 0 | 1,054 | 0 | 0 | 2,245 |
| Net Change in Plan Fiduciary Net Position | \$ 17,574,623 | \$ 2,720,264 | \$ 1,626,540 | \$ 12,076,888 | \$ 8,936,752 | \$ 7,986,794 | \$ 3,365,478 |
| Plan Fiduciary Net Position, Beginning | 105,780,488 | 123,355,111 | 126,075,375 | 127,701,915 | 139,778,803 | 148,715,555 | 156,702,349 |
| Plan Fiduciary Net Position, Ending (b) | \$ 123,355,111 | \$ 126,075,375 | \$ 127,701,915 | \$ 139,778,803 | \$ 148,715,555 | \$ 156,702,349 | \$ 160,067,827 |
| Net Pension Liability (Asset), Ending (a - b) | \$ (2,378,308) | \$ (908,185) | \$ 2,265,298 | \$ (1,884,254) | \$ (5,011,023) | \$ (7,642,241) | \$ (6,059,900) |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 101.97% | 100.73% | 98.26% | 101.37% | 103.49% | 105.13% | 103.93% |
| Covered Payroll | \$ 31,522,191 | \$ 28,410,764 | \$ 26,853,345 | \$ 25,031,554 | \$ 24,330,219 | \$ 23,668,324 | \$ 22,390,221 |
| Net Pension Liability (Asset) as a Percentage of Covered Payroll | (7.54)% | (3.20)% | (8.44)% | (7.53)% | (20.60)% | (32.29)% | (27.06)% |

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

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, non-certified employees of the discretely presented school department, and the Madison County Airport.

Exhibit F-2

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

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Actuarially Determined Contribution | \$ 4,523,436 | \$ 3,938,838 | \$ 3,717,662 | \$ 3,471,879 | \$ 3,474,411 | \$ 3,377,176 | \$ 2,605,252 | \$ 2,541,136 |
| Less Contributions in Relation to the Actuarially Determined Contribution | (4,523,436) | (3,938,838) | (3,717,662) | (3,471,879) | (3,474,411) | (3,377,176) | (2,605,252) | (2,541,136) |
| | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Contribution Deficiency (Excess) | \$ 31,522,191 | \$ 28,410,764 | \$ 26,853,345 | \$ 25,031,554 | \$ 24,330,219 | \$ 23,668,324 | \$ 22,390,221 | \$ 21,944,882 |
| Covered Payroll | 14.35% | 13.86% | 13.84% | 13.87% | 14.28% | 14.27% | 11.64% | 11.58% |
| Contributions as a Percentage of Covered Payroll | | | | | | | | |

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

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, non-certified employees of the discretely presented school department, and the Madison County Airport.

Exhibit F-3

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

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|--------------|--------------|--------------|---------------|---------------|---------------|---------------|
| Contractually Required Contribution | \$ 127,275 | \$ 259,449 | \$ 358,339 | \$ 193,153 | \$ 248,294 | \$ 316,963 | \$ 383,282 |
| Less Contributions in Relation to the Contractually Required Contribution | (127,275) | (259,449) | (358,339) | (473,779) | (248,294) | (316,963) | (383,282) |
| Contribution Deficiency (Excess) | \$ 0 | \$ 0 | \$ 0 | \$ (280,626) | \$ 0 | \$ 0 | \$ 0 |
| Covered Payroll | \$ 3,181,880 | \$ 6,486,246 | \$ 9,038,854 | \$ 11,947,819 | \$ 12,966,640 | \$ 15,546,322 | \$ 18,973,105 |
| Contributions as a Percentage of Covered Payroll | 4.00% | 4.00% | 3.96% | 3.97% | 1.91% | 2.04% | 2.02% |

Note: 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%

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

Exhibit F-4

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

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Contractually Required Contribution | \$ 4,769,001 | \$ 4,387,063 | \$ 4,249,389 | \$ 4,024,974 | \$ 3,935,894 | \$ 4,415,621 | \$ 4,291,415 | \$ 4,322,492 |
| Less Contributions in Relation to the Contractually Required Contribution | (4,769,001) | (4,387,063) | (4,249,389) | (4,024,974) | (3,935,894) | (4,415,621) | (4,291,415) | (4,322,492) |
| Contribution Deficiency (Excess) | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Covered Payroll | \$ 53,704,969 | \$ 48,529,483 | \$ 47,006,484 | \$ 44,443,645 | \$ 43,280,981 | \$ 42,132,112 | \$ 40,427,120 | \$ 42,088,346 |
| Contributions as a Percentage of Covered Payroll | 8.88% | 9.04% | 9.04% | 9.06% | 9.09% | 10.48% | 10.62% | 10.27% |

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

Exhibit F-5

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

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|--------------|--------------|--------------|---------------|---------------|---------------|
| School Department's Proportion of the Net Pension Liability (Asset) | 1.499811% | 1.474128% | 1.364917% | 1.355390% | 1.209468% | 1.237316% |
| School Department's Proportionate Share of the Net Pension Liability (Asset) | \$ (61,608) | \$ (153,461) | \$ (360,112) | \$ (614,707) | \$ (682,728) | \$ (703,590) |
| Covered Payroll | \$ 3,181,880 | \$ 6,486,246 | \$ 9,038,854 | \$ 11,947,819 | \$ 12,966,640 | \$ 15,546,322 |
| School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll | (1.94)% | (2.37)% | (3.98)% | (5.14)% | (5.27)% | (4.53)% |
| 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% |

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

Exhibit F-6

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

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---------------|---------------|---------------|---------------|----------------|-----------------|----------------|
| School Department's Proportion of the Net Pension Liability (Asset) | 1.368282% | 1.296365% | 1.302192% | 1.259538% | 1.237889% | 1.258949% | 1.212971% |
| School Department's Proportionate Share of the Net Pension Liability (Asset) | \$ (222,339) | \$ 531,035 | \$ 8,137,980 | \$ (412,101) | \$ (4,356,027) | \$ (12,944,258) | \$ (9,249,795) |
| Covered Payroll | \$ 53,704,969 | \$ 48,529,483 | \$ 47,006,484 | \$ 44,443,645 | \$ 43,280,981 | \$ 42,132,112 | \$ 40,427,120 |
| School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll | (.41)% | 1.09% | 17.31% | (.93)% | (10.06)% | (30.72)% | (22.88)% |
| 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% |

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

Exhibit F-7

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

Self-Insurance Plan - Madison County

| | 2018 | 2019 | 2020 | 2021 |
|--|---------------------|---------------------|---------------------|---------------------|
| Total OPEB Liability | | | | |
| Service Cost | \$ 319,886 | \$ 330,039 | \$ 501,752 | \$ 490,729 |
| Interest | 169,667 | 160,339 | 175,216 | 191,500 |
| Differences Between Actual and Expected Experience | (682,060) | 0 | (283,609) | 0 |
| Changes in Assumptions or Other Inputs | 0 | 0 | 939,535 | 0 |
| Benefit Payments | (64,908) | (128,271) | (204,662) | (192,707) |
| Net Change in Total OPEB Liability | \$ (257,415) | \$ 362,107 | \$ 1,128,232 | \$ 489,522 |
| Total OPEB Liability, Beginning | 5,335,680 | 5,078,265 | 5,440,372 | 6,568,604 |
| Total OPEB Liability, Ending | <u>\$ 5,078,265</u> | <u>\$ 5,440,372</u> | <u>\$ 6,568,604</u> | <u>\$ 7,058,126</u> |
| Madison County's Proportionate Share of the Total OPEB Liability | \$ 5,020,880 | \$ 5,358,766 | \$ 6,471,574 | \$ 6,955,712 |
| Airport's Proportionate Share of the Total OPEB Liability | 57,385 | 81,606 | 97,030 | 102,414 |
| Covered Employee Payroll | \$ 15,970,104 | \$ 15,755,999 | \$ 14,828,495 | \$ 14,720,273 |
| Net OPEB Liability as a Percentage of Covered Employee Payroll | 31.80% | 34.53% | 44.30% | 47.95% |

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

Note 2: Changes in assumptions.

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

| | |
|------|-------|
| 2018 | 3.00% |
| 2019 | 3.00% |
| 2020 | 2.75% |
| 2021 | 2.75% |

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

Exhibit F-8

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

| | 2017 | 2018 | 2019 | 2020 |
|---|---------------|----------------|---------------|---------------|
| Total OPEB Liability | | | | |
| Service Cost | \$ 1,054,227 | \$ 984,850 | \$ 1,029,565 | \$ 949,131 |
| Interest | 650,762 | 761,070 | 711,694 | 729,084 |
| Changes in Benefit Terms | 0 | (1,838,293) | 1,416,435 | 0 |
| Differences Between Actual and Expected Experience | 0 | (769,533) | 1,392,961 | (867,740) |
| Changes in Assumptions or Other Inputs | (842,627) | 885,319 | (1,615,079) | 1,904,621 |
| Benefit Payments | (1,639,932) | (1,762,038) | (1,827,094) | (1,658,111) |
| Net Change in Total OPEB Liability | \$ (777,570) | \$ (1,738,625) | \$ 1,108,482 | \$ 1,056,985 |
| Total OPEB Liability, Beginning | 22,052,110 | 21,274,540 | 19,535,915 | 20,644,397 |
| Total OPEB Liability, Ending | \$ 21,274,540 | \$ 19,535,915 | \$ 20,644,397 | \$ 21,701,382 |
| Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability | \$ 6,366,193 | \$ 4,846,743 | \$ 5,445,269 | \$ 5,782,052 |
| Employer Proportionate Share of the Total OPEB Liability | 14,908,347 | 14,689,172 | 15,199,128 | 15,919,330 |
| Covered Employee Payroll | \$ 51,483,445 | \$ 50,212,953 | \$ 47,690,962 | \$ 49,312,955 |
| Net OPEB Liability as a Percentage of Covered Employee Payroll | 28.96% | 29.25% | 31.87% | 32.28% |

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

Note 2: Changes in assumptions.

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

| | |
|------|-------|
| 2016 | 2.92% |
| 2017 | 3.56% |
| 2018 | 3.62% |
| 2019 | 3.51% |
| 2020 | 2.21% |

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

| | |
|----------------|-----------------------|
| 2019 plan year | - from 5.4% to 6.75% |
| 2020 plan year | - from 6.75% to 6.03% |
| 2021 plan year | - from 6.03% to 9.02% |

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

MADISON COUNTY, TENNESSEE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2021

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for fiscal year 2021 were calculated based on the June 30, 2019, actuarial valuation.

Methods and assumptions used to determine contribution rates:

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

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

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

Nonmajor Governmental Funds

Special Revenue Funds

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

Juvenile Services Fund – The Juvenile Services Fund is used to account for transactions related to the supervision, care, and detention of those children who are defined by the general laws of the state of Tennessee as delinquent, unruly, dependent, neglected, or abused.

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for solid waste activities related to the county’s convenience centers.

Special Purpose Fund – The Special Purpose Fund is used to account for transactions related to certain public safety, health, and welfare programs.

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 Fund

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

Community Development/Industrial Park Fund – The Community Development/Industrial Park Fund is used to account for revenues provided for industrial park projects.

Exhibit G-1

Madison County, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

| | Special Revenue Funds | | | | | Total |
|--|-----------------------|--------------------------|-----------------|--------------|--------------------------------|--------------|
| | Juvenile Services | Solid Waste / Sanitation | Special Purpose | Drug Control | Constitutional Officers - Fees | |
| <u>ASSETS</u> | | | | | | |
| Cash | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 41,183 | \$ 41,183 |
| Equity in Pooled Cash and Investments | 304,894 | 331,219 | 1,315,762 | 208,837 | 0 | 2,160,712 |
| Accounts Receivable | 28,387 | 64,815 | 177,243 | 0 | 6,877 | 277,322 |
| Allowance for Uncollectibles | 0 | 0 | (308) | 0 | 0 | (308) |
| Due from Other Governments | 38,508 | 36,000 | 824,424 | 0 | 0 | 898,932 |
| Property Taxes Receivable | 2,133,427 | 1,162,491 | 0 | 0 | 0 | 3,295,918 |
| Allowance for Uncollectible Property Taxes | (44,723) | (25,210) | 0 | 0 | 0 | (69,933) |
| Total Assets | \$ 2,460,493 | \$ 1,569,315 | \$ 2,317,121 | \$ 208,837 | \$ 48,060 | \$ 6,603,826 |
| <u>LIABILITIES</u> | | | | | | |
| Accounts Payable | \$ 10,903 | \$ 0 | \$ 90,051 | \$ 1,159 | \$ 0 | \$ 102,113 |
| Accrued Payroll | 30,858 | 13,503 | 66,825 | 0 | 0 | 111,186 |
| Payroll Deductions Payable | 30,449 | 5,186 | 59,333 | 0 | 0 | 94,968 |
| Due to Other Funds | 1,475 | 867 | 150,000 | 0 | 48,060 | 200,402 |
| Due to Joint Ventures | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Current Liabilities | 237 | 0 | 574 | 0 | 0 | 811 |
| Total Liabilities | \$ 73,922 | \$ 19,556 | \$ 366,783 | \$ 1,159 | \$ 48,060 | \$ 509,480 |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | | | |
| Deferred Current Property Taxes | \$ 2,054,835 | \$ 1,117,375 | \$ 0 | \$ 0 | \$ 0 | \$ 3,172,210 |
| Deferred Delinquent Property Taxes | 26,476 | 15,687 | 0 | 0 | 0 | 42,163 |

(Continued)

Exhibit G-1

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

| | Special Revenue Funds | | | | | Total |
|---|-----------------------|--------------------------|-----------------|--------------|--------------------------------|--------------|
| | Juvenile Services | Solid Waste / Sanitation | Special Purpose | Drug Control | Constitutional Officers - Fees | |
| <u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u> | | | | | | |
| Other Deferred/Unavailable Revenue | \$ 0 | \$ 38,037 | \$ 176,935 | \$ 0 | \$ 0 | \$ 214,972 |
| Total Deferred Inflows of Resources | \$ 2,081,311 | \$ 1,171,099 | \$ 176,935 | \$ 0 | \$ 0 | \$ 3,429,345 |
| <u>FUND BALANCES</u> | | | | | | |
| Restricted: | | | | | | |
| Restricted for Public Safety | \$ 0 | \$ 0 | \$ 582,176 | \$ 207,678 | \$ 0 | \$ 789,854 |
| Restricted for Public Health and Welfare | 0 | 21,124 | 1,052,934 | 0 | 0 | 1,074,058 |
| Restricted for Other Operations | 0 | 0 | 138,293 | 0 | 0 | 138,293 |
| Committed: | | | | | | |
| Committed for Public Safety | 305,260 | 0 | 0 | 0 | 0 | 305,260 |
| Committed for Public Health and Welfare | 0 | 357,536 | 0 | 0 | 0 | 357,536 |
| Committed for Capital Outlay | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Fund Balances | \$ 305,260 | \$ 378,660 | \$ 1,773,403 | \$ 207,678 | \$ 0 | \$ 2,665,001 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$ 2,460,493 | \$ 1,569,315 | \$ 2,317,121 | \$ 208,837 | \$ 48,060 | \$ 6,603,826 |

(Continued)

Exhibit G-1

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

| | <u>Capital</u> <u>Projects Fund</u> | <u>Total</u> |
|--|---|--|
| | <u>Community</u> <u>Development/</u> <u>Industrial</u> <u>Park</u> | <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u> |
| <u>ASSETS</u> | | |
| Cash | \$ 0 | \$ 41,183 |
| Equity in Pooled Cash and Investments | 1,242,859 | 3,403,571 |
| Accounts Receivable | 0 | 277,322 |
| Allowance for Uncollectibles | 0 | (308) |
| Due from Other Governments | 2,119 | 901,051 |
| Property Taxes Receivable | 0 | 3,295,918 |
| Allowance for Uncollectible Property Taxes | 0 | (69,933) |
| Total Assets | <u>\$ 1,244,978</u> | <u>\$ 7,848,804</u> |
| <u>LIABILITIES</u> | | |
| Accounts Payable | \$ 0 | \$ 102,113 |
| Accrued Payroll | 0 | 111,186 |
| Payroll Deductions Payable | 0 | 94,968 |
| Due to Other Funds | 0 | 200,402 |
| Due to Joint Ventures | 38,772 | 38,772 |
| Other Current Liabilities | 0 | 811 |
| Total Liabilities | <u>\$ 38,772</u> | <u>\$ 548,252</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | |
| Deferred Current Property Taxes | \$ 0 | \$ 3,172,210 |
| Deferred Delinquent Property Taxes | 0 | 42,163 |

(Continued)

Exhibit G-1

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

| | <u>Capital Projects Fund</u> | <u>Total Nonmajor Governmental Funds</u> |
|---|----------------------------------|--|
| <u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u> | | |
| Other Deferred/Unavailable Revenue | \$ 0 | \$ 214,972 |
| Total Deferred Inflows of Resources | <u>\$ 0</u> | <u>\$ 3,429,345</u> |
| <u>FUND BALANCES</u> | | |
| Restricted: | | |
| Restricted for Public Safety | \$ 0 | \$ 789,854 |
| Restricted for Public Health and Welfare | 0 | 1,074,058 |
| Restricted for Other Operations | 0 | 138,293 |
| Committed: | | |
| Committed for Public Safety | 0 | 305,260 |
| Committed for Public Health and Welfare | 0 | 357,536 |
| Committed for Capital Outlay | 1,206,206 | 1,206,206 |
| Total Fund Balances | <u>\$ 1,206,206</u> | <u>\$ 3,871,207</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 1,244,978</u> | <u>\$ 7,848,804</u> |

Exhibit G-2

Madison County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

| | Special Revenue Funds | | | | |
|--|-----------------------|--------------------------------|---------------------|-------------------|---------------------|
| | Juvenile Services | Solid Waste / Sanitation | Special Purpose | Drug Control | Total |
| <u>Revenues</u> | | | | | |
| Local Taxes | \$ 1,793,852 | \$ 1,053,114 | \$ 0 | \$ 0 | \$ 2,846,966 |
| Fines, Forfeitures, and Penalties | 0 | 0 | 0 | 58,929 | 58,929 |
| Charges for Current Services | 374 | 252,040 | 1,282,594 | 0 | 1,535,008 |
| Other Local Revenues | 0 | 54,375 | 1,887 | 0 | 56,262 |
| State of Tennessee | 135,717 | 0 | 3,773,183 | 0 | 3,908,900 |
| Federal Government | 42,573 | 0 | 0 | 0 | 42,573 |
| Other Governments and Citizens Groups | 37,778 | 0 | 0 | 0 | 37,778 |
| Total Revenues | <u>\$ 2,010,294</u> | <u>\$ 1,359,529</u> | <u>\$ 5,057,664</u> | <u>\$ 58,929</u> | <u>\$ 8,486,416</u> |
| <u>Expenditures</u> | | | | | |
| Current: | | | | | |
| Public Safety | \$ 2,094,518 | \$ 0 | \$ 1,515,229 | \$ 15,568 | \$ 3,625,315 |
| Public Health and Welfare | 0 | 1,231,708 | 3,748,499 | 0 | 4,980,207 |
| Other Operations | 2,511 | 20,751 | 6,182 | 0 | 29,444 |
| Total Expenditures | <u>\$ 2,097,029</u> | <u>\$ 1,252,459</u> | <u>\$ 5,269,910</u> | <u>\$ 15,568</u> | <u>\$ 8,634,966</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ (86,735)</u> | <u>\$ 107,070</u> | <u>\$ (212,246)</u> | <u>\$ 43,361</u> | <u>\$ (148,550)</u> |
| Net Change in Fund Balances | <u>\$ (86,735)</u> | <u>\$ 107,070</u> | <u>\$ (212,246)</u> | <u>\$ 43,361</u> | <u>\$ (148,550)</u> |
| Fund Balance, July 1, 2020 | 391,995 | 271,590 | 1,985,649 | 164,317 | 2,813,551 |
| Fund Balance, June 30, 2021 | <u>\$ 305,260</u> | <u>\$ 378,660</u> | <u>\$ 1,773,403</u> | <u>\$ 207,678</u> | <u>\$ 2,665,001</u> |

(Continued)

Exhibit G-2

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

| | Capital Projects Fund Community Development/ Industrial Park | Total Nonmajor Governmental Funds |
|--|---|--|
| <u>Revenues</u> | | |
| Local Taxes | \$ 0 | \$ 2,846,966 |
| Fines, Forfeitures, and Penalties | 0 | 58,929 |
| Charges for Current Services | 0 | 1,535,008 |
| Other Local Revenues | 35,049 | 91,311 |
| State of Tennessee | 0 | 3,908,900 |
| Federal Government | 0 | 42,573 |
| Other Governments and Citizens Groups | 0 | 37,778 |
| Total Revenues | <u>\$ 35,049</u> | <u>\$ 8,521,465</u> |
| <u>Expenditures</u> | | |
| Current: | | |
| Public Safety | \$ 0 | \$ 3,625,315 |
| Public Health and Welfare | 0 | 4,980,207 |
| Other Operations | 151,082 | 180,526 |
| Total Expenditures | <u>\$ 151,082</u> | <u>\$ 8,786,048</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ (116,033)</u> | <u>\$ (264,583)</u> |
| Net Change in Fund Balances | \$ (116,033) | \$ (264,583) |
| Fund Balance, July 1, 2020 | <u>1,322,239</u> | <u>4,135,790</u> |
| Fund Balance, June 30, 2021 | <u>\$ 1,206,206</u> | <u>\$ 3,871,207</u> |

Exhibit G-3

Madison County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Juvenile Services Fund
For the Year Ended June 30, 2021

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2020 | Add: Encumbrances 6/30/2021 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|--------------|--|
| | | | | | Original | Final | |
| <u>Revenues</u> | | | | | | | |
| Local Taxes | \$ 1,793,852 | \$ 0 | \$ 0 | \$ 1,793,852 | \$ 1,726,053 | \$ 1,733,138 | \$ 60,714 |
| Charges for Current Services | 374 | 0 | 0 | 374 | 0 | 0 | 374 |
| State of Tennessee | 135,717 | 0 | 0 | 135,717 | 9,000 | 144,375 | (8,658) |
| Federal Government | 42,573 | 0 | 0 | 42,573 | 169,106 | 43,731 | (1,158) |
| Other Governments and Citizens Groups | 37,778 | 0 | 0 | 37,778 | 71,200 | 71,200 | (33,422) |
| Total Revenues | \$ 2,010,294 | \$ 0 | \$ 0 | \$ 2,010,294 | \$ 1,975,359 | \$ 1,992,444 | \$ 17,850 |
| <u>Expenditures</u> | | | | | | | |
| <u>Public Safety</u> | | | | | | | |
| Juvenile Services | \$ 2,094,518 | \$ (7,811) | \$ 40,786 | \$ 2,127,493 | \$ 2,083,824 | \$ 2,174,035 | \$ 46,542 |
| <u>Other Operations</u> | | | | | | | |
| Employee Benefits | 2,511 | 0 | 0 | 2,511 | 0 | 2,512 | 1 |
| Total Expenditures | \$ 2,097,029 | \$ (7,811) | \$ 40,786 | \$ 2,130,004 | \$ 2,083,824 | \$ 2,176,547 | \$ 46,543 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ (86,735) | \$ 7,811 | \$ (40,786) | \$ (119,710) | \$ (108,465) | \$ (184,103) | \$ 64,393 |
| Net Change in Fund Balance | \$ (86,735) | \$ 7,811 | \$ (40,786) | \$ (119,710) | \$ (108,465) | \$ (184,103) | \$ 64,393 |
| Fund Balance, July 1, 2020 | 391,995 | (7,811) | 0 | 384,184 | 317,037 | 384,184 | 0 |
| Fund Balance, June 30, 2021 | \$ 305,260 | \$ 0 | \$ (40,786) | \$ 264,474 | \$ 208,572 | \$ 200,081 | \$ 64,393 |

Exhibit G-4

Madison County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Solid Waste/Sanitiation Fund
For the Year Ended June 30, 2021

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2020 | Add: Encumbrances 6/30/2021 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|--------------|--|
| | | | | | Original | Final | |
| <u>Revenues</u> | | | | | | | |
| Local Taxes | \$ 1,053,114 | \$ 0 | \$ 0 | \$ 1,053,114 | \$ 1,038,871 | \$ 1,038,871 | \$ 14,243 |
| Charges for Current Services | 252,040 | 0 | 0 | 252,040 | 253,932 | 253,932 | (1,892) |
| Other Local Revenues | 54,375 | 0 | 0 | 54,375 | 47,750 | 47,750 | 6,625 |
| Total Revenues | \$ 1,359,529 | \$ 0 | \$ 0 | \$ 1,359,529 | \$ 1,340,553 | \$ 1,340,553 | \$ 18,976 |
| <u>Expenditures</u> | | | | | | | |
| <u>Public Health and Welfare</u> | | | | | | | |
| Convenience Centers | \$ 664,382 | \$ (6,054) | \$ 41,398 | \$ 699,726 | \$ 740,612 | \$ 734,047 | \$ 34,321 |
| Landfill Operation and Maintenance | 567,326 | 0 | 31,619 | 598,945 | 662,363 | 677,363 | 78,418 |
| <u>Other Operations</u> | | | | | | | |
| Employee Benefits | 20,751 | 0 | 0 | 20,751 | 0 | 20,751 | 0 |
| Total Expenditures | \$ 1,252,459 | \$ (6,054) | \$ 73,017 | \$ 1,319,422 | \$ 1,402,975 | \$ 1,432,161 | \$ 112,739 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 107,070 | \$ 6,054 | \$ (73,017) | \$ 40,107 | \$ (62,422) | \$ (91,608) | \$ 131,715 |
| Net Change in Fund Balance | \$ 107,070 | \$ 6,054 | \$ (73,017) | \$ 40,107 | \$ (62,422) | \$ (91,608) | \$ 131,715 |
| Fund Balance, July 1, 2020 | 271,590 | (6,054) | 0 | 265,536 | 278,092 | 264,936 | 600 |
| Fund Balance, June 30, 2021 | \$ 378,660 | \$ 0 | \$ (73,017) | \$ 305,643 | \$ 215,670 | \$ 173,328 | \$ 132,315 |

Exhibit G-5

Madison County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Special Purpose Fund
For the Year Ended June 30, 2021

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2020 | Add: Encumbrances 6/30/2021 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|--------------|--|
| | | | | | Original | Final | |
| <u>Revenues</u> | | | | | | | |
| Charges for Current Services | \$ 1,282,594 | \$ 0 | \$ 0 | \$ 1,282,594 | \$ 1,325,023 | \$ 1,218,742 | \$ 63,852 |
| Other Local Revenues | 1,887 | 0 | 0 | 1,887 | 0 | 1,210 | 677 |
| State of Tennessee | 3,773,183 | 0 | 0 | 3,773,183 | 4,202,629 | 4,481,843 | (708,660) |
| Federal Government | 0 | 0 | 0 | 0 | 45,680 | 121,154 | (121,154) |
| Other Governments and Citizens Groups | 0 | 0 | 0 | 0 | 241,305 | 253,805 | (253,805) |
| Total Revenues | \$ 5,057,664 | \$ 0 | \$ 0 | \$ 5,057,664 | \$ 5,814,637 | \$ 6,076,754 | \$ (1,019,090) |
| <u>Expenditures</u> | | | | | | | |
| <u>Public Safety</u> | | | | | | | |
| Correctional Incentive Program Improvements | \$ 504,439 | \$ (200) | \$ 0 | \$ 504,239 | \$ 562,681 | \$ 607,610 | \$ 103,371 |
| Work Release Program | 826,007 | 0 | 0 | 826,007 | 899,559 | 917,889 | 91,882 |
| Other Emergency Management | 42,910 | 0 | 1,629 | 44,539 | 45,680 | 121,154 | 76,615 |
| Public Safety Grants Program | 141,873 | (2,350) | 640 | 140,163 | 152,500 | 193,700 | 53,537 |
| <u>Public Health and Welfare</u> | | | | | | | |
| Maternal and Child Health Services | 3,699,132 | (153,595) | 52,585 | 3,598,122 | 3,806,912 | 4,109,062 | 510,940 |
| Sanitation Education/Information | 49,367 | (518) | 442 | 49,291 | 64,800 | 68,383 | 19,092 |
| <u>Other Operations</u> | | | | | | | |
| Miscellaneous | 6,182 | 0 | 0 | 6,182 | 247,305 | 259,805 | 253,623 |
| Total Expenditures | \$ 5,269,910 | \$ (156,663) | \$ 55,296 | \$ 5,168,543 | \$ 5,779,437 | \$ 6,277,603 | \$ 1,109,060 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ (212,246) | \$ 156,663 | \$ (55,296) | \$ (110,879) | \$ 35,200 | \$ (200,849) | \$ 89,970 |
| Net Change in Fund Balance | \$ (212,246) | \$ 156,663 | \$ (55,296) | \$ (110,879) | \$ 35,200 | \$ (200,849) | \$ 89,970 |
| Fund Balance, July 1, 2020 | 1,985,649 | (156,663) | 0 | 1,828,986 | 1,558,074 | 1,828,986 | 0 |
| Fund Balance, June 30, 2021 | \$ 1,773,403 | \$ 0 | \$ (55,296) | \$ 1,718,107 | \$ 1,593,274 | \$ 1,628,137 | \$ 89,970 |

Exhibit G-6

Madison 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, 2021

| | Actual (GAAP Basis) | Add: Encumbrances 6/30/2021 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|---|------------------|------------|--|
| | | | | Original | Final | |
| <u>Revenues</u> | | | | | | |
| Fines, Forfeitures, and Penalties | \$ 58,929 | \$ 0 | \$ 58,929 | \$ 30,890 | \$ 36,890 | \$ 22,039 |
| Total Revenues | \$ 58,929 | \$ 0 | \$ 58,929 | \$ 30,890 | \$ 36,890 | \$ 22,039 |
| <u>Expenditures</u> | | | | | | |
| <u>Public Safety</u> | | | | | | |
| Drug Enforcement | \$ 15,568 | \$ 2,191 | \$ 17,759 | \$ 16,123 | \$ 22,123 | \$ 4,364 |
| Total Expenditures | \$ 15,568 | \$ 2,191 | \$ 17,759 | \$ 16,123 | \$ 22,123 | \$ 4,364 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 43,361 | \$ (2,191) | \$ 41,170 | \$ 14,767 | \$ 14,767 | \$ 26,403 |
| Net Change in Fund Balance | \$ 43,361 | \$ (2,191) | \$ 41,170 | \$ 14,767 | \$ 14,767 | \$ 26,403 |
| Fund Balance, July 1, 2020 | 164,317 | 0 | 164,317 | 145,240 | 164,317 | 0 |
| Fund Balance, June 30, 2021 | \$ 207,678 | \$ (2,191) | \$ 205,487 | \$ 160,007 | \$ 179,084 | \$ 26,403 |

Exhibit G-7

Madison County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Community Development/Industrial Park Fund
For the Year Ended June 30, 2021

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------|---------------------|---------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Other Local Revenues | \$ 35,049 | \$ 26,604 | \$ 35,050 | \$ (1) |
| State of Tennessee | 0 | 913,181 | 0 | 0 |
| Other Governments and Citizens Groups | 0 | 50,732 | 0 | 0 |
| Total Revenues | <u>\$ 35,049</u> | <u>\$ 990,517</u> | <u>\$ 35,050</u> | <u>\$ (1)</u> |
| <u>Expenditures</u> | | | | |
| <u>Other Operations</u> | | | | |
| Industrial Development | \$ 100,350 | \$ 100,300 | \$ 100,500 | \$ 150 |
| Airport | 50,732 | 1,014,645 | 50,732 | 0 |
| Total Expenditures | <u>\$ 151,082</u> | <u>\$ 1,114,945</u> | <u>\$ 151,232</u> | <u>\$ 150</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ (116,033)</u> | <u>\$ (124,428)</u> | <u>\$ (116,182)</u> | <u>\$ 149</u> |
| Net Change in Fund Balance | \$ (116,033) | \$ (124,428) | \$ (116,182) | \$ 149 |
| Fund Balance, July 1, 2020 | 1,322,239 | 1,002,286 | 1,322,239 | 0 |
| Fund Balance, June 30, 2021 | <u>\$ 1,206,206</u> | <u>\$ 877,858</u> | <u>\$ 1,206,057</u> | <u>\$ 149</u> |

Major Governmental Funds

General Debt Service Fund

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

General Capital Projects Fund

The General Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital projects

Exhibit H-1

Madison County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Debt Service Fund
For the Year Ended June 30, 2021

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|----------------------|----------------------|----------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Local Taxes | \$ 12,663,052 | \$ 12,339,513 | \$ 12,339,513 | \$ 323,539 |
| Other Local Revenues | 289,545 | 500,000 | 500,029 | (210,484) |
| Other Governments and Citizens Groups | 420,000 | 0 | 420,000 | 0 |
| Total Revenues | <u>\$ 13,372,597</u> | <u>\$ 12,839,513</u> | <u>\$ 13,259,542</u> | <u>\$ 113,055</u> |
| <u>Expenditures</u> | | | | |
| <u>Principal on Debt</u> | | | | |
| General Government | \$ 7,532,500 | \$ 7,543,750 | \$ 7,542,500 | \$ 10,000 |
| Education | 1,892,500 | 1,921,250 | 1,922,500 | 30,000 |
| <u>Interest on Debt</u> | | | | |
| General Government | 2,397,774 | 2,402,232 | 2,402,357 | 4,583 |
| Education | 866,754 | 880,627 | 880,502 | 13,748 |
| <u>Other Debt Service</u> | | | | |
| General Government | 274,701 | 266,690 | 369,628 | 94,927 |
| Education | 77,774 | 500 | 77,720 | (54) |
| Total Expenditures | <u>\$ 13,042,003</u> | <u>\$ 13,015,049</u> | <u>\$ 13,195,207</u> | <u>\$ 153,204</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 330,594</u> | <u>\$ (175,536)</u> | <u>\$ 64,335</u> | <u>\$ 266,259</u> |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Refunding Debt Issued | \$ 7,635,000 | 0 | 7,635,000 | 0 |
| Premiums on Debt Sold | 761,799 | 0 | 761,799 | 0 |
| Transfers In | 0 | 420,000 | 0 | 0 |
| Payments to Refunded Debt Escrow Agent | (8,293,868) | 0 | (8,293,868) | 0 |
| Total Other Financing Sources | <u>\$ 102,931</u> | <u>\$ 420,000</u> | <u>\$ 102,931</u> | <u>\$ 0</u> |
| Net Change in Fund Balance | \$ 433,525 | \$ 244,464 | \$ 167,266 | \$ 266,259 |
| Fund Balance, July 1, 2020 | <u>16,009,312</u> | <u>15,942,064</u> | <u>16,009,312</u> | <u>0</u> |
| Fund Balance, June 30, 2021 | <u>\$ 16,442,837</u> | <u>\$ 16,186,528</u> | <u>\$ 16,176,578</u> | <u>\$ 266,259</u> |

Exhibit H-2

Madison County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Capital Projects Fund
For the Year Ended June 30, 2021

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2020 | Add: Encumbrances 6/30/2021 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|---------------------|---------------------|--|
| | | | | | Original | Final | |
| <u>Revenues</u> | | | | | | | |
| Local Taxes | \$ 1,397,645 | \$ 0 | \$ 0 | \$ 1,397,645 | \$ 1,391,913 | \$ 1,401,913 | \$ (4,268) |
| Other Local Revenues | 46,700 | 0 | 0 | 46,700 | 0 | 48,200 | (1,500) |
| State of Tennessee | 2,028,583 | 0 | 0 | 2,028,583 | 3,046,640 | 3,821,640 | (1,793,057) |
| Other Governments and Citizens Groups | 1,500 | 0 | 0 | 1,500 | 0 | 0 | 1,500 |
| Total Revenues | \$ 3,474,428 | \$ 0 | \$ 0 | \$ 3,474,428 | \$ 4,438,553 | \$ 5,271,753 | \$ (1,797,325) |
| <u>Expenditures</u> | | | | | | | |
| <u>General Government</u> | | | | | | | |
| Election Commission | \$ 26,894 | \$ (26,894) | \$ 0 | \$ 0 | \$ 340,000 | \$ 391,894 | \$ 391,894 |
| County Buildings | 250,265 | 0 | 47,000 | 297,265 | 0 | 305,700 | 8,435 |
| <u>Finance</u> | | | | | | | |
| Accounting and Budgeting | 332,691 | (65,356) | 42,863 | 310,198 | 375,000 | 375,000 | 64,802 |
| Property Assessor's Office | 6,500 | 0 | 0 | 6,500 | 0 | 6,500 | 0 |
| <u>Administration of Justice</u> | | | | | | | |
| Circuit Court | 9,741 | 0 | 0 | 9,741 | 0 | 12,000 | 2,259 |
| Juvenile Court | 18,300 | 0 | 27,035 | 45,335 | 0 | 165,300 | 119,965 |
| <u>Public Safety</u> | | | | | | | |
| Sheriff's Department | 542,889 | (70,443) | 60,664 | 533,110 | 0 | 555,530 | 22,420 |
| Jail | 17,623,644 | 0 | 0 | 17,623,644 | 26,762,514 | 26,771,064 | 9,147,420 |
| Juvenile Services | 0 | 0 | 13,547 | 13,547 | 0 | 13,547 | 0 |
| Fire Prevention and Control | 819,323 | 0 | 39,087 | 858,410 | 992,616 | 858,438 | 28 |
| Civil Defense | 3,242 | (1,248) | 38,388 | 40,382 | 0 | 41,654 | 1,272 |
| Inspection and Regulation | 9,127 | 0 | 0 | 9,127 | 9,200 | 9,200 | 73 |
| <u>Public Health and Welfare</u> | | | | | | | |
| Convenience Centers | 5,000 | (5,000) | 30,000 | 30,000 | 0 | 30,000 | 0 |
| <u>Social, Cultural, and Recreational Services</u> | | | | | | | |
| Parks and Fair Boards | 374,157 | (38,643) | 0 | 335,514 | 410,000 | 1,447,900 | 1,112,386 |
| <u>Other Operations</u> | | | | | | | |
| Airport | 611 | 0 | 0 | 611 | 9,500 | 9,500 | 8,889 |
| Miscellaneous | 38,598 | 0 | 0 | 38,598 | 20,000 | 43,000 | 4,402 |

(Continued)

Exhibit H-2

Madison County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Capital Projects Fund (Cont.)

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2020 | Add: Encumbrances 6/30/2021 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|-----------------|--|
| | | | | | Original | Final | |
| <u>Expenditures (Cont.)</u> | | | | | | | |
| <u>Principal on Debt</u> | | | | | | | |
| General Government | \$ 170,810 | \$ 0 | \$ 0 | \$ 170,810 | \$ 0 | \$ 170,810 | \$ 0 |
| <u>Interest on Debt</u> | | | | | | | |
| General Government | 46,569 | 0 | 0 | 46,569 | 0 | 46,569 | 0 |
| Total Expenditures | \$ 20,278,361 | \$ (207,584) | \$ 298,584 | \$ 20,369,361 | \$ 28,918,830 | \$ 31,253,606 | \$ 10,884,245 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ (16,803,933) | \$ 207,584 | \$ (298,584) | \$ (16,894,933) | \$ (24,480,277) | \$ (25,981,853) | \$ 9,086,920 |
| <u>Other Financing Sources (Uses)</u> | | | | | | | |
| Insurance Recovery | \$ 84,196 | \$ 0 | \$ 0 | \$ 84,196 | \$ 0 | \$ 84,196 | \$ 0 |
| Total Other Financing Sources | \$ 84,196 | \$ 0 | \$ 0 | \$ 84,196 | \$ 0 | \$ 84,196 | \$ 0 |
| Net Change in Fund Balance | \$ (16,719,737) | \$ 207,584 | \$ (298,584) | \$ (16,810,737) | \$ (24,480,277) | \$ (25,897,657) | \$ 9,086,920 |
| Fund Balance, July 1, 2020 | 26,865,404 | (207,584) | 0 | 26,657,820 | 26,234,277 | 26,644,444 | 13,376 |
| Fund Balance, June 30, 2021 | \$ 10,145,667 | \$ 0 | \$ (298,584) | \$ 9,847,083 | \$ 1,754,000 | \$ 746,787 | \$ 9,100,296 |

Proprietary Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the county, or to other governments, on a cost-reimbursement basis.

Employee Insurance Fund – The Employee Insurance Fund is used to account for the county’s self-insurance employee health program. Premiums charged to the various county funds and employee payroll deductions are placed in this fund for the payment of claims of county employees.

Workers’ Compensation Fund – The Workers’ Compensation Fund is used to account for the county’s self-insurance workers’ compensation program. Premiums charged to the various county funds are placed in this fund for the payment of claims of county employees.

Madison County, Tennessee
Statement of Net Position
Proprietary Funds
June 30, 2021

| | <u>Governmental Activities -</u> <u>Internal Service Funds</u> | | |
|---------------------------------------|---|---|---------------------|
| | <u>Employee</u> <u>Insurance</u> <u>Fund</u> | <u>Workers'</u> <u>Compensation</u> <u>Fund</u> | <u>Total</u> |
| <u>ASSETS</u> | | | |
| Equity in Pooled Cash and Investments | \$ 1,870,016 | \$ 927,665 | \$ 2,797,681 |
| Accounts Receivable | 6,402 | 0 | 6,402 |
| Due from Other Funds | 747,632 | 0 | 747,632 |
| Total Assets | <u>\$ 2,624,050</u> | <u>\$ 927,665</u> | <u>\$ 3,551,715</u> |
| <u>LIABILITIES</u> | | | |
| Accounts Payable | \$ 302,820 | \$ 0 | \$ 302,820 |
| Total Liabilities | <u>\$ 302,820</u> | <u>\$ 0</u> | <u>\$ 302,820</u> |
| <u>NET POSITION</u> | | | |
| Unrestricted | <u>\$ 2,321,230</u> | <u>\$ 927,665</u> | <u>\$ 3,248,895</u> |
| Net Position | <u>\$ 2,321,230</u> | <u>\$ 927,665</u> | <u>\$ 3,248,895</u> |

Madison County, Tennessee
Statement of Revenues, Expenses, and
Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2021

| | Governmental Activities - Internal Service Funds | | |
|---------------------------------------|---|----------------------------------|---------------------|
| | Employee Insurance Fund | Workers' Compensation Fund | Total |
| <u>Operating Revenues</u> | | | |
| Self-Insurance Premiums/Contributions | \$ 6,186,133 | \$ 0 | \$ 6,186,133 |
| Total Operating Revenues | <u>\$ 6,186,133</u> | <u>\$ 0</u> | <u>\$ 6,186,133</u> |
| <u>Operating Expenses</u> | | | |
| Medical Claims | \$ 6,258,440 | \$ 0 | \$ 6,258,440 |
| Liability Claims | 0 | 37,585 | 37,585 |
| Other Charges | 59,508 | 0 | 59,508 |
| Total Operating Expenses | <u>\$ 6,317,948</u> | <u>\$ 37,585</u> | <u>\$ 6,355,533</u> |
| Operating Income (Loss) | <u>\$ (131,815)</u> | <u>\$ (37,585)</u> | <u>\$ (169,400)</u> |
| <u>Nonoperating Revenues</u> | | | |
| Investment Income | \$ 5,358 | \$ 0 | \$ 5,358 |
| Total Nonoperating Revenues | <u>\$ 5,358</u> | <u>\$ 0</u> | <u>\$ 5,358</u> |
| Change in Net Position | \$ (126,457) | \$ (37,585) | \$ (164,042) |
| Net Position, July 1, 2020 | <u>2,447,687</u> | <u>965,250</u> | <u>3,412,937</u> |
| Net Position, June 30, 2021 | <u>\$ 2,321,230</u> | <u>\$ 927,665</u> | <u>\$ 3,248,895</u> |

Madison County, Tennessee
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2021

| | Governmental Activities - Internal Service Funds | | |
|---|---|----------------------------------|--------------|
| | Employee Insurance Fund | Workers' Compensation Fund | Total |
| <u>Cash Flows from Operating Activities</u> | | | |
| Receipts for Self-Insurance Premiums | \$ 5,945,457 | \$ 0 | \$ 5,945,457 |
| Payments for Medical Claims | (6,199,830) | 0 | (6,199,830) |
| Payments for Liability Claims | 0 | (37,585) | (37,585) |
| Payments for Administrative Costs | (59,508) | 0 | (59,508) |
| Net Cash Provided By (Used In) Operating Activities | \$ (313,881) | \$ (37,585) | \$ (351,466) |
| <u>Cash Flows from Investing Activities</u> | | | |
| Interest on Investments | \$ 5,358 | \$ 0 | \$ 5,358 |
| Net Cash Provided By (Used In) Investing Activities | \$ 5,358 | \$ 0 | \$ 5,358 |
| Increase (Decrease) in Cash | \$ (308,523) | \$ (37,585) | \$ (346,108) |
| Cash, July 1, 2020 | 2,178,539 | 965,250 | 3,143,789 |
| Cash, June 30, 2021 | \$ 1,870,016 | \$ 927,665 | \$ 2,797,681 |
| <u>Reconciliation of Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities</u> | | | |
| Operating Income (Loss) | \$ (131,815) | \$ (37,585) | \$ (169,400) |
| Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities: | | | |
| (Increase) Decrease in Due from Other Funds | 1,165 | 0 | 1,165 |
| (Increase) Decrease in Accounts Receivables | (241,841) | 0 | (241,841) |
| Increase (Decrease) in Accounts Payable | 58,610 | 0 | 58,610 |
| Net Cash Provided By (Used In) Operating Activities | \$ (313,881) | \$ (37,585) | \$ (351,466) |
| <u>Reconciliation of Cash With the Statement of Net Position</u> | | | |
| Equity in Pooled Cash and Investments Per Net Position | \$ 1,870,016 | \$ 927,665 | \$ 2,797,681 |
| Cash, June 30, 2021 | \$ 1,870,016 | \$ 927,665 | \$ 2,797,681 |

Custodial Funds

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

Cities - Sales Tax Fund – The Cities - Sales Tax Fund is used to account for the second half of the sales tax revenues collected inside the incorporated city of Jackson and to account for the city of Jackson's portion (40 percent) of the hotel/motel tax. These revenues are received by the county from the state of Tennessee and from the hotels and motels located in Madison County and are forwarded to the city of Jackson on a monthly basis.

Cities - Property Tax Fund – The Cities - Property Tax Fund is used to account for property taxes collected by the county trustee for the city of Three-Way and the second half of the sales tax revenues collected inside the incorporated city of Three-Way.

Watershed District Fund – The Watershed District Fund is used to account for acreage assessments collected by the county trustee and held in trust for the watershed district.

Joint Venture Fund – The Joint Venture Fund is used to account for a portion (20 percent) of the hotel/motel tax, which is collected for the Jackson - Madison County Community Economic Development Commission. These revenues are received by the county from the hotels and motels located in the county and are forwarded to the commission monthly.

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, juvenile court clerk, clerk and master, register of deeds, and sheriff. Such collections include amounts due the state, cities, other county funds, litigants, heirs, and others.

Other Custodial Fund – The Other Custodial Fund is used to account for the second half of the sales tax revenues collected inside the incorporated cities of Medon and Humboldt. These revenues are received by the county from the state of Tennessee and forwarded to these cities on a monthly basis.

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

Exhibit J-1

Madison County, Tennessee
Combining Statement of Net Position
Custodial Funds
June 30, 2021

| | Custodial Funds | | | | | | | Total |
|---|--------------------------|-----------------------------|-----------------------|------------------|--|--------------------|---------------------------------|----------------------|
| | Cities - Sales Tax | Cities - Property Tax | Watershed District | Joint Venture | Constitu- tional Officers - Custodial | Other Custodial | District Attorney General | |
| <u>ASSETS</u> | | | | | | | | |
| Cash | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 5,783,907 | \$ 0 | \$ 0 | \$ 5,783,907 |
| Equity in Pooled Cash and Investments | 95,658 | 4,282 | 55,973 | 47,829 | 0 | 0 | 14,888 | 218,630 |
| Accounts Receivable | 83,000 | 0 | 0 | 29,500 | 1,292 | 0 | 0 | 113,792 |
| Due from Other Governments | 4,160,502 | 35,954 | 0 | 0 | 0 | 5,876 | 0 | 4,202,332 |
| Total Assets | \$ 4,339,160 | \$ 40,236 | \$ 55,973 | \$ 77,329 | \$ 5,785,199 | \$ 5,876 | \$ 14,888 | \$ 10,318,661 |
| <u>LIABILITIES</u> | | | | | | | | |
| Due to Other Taxing Units | \$ 4,339,160 | \$ 40,236 | \$ 0 | \$ 0 | \$ 0 | \$ 5,876 | \$ 0 | \$ 4,385,272 |
| Other Current Liabilities | 0 | 0 | 0 | 77,329 | 0 | 0 | 0 | 77,329 |
| Total Liabilities | \$ 4,339,160 | \$ 40,236 | \$ 0 | \$ 77,329 | \$ 0 | \$ 5,876 | \$ 0 | \$ 4,462,601 |
| <u>NET POSITION</u> | | | | | | | | |
| Restricted for Individuals, Organizations and Other Governments | \$ 0 | \$ 0 | 55,973 | \$ 0 | \$ 5,785,199 | \$ 0 | \$ 14,888 | \$ 5,856,060 |
| Total Net Position | \$ 0 | \$ 0 | \$ 55,973 | \$ 0 | \$ 5,785,199 | \$ 0 | \$ 14,888 | \$ 5,856,060 |

Exhibit J-2

Madison County, Tennessee
Combining Statement of Changes in Net Position
Custodial Funds
For the Year Ended June 30, 2021

| | Custodial Funds | | | | | | | |
|---|--------------------------|-----------------------------|-----------------------|-------------------|--|--------------------|---------------------------------|----------------------|
| | Cities - Sales Tax | Cities - Property Tax | Watershed District | Joint Venture | Constitu- tional Officers - Custodial | Other Custodial | District Attorney General | Total |
| <u>Additions</u> | | | | | | | | |
| Sales Tax Collections for Other Governments | \$ 23,308,037 | \$ 195,358 | \$ 0 | \$ 0 | \$ 0 | \$ 44,107 | \$ 0 | \$ 23,547,502 |
| Property Tax Collections for Other Governments | 0 | 290,837 | 0 | 0 | 0 | 0 | 0 | 290,837 |
| Hotel/Motel Tax Collections for Other Governments | 860,186 | 0 | 0 | 418,093 | 0 | 0 | 0 | 1,278,279 |
| Fines/Fees and Other Collections | 0 | 0 | 0 | 0 | 25,353,648 | 0 | 0 | 25,353,648 |
| District Attorney General Collections | 0 | 0 | 0 | 0 | 0 | 0 | 9,338 | 9,338 |
| Total Additions | \$ 24,168,223 | \$ 486,195 | \$ 0 | \$ 418,093 | \$ 25,353,648 | \$ 44,107 | \$ 9,338 | \$ 50,479,604 |
| <u>Deductions</u> | | | | | | | | |
| Payment of Sales Tax Collections for Other Governments | \$ 23,308,037 | \$ 195,358 | \$ 0 | \$ 0 | \$ 0 | \$ 44,107 | \$ 0 | \$ 23,547,502 |
| Payment of Property Tax Collections for Other Governments | 0 | 290,837 | 0 | 0 | 0 | 0 | 0 | 290,837 |
| Payment of Hotel/Motel Tax for Other Governments | 860,186 | 0 | 0 | 418,093 | 0 | 0 | 0 | 1,278,279 |
| Payments to State | 0 | 0 | 0 | 0 | 9,260,764 | 0 | 0 | 9,260,764 |
| Payments to Cities, Individuals and Others | 0 | 0 | 0 | 0 | 16,002,072 | 0 | 0 | 16,002,072 |
| Payment of District Attorney General Expenses | 0 | 0 | 0 | 0 | 0 | 0 | 3,321 | 3,321 |
| Total Deductions | \$ 24,168,223 | \$ 486,195 | \$ 0 | \$ 418,093 | \$ 25,262,836 | \$ 44,107 | \$ 3,321 | \$ 50,382,775 |
| Change in Net Position | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 90,812 | \$ 0 | \$ 6,017 | \$ 96,829 |
| Net Position July 1, 2020 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Restatement - See Note I.D.11 | 0 | 0 | 55,973 | 0 | 5,694,387 | 0 | 8,871 | 5,759,231 |
| Net Position June 30, 2021 | \$ 0 | \$ 0 | \$ 55,973 | \$ 0 | \$ 5,785,199 | \$ 0 | \$ 14,888 | \$ 5,856,060 |

Madison County School Department

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

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.

Pension Trust Fund – The Pension Trust Fund is used to account for the former City of Jackson Teacher Retirement Plan, which was assumed by the Madison County Board of Education as a result of the consolidation of the City of Jackson School System and the Madison County School System.

Exhibit K-1

Madison County, Tennessee
Statement of Activities
Discretely Presented Madison County School Department
For the Year Ended June 30, 2021

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) |
|--|-----------------------|----------------------------|---|---|--|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Revenue and Changes in Net Position Total Governmental Activities |
| Governmental Activities: | | | | | |
| Instruction | \$ 79,138,064 | \$ 179,920 | \$ 11,958,530 | \$ 0 | \$ (66,999,614) |
| Support Services | 41,203,424 | 9,795 | 7,510,885 | 19,292 | (33,663,452) |
| Operation of Non-instructional Services | 11,252,114 | 9,419 | 8,708,339 | 0 | (2,534,356) |
| Total Governmental Activities | \$ 131,593,602 | \$ 199,134 | \$ 28,177,754 | \$ 19,292 | \$ (103,197,422) |
| General Revenues: | | | | | |
| Taxes: | | | | | |
| Property Taxes Levied for General Purposes | | | | | \$ 8,274,051 |
| Local Option Sales Taxes | | | | | 41,769,149 |
| Mixed Drink Tax | | | | | 220,012 |
| Grants and Contributions Not Restricted to Specific Programs | | | | | 60,767,346 |
| Miscellaneous | | | | | 164,599 |
| Total General Revenues | | | | | \$ 111,195,157 |
| Change in Net Position | | | | | \$ 7,997,735 |
| Net Position, July 1, 2020 | | | | | 107,473,566 |
| Restatement - See Note I.D.11 | | | | | 1,034,463 |
| Net Position, June 30, 2021 | | | | | \$ 116,505,764 |

Exhibit K-2

Madison County, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Madison County School Department
June 30, 2021

| | Major Funds | | | Nonmajor Funds | Total Governmental Funds |
|--|------------------------------|-------------------------------|----------------------------------|-------------------------------------|--------------------------------|
| | General Purpose School | School Federal Projects | Education Capital Projects | Other Govern- mental Funds | |
| <u>ASSETS</u> | | | | | |
| Cash | \$ 0 | \$ 0 | \$ 0 | \$ 1,166,958 | \$ 1,166,958 |
| Equity in Pooled Cash and Investments | 13,870,543 | 476,465 | 3,432,682 | 1,434,266 | 19,213,956 |
| Inventories | 0 | 0 | 0 | 109 | 109 |
| Accounts Receivable | 129,408 | 0 | 15,380 | 355 | 145,143 |
| Due from Other Governments | 8,800,191 | 2,462,599 | 181,245 | 0 | 11,444,035 |
| Due from Other Funds | 720,366 | 0 | 0 | 0 | 720,366 |
| Property Taxes Receivable | 5,334,865 | 0 | 1,984,063 | 0 | 7,318,928 |
| Allowance for Uncollectible Property Taxes | (145,279) | 0 | (33,979) | 0 | (179,258) |
| Restricted Assets | 1,650,760 | 0 | 0 | 0 | 1,650,760 |
| Total Assets | <u>\$ 30,360,854</u> | <u>\$ 2,939,064</u> | <u>\$ 5,579,391</u> | <u>\$ 2,601,688</u> | <u>\$ 41,480,997</u> |
| <u>LIABILITIES</u> | | | | | |
| Accounts Payable | \$ 101,671 | \$ 0 | \$ 70,491 | \$ 45,378 | \$ 217,540 |
| Payroll Deductions Payable | 2,164,892 | 233,958 | 0 | 48,264 | 2,447,114 |
| Contracts Payable | 0 | 0 | 536,278 | 0 | 536,278 |
| Due to Other Funds | 0 | 720,366 | 0 | 0 | 720,366 |
| Due to Primary Government | 6,203 | 0 | 799 | 0 | 7,002 |
| Total Liabilities | <u>\$ 2,272,766</u> | <u>\$ 954,324</u> | <u>\$ 607,568</u> | <u>\$ 93,642</u> | <u>\$ 3,928,300</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | | |
| Deferred Current Property Taxes | \$ 5,047,129 | \$ 0 | \$ 1,931,734 | \$ 0 | \$ 6,978,863 |
| Deferred Delinquent Property Taxes | 108,452 | 0 | 9,359 | 0 | 117,811 |
| Other Deferred/Unavailable Revenue | 3,728,237 | 0 | 0 | 0 | 3,728,237 |
| Total Deferred Inflows of Resources | <u>\$ 8,883,818</u> | <u>\$ 0</u> | <u>\$ 1,941,093</u> | <u>\$ 0</u> | <u>\$ 10,824,911</u> |

(Continued)

Exhibit K-2

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

| | Major Funds | | | Nonmajor Funds | Total Governmental Funds |
|---|------------------------------|-------------------------------|----------------------------------|-------------------------------------|--------------------------------|
| | General Purpose School | School Federal Projects | Education Capital Projects | Other Govern- mental Funds | |
| <u>FUND BALANCES</u> | | | | | |
| Nonspendable: | | | | | |
| Inventory | \$ 0 | \$ 0 | \$ 0 | \$ 109 | \$ 109 |
| Restricted: | | | | | |
| Restricted for Education | 45,294 | 0 | 0 | 1,156,518 | 1,201,812 |
| Restricted for Operation of Non-instructional Services | 0 | 0 | 0 | 1,351,419 | 1,351,419 |
| Restricted for OPEB | 513,595 | 0 | 0 | 0 | 513,595 |
| Restricted for Hybrid Retirement Stabilization Funds | 1,137,165 | 0 | 0 | 0 | 1,137,165 |
| Committed: | | | | | |
| Committed for Education | 5,642,491 | 0 | 0 | 0 | 5,642,491 |
| Committed for Capital Outlay | 0 | 0 | 3,030,730 | 0 | 3,030,730 |
| Assigned: | | | | | |
| Assigned for Education | 0 | 1,984,740 | 0 | 0 | 1,984,740 |
| Assigned for Instruction | 345,634 | 0 | 0 | 0 | 345,634 |
| Assigned for Support Services | 763,099 | 0 | 0 | 0 | 763,099 |
| Unassigned | 10,756,992 | 0 | 0 | 0 | 10,756,992 |
| Total Fund Balances | \$ 19,204,270 | \$ 1,984,740 | \$ 3,030,730 | \$ 2,508,046 | \$ 26,727,786 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$ 30,360,854 | \$ 2,939,064 | \$ 5,579,391 | \$ 2,601,688 | \$ 41,480,997 |

Exhibit K-3

Madison County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Position
Discretely Presented Madison County School Department
June 30, 2021

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

| | | |
|---|--------------------|-----------------------|
| Total fund balances - balance sheet - governmental funds (Exhibit K-2) | | \$ 26,727,786 |
| (1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. | | |
| Add: land | \$ 2,881,861 | |
| Add: construction in progress | 1,493,809 | |
| Add: buildings and improvements net of accumulated depreciation | 72,648,260 | |
| Add: infrastructure net of accumulated depreciation | 52,955 | |
| Add: other capital assets net of accumulated depreciation | <u>6,916,177</u> | 83,993,062 |
| (2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. | | |
| Less: net OPEB liability | \$ (15,919,330) | |
| Less: compensated absences payable | <u>(322,744)</u> | (16,242,074) |
| (3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years. | | |
| Add: deferred outflows of resources related to pensions | \$ 9,449,333 | |
| Less: deferred inflows of resources related to pensions | (4,985,297) | |
| Add: deferred outflows of resources related to OPEB | 4,310,713 | |
| Less: deferred inflows of resources related to OPEB | <u>(2,546,959)</u> | 6,227,790 |
| (4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds. | | |
| Add: net pension asset - agent plan | \$ 1,999,767 | |
| Add: net pension asset - teacher retirement plan | 703,590 | |
| Add: net pension asset - teacher legacy pension plan | <u>9,249,795</u> | 11,953,152 |
| (5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds. | | <u>3,846,048</u> |
| Net position of governmental activities (Exhibit A) | | <u>\$ 116,505,764</u> |

Exhibit K-4

Madison County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Governmental Funds
Discretely Presented Madison County School Department
For the Year Ended June 30, 2021

| | Major Funds | | | Nonmajor | Total |
|---|------------------------|-------------------------|----------------------------|--------------------------|-----------------------|
| | General Purpose School | School Federal Projects | Education Capital Projects | Other Governmental Funds | |
| <u>Revenues</u> | | | | | |
| Local Taxes | \$ 49,608,238 | \$ 0 | \$ 1,020,805 | \$ 0 | \$ 50,629,043 |
| Licenses and Permits | 11,180 | 0 | 0 | 0 | 11,180 |
| Charges for Current Services | 181,495 | 0 | 0 | 9,419 | 190,914 |
| Other Local Revenues | 390,547 | 0 | 0 | 1,761,656 | 2,152,203 |
| State of Tennessee | 57,367,816 | 0 | 854,537 | 71,512 | 58,293,865 |
| Federal Government | 1,695,161 | 21,353,746 | 0 | 5,127,814 | 28,176,721 |
| Other Governments and Citizens Groups | 67,493 | 0 | 0 | 0 | 67,493 |
| Total Revenues | <u>\$ 109,321,930</u> | <u>\$ 21,353,746</u> | <u>\$ 1,875,342</u> | <u>\$ 6,970,401</u> | <u>\$ 139,521,419</u> |
| <u>Expenditures</u> | | | | | |
| Current: | | | | | |
| Instruction | \$ 62,666,999 | \$ 13,858,828 | \$ 0 | \$ 0 | \$ 76,525,827 |
| Support Services | 37,980,477 | 4,834,589 | 0 | 0 | 42,815,066 |
| Operation of Non-Instructional Services | 2,772,163 | 370,719 | 0 | 8,048,775 | 11,191,657 |
| Debt Service: | | | | | |
| Other Debt Service | 420,000 | 0 | 0 | 0 | 420,000 |
| Capital Projects | 0 | 0 | 5,831,676 | 0 | 5,831,676 |
| Total Expenditures | <u>\$ 103,839,639</u> | <u>\$ 19,064,136</u> | <u>\$ 5,831,676</u> | <u>\$ 8,048,775</u> | <u>\$ 136,784,226</u> |
| Excess (Deficiency) of Revenues | | | | | |
| Over Expenditures | \$ 5,482,291 | \$ 2,289,610 | \$ (3,956,334) | \$ (1,078,374) | \$ 2,737,193 |
| <u>Other Financing Sources (Uses)</u> | | | | | |
| Insurance Recovery | \$ 174,683 | \$ 0 | \$ 7,716 | \$ 0 | \$ 182,399 |
| Transfers In | 3,607,145 | 3,500,000 | 0 | 1,214,275 | 8,321,420 |

(Continued)

Exhibit K-4

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

| | Major Funds | | | Nonmajor | Total |
|---|------------------------|-------------------------|----------------------------|--------------------------|----------------|
| | General Purpose School | School Federal Projects | Education Capital Projects | Other Governmental Funds | |
| <u>Other Financing Sources (Uses) (Cont.)</u> | | | | | |
| Transfers Out | \$ (3,500,000) | \$ (4,821,420) | \$ 0 | \$ 0 | \$ (8,321,420) |
| Total Other Financing Sources (Uses) | \$ 281,828 | \$ (1,321,420) | \$ 7,716 | \$ 1,214,275 | \$ 182,399 |
| Net Change in Fund Balances | \$ 5,764,119 | \$ 968,190 | \$ (3,948,618) | \$ 135,901 | \$ 2,919,592 |
| Restatement | 0 | 0 | 0 | 1,034,463 | 1,034,463 |
| Fund Balance, July 1, 2020 | 13,440,151 | 1,016,550 | 6,979,348 | 1,337,682 | 22,773,731 |
| Fund Balance, June 30, 2021 | \$ 19,204,270 | \$ 1,984,740 | \$ 3,030,730 | \$ 2,508,046 | \$ 26,727,786 |

Exhibit K-5

Madison County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Discretely Presented Madison County School Department
For the Year Ended June 30, 2021

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

| | | |
|---|--------------------|---------------------|
| Net change in fund balances - total governmental funds (Exhibit K-4) | | \$ 2,919,592 |
| | | |
| (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 | \$ 4,208,485 | |
| Less: current-year depreciation expense | <u>(4,165,083)</u> | 43,402 |
| | | |
| (2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | |
| Add: deferred delinquent property taxes and other deferred June 30, 2021 | \$ 3,846,048 | |
| Less: deferred delinquent property taxes and other deferred June 30, 2020 | <u>(3,729,392)</u> | 116,656 |
| | | |
| (3) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. | | |
| Change in net OPEB liability | \$ (720,202) | |
| Change in compensated absences payable | 30,317 | |
| Change in net pension asset - agent plan | (594,774) | |
| Change in net pension asset - teacher retirement plan | 20,862 | |
| Change in net pension asset - teacher legacy pension plan | (3,694,463) | |
| Change in deferred outflows related to pensions | 1,209,898 | |
| Change in deferred inflows related to pensions | 8,110,639 | |
| Change in deferred outflows related to OPEB | 890,203 | |
| Change in deferred inflows related to OPEB | <u>(334,395)</u> | <u>4,918,085</u> |
| | | |
| Change in net position of governmental activities (Exhibit B) | | <u>\$ 7,997,735</u> |

Exhibit K-6

Madison County, Tennessee
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Madison County School Department
June 30, 2021

| | <u>Special Revenue Funds</u> | | <u>Total</u> |
|--|------------------------------|---------------------|---------------------|
| | <u>Central</u> | <u>Internal</u> | <u>Nonmajor</u> |
| | <u>Cafeteria</u> | <u>School</u> | <u>Governmental</u> |
| | | | <u>Funds</u> |
| <u>ASSETS</u> | | | |
| Cash | \$ 0 | \$ 1,166,958 | \$ 1,166,958 |
| Equity in Pooled Cash and Investments | 1,434,266 | 0 | 1,434,266 |
| Inventories | 0 | 109 | 109 |
| Accounts Receivable | 0 | 355 | 355 |
| Total Assets | <u>\$ 1,434,266</u> | <u>\$ 1,167,422</u> | <u>\$ 2,601,688</u> |
| <u>LIABILITIES</u> | | | |
| Accounts Payable | \$ 34,583 | \$ 10,795 | \$ 45,378 |
| Payroll Deductions Payable | 48,264 | 0 | 48,264 |
| Total Liabilities | <u>\$ 82,847</u> | <u>\$ 10,795</u> | <u>\$ 93,642</u> |
| <u>FUND BALANCES</u> | | | |
| Nonspendable: | | | |
| Inventory | \$ 0 | \$ 109 | \$ 109 |
| Restricted: | | | |
| Restricted for Education | 0 | 1,156,518 | 1,156,518 |
| Restricted for Operation of Non-instructional Services | 1,351,419 | 0 | 1,351,419 |
| Total Fund Balances | <u>\$ 1,351,419</u> | <u>\$ 1,156,627</u> | <u>\$ 2,508,046</u> |
| Total Liabilities and Fund Balances | <u>\$ 1,434,266</u> | <u>\$ 1,167,422</u> | <u>\$ 2,601,688</u> |

Exhibit K-7

Madison County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Governmental Funds
Discretely Presented Madison County School Department
For the Year Ended June 30, 2021

| | <u>Special Revenue Funds</u> | | Total |
|--|------------------------------|---------------------|-----------------------------------|
| | Central Cafeteria | Internal School | Nonmajor Governmental Funds |
| <u>Revenues</u> | | | |
| Charges for Current Services | \$ 9,419 | \$ 0 | \$ 9,419 |
| Other Local Revenues | 27,734 | 1,733,922 | 1,761,656 |
| State of Tennessee | 71,512 | 0 | 71,512 |
| Federal Government | 5,127,814 | 0 | 5,127,814 |
| Total Revenues | <u>\$ 5,236,479</u> | <u>\$ 1,733,922</u> | <u>\$ 6,970,401</u> |
| <u>Expenditures</u> | | | |
| Current: | | | |
| Operation of Non-Instructional Services | \$ 6,437,017 | \$ 1,611,758 | \$ 8,048,775 |
| Total Expenditures | <u>\$ 6,437,017</u> | <u>\$ 1,611,758</u> | <u>\$ 8,048,775</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ (1,200,538)</u> | <u>\$ 122,164</u> | <u>\$ (1,078,374)</u> |
| <u>Other Financing Sources (Uses)</u> | | | |
| Transfers In | \$ 1,214,275 | \$ 0 | \$ 1,214,275 |
| Total Other Financing Sources (Uses) | <u>\$ 1,214,275</u> | <u>\$ 0</u> | <u>\$ 1,214,275</u> |
| Net Change in Fund Balances | \$ 13,737 | \$ 122,164 | \$ 135,901 |
| Restatement | 0 | 1,034,463 | 1,034,463 |
| Fund Balance, July 1, 2020 | <u>1,337,682</u> | <u>0</u> | <u>1,337,682</u> |
| Fund Balance, June 30, 2021 | <u>\$ 1,351,419</u> | <u>\$ 1,156,627</u> | <u>\$ 2,508,046</u> |

Exhibit K-8

Madison County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Madison County School Department
General Purpose School Fund
For the Year Ended June 30, 2021

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2020 | Add: Encumbrances 6/30/2021 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|-----------------------|-----------------------|--|
| | | | | | Original | Final | |
| | | | | | | | |
| <u>Revenues</u> | | | | | | | |
| Local Taxes | \$ 49,608,238 | \$ 0 | \$ 0 | \$ 49,608,238 | \$ 46,663,485 | \$ 46,663,485 | \$ 2,944,753 |
| Licenses and Permits | 11,180 | 0 | 0 | 11,180 | 9,518 | 9,518 | 1,662 |
| Charges for Current Services | 181,495 | 0 | 0 | 181,495 | 401,575 | 401,575 | (220,080) |
| Other Local Revenues | 390,547 | 0 | 0 | 390,547 | 14,765 | 75,165 | 315,382 |
| State of Tennessee | 57,367,816 | 0 | 0 | 57,367,816 | 55,596,709 | 57,611,776 | (243,960) |
| Federal Government | 1,695,161 | 0 | 0 | 1,695,161 | 160,000 | 2,164,331 | (469,170) |
| Other Governments and Citizens Groups | 67,493 | 0 | 0 | 67,493 | 39,000 | 52,000 | 15,493 |
| Total Revenues | \$ 109,321,930 | \$ 0 | \$ 0 | \$ 109,321,930 | \$ 102,885,052 | \$ 106,977,850 | \$ 2,344,080 |
| <u>Expenditures</u> | | | | | | | |
| <u>Instruction</u> | | | | | | | |
| Regular Instruction Program | \$ 48,949,917 | \$ (360) | \$ 311,838 | \$ 49,261,395 | \$ 49,905,882 | \$ 50,671,873 | \$ 1,410,478 |
| Special Education Program | 9,937,811 | (976) | 6,240 | 9,943,075 | 10,647,570 | 10,754,988 | 811,913 |
| Career and Technical Education Program | 2,719,485 | 0 | 27,556 | 2,747,041 | 2,907,497 | 3,046,577 | 299,536 |
| COVID-19 Expenditures | 1,059,786 | 0 | 0 | 1,059,786 | 0 | 1,059,786 | 0 |
| <u>Support Services</u> | | | | | | | |
| Attendance | 324,952 | 0 | 0 | 324,952 | 344,100 | 346,450 | 21,498 |
| Health Services | 882,125 | 0 | 0 | 882,125 | 900,800 | 948,601 | 66,476 |
| Other Student Support | 4,035,447 | (98) | 60,176 | 4,095,525 | 4,303,290 | 4,486,789 | 391,264 |
| Regular Instruction Program | 3,066,195 | 0 | 2,536 | 3,068,731 | 3,923,584 | 3,485,575 | 416,844 |
| Special Education Program | 976,044 | 0 | 3,432 | 979,476 | 1,021,180 | 1,030,625 | 51,149 |
| Career and Technical Education Program | 3,878 | 0 | 0 | 3,878 | 118,650 | 14,800 | 10,922 |
| Technology | 1,378,825 | (3,579) | 18,704 | 1,393,950 | 1,597,000 | 1,592,684 | 198,734 |
| Other Programs | 444,222 | 0 | 0 | 444,222 | 0 | 444,222 | 0 |
| Board of Education | 1,924,834 | (6,054) | 124,884 | 2,043,664 | 2,156,200 | 2,146,303 | 102,639 |
| Director of Schools | 1,306,655 | (28,262) | 7,494 | 1,285,887 | 883,500 | 1,325,782 | 39,895 |
| Office of the Principal | 7,381,141 | 0 | 2,140 | 7,383,281 | 7,266,700 | 7,632,972 | 249,691 |
| Fiscal Services | 680,579 | (564) | 1,731 | 681,746 | 692,100 | 697,100 | 15,354 |
| Human Services/Personnel | 522,751 | 0 | 3,981 | 526,732 | 557,700 | 563,552 | 36,820 |

(Continued)

Exhibit K-8

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

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2020 | Add: Encumbrances 6/30/2021 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|----------------|--|
| | | | | | Original | Final | |
| <u>Expenditures (Cont.)</u> | | | | | | | |
| <u>Support Services (Cont.)</u> | | | | | | | |
| Operation of Plant | \$ 5,709,816 | \$ (7,626) | \$ 137,415 | \$ 5,839,605 | \$ 6,591,000 | \$ 6,362,160 | \$ 522,555 |
| Maintenance of Plant | 3,338,057 | (311,635) | 224,181 | 3,250,603 | 3,215,830 | 3,458,495 | 207,892 |
| Transportation | 4,967,533 | (110) | 176,425 | 5,143,848 | 6,103,200 | 6,384,457 | 1,240,609 |
| COVID-19 Expenditures | 1,037,423 | 0 | 0 | 1,037,423 | 0 | 1,037,423 | 0 |
| <u>Operation of Non-Instructional Services</u> | | | | | | | |
| Community Services | 395,910 | 0 | 0 | 395,910 | 565,900 | 741,514 | 345,604 |
| Early Childhood Education | 2,375,920 | 0 | 0 | 2,375,920 | 2,328,710 | 2,486,842 | 110,922 |
| COVID-19 Expenditures | 333 | 0 | 0 | 333 | 0 | 333 | 0 |
| <u>Other Debt Service</u> | | | | | | | |
| Education | 420,000 | 0 | 0 | 420,000 | 420,000 | 420,000 | 0 |
| Total Expenditures | \$ 103,839,639 | \$ (359,264) | \$ 1,108,733 | \$ 104,589,108 | \$ 106,450,393 | \$ 111,139,903 | \$ 6,550,795 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 5,482,291 | \$ 359,264 | \$ (1,108,733) | \$ 4,732,822 | \$ (3,565,341) | \$ (4,162,053) | \$ 8,894,875 |
| <u>Other Financing Sources (Uses)</u> | | | | | | | |
| Insurance Recovery | \$ 174,683 | \$ 0 | \$ 0 | \$ 174,683 | \$ 0 | \$ 49,480 | \$ 125,203 |
| Transfers In | 3,607,145 | 0 | 0 | 3,607,145 | 203,242 | 3,246,697 | 360,448 |
| Transfers Out | (3,500,000) | 0 | 0 | (3,500,000) | 0 | (3,500,000) | 0 |
| Total Other Financing Sources | \$ 281,828 | \$ 0 | \$ 0 | \$ 281,828 | \$ 203,242 | \$ (203,823) | \$ 485,651 |
| Net Change in Fund Balance | \$ 5,764,119 | \$ 359,264 | \$ (1,108,733) | \$ 5,014,650 | \$ (3,362,099) | \$ (4,365,876) | \$ 9,380,526 |
| Fund Balance, July 1, 2020 | 13,440,151 | (359,264) | 0 | 13,080,887 | 12,003,147 | 13,080,887 | 0 |
| Fund Balance, June 30, 2021 | \$ 19,204,270 | \$ 0 | \$ (1,108,733) | \$ 18,095,537 | \$ 8,641,048 | \$ 8,715,011 | \$ 9,380,526 |

Exhibit K-9

Madison County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Madison County School Department
School Federal Projects Fund
For the Year Ended June 30, 2021

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2020 | Add: Encumbrances 6/30/2021 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|---------------|--|
| | | | | | Original | Final | |
| <u>Revenues</u> | | | | | | | |
| Federal Government | \$ 21,353,746 | \$ 0 | \$ 0 | \$ 21,353,746 | \$ 15,589,905 | \$ 34,596,297 | \$ (13,242,551) |
| Total Revenues | \$ 21,353,746 | \$ 0 | \$ 0 | \$ 21,353,746 | \$ 15,589,905 | \$ 34,596,297 | \$ (13,242,551) |
| <u>Expenditures</u> | | | | | | | |
| <u>Instruction</u> | | | | | | | |
| Regular Instruction Program | \$ 4,853,104 | \$ 0 | \$ 0 | \$ 4,853,104 | \$ 7,500,502 | \$ 8,397,843 | \$ 3,544,739 |
| Special Education Program | 2,225,310 | (4,010) | 0 | 2,221,300 | 2,494,923 | 3,086,842 | 865,542 |
| Career and Technical Education Program | 259,585 | 0 | 0 | 259,585 | 231,652 | 307,480 | 47,895 |
| COVID-19 Expenditures | 6,520,829 | 0 | 0 | 6,520,829 | 0 | 6,520,829 | 0 |
| <u>Support Services</u> | | | | | | | |
| Attendance | 0 | 0 | 0 | 0 | 0 | 289 | 289 |
| Health Services | 224,840 | 0 | 0 | 224,840 | 396,660 | 633,046 | 408,206 |
| Other Student Support | 828,842 | 0 | 0 | 828,842 | 1,035,613 | 1,266,871 | 438,029 |
| Regular Instruction Program | 1,595,069 | 0 | 0 | 1,595,069 | 2,261,595 | 3,051,508 | 1,456,439 |
| Alternative Instruction Program | 0 | 0 | 0 | 0 | 0 | 364,000 | 364,000 |
| Special Education Program | 717,226 | 0 | 0 | 717,226 | 887,222 | 1,055,810 | 338,584 |
| Career and Technical Education Program | 3,199 | 0 | 0 | 3,199 | 6,500 | 6,601 | 3,402 |
| Technology | 0 | 0 | 0 | 0 | 0 | 35,734 | 35,734 |
| Director of Schools | 0 | 0 | 0 | 0 | 0 | 3,239 | 3,239 |
| Office of the Principal | 46,697 | 0 | 0 | 46,697 | 0 | 97,800 | 51,103 |
| Fiscal Services | 0 | 0 | 0 | 0 | 0 | 44 | 44 |
| Human Services/Personnel | 0 | 0 | 0 | 0 | 0 | 2,197 | 2,197 |
| Operation of Plant | 1 | 0 | 0 | 1 | 300,000 | 74 | 73 |
| Maintenance of Plant | 2 | 0 | 0 | 2 | 0 | 24,171 | 24,169 |
| Transportation | 26,710 | 0 | 0 | 26,710 | 108,496 | 604,529 | 577,819 |
| COVID-19 Expenditures | 1,392,003 | 0 | 0 | 1,392,003 | 0 | 1,392,003 | 0 |
| <u>Operation of Non-Instructional Services</u> | | | | | | | |
| Food Service | 0 | 0 | 0 | 0 | 0 | 232,705 | 232,705 |
| Community Services | 163,030 | 0 | 0 | 163,030 | 163,500 | 250,494 | 87,464 |

(Continued)

Exhibit K-9

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

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2020 | Add: Encumbrances 6/30/2021 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|----------------|--|
| | | | | | Original | Final | |
| <u>Expenditures (Cont.)</u> | | | | | | | |
| <u>Operation of Non-Instructional Services (Cont.)</u> | | | | | | | |
| COVID-19 Expenditures | \$ 207,689 | \$ 0 | \$ 0 | \$ 207,689 | \$ 0 | \$ 207,689 | \$ 0 |
| <u>Capital Outlay</u> | | | | | | | |
| Regular Capital Outlay | 0 | 0 | 73,400 | 73,400 | 0 | 3,892,600 | 3,819,200 |
| Total Expenditures | \$ 19,064,136 | \$ (4,010) | \$ 73,400 | \$ 19,133,526 | \$ 15,386,663 | \$ 31,434,398 | \$ 12,300,872 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 2,289,610 | \$ 4,010 | \$ (73,400) | \$ 2,220,220 | \$ 203,242 | \$ 3,161,899 | \$ (941,679) |
| <u>Other Financing Sources (Uses)</u> | | | | | | | |
| Transfers In | \$ 3,500,000 | \$ 0 | \$ 0 | \$ 3,500,000 | \$ 0 | \$ 3,500,000 | \$ 0 |
| Transfers Out | (4,821,420) | 0 | 0 | (4,821,420) | (203,242) | (5,661,899) | 840,479 |
| Total Other Financing Sources | \$ (1,321,420) | \$ 0 | \$ 0 | \$ (1,321,420) | \$ (203,242) | \$ (2,161,899) | \$ 840,479 |
| Net Change in Fund Balance | \$ 968,190 | \$ 4,010 | \$ (73,400) | \$ 898,800 | \$ 0 | \$ 1,000,000 | \$ (101,200) |
| Fund Balance, July 1, 2020 | 1,016,550 | (4,010) | 0 | 1,012,540 | 1,000,000 | 1,012,540 | 0 |
| Fund Balance, June 30, 2021 | \$ 1,984,740 | \$ 0 | \$ (73,400) | \$ 1,911,340 | \$ 1,000,000 | \$ 2,012,540 | \$ (101,200) |

Exhibit K-10

Madison County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Madison County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2021

| | Actual (GAAP Basis) | Add: Encumbrances 6/30/2021 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|---|---------------------|---------------------|--|
| | | | | Original | Final | |
| <u>Revenues</u> | | | | | | |
| Charges for Current Services | \$ 9,419 | \$ 0 | \$ 9,419 | \$ 209,000 | \$ 209,000 | \$ (199,581) |
| Other Local Revenues | 27,734 | 0 | 27,734 | 30,500 | 30,500 | (2,766) |
| State of Tennessee | 71,512 | 0 | 71,512 | 71,000 | 71,000 | 512 |
| Federal Government | 5,127,814 | 0 | 5,127,814 | 9,241,000 | 9,242,106 | (4,114,292) |
| Total Revenues | \$ 5,236,479 | \$ 0 | \$ 5,236,479 | \$ 9,551,500 | \$ 9,552,606 | \$ (4,316,127) |
| <u>Expenditures</u> | | | | | | |
| <u>Operation of Non-Instructional Services</u> | | | | | | |
| Food Service | \$ 5,222,742 | \$ 247,201 | \$ 5,469,943 | \$ 9,364,050 | \$ 8,150,881 | \$ 2,680,938 |
| COVID-19 Expenditures | 1,214,275 | 0 | 1,214,275 | 0 | 1,214,275 | 0 |
| Total Expenditures | \$ 6,437,017 | \$ 247,201 | \$ 6,684,218 | \$ 9,364,050 | \$ 9,365,156 | \$ 2,680,938 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ (1,200,538) | \$ (247,201) | \$ (1,447,739) | \$ 187,450 | \$ 187,450 | \$ (1,635,189) |
| <u>Other Financing Sources (Uses)</u> | | | | | | |
| Transfers In | \$ 1,214,275 | \$ 0 | \$ 1,214,275 | \$ 0 | \$ 0 | \$ 1,214,275 |
| Total Other Financing Sources | \$ 1,214,275 | \$ 0 | \$ 1,214,275 | \$ 0 | \$ 0 | \$ 1,214,275 |
| Net Change in Fund Balance | \$ 13,737 | \$ (247,201) | \$ (233,464) | \$ 187,450 | \$ 187,450 | \$ (420,914) |
| Fund Balance, July 1, 2020 | 1,337,682 | 0 | 1,337,682 | 927,005 | 1,337,682 | 0 |
| Fund Balance, June 30, 2021 | \$ 1,351,419 | \$ (247,201) | \$ 1,104,218 | \$ 1,114,455 | \$ 1,525,132 | \$ (420,914) |

Exhibit K-11

Madison County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Madison County School Department
Education Capital Projects Fund
For the Year Ended June 30, 2021

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2020 | Add: Encumbrances 6/30/2021 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|----------------|--|
| | | | | | Original | Final | |
| <u>Revenues</u> | | | | | | | |
| Local Taxes | \$ 1,020,805 | \$ 0 | \$ 0 | \$ 1,020,805 | \$ 1,015,407 | \$ 1,015,407 | \$ 5,398 |
| State of Tennessee | 854,537 | 0 | 0 | 854,537 | 835,036 | 835,036 | 19,501 |
| Total Revenues | \$ 1,875,342 | \$ 0 | \$ 0 | \$ 1,875,342 | \$ 1,850,443 | \$ 1,850,443 | \$ 24,899 |
| <u>Expenditures</u> | | | | | | | |
| <u>Capital Projects</u> | | | | | | | |
| Education Capital Projects | \$ 5,831,676 | \$ (3,043,452) | \$ 2,386,651 | \$ 5,174,875 | \$ 1,532,651 | \$ 5,641,557 | \$ 466,682 |
| Total Expenditures | \$ 5,831,676 | \$ (3,043,452) | \$ 2,386,651 | \$ 5,174,875 | \$ 1,532,651 | \$ 5,641,557 | \$ 466,682 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ (3,956,334) | \$ 3,043,452 | \$ (2,386,651) | \$ (3,299,533) | \$ 317,792 | \$ (3,791,114) | \$ 491,581 |
| <u>Other Financing Sources (Uses)</u> | | | | | | | |
| Insurance Recovery | \$ 7,716 | \$ 0 | \$ 0 | \$ 7,716 | \$ 0 | \$ 8,906 | \$ (1,190) |
| Total Other Financing Sources | \$ 7,716 | \$ 0 | \$ 0 | \$ 7,716 | \$ 0 | \$ 8,906 | \$ (1,190) |
| Net Change in Fund Balance | \$ (3,948,618) | \$ 3,043,452 | \$ (2,386,651) | \$ (3,291,817) | \$ 317,792 | \$ (3,782,208) | \$ 490,391 |
| Fund Balance, July 1, 2020 | 6,979,348 | (3,043,452) | 0 | 3,935,896 | 3,132,008 | 3,935,896 | 0 |
| Fund Balance, June 30, 2021 | \$ 3,030,730 | \$ 0 | \$ (2,386,651) | \$ 644,079 | \$ 3,449,800 | \$ 153,688 | \$ 490,391 |

Exhibit K-12

Madison County, Tennessee
Statement of Fiduciary Net Position
Discretely Presented Madison County School Department
Fiduciary Fund
June 30, 2021

| | <u>Other Trust Pension Trust Fund</u> |
|---------------------------------------|---|
| <u>ASSETS</u> | |
| Equity in Pooled Cash and Investments | <u>\$ 1,004,860</u> |
| Total Assets | <u>\$ 1,004,860</u> |
| <u>NET POSITION</u> | |
| Funds Held in Trust for Retirees | <u>\$ 1,004,860</u> |
| Total Net Position | <u><u>\$ 1,004,860</u></u> |

Exhibit K-13

Madison County, Tennessee
Statement of Changes in Fiduciary Net Position
Discretely Presented Madison County School Department
Fiduciary Fund
For the Year Ended June 30, 2021

| | Other Trust <hr/> Pension Trust Fund <hr/> |
|--|---|
| <u>ADDITIONS</u> | |
| <u>Contributions</u> | |
| Tennessee Consolidated Retirement System | \$ 114,517 |
| Employer | <u>146,032</u> |
| Total Contributions | <u>\$ 260,549</u> |
| <u>Investment Income</u> | |
| Interest Earned | \$ 2,789 |
| Total Investment Income | <u>\$ 2,789</u> |
| Total Additions | <u>\$ 263,338</u> |
| <u>DEDUCTIONS</u> | |
| Benefits | \$ 284,268 |
| Trustee's Commission | <u>28</u> |
| Total Deductions | <u>\$ 284,296</u> |
| Change in Net Position | \$ (20,958) |
| Net Position, July 1, 2020 | <u>1,025,818</u> |
| Net Position, June 30, 2021 | <u>\$ 1,004,860</u> |

MISCELLANEOUS SCHEDULES

Exhibit L-1

Madison County, Tennessee
Schedule of Changes in Long-term Notes, Capital Lease, and Bonds
For the Year Ended June 30, 2021

| Description of Indebtedness | Original Amount of Issue | Interest Rate | Date of Issue | Last Maturity Date | Outstanding 7-1-20 | Issued During Period | Paid and/or Matured During Period | Debt Refunded | Outstanding 6-30-21 |
|--|--------------------------------|------------------|---------------------|--------------------------|-----------------------|----------------------------|--|---------------------|------------------------|
| NOTES PAYABLE | | | | | | | | | |
| <u>Payable through General Debt Service Fund</u> | | | | | | | | | |
| General Capital Outlay Note, Series 2017A | \$ 1,000,000 | 2.48 % | 6-27-17 | 10-29-20 | \$ 751,000 | \$ 0 | \$ 0 | \$ 751,000 | \$ 0 |
| General Capital Outlay Note, Series 2017B | 9,000,000 | 2.51 | 12-7-17 | 10-29-20 | 7,525,000 | 0 | 0 | 7,525,000 | 0 |
| General Obligation Refunding Capital Outlay Notes, Series 2020 | 7,635,000 | 2 to 3 | 10-29-20 | 4-1-29 | 0 | 7,635,000 | 810,000 | 0 | 6,825,000 |
| Total Notes Payable | | | | | <u>\$ 8,276,000</u> | <u>\$ 7,635,000</u> | <u>\$ 810,000</u> | <u>\$ 8,276,000</u> | <u>\$ 6,825,000</u> |
| CAPITAL LEASE PAYABLE | | | | | | | | | |
| <u>Payable through General Capital Projects Fund</u> | | | | | | | | | |
| Fire Department Ladder Truck | 1,299,914 | 4.1 | 9-20-19 | 9-20-25 | \$ 1,135,831 | \$ 0 | \$ 170,810 | \$ 0 | \$ 965,021 |
| Total Capital Lease Payable | | | | | <u>\$ 1,135,831</u> | <u>\$ 0</u> | <u>\$ 170,810</u> | <u>\$ 0</u> | <u>\$ 965,021</u> |
| BONDS PAYABLE | | | | | | | | | |
| <u>Payable through General Debt Service Fund</u> | | | | | | | | | |
| General Obligation Bonds, Series 2018 | 34,805,000 | 5 | 5-23-18 | 5-1-28 | \$ 31,650,000 | \$ 0 | \$ 3,315,000 | \$ 0 | \$ 28,335,000 |
| General Obligation Bonds, Series 2018A | 17,820,000 | 3 to 5 | 12-20-18 | 5-1-34 | 16,970,000 | 0 | 895,000 | 0 | 16,075,000 |
| General Obligation School Bonds, Series 2019 | 9,020,000 | 2.5 to 5 | 6-6-19 | 5-1-34 | 8,555,000 | 0 | 455,000 | 0 | 8,100,000 |
| General Obligation Refunding Bonds, Series 2020 | 9,760,000 | 5 | 1-3-20 | 4-1-23 | 9,760,000 | 0 | 3,950,000 | 0 | 5,810,000 |
| Total Bonds Payable | | | | | <u>\$ 66,935,000</u> | <u>\$ 0</u> | <u>\$ 8,615,000</u> | <u>\$ 0</u> | <u>\$ 58,320,000</u> |

Exhibit L-2

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

| Year Ending June 30 | Notes | | |
|---------------------------|--------------|------------|--------------|
| | Principal | Interest | Total |
| 2022 | \$ 795,000 | \$ 188,600 | \$ 983,600 |
| 2023 | 820,000 | 172,700 | 992,700 |
| 2024 | 825,000 | 156,300 | 981,300 |
| 2025 | 850,000 | 131,550 | 981,550 |
| 2026 | 875,000 | 106,050 | 981,050 |
| 2027 | 900,000 | 79,800 | 979,800 |
| 2028 | 920,000 | 52,800 | 972,800 |
| 2029 | 840,000 | 25,200 | 865,200 |
| Total | \$ 6,825,000 | \$ 913,000 | \$ 7,738,000 |

| Year Ending June 30 | Capital Lease | | |
|---------------------------|---------------|------------|--------------|
| | Principal | Interest | Total |
| 2022 | \$ 177,813 | \$ 39,566 | \$ 217,379 |
| 2023 | 185,104 | 32,275 | 217,379 |
| 2024 | 192,693 | 24,686 | 217,379 |
| 2025 | 200,593 | 16,786 | 217,379 |
| 2026 | 208,818 | 8,562 | 217,380 |
| Total | \$ 965,021 | \$ 121,875 | \$ 1,086,896 |

| Year Ending June 30 | Bonds | | |
|---------------------------|---------------|---------------|---------------|
| | Principal | Interest | Total |
| 2022 | \$ 9,050,000 | \$ 2,644,607 | \$ 11,694,607 |
| 2023 | 6,795,000 | 2,192,106 | 8,987,106 |
| 2024 | 5,395,000 | 1,852,356 | 7,247,356 |
| 2025 | 5,660,000 | 1,587,856 | 7,247,856 |
| 2026 | 5,945,000 | 1,304,857 | 7,249,857 |
| 2027 | 6,230,000 | 1,013,356 | 7,243,356 |
| 2028 | 6,535,000 | 713,806 | 7,248,806 |
| 2029 | 1,950,000 | 399,506 | 2,349,506 |
| 2030 | 2,030,000 | 321,507 | 2,351,507 |
| 2031 | 2,085,000 | 264,031 | 2,349,031 |
| 2032 | 2,150,000 | 204,981 | 2,354,981 |
| 2033 | 2,215,000 | 140,494 | 2,355,494 |
| 2034 | 2,280,000 | 72,200 | 2,352,200 |
| Total | \$ 58,320,000 | \$ 12,711,663 | \$ 71,031,663 |

Exhibit L-3

Madison County, Tennessee
Schedule of Transfers
Discretely Presented Madison County School Department
For the Year Ended June 30, 2021

| <u>From Fund</u> | <u>To Fund</u> | <u>Purpose</u> | <u>Amount</u> |
|--|-------------------------|--|---------------------|
| <u>DISCRETELY PRESENTED MADISON COUNTY SCHOOL DEPARTMENT</u> | | | |
| General Purpose School | School Federal Projects | Cash flow funds | \$ 3,500,000 |
| School Federal Projects | General Purpose School | Indirect costs | 603,223 |
| School Federal Projects | General Purpose School | To cover mandatory expenditures for CCEIS | 137,182 |
| School Federal Projects | General Purpose School | Cash flow funds | 2,500,000 |
| School Federal Projects | General Purpose School | To reimburse for COVID related expenses with ESSER funds | 366,740 |
| School Federal Projects | Central Cafeteria | To reimburse for COVID related expenses with ESSER funds | <u>1,214,275</u> |
| Total Transfers Discretely Presented Madison County School Department | | | <u>\$ 8,321,420</u> |

Exhibit L-4

Madison County, Tennessee
Schedule of Salaries and Official Bonds of Principal Officials
Primary Government and Discretely Presented Madison County School Department
For the Year Ended June 30, 2021

| Official | Authorization for Salary | Salary Paid During Period | Bond | Surety |
|--|--|---------------------------|------------|---|
| County Mayor | Section 8-24-102, <i>TCA</i> | \$ 127,674 | \$ 400,000 | Local Government Property and Casualty Fund |
| Highway Engineer | Section 8-24-102, <i>TCA</i> | 123,346 (1) | 400,000 | " |
| Director of Schools | State Board of Education and County Board of Education | 189,057 (2) | 400,000 | " |
| Trustee | Section 8-24-102, <i>TCA</i> | 96,098 (3) | 4,182,265 | Cincinnati Insurance Company |
| Assessor of Property | Section 8-24-102, <i>TCA</i> | 96,098 (3) | 400,000 | Local Government Property and Casualty Fund |
| Director of Finance | County Commission | 96,237 | 400,000 | " |
| County Clerk | Section 8-24-102, <i>TCA</i> | 96,098 (3) | 400,000 | " |
| Circuit and General Session Courts Clerk | Section 8-24-102, <i>TCA</i> | 105,532 (4) | 400,000 | " |
| Clerk and Master | Section 8-24-102, <i>TCA</i> and Chancery Court Judge | 105,532 (4) | 120,000 | RLI Insurance Company |
| Juvenile Court Clerk | Chapter 212, Private Acts of 1990 | 94,336 | 400,000 | Local Government Property and Casualty Fund |
| Register of Deeds | Section 8-24-102, <i>TCA</i> | 96,098 (3) | 400,000 | " |
| Sheriff | Section 8-24-102, <i>TCA</i> , and County Commission | 121,248 (5) | 400,000 | " |
| Employees Blanket Bond: | | | | |
| Office: | | | | |
| County Mayor: | | | | |
| | All Employees | | 400,000 | Local Government Property and Casualty Fund |
| Highway Engineer: | | | | |
| | All Employees | | 400,000 | " |
| Director of Schools: | | | | |
| | All Employees | | 400,000 | " |

(1) Includes accrued leave of \$9,654 and a certified public administrator supplement of \$1,762.

(2) Includes career ladder of \$1,000 and a bonus of \$3,057.

(3) Includes certified public administrator supplement of \$1,762.

(4) Includes additional compensation of \$9,434 for multiple courts and a certified public administrator supplement of \$1,762.

(5) Includes compensation of \$16,682 for supervision of the county workhouse (penal farm) and a law enforcement training supplement of \$800.

Exhibit L-5

Madison County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
For the Year Ended June 30, 2021

| | Special Revenue Funds | | | | | |
|--|-----------------------|---------------------|--------------------------|-----------------|--------------|------------------------|
| | General | Juvenile Services | Solid Waste / Sanitation | Special Purpose | Drug Control | Highway / Public Works |
| <u>Local Taxes</u> | | | | | | |
| <u>County Property Taxes</u> | | | | | | |
| Current Property Tax | \$ 29,372,726 | \$ 1,658,904 | \$ 975,007 | \$ 0 | \$ 0 | \$ 1,743,113 |
| Trustee's Collections - Prior Year | 572,335 | 35,762 | 20,386 | 0 | 0 | 30,599 |
| Trustee's Collections - Bankruptcy | 122,555 | 6,922 | 4,076 | 0 | 0 | 7,287 |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 506,233 | 31,544 | 18,031 | 0 | 0 | 34,129 |
| Interest and Penalty | 112,750 | 7,000 | 4,043 | 0 | 0 | 6,998 |
| Payments in-Lieu-of Taxes - Local Utilities | 502,629 | 28,387 | 16,684 | 0 | 0 | 29,692 |
| Payments in-Lieu-of Taxes - Other | 231,739 | 13,096 | 7,695 | 0 | 0 | 13,700 |
| <u>County Local Option Taxes</u> | | | | | | |
| Local Option Sales Tax | 1,545,218 | 0 | 0 | 0 | 0 | 0 |
| Hotel/Motel Tax | 862,186 | 0 | 0 | 0 | 0 | 0 |
| Litigation Tax - General | 234,843 | 0 | 0 | 0 | 0 | 0 |
| Litigation Tax - Special Purpose | 199,074 | 0 | 0 | 0 | 0 | 0 |
| Litigation Tax - Jail, Workhouse, or Courthouse | 0 | 0 | 0 | 0 | 0 | 0 |
| Business Tax | 3,007,959 | 0 | 0 | 0 | 0 | 0 |
| Mixed Drink Tax | 2,144 | 0 | 0 | 0 | 0 | 0 |
| Mineral Severance Tax | 0 | 0 | 0 | 0 | 0 | 55,044 |
| <u>Statutory Local Taxes</u> | | | | | | |
| Bank Excise Tax | 216,669 | 12,237 | 7,192 | 0 | 0 | 12,799 |
| Wholesale Beer Tax | 283,332 | 0 | 0 | 0 | 0 | 0 |
| Total Local Taxes | \$ 37,772,392 | \$ 1,793,852 | \$ 1,053,114 | \$ 0 | \$ 0 | \$ 1,933,361 |
| <u>Licenses and Permits</u> | | | | | | |
| <u>Licenses</u> | | | | | | |
| Animal Registration | \$ 33,470 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Animal Vaccination | 4,995 | 0 | 0 | 0 | 0 | 0 |
| Cable TV Franchise | 188,044 | 0 | 0 | 0 | 0 | 0 |

(Continued)

Exhibit L-5

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

| | Special Revenue Funds | | | | | |
|--|-----------------------|----------------------|--------------------------------|--------------------|-----------------|------------------------------|
| | General | Juvenile Services | Solid Waste / Sanitation | Special Purpose | Drug Control | Highway / Public Works |
| <u>Licenses and Permits (Cont.)</u> | | | | | | |
| <u>Permits</u> | | | | | | |
| Building Permits | \$ 170,397 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Total Licenses and Permits | \$ 396,906 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| <u>Fines, Forfeitures, and Penalties</u> | | | | | | |
| <u>Circuit Court</u> | | | | | | |
| Fines | \$ 40,135 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Fines for Littering | 24 | 0 | 0 | 0 | 0 | 0 |
| Officers Costs | 60,337 | 0 | 0 | 0 | 0 | 0 |
| Drug Control Fines | 18,821 | 0 | 0 | 0 | 0 | 0 |
| Drug Court Fees | 7,523 | 0 | 0 | 0 | 0 | 0 |
| Jail Fees | 32,086 | 0 | 0 | 0 | 0 | 0 |
| DUI Treatment Fines | 3,961 | 0 | 0 | 0 | 0 | 0 |
| Data Entry Fee - Circuit Court | 4,100 | 0 | 0 | 0 | 0 | 0 |
| Courtroom Security Fee | 1,627 | 0 | 0 | 0 | 0 | 0 |
| Victims Assistance Assessments | 8,580 | 0 | 0 | 0 | 0 | 0 |
| <u>General Sessions Court</u> | | | | | | |
| Fines | 31,997 | 0 | 0 | 0 | 0 | 0 |
| Officers Costs | 108,948 | 0 | 0 | 0 | 0 | 0 |
| Game and Fish Fines | 333 | 0 | 0 | 0 | 0 | 0 |
| Drug Control Fines | 14,877 | 0 | 0 | 0 | 14,658 | 0 |
| Drug Court Fees | 3,635 | 0 | 0 | 0 | 0 | 0 |
| Jail Fees | 25,482 | 0 | 0 | 0 | 0 | 0 |
| Interpreter Fee | 36 | 0 | 0 | 0 | 0 | 0 |
| DUI Treatment Fines | 6,589 | 0 | 0 | 0 | 0 | 0 |
| Data Entry Fee - General Sessions Court | 32,499 | 0 | 0 | 0 | 0 | 0 |

(Continued)

Exhibit L-5

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

| | Special Revenue Funds | | | | | |
|--|-----------------------|-------------------|--------------------------|-----------------|------------------|------------------------|
| | General | Juvenile Services | Solid Waste / Sanitation | Special Purpose | Drug Control | Highway / Public Works |
| <u>Fines, Forfeitures, and Penalties (Cont.)</u> | | | | | | |
| <u>General Sessions Court (Cont.)</u> | | | | | | |
| Courtroom Security Fee | \$ 583 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0 |
| Victims Assistance Assessments | 13,964 | 0 | 0 | 0 | 0 | 0 |
| <u>Juvenile Court</u> | | | | | | |
| Officers Costs | 3,040 | 0 | 0 | 0 | 0 | 0 |
| <u>Chancery Court</u> | | | | | | |
| Officers Costs | 5,396 | 0 | 0 | 0 | 0 | 0 |
| Data Entry Fee - Chancery Court | 25,948 | 0 | 0 | 0 | 0 | 0 |
| <u>Other Fines, Forfeitures, and Penalties</u> | | | | | | |
| Proceeds from Confiscated Property | 4,813 | 0 | 0 | 0 | 44,271 | 0 |
| Other Fines, Forfeitures, and Penalties | 28 | 0 | 0 | 0 | 0 | 0 |
| Total Fines, Forfeitures, and Penalties | \$ 455,362 | \$ 0 | \$ 0 | \$ 0 | \$ 58,929 | \$ 0 |
| <u>Charges for Current Services</u> | | | | | | |
| <u>General Service Charges</u> | | | | | | |
| Tipping Fees | \$ 0 | \$ 0 | \$ 99,102 | \$ 0 | \$ 0 | 0 |
| Surcharge - Waste Tire Disposal | 0 | 0 | 152,938 | 0 | 0 | 0 |
| Patient Charges | 4,158 | 0 | 0 | 0 | 0 | 0 |
| Health Department Collections | 150,000 | 0 | 0 | 664,409 | 0 | 0 |
| Other General Service Charges | 2,977 | 374 | 0 | 0 | 0 | 0 |
| <u>Fees</u> | | | | | | |
| Engineer Review Fees | 18,114 | 0 | 0 | 0 | 0 | 0 |
| Recreation Fees | 60,353 | 0 | 0 | 0 | 0 | 0 |
| Copy Fees | 433 | 0 | 0 | 0 | 0 | 0 |
| Greenbelt Late Application Fee | 850 | 0 | 0 | 0 | 0 | 0 |
| Telephone Commissions | 479,490 | 0 | 0 | 0 | 0 | 0 |

(Continued)

Exhibit L-5

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

| | Special Revenue Funds | | | | | |
|---|-----------------------|-------------------|--------------------------|---------------------|--------------|------------------------|
| | General | Juvenile Services | Solid Waste / Sanitation | Special Purpose | Drug Control | Highway / Public Works |
| <u>Charges for Current Services (Cont.)</u> | | | | | | |
| <u>Fees (Cont.)</u> | | | | | | |
| Vending Machine Collections | \$ 228,166 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0 |
| Electronic Citation Fee | 1,124 | 0 | 0 | 0 | 0 | 0 |
| Data Processing Fee - Register | 36,362 | 0 | 0 | 0 | 0 | 0 |
| Data Processing Fee - Sheriff | 9,488 | 0 | 0 | 0 | 0 | 0 |
| Sexual Offender Registration Fee - Sheriff | 5,200 | 0 | 0 | 0 | 0 | 0 |
| Data Processing Fee - County Clerk | 15,621 | 0 | 0 | 0 | 0 | 0 |
| Vehicle Registration Reinstatement Fees | 7,190 | 0 | 0 | 0 | 0 | 0 |
| <u>Education Charges</u> | | | | | | |
| Tuition - Other | 8,240 | 0 | 0 | 0 | 0 | 0 |
| Community Service Fees - Adults | 0 | 0 | 0 | 618,185 | 0 | 0 |
| TBI Criminal Background Fee | 1,890 | 0 | 0 | 0 | 0 | 0 |
| Total Charges for Current Services | \$ 1,029,656 | \$ 374 | \$ 252,040 | \$ 1,282,594 | \$ 0 | 0 |
| <u>Other Local Revenues</u> | | | | | | |
| <u>Recurring Items</u> | | | | | | |
| Investment Income | \$ 2,332 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0 |
| Lease/Rentals | 40,140 | 0 | 0 | 0 | 0 | 0 |
| Sale of Materials and Supplies | 0 | 0 | 0 | 0 | 0 | 1,962 |
| Sale of Recycled Materials | 0 | 0 | 42,843 | 0 | 0 | 0 |
| Miscellaneous Refunds | 412,866 | 0 | 11,532 | 1,887 | 0 | 30,254 |
| <u>Nonrecurring Items</u> | | | | | | |
| Sale of Equipment | 1,551 | 0 | 0 | 0 | 0 | 0 |
| Sale of Property | 80,784 | 0 | 0 | 0 | 0 | 0 |
| Contributions and Gifts | 500 | 0 | 0 | 0 | 0 | 0 |

(Continued)

Exhibit L-5

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

| | Special Revenue Funds | | | | | |
|--|-----------------------|-------------------|--------------------------|-----------------|--------------|------------------------|
| | General | Juvenile Services | Solid Waste / Sanitation | Special Purpose | Drug Control | Highway / Public Works |
| <u>Other Local Revenues (Cont.)</u> | | | | | | |
| <u>Other Local Revenues</u> | | | | | | |
| Other Local Revenues | \$ 7,730 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Total Other Local Revenues | \$ 545,903 | \$ 0 | \$ 54,375 | \$ 1,887 | \$ 0 | \$ 32,216 |
| <u>Fees Received From County Officials</u> | | | | | | |
| <u>Fees In-Lieu-of Salary</u> | | | | | | |
| County Clerk | \$ 1,250,052 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Circuit Court Clerk | 738,577 | 0 | 0 | 0 | 0 | 0 |
| General Sessions Court Clerk | 834,343 | 0 | 0 | 0 | 0 | 0 |
| Clerk and Master | 618,270 | 0 | 0 | 0 | 0 | 0 |
| Juvenile Court Clerk | 60,913 | 0 | 0 | 0 | 0 | 0 |
| Register | 564,449 | 0 | 0 | 0 | 0 | 0 |
| Sheriff | 49,547 | 0 | 0 | 0 | 0 | 0 |
| Trustee | 2,165,383 | 0 | 0 | 0 | 0 | 0 |
| Total Fees Received From County Officials | \$ 6,281,534 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| <u>State of Tennessee</u> | | | | | | |
| <u>Public Safety Grants</u> | | | | | | |
| Law Enforcement Training Programs | \$ 101,600 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Drug Control Grants | 0 | 0 | 0 | 162,659 | 0 | 0 |
| Other Public Safety Grants | 0 | 135,375 | 0 | 0 | 0 | 0 |
| <u>Health and Welfare Grants</u> | | | | | | |
| Health Department Programs | 0 | 0 | 0 | 2,813,080 | 0 | 0 |
| <u>Public Works Grants</u> | | | | | | |
| State Aid Program | 0 | 0 | 0 | 0 | 0 | 818,455 |
| Litter Program | 0 | 0 | 0 | 49,984 | 0 | 0 |

(Continued)

Exhibit L-5

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

| | Special Revenue Funds | | | | | |
|--|-----------------------|----------------------|--------------------------------|--------------------|-----------------|------------------------------|
| | General | Juvenile Services | Solid Waste / Sanitation | Special Purpose | Drug Control | Highway / Public Works |
| <u>State of Tennessee (Cont.)</u> | | | | | | |
| <u>Other State Revenues</u> | | | | | | |
| Income Tax | \$ 89,527 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0 |
| Beer Tax | 18,369 | 0 | 0 | 0 | 0 | 0 |
| Vehicle Certificate of Title Fees | 17,198 | 0 | 0 | 0 | 0 | 0 |
| Alcoholic Beverage Tax | 210,978 | 0 | 0 | 0 | 0 | 0 |
| State Revenue Sharing - Telecommunications | 167,590 | 0 | 0 | 0 | 0 | 0 |
| State Shared Sports Gaming Privilege Tax | 11,481 | 0 | 0 | 0 | 0 | 0 |
| Prisoner Transportation | 30,498 | 0 | 0 | 0 | 0 | 0 |
| Contracted Prisoner Boarding | 1,259,583 | 0 | 0 | 0 | 0 | 0 |
| Gasoline and Motor Fuel Tax | 0 | 0 | 0 | 0 | 0 | 3,314,804 |
| Petroleum Special Tax | 0 | 0 | 0 | 0 | 0 | 70,923 |
| Registrar's Salary Supplement | 15,164 | 0 | 0 | 0 | 0 | 0 |
| Other State Grants | 512,900 | 0 | 0 | 0 | 0 | 88,083 |
| Other State Revenues | 381,933 | 342 | 0 | 747,460 | 0 | 0 |
| Total State of Tennessee | \$ 2,816,821 | \$ 135,717 | \$ 0 | \$ 3,773,183 | \$ 0 | \$ 4,292,265 |
| <u>Federal Government</u> | | | | | | |
| <u>Federal Through State</u> | | | | | | |
| Civil Defense Reimbursement | \$ 94,000 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0 |
| Disaster Relief | 8,541 | 0 | 0 | 0 | 0 | 95,814 |
| Homeland Security Grants | 1,318 | 0 | 0 | 0 | 0 | 0 |
| Law Enforcement Grants | 19,322 | 0 | 0 | 0 | 0 | 0 |
| COVID-19 Grant #1 | 42,026 | 0 | 0 | 0 | 0 | 0 |
| COVID-19 Grant #2 | 1,601,276 | 0 | 0 | 0 | 0 | 0 |
| COVID-19 Grant #4 | 53,251 | 0 | 0 | 0 | 0 | 0 |
| COVID-19 Grant #5 | 1,464,075 | 0 | 0 | 0 | 0 | 0 |

(Continued)

Exhibit L-5

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

| | Special Revenue Funds | | | | | |
|--|-----------------------|----------------------|--------------------------------|---------------------|------------------|------------------------------|
| | General | Juvenile Services | Solid Waste / Sanitation | Special Purpose | Drug Control | Highway / Public Works |
| <u>Federal Government (Cont.)</u> | | | | | | |
| <u>Federal Through State (Cont.)</u> | | | | | | |
| COVID-19 Grant A | \$ 15,067 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0 |
| COVID-19 Grant C | 72,080 | 0 | 0 | 0 | 0 | 0 |
| Other Federal through State | 44,568 | 42,573 | 0 | 0 | 0 | 0 |
| <u>Direct Federal Revenue</u> | | | | | | |
| Other Direct Federal Revenue | 6,000 | 0 | 0 | 0 | 0 | 0 |
| Total Federal Government | <u>\$ 3,421,524</u> | <u>\$ 42,573</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>95,814</u> |
| <u>Other Governments and Citizens Groups</u> | | | | | | |
| <u>Other Governments</u> | | | | | | |
| Prisoner Board | \$ 20,679 | \$ 37,778 | \$ 0 | \$ 0 | \$ 0 | 0 |
| Contributions | 625,000 | 0 | 0 | 0 | 0 | 0 |
| Contracted Services | 1,703,930 | 0 | 0 | 0 | 0 | 0 |
| Total Other Governments and Citizens Groups | <u>\$ 2,349,609</u> | <u>\$ 37,778</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>0</u> |
| Total | <u>\$ 55,069,707</u> | <u>\$ 2,010,294</u> | <u>\$ 1,359,529</u> | <u>\$ 5,057,664</u> | <u>\$ 58,929</u> | <u>\$ 6,353,656</u> |

(Continued)

Exhibit L-5

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

| | Debt Service Fund | | Capital Projects Funds | | |
|--|----------------------|--------------------------|---------------------------------------|----|------------|
| | General Debt Service | General Capital Projects | Community Development/Industrial Park | | Total |
| <u>Local Taxes</u> | | | | | |
| <u>County Property Taxes</u> | | | | | |
| Current Property Tax | \$ 11,462,132 | \$ 1,215,296 | \$ 0 | \$ | 46,427,178 |
| Trustee's Collections - Prior Year | 265,798 | 67,530 | 0 | | 992,410 |
| Trustee's Collections - Bankruptcy | 47,981 | 5,347 | 0 | | 194,168 |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 234,680 | 59,747 | 0 | | 884,364 |
| Interest and Penalty | 49,319 | 10,275 | 0 | | 190,385 |
| Payments in-Lieu-of Taxes - Local Utilities | 196,141 | 20,796 | 0 | | 794,329 |
| Payments in-Lieu-of Taxes - Other | 90,528 | 9,689 | 0 | | 366,447 |
| <u>County Local Option Taxes</u> | | | | | |
| Local Option Sales Tax | 0 | 0 | 0 | | 1,545,218 |
| Hotel/Motel Tax | 0 | 0 | 0 | | 862,186 |
| Litigation Tax - General | 0 | 0 | 0 | | 234,843 |
| Litigation Tax - Special Purpose | 0 | 0 | 0 | | 199,074 |
| Litigation Tax - Jail, Workhouse, or Courthouse | 231,922 | 0 | 0 | | 231,922 |
| Business Tax | 0 | 0 | 0 | | 3,007,959 |
| Mixed Drink Tax | 0 | 0 | 0 | | 2,144 |
| Mineral Severance Tax | 0 | 0 | 0 | | 55,044 |
| <u>Statutory Local Taxes</u> | | | | | |
| Bank Excise Tax | 84,551 | 8,965 | 0 | | 342,413 |
| Wholesale Beer Tax | 0 | 0 | 0 | | 283,332 |
| Total Local Taxes | \$ 12,663,052 | \$ 1,397,645 | \$ 0 | \$ | 56,613,416 |
| <u>Licenses and Permits</u> | | | | | |
| <u>Licenses</u> | | | | | |
| Animal Registration | \$ 0 | \$ 0 | \$ 0 | \$ | 33,470 |
| Animal Vaccination | 0 | 0 | 0 | | 4,995 |
| Cable TV Franchise | 0 | 0 | 0 | | 188,044 |

(Continued)

Exhibit L-5

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

| | Debt Service Fund | | Capital Projects Funds | | Total |
|--|----------------------|--------------------------|---------------------------------------|------|---------|
| | General Debt Service | General Capital Projects | Community Development/Industrial Park | | |
| <u>Licenses and Permits (Cont.)</u> | | | | | |
| <u>Permits</u> | | | | | |
| Building Permits | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 170,397 |
| Total Licenses and Permits | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 396,906 |
| <u>Fines, Forfeitures, and Penalties</u> | | | | | |
| <u>Circuit Court</u> | | | | | |
| Fines | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 40,135 |
| Fines for Littering | 0 | 0 | 0 | 0 | 24 |
| Officers Costs | 0 | 0 | 0 | 0 | 60,337 |
| Drug Control Fines | 0 | 0 | 0 | 0 | 18,821 |
| Drug Court Fees | 0 | 0 | 0 | 0 | 7,523 |
| Jail Fees | 0 | 0 | 0 | 0 | 32,086 |
| DUI Treatment Fines | 0 | 0 | 0 | 0 | 3,961 |
| Data Entry Fee - Circuit Court | 0 | 0 | 0 | 0 | 4,100 |
| Courtroom Security Fee | 0 | 0 | 0 | 0 | 1,627 |
| Victims Assistance Assessments | 0 | 0 | 0 | 0 | 8,580 |
| <u>General Sessions Court</u> | | | | | |
| Fines | 0 | 0 | 0 | 0 | 31,997 |
| Officers Costs | 0 | 0 | 0 | 0 | 108,948 |
| Game and Fish Fines | 0 | 0 | 0 | 0 | 333 |
| Drug Control Fines | 0 | 0 | 0 | 0 | 29,535 |
| Drug Court Fees | 0 | 0 | 0 | 0 | 3,635 |
| Jail Fees | 0 | 0 | 0 | 0 | 25,482 |
| Interpreter Fee | 0 | 0 | 0 | 0 | 36 |
| DUI Treatment Fines | 0 | 0 | 0 | 0 | 6,589 |
| Data Entry Fee - General Sessions Court | 0 | 0 | 0 | 0 | 32,499 |

(Continued)

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

| | Debt Service Fund | | Capital Projects Funds | | Total |
|--|----------------------|--------------------------|---------------------------------------|------|---------|
| | General Debt Service | General Capital Projects | Community Development/Industrial Park | | |
| <u>Fines, Forfeitures, and Penalties (Cont.)</u> | | | | | |
| <u>General Sessions Court (Cont.)</u> | | | | | |
| Courtroom Security Fee | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 583 |
| Victims Assistance Assessments | 0 | 0 | 0 | 0 | 13,964 |
| <u>Juvenile Court</u> | | | | | |
| Officers Costs | 0 | 0 | 0 | 0 | 3,040 |
| <u>Chancery Court</u> | | | | | |
| Officers Costs | 0 | 0 | 0 | 0 | 5,396 |
| Data Entry Fee - Chancery Court | 0 | 0 | 0 | 0 | 25,948 |
| <u>Other Fines, Forfeitures, and Penalties</u> | | | | | |
| Proceeds from Confiscated Property | 0 | 0 | 0 | 0 | 49,084 |
| Other Fines, Forfeitures, and Penalties | 0 | 0 | 0 | 0 | 28 |
| Total Fines, Forfeitures, and Penalties | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 514,291 |
| <u>Charges for Current Services</u> | | | | | |
| <u>General Service Charges</u> | | | | | |
| Tipping Fees | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 99,102 |
| Surcharge - Waste Tire Disposal | 0 | 0 | 0 | 0 | 152,938 |
| Patient Charges | 0 | 0 | 0 | 0 | 4,158 |
| Health Department Collections | 0 | 0 | 0 | 0 | 814,409 |
| Other General Service Charges | 0 | 0 | 0 | 0 | 3,351 |
| <u>Fees</u> | | | | | |
| Engineer Review Fees | 0 | 0 | 0 | 0 | 18,114 |
| Recreation Fees | 0 | 0 | 0 | 0 | 60,353 |
| Copy Fees | 0 | 0 | 0 | 0 | 433 |
| Greenbelt Late Application Fee | 0 | 0 | 0 | 0 | 850 |
| Telephone Commissions | 0 | 0 | 0 | 0 | 479,490 |

(Continued)

Exhibit L-5

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

| | Debt Service Fund | | Capital Projects Funds | | Total |
|---|----------------------|--------------------------|---------------------------------------|-------------|------------------|
| | General Debt Service | General Capital Projects | Community Development/Industrial Park | | |
| <u>Charges for Current Services (Cont.)</u> | | | | | |
| <u>Fees (Cont.)</u> | | | | | |
| Vending Machine Collections | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 228,166 |
| Electronic Citation Fee | 0 | 0 | 0 | 0 | 1,124 |
| Data Processing Fee - Register | 0 | 0 | 0 | 0 | 36,362 |
| Data Processing Fee - Sheriff | 0 | 0 | 0 | 0 | 9,488 |
| Sexual Offender Registration Fee - Sheriff | 0 | 0 | 0 | 0 | 5,200 |
| Data Processing Fee - County Clerk | 0 | 0 | 0 | 0 | 15,621 |
| Vehicle Registration Reinstatement Fees | 0 | 0 | 0 | 0 | 7,190 |
| <u>Education Charges</u> | | | | | |
| Tuition - Other | 0 | 0 | 0 | 0 | 8,240 |
| Community Service Fees - Adults | 0 | 0 | 0 | 0 | 618,185 |
| TBI Criminal Background Fee | 0 | 0 | 0 | 0 | 1,890 |
| Total Charges for Current Services | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 2,564,664 |
| <u>Other Local Revenues</u> | | | | | |
| <u>Recurring Items</u> | | | | | |
| Investment Income | \$ 289,545 | \$ 0 | \$ 0 | \$ 0 | 291,877 |
| Lease/Rentals | 0 | 0 | 35,049 | 0 | 75,189 |
| Sale of Materials and Supplies | 0 | 0 | 0 | 0 | 1,962 |
| Sale of Recycled Materials | 0 | 0 | 0 | 0 | 42,843 |
| Miscellaneous Refunds | 0 | 0 | 0 | 0 | 456,539 |
| <u>Nonrecurring Items</u> | | | | | |
| Sale of Equipment | 0 | 46,700 | 0 | 0 | 48,251 |
| Sale of Property | 0 | 0 | 0 | 0 | 80,784 |
| Contributions and Gifts | 0 | 0 | 0 | 0 | 500 |

(Continued)

Exhibit L-5

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

| | Debt Service Fund | | Capital Projects Funds | | |
|--|----------------------|--------------------------|---------------------------------------|------|-----------|
| | General Debt Service | General Capital Projects | Community Development/Industrial Park | | Total |
| <u>Other Local Revenues (Cont.)</u> | | | | | |
| <u>Other Local Revenues</u> | | | | | |
| Other Local Revenues | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 7,730 |
| Total Other Local Revenues | \$ 289,545 | \$ 46,700 | \$ 35,049 | \$ 0 | 1,005,675 |
| <u>Fees Received From County Officials</u> | | | | | |
| <u>Fees In-Lieu-of Salary</u> | | | | | |
| County Clerk | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 1,250,052 |
| Circuit Court Clerk | 0 | 0 | 0 | 0 | 738,577 |
| General Sessions Court Clerk | 0 | 0 | 0 | 0 | 834,343 |
| Clerk and Master | 0 | 0 | 0 | 0 | 618,270 |
| Juvenile Court Clerk | 0 | 0 | 0 | 0 | 60,913 |
| Register | 0 | 0 | 0 | 0 | 564,449 |
| Sheriff | 0 | 0 | 0 | 0 | 49,547 |
| Trustee | 0 | 0 | 0 | 0 | 2,165,383 |
| Total Fees Received From County Officials | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 6,281,534 |
| <u>State of Tennessee</u> | | | | | |
| <u>Public Safety Grants</u> | | | | | |
| Law Enforcement Training Programs | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 101,600 |
| Drug Control Grants | 0 | 0 | 0 | 0 | 162,659 |
| Other Public Safety Grants | 0 | 0 | 0 | 0 | 135,375 |
| <u>Health and Welfare Grants</u> | | | | | |
| Health Department Programs | 0 | 0 | 0 | 0 | 2,813,080 |
| <u>Public Works Grants</u> | | | | | |
| State Aid Program | 0 | 0 | 0 | 0 | 818,455 |
| Litter Program | 0 | 0 | 0 | 0 | 49,984 |

(Continued)

Exhibit L-5

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

| | Debt Service Fund | | Capital Projects Funds | | Total |
|--|----------------------|--------------------------|---------------------------------------|------|------------|
| | General Debt Service | General Capital Projects | Community Development/Industrial Park | | |
| <u>State of Tennessee (Cont.)</u> | | | | | |
| <u>Other State Revenues</u> | | | | | |
| Income Tax | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 89,527 |
| Beer Tax | 0 | 0 | 0 | 0 | 18,369 |
| Vehicle Certificate of Title Fees | 0 | 0 | 0 | 0 | 17,198 |
| Alcoholic Beverage Tax | 0 | 0 | 0 | 0 | 210,978 |
| State Revenue Sharing - Telecommunications | 0 | 0 | 0 | 0 | 167,590 |
| State Shared Sports Gaming Privilege Tax | 0 | 0 | 0 | 0 | 11,481 |
| Prisoner Transportation | 0 | 0 | 0 | 0 | 30,498 |
| Contracted Prisoner Boarding | 0 | 0 | 0 | 0 | 1,259,583 |
| Gasoline and Motor Fuel Tax | 0 | 0 | 0 | 0 | 3,314,804 |
| Petroleum Special Tax | 0 | 0 | 0 | 0 | 70,923 |
| Registrar's Salary Supplement | 0 | 0 | 0 | 0 | 15,164 |
| Other State Grants | 0 | 1,253,347 | 0 | 0 | 1,854,330 |
| Other State Revenues | 0 | 775,236 | 0 | 0 | 1,904,971 |
| Total State of Tennessee | \$ 0 | \$ 2,028,583 | \$ 0 | \$ 0 | 13,046,569 |
| <u>Federal Government</u> | | | | | |
| <u>Federal Through State</u> | | | | | |
| Civil Defense Reimbursement | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 94,000 |
| Disaster Relief | 0 | 0 | 0 | 0 | 104,355 |
| Homeland Security Grants | 0 | 0 | 0 | 0 | 1,318 |
| Law Enforcement Grants | 0 | 0 | 0 | 0 | 19,322 |
| COVID-19 Grant #1 | 0 | 0 | 0 | 0 | 42,026 |
| COVID-19 Grant #2 | 0 | 0 | 0 | 0 | 1,601,276 |
| COVID-19 Grant #4 | 0 | 0 | 0 | 0 | 53,251 |
| COVID-19 Grant #5 | 0 | 0 | 0 | 0 | 1,464,075 |

(Continued)

Exhibit L-5

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

| | Debt Service Fund | | Capital Projects Funds | | |
|--|----------------------|--------------------------|---------------------------------------|----|------------|
| | General Debt Service | General Capital Projects | Community Development/Industrial Park | | Total |
| <u>Federal Government (Cont.)</u> | | | | | |
| <u>Federal Through State (Cont.)</u> | | | | | |
| COVID-19 Grant A | \$ 0 | \$ 0 | \$ 0 | \$ | 15,067 |
| COVID-19 Grant C | 0 | 0 | 0 | | 72,080 |
| Other Federal through State | 0 | 0 | 0 | | 87,141 |
| <u>Direct Federal Revenue</u> | | | | | |
| Other Direct Federal Revenue | 0 | 0 | 0 | | 6,000 |
| Total Federal Government | \$ 0 | \$ 0 | \$ 0 | \$ | 3,559,911 |
| <u>Other Governments and Citizens Groups</u> | | | | | |
| <u>Other Governments</u> | | | | | |
| Prisoner Board | \$ 0 | \$ 0 | \$ 0 | \$ | 58,457 |
| Contributions | 420,000 | 0 | 0 | | 1,045,000 |
| Contracted Services | 0 | 1,500 | 0 | | 1,705,430 |
| Total Other Governments and Citizens Groups | \$ 420,000 | \$ 1,500 | \$ 0 | \$ | 2,808,887 |
| Total | \$ 13,372,597 | \$ 3,474,428 | \$ 35,049 | \$ | 86,791,853 |

Exhibit L-6

Madison County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Madison County School Department
For the Year Ended June 30, 2021

| | Special Revenue Funds | | | | Capital | Total |
|--|------------------------|-------------------------|-------------------|-----------------|----------------------------|---------------|
| | General Purpose School | School Federal Projects | Central Cafeteria | Internal School | Education Capital Projects | |
| <u>Local Taxes</u> | | | | | | |
| <u>County Property Taxes</u> | | | | | | |
| Current Property Tax | \$ 6,995,655 | \$ 0 | \$ 0 | \$ 0 | \$ 907,760 | \$ 7,903,415 |
| Trustee's Collections - Prior Year | 121,742 | 0 | 0 | 0 | 34,731 | 156,473 |
| Trustee's Collections - Bankruptcy | 29,339 | 0 | 0 | 0 | 3,913 | 33,252 |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 145,632 | 0 | 0 | 0 | 38,582 | 184,214 |
| Interest and Penalty | 29,346 | 0 | 0 | 0 | 6,658 | 36,004 |
| Payments in-Lieu-of Taxes - T.V.A. | 1,539 | 0 | 0 | 0 | 0 | 1,539 |
| Payments in-Lieu-of Taxes - Local Utilities | 119,401 | 0 | 0 | 0 | 15,380 | 134,781 |
| Payments in-Lieu-of Taxes - Other | 280,916 | 0 | 0 | 0 | 7,151 | 288,067 |
| <u>County Local Option Taxes</u> | | | | | | |
| Local Option Sales Tax | 41,596,548 | 0 | 0 | 0 | 0 | 41,596,548 |
| Mixed Drink Tax | 236,650 | 0 | 0 | 0 | 0 | 236,650 |
| <u>Statutory Local Taxes</u> | | | | | | |
| Bank Excise Tax | 51,470 | 0 | 0 | 0 | 6,630 | 58,100 |
| Total Local Taxes | \$ 49,608,238 | \$ 0 | \$ 0 | \$ 0 | \$ 1,020,805 | \$ 50,629,043 |
| <u>Licenses and Permits</u> | | | | | | |
| <u>Licenses</u> | | | | | | |
| Marriage Licenses | \$ 8,550 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 8,550 |
| <u>Permits</u> | | | | | | |
| Other Permits | 2,630 | 0 | 0 | 0 | 0 | 2,630 |
| Total Licenses and Permits | \$ 11,180 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 11,180 |

(Continued)

Exhibit L-6

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

| | Special Revenue Funds | | | | Capital | Total |
|---|------------------------|-------------------------|-------------------|---------------------|--|------------------|
| | General Purpose School | School Federal Projects | Central Cafeteria | Internal School | Projects Fund Education Capital Projects | |
| <u>Charges for Current Services</u> | | | | | | |
| <u>Fees</u> | | | | | | |
| Vending Machine Collections | \$ 1,575 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 1,575 |
| <u>Education Charges</u> | | | | | | |
| Tuition - Other | 179,920 | 0 | 0 | 0 | 0 | 179,920 |
| Lunch Payments - Adults | 0 | 0 | 9,109 | 0 | 0 | 9,109 |
| A la Carte Sales | 0 | 0 | 310 | 0 | 0 | 310 |
| Total Charges for Current Services | \$ 181,495 | \$ 0 | \$ 9,419 | \$ 0 | \$ 0 | 190,914 |
| <u>Other Local Revenues</u> | | | | | | |
| <u>Recurring Items</u> | | | | | | |
| Investment Income | \$ 183,379 | \$ 0 | \$ 2,063 | \$ 0 | \$ 0 | 185,442 |
| Lease/Rentals | 7,165 | 0 | 0 | 0 | 0 | 7,165 |
| Sale of Recycled Materials | 30 | 0 | 0 | 0 | 0 | 30 |
| Miscellaneous Refunds | 6,377 | 0 | 0 | 0 | 0 | 6,377 |
| Expenditure Credits | 0 | 0 | 25,671 | 0 | 0 | 25,671 |
| <u>Nonrecurring Items</u> | | | | | | |
| Gain on Retirement of Debt | 118,381 | 0 | 0 | 0 | 0 | 118,381 |
| Sale of Equipment | 10,884 | 0 | 0 | 0 | 0 | 10,884 |
| Damages Recovered from Individuals | 1,681 | 0 | 0 | 0 | 0 | 1,681 |
| Contributions and Gifts | 62,650 | 0 | 0 | 0 | 0 | 62,650 |
| <u>Other Local Revenues</u> | | | | | | |
| Other Local Revenues | 0 | 0 | 0 | 1,733,922 | 0 | 1,733,922 |
| Total Other Local Revenues | \$ 390,547 | \$ 0 | \$ 27,734 | \$ 1,733,922 | \$ 0 | 2,152,203 |

(Continued)

Exhibit L-6

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

| | Special Revenue Funds | | | | Capital | Total |
|---|------------------------|-------------------------|-------------------|-----------------|----------------------------|----------------------|
| | General Purpose School | School Federal Projects | Central Cafeteria | Internal School | Education Capital Projects | |
| <u>State of Tennessee</u> | | | | | | |
| <u>General Government Grants</u> | | | | | | |
| On-behalf Contributions for OPEB | \$ 444,222 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 444,222 |
| <u>State Education Funds</u> | | | | | | |
| Basic Education Program | 52,186,434 | 0 | 0 | 0 | 0 | 52,186,434 |
| Early Childhood Education | 1,484,142 | 0 | 0 | 0 | 0 | 1,484,142 |
| School Food Service | 0 | 0 | 71,512 | 0 | 0 | 71,512 |
| Other State Education Funds | 18,553 | 0 | 0 | 0 | 0 | 18,553 |
| Career Ladder Program | 180,894 | 0 | 0 | 0 | 0 | 180,894 |
| <u>Other State Revenues</u> | | | | | | |
| State Revenue Sharing - T.V.A. | 1,231,304 | 0 | 0 | 0 | 0 | 1,231,304 |
| Other State Grants | 1,822,267 | 0 | 0 | 0 | 372,867 | 2,195,134 |
| Other State Revenues | 0 | 0 | 0 | 0 | 481,670 | 481,670 |
| Total State of Tennessee | \$ 57,367,816 | \$ 0 | \$ 71,512 | \$ 0 | \$ 854,537 | \$ 58,293,865 |
| <u>Federal Government</u> | | | | | | |
| <u>Federal Through State</u> | | | | | | |
| USDA School Lunch Program | \$ 0 | \$ 0 | 2,573,302 | \$ 0 | \$ 0 | 2,573,302 |
| USDA - Commodities | 0 | 0 | 560,416 | 0 | 0 | 560,416 |
| Breakfast | 0 | 0 | 1,735,360 | 0 | 0 | 1,735,360 |
| USDA - Other | 0 | 0 | 257,630 | 0 | 0 | 257,630 |
| Vocational Education - Basic Grants to States | 0 | 269,706 | 0 | 0 | 0 | 269,706 |
| Title I Grants to Local Education Agencies | 0 | 6,314,251 | 0 | 0 | 0 | 6,314,251 |
| Special Education - Grants to States | 0 | 3,238,215 | 0 | 0 | 0 | 3,238,215 |
| Special Education Preschool Grants | 0 | 37,060 | 0 | 0 | 0 | 37,060 |
| English Language Acquisition Grants | 0 | 86,116 | 0 | 0 | 0 | 86,116 |

(Continued)

Exhibit L-6

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

| | <u>Special Revenue Funds</u> | | | | <u>Capital</u> | <u>Total</u> |
|--|-------------------------------|--------------------------------|--------------------------|------------------------|-----------------------------------|-----------------------|
| | <u>General Purpose School</u> | <u>School Federal Projects</u> | <u>Central Cafeteria</u> | <u>Internal School</u> | <u>Education Capital Projects</u> | |
| <u>Federal Government (Cont.)</u> | | | | | | |
| <u>Federal Through State (Cont.)</u> | | | | | | |
| Safe and Drug-free Schools - State Grants | \$ 0 | \$ 163,031 | \$ 0 | \$ 0 | \$ 0 | \$ 163,031 |
| Education for Homeless Children and Youth | 0 | 77,379 | 0 | 0 | 0 | 77,379 |
| Eisenhower Professional Development State Grants | 0 | 512,327 | 0 | 0 | 0 | 512,327 |
| COVID-19 Grant #1 | 806,573 | 3,629,791 | 1,106 | 0 | 0 | 4,437,470 |
| COVID-19 Grant #2 | 76,851 | 125,000 | 0 | 0 | 0 | 201,851 |
| COVID-19 Grant #3 | 669,352 | 36,320 | 0 | 0 | 0 | 705,672 |
| COVID-19 Grant #4 | 0 | 6,514,253 | 0 | 0 | 0 | 6,514,253 |
| Other Federal through State | 0 | 350,297 | 0 | 0 | 0 | 350,297 |
| <u>Direct Federal Revenue</u> | | | | | | |
| ROTC Reimbursement | 142,385 | 0 | 0 | 0 | 0 | 142,385 |
| Total Federal Government | \$ 1,695,161 | \$ 21,353,746 | \$ 5,127,814 | \$ 0 | \$ 0 | \$ 28,176,721 |
| <u>Other Governments and Citizens Groups</u> | | | | | | |
| <u>Other Governments</u> | | | | | | |
| Contributions | \$ 19,292 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 19,292 |
| <u>Other</u> | | | | | | |
| Other | 48,201 | 0 | 0 | 0 | 0 | 48,201 |
| Total Other Governments and Citizens Groups | \$ 67,493 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 67,493 |
| Total | \$ 109,321,930 | \$ 21,353,746 | \$ 5,236,479 | \$ 1,733,922 | \$ 1,875,342 | \$ 139,521,419 |

Exhibit L-7

Madison County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2021

General Fund

General Government

County Commission

| | | | |
|---|----|--------|------------|
| Secretary to Board | \$ | 55,031 | |
| Overtime Pay | | 178 | |
| Board and Committee Members Fees | | 92,377 | |
| Social Security | | 10,942 | |
| Handling Charges and Administrative Costs | | 845 | |
| Pensions | | 2,329 | |
| Employee and Dependent Insurance | | 2,361 | |
| Life Insurance | | 99 | |
| Medical Insurance | | 9,925 | |
| Dental Insurance | | 424 | |
| Unemployment Compensation | | 815 | |
| Local Retirement | | 1,345 | |
| Travel | | 137 | |
| Office Supplies | | 490 | |
| Utilities | | 406 | |
| Total County Commission | | | \$ 177,704 |

County Mayor/Executive

| | | | |
|--|----|---------|---------|
| County Official/Administrative Officer | \$ | 127,674 | |
| Educational Incentive - Other County Employees | | 3,100 | |
| Other Salaries and Wages | | 46,631 | |
| Social Security | | 12,913 | |
| Handling Charges and Administrative Costs | | 618 | |
| Pensions | | 19,720 | |
| Employee and Dependent Insurance | | 2,257 | |
| Life Insurance | | 243 | |
| Medical Insurance | | 6,930 | |
| Dental Insurance | | 288 | |
| Communication | | 1,383 | |
| Travel | | 2,675 | |
| Office Supplies | | 144 | |
| Other Supplies and Materials | | 1,021 | |
| Total County Mayor/Executive | | | 225,597 |

Personnel Office

| | | | |
|--|----|--------|--|
| Supervisor/Director | \$ | 88,809 | |
| Educational Incentive - Other County Employees | | 3,975 | |
| Other Salaries and Wages | | 97,537 | |
| Social Security | | 13,782 | |
| Handling Charges and Administrative Costs | | 1,880 | |
| Pensions | | 11,491 | |
| Employee and Dependent Insurance | | 3,451 | |
| Life Insurance | | 355 | |
| Medical Insurance | | 21,111 | |
| Dental Insurance | | 845 | |
| Local Retirement | | 2,581 | |
| Communication | | 639 | |

(Continued)

Exhibit L-7

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

General Fund (Cont.)

General Government (Cont.)

Personnel Office (Cont.)

| | | | |
|------------------------|----|-----|------------|
| Dues and Memberships | \$ | 607 | |
| Travel | | 279 | |
| Office Supplies | | 569 | |
| Total Personnel Office | | | \$ 247,911 |

County Attorney

| | | | |
|---------------------------|----|--------|--------|
| Other Contracted Services | \$ | 99,900 | |
| Total County Attorney | | | 99,900 |

Election Commission

| | | | |
|---|----|---------|---------|
| County Official/Administrative Officer | \$ | 112,478 | |
| Deputy(ies) | | 90,561 | |
| Election Commission | | 5,100 | |
| Election Workers | | 88,481 | |
| Social Security | | 17,862 | |
| Handling Charges and Administrative Costs | | 1,983 | |
| Pensions | | 14,654 | |
| Employee and Dependent Insurance | | 6,647 | |
| Life Insurance | | 389 | |
| Medical Insurance | | 22,284 | |
| Dental Insurance | | 914 | |
| Local Retirement | | 799 | |
| Communication | | 902 | |
| Operating Lease Payments | | 1,396 | |
| Legal Notices, Recording, and Court Costs | | 4,268 | |
| Maintenance and Repair Services - Equipment | | 37,227 | |
| Printing, Stationery, and Forms | | 9,311 | |
| Travel | | 1,033 | |
| Data Processing Supplies | | 1,414 | |
| Office Supplies | | 3,100 | |
| Liability Insurance | | 6,861 | |
| Total Election Commission | | | 427,664 |

Register of Deeds

| | | | |
|--|----|---------|--|
| County Official/Administrative Officer | \$ | 94,336 | |
| Deputy(ies) | | 163,614 | |
| Educational Incentive - Official/Admin Officer | | 1,762 | |
| Educational Incentive - Other County Employees | | 7,150 | |
| Social Security | | 19,374 | |
| Handling Charges and Administrative Costs | | 3,099 | |
| Pensions | | 9,364 | |
| Employee and Dependent Insurance | | 6,900 | |
| Life Insurance | | 485 | |
| Medical Insurance | | 34,751 | |
| Dental Insurance | | 1,443 | |
| Local Retirement | | 8,465 | |
| Travel | | 718 | |

(Continued)

Exhibit L-7

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

| | | |
|--------------------------|-----------|------------|
| Data Processing Supplies | \$ 47,112 | |
| Office Supplies | 7,386 | |
| Total Register of Deeds | | \$ 405,959 |

County Buildings

| | | |
|---|-----------|---------|
| Supervisor/Director | \$ 59,232 | |
| Maintenance Personnel | 78,418 | |
| Part-time Personnel | 6,294 | |
| Overtime Pay | 2,777 | |
| Social Security | 10,385 | |
| Handling Charges and Administrative Costs | 1,860 | |
| Pensions | 16,261 | |
| Employee and Dependent Insurance | 5,327 | |
| Life Insurance | 261 | |
| Medical Insurance | 20,866 | |
| Dental Insurance | 867 | |
| Communication | 1,843 | |
| Maintenance and Repair Services - Buildings | 64,836 | |
| Maintenance and Repair Services - Vehicles | 6,623 | |
| Other Contracted Services | 71,968 | |
| Custodial Supplies | 14,785 | |
| Gasoline | 6,042 | |
| Building Improvements | 18,669 | |
| Heating and Air Conditioning Equipment | 44,253 | |
| Other Equipment | 8,800 | |
| Total County Buildings | | 440,367 |

Other Facilities

| | | |
|---|-----------|---------|
| Maintenance Personnel | \$ 35,927 | |
| Overtime Pay | 947 | |
| Social Security | 2,534 | |
| Handling Charges and Administrative Costs | 620 | |
| Pensions | 4,270 | |
| Employee and Dependent Insurance | 788 | |
| Life Insurance | 69 | |
| Medical Insurance | 6,955 | |
| Dental Insurance | 289 | |
| Communication | 10,725 | |
| Maintenance and Repair Services - Buildings | 112,713 | |
| Pest Control | 2,665 | |
| Other Contracted Services | 42,000 | |
| Custodial Supplies | 9,946 | |
| Utilities | 345,597 | |
| Building Improvements | 4,092 | |
| Heating and Air Conditioning Equipment | 8,450 | |
| Total Other Facilities | | 588,587 |

(Continued)

Exhibit L-7

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

General Fund (Cont.)

General Government (Cont.)

Preservation of Records

| | | | |
|--|----|--------|-----------|
| Assistant(s) | \$ | 56,615 | |
| Social Security | | 4,331 | |
| Communication | | 222 | |
| Operating Lease Payments | | 652 | |
| Maintenance and Repair Services - Office Equipment | | 1,505 | |
| Office Supplies | | 2,000 | |
| Utilities | | 11,838 | |
| Other Supplies and Materials | | 7,745 | |
| Total Preservation of Records | | | \$ 84,908 |

Risk Management

| | | | |
|---|----|--------|--------|
| Supervisor/Director | \$ | 47,676 | |
| Social Security | | 3,418 | |
| Handling Charges and Administrative Costs | | 620 | |
| Pensions | | 5,521 | |
| Employee and Dependent Insurance | | 788 | |
| Life Insurance | | 59 | |
| Medical Insurance | | 6,955 | |
| Dental Insurance | | 289 | |
| Office Supplies | | 331 | |
| Total Risk Management | | | 65,657 |

Finance

Accounting and Budgeting

| | | | |
|--|----|---------|---------|
| Supervisor/Director | \$ | 96,237 | |
| Educational Incentive - Other County Employees | | 13,000 | |
| Other Salaries and Wages | | 441,005 | |
| Board and Committee Members Fees | | 2,000 | |
| Social Security | | 39,283 | |
| Handling Charges and Administrative Costs | | 4,845 | |
| Pensions | | 30,470 | |
| Employee and Dependent Insurance | | 10,159 | |
| Life Insurance | | 979 | |
| Medical Insurance | | 53,249 | |
| Dental Insurance | | 3,078 | |
| Unemployment Compensation | | 1,650 | |
| Local Retirement | | 10,752 | |
| Audit Services | | 45,618 | |
| Communication | | 222 | |
| Data Processing Services | | 4,279 | |
| Dues and Memberships | | 581 | |
| Travel | | 1,652 | |
| Other Contracted Services | | 1,234 | |
| Office Supplies | | 5,727 | |
| Utilities | | 11,374 | |
| Total Accounting and Budgeting | | | 777,394 |

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office

| | | | |
|--|----|---------|------------|
| County Official/Administrative Officer | \$ | 94,336 | |
| Deputy(ies) | | 344,745 | |
| Educational Incentive - Official/Admin Officer | | 1,762 | |
| Educational Incentive - Other County Employees | | 8,350 | |
| Board and Committee Members Fees | | 1,805 | |
| Social Security | | 32,488 | |
| Handling Charges and Administrative Costs | | 4,118 | |
| Pensions | | 44,247 | |
| Employee and Dependent Insurance | | 9,666 | |
| Life Insurance | | 814 | |
| Medical Insurance | | 46,120 | |
| Dental Insurance | | 1,952 | |
| Local Retirement | | 2,359 | |
| Audit Services | | 63,540 | |
| Communication | | 1,526 | |
| Data Processing Services | | 26,097 | |
| Dues and Memberships | | 2,420 | |
| Maintenance and Repair Services - Vehicles | | 130 | |
| Travel | | 3,069 | |
| Office Supplies | | 4,821 | |
| Total Property Assessor's Office | | | \$ 694,365 |

Reappraisal Program

| | | | |
|--|----|---------|---------|
| Other Salaries and Wages | \$ | 170,165 | |
| Social Security | | 11,845 | |
| Handling Charges and Administrative Costs | | 1,915 | |
| Pensions | | 16,467 | |
| Employee and Dependent Insurance | | 7,032 | |
| Life Insurance | | 331 | |
| Medical Insurance | | 21,526 | |
| Dental Insurance | | 867 | |
| Local Retirement | | 173 | |
| Contracts with Private Agencies | | 7,252 | |
| Data Processing Services | | 14,614 | |
| Legal Services | | 3,232 | |
| Maintenance and Repair Services - Vehicles | | 907 | |
| Travel | | 442 | |
| Other Contracted Services | | 13,866 | |
| Gasoline | | 1,799 | |
| Office Supplies | | 4,212 | |
| Total Reappraisal Program | | | 276,645 |

County Trustee's Office

| | | | |
|--|----|---------|--|
| County Official/Administrative Officer | \$ | 94,336 | |
| Deputy(ies) | | 198,763 | |
| Educational Incentive - Official/Admin Officer | | 1,762 | |
| Educational Incentive - Other County Employees | | 9,000 | |

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

| | | | |
|---|----|--------|------------|
| Overtime Pay | \$ | 331 | |
| In-service Training | | 685 | |
| Social Security | | 21,950 | |
| Handling Charges and Administrative Costs | | 3,099 | |
| Pensions | | 28,895 | |
| Employee and Dependent Insurance | | 8,382 | |
| Life Insurance | | 499 | |
| Medical Insurance | | 34,751 | |
| Dental Insurance | | 1,443 | |
| Local Retirement | | 1,981 | |
| Audit Services | | 5,600 | |
| Bank Charges | | 3,000 | |
| Data Processing Services | | 11,779 | |
| Dues and Memberships | | 318 | |
| Printing, Stationery, and Forms | | 7,976 | |
| Travel | | 2,282 | |
| Office Supplies | | 1,220 | |
| Other Charges | | 688 | |
| Data Processing Equipment | | 1,233 | |
| Total County Trustee's Office | | | \$ 439,973 |

County Clerk's Office

| | | | |
|--|----|---------|---------|
| County Official/Administrative Officer | \$ | 94,336 | |
| Deputy(ies) | | 359,072 | |
| Part-time Personnel | | 17,394 | |
| Educational Incentive - Official/Admin Officer | | 1,762 | |
| Social Security | | 33,147 | |
| Handling Charges and Administrative Costs | | 6,319 | |
| Pensions | | 37,930 | |
| Employee and Dependent Insurance | | 16,806 | |
| Life Insurance | | 862 | |
| Medical Insurance | | 71,293 | |
| Dental Insurance | | 2,467 | |
| Unemployment Compensation | | 1,595 | |
| Local Retirement | | 4,701 | |
| Communication | | 672 | |
| Maintenance Agreements | | 2,918 | |
| Maintenance and Repair Services - Office Equipment | | 16,728 | |
| Printing, Stationery, and Forms | | 3,054 | |
| Travel | | 605 | |
| Data Processing Supplies | | 3,143 | |
| Office Supplies | | 6,109 | |
| Total County Clerk's Office | | | 680,913 |

Data Processing

| | | | |
|--|----|--------|--|
| Supervisor/Director | \$ | 78,319 | |
| Educational Incentive - Other County Employees | | 2,250 | |

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Finance (Cont.)

Data Processing (Cont.)

| | | | |
|--|----|---------|------------|
| Other Salaries and Wages | \$ | 100,638 | |
| Social Security | | 13,103 | |
| Handling Charges and Administrative Costs | | 1,240 | |
| Pensions | | 15,650 | |
| Employee and Dependent Insurance | | 3,058 | |
| Life Insurance | | 340 | |
| Medical Insurance | | 13,910 | |
| Dental Insurance | | 578 | |
| Local Retirement | | 1,166 | |
| Communication | | 82,101 | |
| Data Processing Services | | 147,824 | |
| Maintenance and Repair Services - Vehicles | | 867 | |
| Other Contracted Services | | 23,800 | |
| Data Processing Supplies | | 13,064 | |
| Gasoline | | 888 | |
| Office Supplies | | 530 | |
| Total Data Processing | | | \$ 499,326 |

Other Finance

| | | | |
|--|----|--------|--------|
| Internal Audit Personnel | \$ | 64,831 | |
| Educational Incentive - Other County Employees | | 3,100 | |
| Social Security | | 4,806 | |
| Handling Charges and Administrative Costs | | 620 | |
| Pensions | | 7,030 | |
| Employee and Dependent Insurance | | 2,270 | |
| Life Insurance | | 123 | |
| Medical Insurance | | 6,955 | |
| Dental Insurance | | 289 | |
| Dues and Memberships | | 438 | |
| Travel | | 273 | |
| Office Supplies | | 6 | |
| Utilities | | 555 | |
| Total Other Finance | | | 91,296 |

Administration of Justice

Circuit Court

| | | | |
|--|----|---------|--|
| County Official/Administrative Officer | \$ | 103,770 | |
| Deputy(ies) | | 850,325 | |
| Educational Incentive - Official/Admin Officer | | 1,762 | |
| Educational Incentive - Other County Employees | | 12,500 | |
| Overtime Pay | | 50 | |
| Jury and Witness Expense | | 29,730 | |
| Social Security | | 68,965 | |
| Handling Charges and Administrative Costs | | 11,055 | |
| Pensions | | 83,417 | |
| Employee and Dependent Insurance | | 26,714 | |
| Life Insurance | | 1,782 | |

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

| | | | |
|---------------------------|----|---------|-----------|
| Medical Insurance | \$ | 124,264 | |
| Dental Insurance | | 4,350 | |
| Unemployment Compensation | | 637 | |
| Local Retirement | | 9,312 | |
| Data Processing Services | | 67,507 | |
| Operating Lease Payments | | 25,608 | |
| Travel | | 1,289 | |
| Data Processing Supplies | | 2,838 | |
| Office Supplies | | 29,014 | |
| Data Processing Equipment | | 5,778 | |
| Furniture and Fixtures | | 978 | |
| Total Circuit Court | \$ | | 1,461,645 |

General Sessions Court

| | | | |
|---|----|---------|---------|
| Judge(s) | \$ | 173,945 | |
| Other Salaries and Wages | | 118,253 | |
| Social Security | | 19,375 | |
| Handling Charges and Administrative Costs | | 1,858 | |
| Pensions | | 33,836 | |
| Employee and Dependent Insurance | | 5,314 | |
| Life Insurance | | 551 | |
| Medical Insurance | | 20,840 | |
| Dental Insurance | | 866 | |
| Office Supplies | | 5,083 | |
| Total General Sessions Court | | | 379,921 |

Drug Court

| | | | |
|------------------|----|-----|-----|
| Other Charges | \$ | 500 | |
| Total Drug Court | | | 500 |

Chancery Court

| | | | |
|--|----|---------|--|
| County Official/Administrative Officer | \$ | 103,770 | |
| Deputy(ies) | | 395,996 | |
| Part-time Personnel | | 38,153 | |
| Educational Incentive - Official/Admin Officer | | 1,762 | |
| Educational Incentive - Other County Employees | | 3,000 | |
| Overtime Pay | | 121 | |
| Social Security | | 38,179 | |
| Handling Charges and Administrative Costs | | 5,870 | |
| Pensions | | 44,570 | |
| Employee and Dependent Insurance | | 14,336 | |
| Life Insurance | | 950 | |
| Medical Insurance | | 67,679 | |
| Dental Insurance | | 2,816 | |
| Local Retirement | | 1,622 | |
| Communication | | 4,078 | |
| Maintenance and Repair Services - Office Equipment | | 25,744 | |

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

| | | | |
|---------------------------|----|--------|------------|
| Other Contracted Services | \$ | 11,244 | |
| Data Processing Supplies | | 7,186 | |
| Office Supplies | | 11,692 | |
| Other Charges | | 3,135 | |
| Total Chancery Court | | | \$ 781,903 |

Juvenile Court

| | | | |
|---|----|---------|---------|
| Judge(s) | \$ | 173,945 | |
| Other Salaries and Wages | | 105,886 | |
| Social Security | | 21,630 | |
| Handling Charges and Administrative Costs | | 1,881 | |
| Pensions | | 25,552 | |
| Employee and Dependent Insurance | | 5,398 | |
| Life Insurance | | 507 | |
| Medical Insurance | | 21,095 | |
| Dental Insurance | | 876 | |
| Local Retirement | | 3,050 | |
| Dues and Memberships | | 850 | |
| Maintenance and Repair Services - Buildings | | 44,061 | |
| Maintenance and Repair Services - Equipment | | 6,104 | |
| Rentals | | 1,106 | |
| Travel | | 600 | |
| Other Contracted Services | | 39,307 | |
| Custodial Supplies | | 1,266 | |
| Office Supplies | | 2,495 | |
| Utilities | | 31,951 | |
| Data Processing Equipment | | 598 | |
| Site Development | | 33,138 | |
| Total Juvenile Court | | | 521,296 |

Juvenile Court Clerk

| | | | |
|---|----|--------|--|
| County Official/Administrative Officer | \$ | 94,336 | |
| Deputy(ies) | | 72,576 | |
| Accountants/Bookkeepers | | 56,234 | |
| Clerical Personnel | | 70,496 | |
| Part-time Personnel | | 23,714 | |
| Social Security | | 23,111 | |
| Handling Charges and Administrative Costs | | 3,099 | |
| Pensions | | 26,330 | |
| Employee and Dependent Insurance | | 5,410 | |
| Life Insurance | | 477 | |
| Medical Insurance | | 34,751 | |
| Dental Insurance | | 1,443 | |
| Unemployment Compensation | | 970 | |
| Local Retirement | | 1,325 | |
| Data Processing Services | | 406 | |
| Printing, Stationery, and Forms | | 680 | |

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court Clerk (Cont.)

| | | | |
|----------------------------|----|-------|------------|
| Rentals | \$ | 7,299 | |
| Data Processing Supplies | | 1,000 | |
| Office Supplies | | 1,773 | |
| Total Juvenile Court Clerk | | | \$ 425,430 |

District Attorney General

| | | | |
|---|----|--------|--------|
| Assistant(s) | \$ | 59,384 | |
| Social Security | | 4,408 | |
| Handling Charges and Administrative Costs | | 620 | |
| Employee and Dependent Insurance | | 788 | |
| Life Insurance | | 106 | |
| Medical Insurance | | 6,955 | |
| Dental Insurance | | 289 | |
| Local Retirement | | 1,188 | |
| Other Charges | | 729 | |
| Total District Attorney General | | | 74,467 |

Office of Public Defender

| | | | |
|---|----|--------|---------|
| Social Workers | \$ | 44,922 | |
| Salary Supplements | | 43,804 | |
| Social Security | | 6,351 | |
| Handling Charges and Administrative Costs | | 675 | |
| Employee and Dependent Insurance | | 2,297 | |
| Life Insurance | | 164 | |
| Medical Insurance | | 7,187 | |
| Dental Insurance | | 506 | |
| Local Retirement | | 1,687 | |
| Travel | | 1,791 | |
| Total Office of Public Defender | | | 109,384 |

Other Administration of Justice

| | | | |
|---|----|--------|--------|
| Supervisor/Director | \$ | 10,856 | |
| Social Security | | 790 | |
| Handling Charges and Administrative Costs | | 112 | |
| Employee and Dependent Insurance | | 410 | |
| Life Insurance | | 17 | |
| Medical Insurance | | 1,257 | |
| Dental Insurance | | 52 | |
| Local Retirement | | 651 | |
| Other Charges | | 62,980 | |
| Total Other Administration of Justice | | | 77,125 |

Courtroom Security

| | | | |
|---------------------|----|---------|--|
| Deputy(ies) | \$ | 824,994 | |
| Overtime Pay | | 40,070 | |
| In-service Training | | 900 | |
| Social Security | | 63,614 | |

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Courtroom Security (Cont.)

| | | | |
|---|----|--------|--------------|
| Handling Charges and Administrative Costs | \$ | 5,492 | |
| Pensions | | 30,292 | |
| Employee and Dependent Insurance | | 15,236 | |
| Life Insurance | | 1,395 | |
| Medical Insurance | | 60,617 | |
| Dental Insurance | | 3,005 | |
| Local Retirement | | 20,691 | |
| Total Courtroom Security | | | \$ 1,066,306 |

Public Safety

Sheriff's Department

| | | | |
|---|----|-----------|-----------|
| County Official/Administrative Officer | \$ | 103,766 | |
| Deputy(ies) | | 5,382,158 | |
| Part-time Personnel | | 383,359 | |
| Overtime Pay | | 279,577 | |
| Other Salaries and Wages | | 135,876 | |
| In-service Training | | 104,900 | |
| Social Security | | 463,211 | |
| Handling Charges and Administrative Costs | | 53,363 | |
| Pensions | | 271,279 | |
| Employee and Dependent Insurance | | 145,813 | |
| Life Insurance | | 10,129 | |
| Medical Insurance | | 587,386 | |
| Dental Insurance | | 28,045 | |
| Unemployment Compensation | | 4,631 | |
| Local Retirement | | 136,016 | |
| Communication | | 213,275 | |
| Contracts with Private Agencies | | 49,194 | |
| Data Processing Services | | 43,052 | |
| Dues and Memberships | | 1,599 | |
| Maintenance and Repair Services - Buildings | | 38,340 | |
| Maintenance and Repair Services - Vehicles | | 309,665 | |
| Pest Control | | 821 | |
| Rentals | | 5,000 | |
| Travel | | 37,306 | |
| Custodial Supplies | | 5,037 | |
| Gasoline | | 257,923 | |
| Law Enforcement Supplies | | 114,756 | |
| Office Supplies | | 20,798 | |
| Uniforms | | 53,944 | |
| Utilities | | 73,806 | |
| Other Charges | | 2,988 | |
| Furniture and Fixtures | | 5,913 | |
| Law Enforcement Equipment | | 32,856 | |
| Total Sheriff's Department | | | 9,355,782 |

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Special Patrols

| | | | |
|--|----|---------|------------|
| Deputy(ies) | \$ | 574,285 | |
| Overtime Pay | | 41,112 | |
| Social Security | | 44,635 | |
| Handling Charges and Administrative Costs | | 5,367 | |
| Pensions | | 19,310 | |
| Employee and Dependent Insurance | | 17,943 | |
| Life Insurance | | 1,044 | |
| Medical Insurance | | 59,569 | |
| Dental Insurance | | 2,867 | |
| Local Retirement | | 21,114 | |
| Maintenance and Repair Services - Vehicles | | 14,885 | |
| Gasoline | | 20,074 | |
| Law Enforcement Equipment | | 2,210 | |
| Total Special Patrols | | | \$ 824,415 |

Drug Enforcement

| | | | |
|--|----|---------|---------|
| Deputy(ies) | \$ | 389,028 | |
| Part-time Personnel | | 736 | |
| Overtime Pay | | 148,034 | |
| Social Security | | 38,665 | |
| Handling Charges and Administrative Costs | | 4,111 | |
| Pensions | | 58,068 | |
| Employee and Dependent Insurance | | 13,381 | |
| Life Insurance | | 721 | |
| Medical Insurance | | 45,567 | |
| Dental Insurance | | 2,181 | |
| Local Retirement | | 2,115 | |
| Maintenance and Repair Services - Vehicles | | 8,019 | |
| Gasoline | | 13,600 | |
| Uniforms | | 3,150 | |
| Total Drug Enforcement | | | 727,376 |

Jail

| | | | |
|---|----|-----------|--|
| Deputy(ies) | \$ | 3,981,062 | |
| Maintenance Personnel | | 226,802 | |
| Part-time Personnel | | 123,384 | |
| Overtime Pay | | 577,299 | |
| In-service Training | | 21,900 | |
| Social Security | | 356,639 | |
| Handling Charges and Administrative Costs | | 54,391 | |
| Pensions | | 254,355 | |
| Employee and Dependent Insurance | | 128,509 | |
| Life Insurance | | 7,535 | |
| Medical Insurance | | 606,899 | |
| Dental Insurance | | 25,708 | |
| Unemployment Compensation | | 8,992 | |
| Local Retirement | | 76,587 | |

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

| | | | |
|---|----|-----------|--------------|
| Communication | \$ | 5,893 | |
| Data Processing Services | | 15,639 | |
| Maintenance and Repair Services - Buildings | | 30,191 | |
| Maintenance and Repair Services - Equipment | | 21,094 | |
| Medical and Dental Services | | 1,324,220 | |
| Other Contracted Services | | 47,813 | |
| Custodial Supplies | | 59,618 | |
| Drugs and Medical Supplies | | 140,969 | |
| Food Preparation Supplies | | 28,570 | |
| Food Supplies | | 527,667 | |
| Law Enforcement Supplies | | 122,117 | |
| Office Supplies | | 10,975 | |
| Prisoners Clothing | | 10,273 | |
| Uniforms | | 18,079 | |
| Other Supplies and Materials | | 19,231 | |
| Other Charges | | 367 | |
| Total Jail | | | \$ 8,832,778 |

Workhouse

| | | | |
|---|----|---------|-----------|
| County Official/Administrative Officer | \$ | 16,682 | |
| Guards | | 949,568 | |
| Overtime Pay | | 130,529 | |
| In-service Training | | 6,300 | |
| Social Security | | 77,541 | |
| Handling Charges and Administrative Costs | | 13,498 | |
| Pensions | | 88,930 | |
| Employee and Dependent Insurance | | 37,000 | |
| Life Insurance | | 1,758 | |
| Medical Insurance | | 151,656 | |
| Dental Insurance | | 6,017 | |
| Local Retirement | | 14,223 | |
| Communication | | 8,487 | |
| Data Processing Services | | 2,076 | |
| Maintenance and Repair Services - Buildings | | 13,635 | |
| Maintenance and Repair Services - Equipment | | 11,638 | |
| Maintenance and Repair Services - Vehicles | | 1,719 | |
| Pest Control | | 784 | |
| Custodial Supplies | | 9,906 | |
| Drugs and Medical Supplies | | 335 | |
| Food Preparation Supplies | | 6,462 | |
| Food Supplies | | 100,805 | |
| Gasoline | | 1,438 | |
| Office Supplies | | 493 | |
| Prisoners Clothing | | 1,009 | |
| Uniforms | | 1,461 | |
| Utilities | | 50,249 | |
| Other Supplies and Materials | | 4,136 | |
| Total Workhouse | | | 1,708,335 |

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Public Safety (Cont.)

Work Release Program

| | | | |
|---|----|--------|-----------|
| Probation Officer(s) | \$ | 29,950 | |
| Social Security | | 2,214 | |
| Handling Charges and Administrative Costs | | 557 | |
| Employee and Dependent Insurance | | 708 | |
| Life Insurance | | 52 | |
| Medical Insurance | | 6,246 | |
| Dental Insurance | | 259 | |
| Local Retirement | | 611 | |
| Total Work Release Program | | | \$ 40,597 |

Fire Prevention and Control

| | | | |
|---|----|---------|-----------|
| Supervisor/Director | \$ | 47,953 | |
| Mechanic(s) | | 50,091 | |
| Part-time Personnel | | 10,422 | |
| Overtime Pay | | 21,582 | |
| Other Salaries and Wages | | 466,089 | |
| Social Security | | 61,963 | |
| Handling Charges and Administrative Costs | | 8,962 | |
| Pensions | | 19,661 | |
| Employee and Dependent Insurance | | 28,751 | |
| Life Insurance | | 1,411 | |
| Medical Insurance | | 100,878 | |
| Dental Insurance | | 4,185 | |
| Local Retirement | | 24,038 | |
| Communication | | 89,605 | |
| Data Processing Services | | 4,410 | |
| Dues and Memberships | | 939 | |
| Maintenance and Repair Services - Buildings | | 46,537 | |
| Maintenance and Repair Services - Equipment | | 1,941 | |
| Maintenance and Repair Services - Vehicles | | 57,275 | |
| Equipment and Machinery Parts | | 67,305 | |
| Gasoline | | 45,933 | |
| Office Supplies | | 3,422 | |
| Uniforms | | 10,410 | |
| Utilities | | 77,102 | |
| Other Supplies and Materials | | 5,651 | |
| In Service/Staff Development | | 16,625 | |
| Other Charges | | 2,092 | |
| Data Processing Equipment | | 794 | |
| Total Fire Prevention and Control | | | 1,276,027 |

Civil Defense

| | | | |
|--------------------------|----|---------|--|
| Supervisor/Director | \$ | 70,960 | |
| Part-time Personnel | | 1,500 | |
| Overtime Pay | | 4,981 | |
| Other Salaries and Wages | | 123,636 | |
| Social Security | | 14,516 | |

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Public Safety (Cont.)

Civil Defense (Cont.)

| | | | |
|---|----|--------|------------|
| Handling Charges and Administrative Costs | \$ | 1,281 | |
| Pensions | | 8,122 | |
| Employee and Dependent Insurance | | 4,539 | |
| Life Insurance | | 369 | |
| Medical Insurance | | 13,910 | |
| Dental Insurance | | 821 | |
| Local Retirement | | 2,100 | |
| Communication | | 19,579 | |
| Dues and Memberships | | 749 | |
| Operating Lease Payments | | 683 | |
| Maintenance Agreements | | 2,507 | |
| Maintenance and Repair Services - Buildings | | 7,238 | |
| Maintenance and Repair Services - Equipment | | 27,165 | |
| Maintenance and Repair Services - Vehicles | | 6,874 | |
| Printing, Stationery, and Forms | | 172 | |
| Travel | | 2,097 | |
| Equipment and Machinery Parts | | 15,785 | |
| Gasoline | | 9,000 | |
| Office Supplies | | 966 | |
| Utilities | | 23,142 | |
| Other Supplies and Materials | | 18,422 | |
| Building Improvements | | 1,744 | |
| Total Civil Defense | | | \$ 382,858 |

Disaster Relief

| | | | |
|---|----|--------|---------|
| Evaluation and Testing | \$ | 17,789 | |
| Maintenance and Repair Services - Equipment | | 7,972 | |
| Other Contracted Services | | 29,294 | |
| Other Supplies and Materials | | 88,609 | |
| Total Disaster Relief | | | 143,664 |

Inspection and Regulation

| | | | |
|---|----|--------|--|
| County Official/Administrative Officer | \$ | 65,956 | |
| Supervisor/Director | | 36,903 | |
| Overtime Pay | | 180 | |
| Other Salaries and Wages | | 70,572 | |
| In-service Training | | 1,098 | |
| Social Security | | 12,313 | |
| Handling Charges and Administrative Costs | | 2,155 | |
| Pensions | | 2,743 | |
| Employee and Dependent Insurance | | 6,271 | |
| Life Insurance | | 316 | |
| Medical Insurance | | 24,175 | |
| Dental Insurance | | 1,004 | |
| Local Retirement | | 4,648 | |
| Contracts with Private Agencies | | 3,465 | |
| Dues and Memberships | | 506 | |

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Public Safety (Cont.)

Inspection and Regulation (Cont.)

| | | | |
|--|----|-------|------------|
| Maintenance and Repair Services - Vehicles | \$ | 1,117 | |
| Other Contracted Services | | 3,735 | |
| Gasoline | | 3,614 | |
| Office Supplies | | 2,809 | |
| Small Tools | | 604 | |
| Data Processing Equipment | | 1,232 | |
| Total Inspection and Regulation | | | \$ 245,416 |

County Coroner/Medical Examiner

| | | | |
|--|----|---------|---------|
| Supervisor/Director | \$ | 36,344 | |
| Social Security | | 3,340 | |
| Contracts with Government Agencies | | 129,900 | |
| Contracts with Public Carriers | | 13,265 | |
| Travel | | 125 | |
| Other Contracted Services | | 61,725 | |
| Liability Insurance | | 4,035 | |
| Total County Coroner/Medical Examiner | | | 248,734 |

Other Public Safety

| | | | |
|---|----|--------|--------|
| Communication | \$ | 268 | |
| Data Processing Services | | 2,604 | |
| Maintenance and Repair Services - Buildings | | 208 | |
| Pest Control | | 225 | |
| Custodial Supplies | | 1,056 | |
| Food Supplies | | 136 | |
| Utilities | | 21,885 | |
| Refunds | | 310 | |
| Total Other Public Safety | | | 26,692 |

Public Health and Welfare

Local Health Center

| | | | |
|---|----|---------|--|
| County Official/Administrative Officer | \$ | 75,889 | |
| Supervisor/Director | | 125,730 | |
| Paraprofessionals | | 4,900 | |
| Custodial Personnel | | 27,621 | |
| Part-time Personnel | | 8,262 | |
| Overtime Pay | | 5,401 | |
| Other Salaries and Wages | | 564,322 | |
| Social Security | | 92,830 | |
| Handling Charges and Administrative Costs | | 8,674 | |
| Pensions | | 63,811 | |
| Employee and Dependent Insurance | | 20,796 | |
| Life Insurance | | 2,211 | |
| Medical Insurance | | 97,937 | |
| Dental Insurance | | 4,193 | |
| Unemployment Compensation | | 1,058 | |
| Local Retirement | | 21,862 | |

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Local Health Center (Cont.)

| | | | |
|---|----|--------|--------------|
| Communication | \$ | 11,914 | |
| Data Processing Services | | 13,422 | |
| Dues and Memberships | | 1,670 | |
| Janitorial Services | | 6,588 | |
| Maintenance Agreements | | 18,678 | |
| Maintenance and Repair Services - Buildings | | 30,890 | |
| Maintenance and Repair Services - Vehicles | | 4,870 | |
| Pest Control | | 1,730 | |
| Postal Charges | | 2,900 | |
| Printing, Stationery, and Forms | | 3,066 | |
| Travel | | 691 | |
| Data Processing Supplies | | 1,753 | |
| Drugs and Medical Supplies | | 76,014 | |
| Gasoline | | 6,171 | |
| Office Supplies | | 5,422 | |
| Utilities | | 32,494 | |
| Other Supplies and Materials | | 20 | |
| Liability Insurance | | 13,644 | |
| Communication Equipment | | 33 | |
| Data Processing Equipment | | 2,630 | |
| Furniture and Fixtures | | 2,458 | |
| Office Equipment | | 541 | |
| Total Local Health Center | | | \$ 1,363,096 |

Rabies and Animal Control

| | | |
|---|----|--------|
| Overtime Pay | \$ | 3,127 |
| Other Salaries and Wages | | 84,366 |
| Social Security | | 9,340 |
| Handling Charges and Administrative Costs | | 1,387 |
| Pensions | | 4,799 |
| Employee and Dependent Insurance | | 3,230 |
| Life Insurance | | 230 |
| Medical Insurance | | 15,437 |
| Dental Insurance | | 930 |
| Unemployment Compensation | | 2,016 |
| Local Retirement | | 939 |
| Bank Charges | | 41 |
| Communication | | 4,054 |
| Dues and Memberships | | 230 |
| Maintenance Agreements | | 670 |
| Maintenance and Repair Services - Buildings | | 6,105 |
| Maintenance and Repair Services - Vehicles | | 3,771 |
| Pest Control | | 575 |
| Printing, Stationery, and Forms | | 752 |
| Veterinary Services | | 5,779 |
| Animal Food and Supplies | | 4,109 |
| Drugs and Medical Supplies | | 895 |

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

| | | | |
|---------------------------------|----|--------|------------|
| Gasoline | \$ | 5,426 | |
| Office Supplies | | 354 | |
| Uniforms | | 2,100 | |
| Utilities | | 6,713 | |
| Refunds | | 6,375 | |
| In Service/Staff Development | | 1,098 | |
| Motor Vehicles | | 25,706 | |
| Total Rabies and Animal Control | | | \$ 200,554 |

Other Local Welfare Services

| | | | |
|------------------------------------|----|--------|--------|
| Contributions | \$ | 21,941 | |
| Total Other Local Welfare Services | | | 21,941 |

Social, Cultural, and Recreational Services

Libraries

| | | | |
|-----------------|----|-----------|-----------|
| Pensions | \$ | 123,048 | |
| Contributions | | 1,250,214 | |
| Total Libraries | | | 1,373,262 |

Parks and Fair Boards

| | | | |
|---|----|---------|-----------|
| Supervisor/Director | \$ | 59,279 | |
| Part-time Personnel | | 6,000 | |
| Overtime Pay | | 176 | |
| Other Salaries and Wages | | 560,646 | |
| Social Security | | 43,294 | |
| Handling Charges and Administrative Costs | | 9,126 | |
| Pensions | | 51,047 | |
| Employee and Dependent Insurance | | 25,069 | |
| Life Insurance | | 1,124 | |
| Medical Insurance | | 103,312 | |
| Dental Insurance | | 3,891 | |
| Unemployment Compensation | | 1,498 | |
| Local Retirement | | 7,596 | |
| Communication | | 5,155 | |
| Maintenance and Repair Services - Equipment | | 165,173 | |
| Travel | | 1,348 | |
| Remittance of Revenue Collected | | 1,250 | |
| Gasoline | | 25,680 | |
| Office Supplies | | 2,077 | |
| Utilities | | 74,008 | |
| Other Charges | | 200 | |
| Total Parks and Fair Boards | | | 1,146,949 |

Other Social, Cultural, and Recreational

| | | | |
|--------------------------|----|--------|--|
| Overtime Pay | \$ | 121 | |
| Other Salaries and Wages | | 56,175 | |
| Social Security | | 4,303 | |

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Other Social, Cultural, and Recreational (Cont.)

| | | | |
|--|----|---------------|---------|
| Utilities | \$ | 18,151 | |
| Other Supplies and Materials | | <u>26,570</u> | |
| Total Other Social, Cultural, and Recreational | \$ | | 105,320 |

Agriculture and Natural Resources

Agricultural Extension Service

| | | | |
|--------------------------------------|----|--------------|---------|
| Other Salaries and Wages | \$ | 169,222 | |
| Other Fringe Benefits | | 96,114 | |
| Communication | | 2,220 | |
| Contributions | | 2,500 | |
| Travel | | 525 | |
| Office Supplies | | 6,592 | |
| In Service/Staff Development | | 3,074 | |
| Data Processing Equipment | | <u>1,318</u> | |
| Total Agricultural Extension Service | | | 281,565 |

Soil Conservation

| | | | |
|---|----|------------|--------|
| Other Salaries and Wages | \$ | 68,056 | |
| Social Security | | 4,754 | |
| Handling Charges and Administrative Costs | | 834 | |
| Pensions | | 2,158 | |
| Employee and Dependent Insurance | | 3,046 | |
| Life Insurance | | 131 | |
| Medical Insurance | | 9,348 | |
| Dental Insurance | | 388 | |
| Local Retirement | | <u>754</u> | |
| Total Soil Conservation | | | 89,469 |

Flood Control

| | | | |
|---------------------|----|---------------|--------|
| Contributions | \$ | <u>67,000</u> | |
| Total Flood Control | | | 67,000 |

Other Operations

Tourism

| | | | |
|---------------|----|---------------|--------|
| Contributions | \$ | <u>32,500</u> | |
| Total Tourism | | | 32,500 |

Industrial Development

| | | | |
|------------------------------|----|---------------|--------|
| Contributions | \$ | <u>72,000</u> | |
| Total Industrial Development | | | 72,000 |

Airport

| | | | |
|---|----|--------|--|
| Handling Charges and Administrative Costs | \$ | 6,880 | |
| Pensions | | 33,502 | |
| Employee and Dependent Insurance | | 16,292 | |
| Medical Insurance | | 77,167 | |
| Dental Insurance | | 3,205 | |

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Other Operations (Cont.)

Airport (Cont.)

| | | | |
|---------------------------|----|--------|------------|
| Unemployment Compensation | \$ | 313 | |
| Local Retirement | | 10,535 | |
| Contributions | | 73,900 | |
| Liability Insurance | | 23,800 | |
| Total Airport | | | \$ 245,594 |

Veterans' Services

| | | | |
|------------------------------|----|--------|--------|
| Part-time Personnel | \$ | 71,098 | |
| Social Security | | 5,439 | |
| Data Processing Services | | 2,690 | |
| Travel | | 1,300 | |
| Office Supplies | | 1,623 | |
| Utilities | | 2,757 | |
| Other Supplies and Materials | | 469 | |
| Total Veterans' Services | | | 85,376 |

Other Charges

| | | | |
|---|----|---------|---------|
| Handling Charges and Administrative Costs | \$ | 24,000 | |
| Disability Insurance | | 84,079 | |
| Medical and Dental Services | | 282,733 | |
| Excess Risk Insurance | | 27,513 | |
| Medical Claims | | 14,272 | |
| Total Other Charges | | | 432,597 |

Employee Benefits

| | | | |
|-------------------------|----|---------|---------|
| Social Security | \$ | 31,433 | |
| Termination Benefits | | 410,987 | |
| Total Employee Benefits | | | 442,420 |

COVID-19 Grant #1

| | | | |
|---|----|--------|--------|
| Election Workers | \$ | 8,693 | |
| Maintenance and Repair Services - Equipment | | 569 | |
| Postal Charges | | 1,614 | |
| Rentals | | 150 | |
| Data Processing Supplies | | 10,531 | |
| Office Supplies | | 20,468 | |
| Total COVID-19 Grant #1 | | | 42,025 |

COVID-19 Grant #2

| | | | |
|---|----|---------|--|
| Part-time Personnel | \$ | 983,084 | |
| Overtime Pay | | 105,582 | |
| Other Salaries and Wages | | 250,891 | |
| Social Security | | 92,090 | |
| Handling Charges and Administrative Costs | | 1,239 | |
| Pensions | | 7,412 | |
| Local Retirement | | 7,276 | |
| Advertising | | 29,525 | |

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Other Operations (Cont.)

COVID-19 Grant #2 (Cont.)

| | | | |
|---------------------------------|----|--------|-----------|
| Communication | \$ | 6,625 | |
| Data Processing Services | | 30,317 | |
| Printing, Stationery, and Forms | | 9,997 | |
| Travel | | 728 | |
| Drugs and Medical Supplies | | 14,842 | |
| Office Supplies | | 5,767 | |
| Other Supplies and Materials | | 27,140 | |
| Communication Equipment | | 7,862 | |
| Data Processing Equipment | | 10,487 | |
| Office Equipment | | 1,150 | |
| Health Equipment | | 9,261 | |
| Total COVID-19 Grant #2 | \$ | | 1,601,275 |

COVID-19 Grant #3

| | | | |
|------------------------------|----|-------|-------|
| Other Supplies and Materials | \$ | 7,464 | |
| Total COVID-19 Grant #3 | | | 7,464 |

COVID-19 Grant #4

| | | | |
|---------------------------|----|--------|--------|
| Law Enforcement Supplies | \$ | 51,215 | |
| Law Enforcement Equipment | | 2,036 | |
| Total COVID-19 Grant #4 | | | 53,251 |

COVID-19 Grant #5

| | | | |
|--|----|---------|-----------|
| County Official/Administrative Officer | \$ | 32,736 | |
| Supervisor/Director | | 108,851 | |
| Paraprofessionals | | 5,197 | |
| Mechanic(s) | | 16,737 | |
| Custodial Personnel | | 15,505 | |
| Part-time Personnel | | 310,058 | |
| Overtime Pay | | 16,423 | |
| Other Salaries and Wages | | 486,841 | |
| Social Security | | 20,571 | |
| Communication | | 1,211 | |
| Other Supplies and Materials | | 2,718 | |
| Communication Equipment | | 4,716 | |
| Data Processing Equipment | | 27,226 | |
| Motor Vehicles | | 307,624 | |
| Health Equipment | | 650,645 | |
| Total COVID-19 Grant #5 | | | 2,007,059 |

COVID-19 Grant C

| | | | |
|------------------------|----|--------|--------|
| Other Charges | \$ | 96,107 | |
| Total COVID-19 Grant C | | | 96,107 |

Miscellaneous

| | | | |
|----------------------------------|----|-------|--|
| Board and Committee Members Fees | \$ | 4,482 | |
| Other Fringe Benefits | | 6,248 | |

(Continued)

Exhibit L-7

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

General Fund (Cont.)

Other Operations (Cont.)

Miscellaneous (Cont.)

| | | | |
|---|----|---------|--------------|
| Communication | \$ | 1,111 | |
| Consultants | | 1,019 | |
| Contracts with Government Agencies | | 24,000 | |
| Contributions | | 50,000 | |
| Dues and Memberships | | 18,036 | |
| Legal Services | | 510,028 | |
| Legal Notices, Recording, and Court Costs | | 38,644 | |
| Postal Charges | | 132,276 | |
| Remittance of Revenue Collected | | 77,615 | |
| Disposal Fees | | 3,555 | |
| Other Contracted Services | | 32,324 | |
| Utilities | | 152,345 | |
| Excess Risk Insurance | | 27,000 | |
| Liability Insurance | | 750,269 | |
| Refunds | | 307 | |
| Trustee's Commission | | 701,041 | |
| Fines, Assessments, and Penalties | | 123,272 | |
| Other Charges | | 9,695 | |
| Total Miscellaneous | | | \$ 2,663,267 |

Total General Fund \$ 47,364,908

Juvenile Services Fund

Public Safety

Juvenile Services

| | | |
|--|----|---------|
| County Official/Administrative Officer | \$ | 75,196 |
| Supervisor/Director | | 248,078 |
| Accountants/Bookkeepers | | 47,821 |
| Social Workers | | 393,705 |
| Paraprofessionals | | 105,283 |
| Guards | | 256,582 |
| Clerical Personnel | | 128,581 |
| Educational Incentive - Other County Employees | | 9,000 |
| Overtime Pay | | 57,491 |
| Social Security | | 94,175 |
| Handling Charges and Administrative Costs | | 16,017 |
| Pensions | | 66,116 |
| Employee and Dependent Insurance | | 41,849 |
| Life Insurance | | 2,129 |
| Medical Insurance | | 177,590 |
| Dental Insurance | | 7,569 |
| Disability Insurance | | 3,078 |
| Unemployment Compensation | | 4,130 |
| Local Retirement | | 15,910 |
| Audit Services | | 3,850 |
| Communication | | 16,285 |
| Contributions | | 29,700 |

(Continued)

Exhibit L-7

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

Juvenile Services Fund (Cont.)

Public Safety (Cont.)

Juvenile Services (Cont.)

| | | | |
|---|----|--------|--------------|
| Data Processing Services | \$ | 13,699 | |
| Maintenance and Repair Services - Buildings | | 25,660 | |
| Maintenance and Repair Services - Equipment | | 7,674 | |
| Maintenance and Repair Services - Vehicles | | 4,613 | |
| Medical and Dental Services | | 20,905 | |
| Printing, Stationery, and Forms | | 466 | |
| Travel | | 4,702 | |
| Other Contracted Services | | 74,703 | |
| Custodial Supplies | | 2,229 | |
| Data Processing Supplies | | 20 | |
| Food Supplies | | 11,945 | |
| Gasoline | | 1,607 | |
| Office Supplies | | 2,282 | |
| Uniforms | | 875 | |
| Utilities | | 31,434 | |
| Other Supplies and Materials | | 4,390 | |
| Excess Risk Insurance | | 2,249 | |
| Liability Insurance | | 33,644 | |
| Medical Claims | | 653 | |
| Trustee's Commission | | 35,082 | |
| Building Improvements | | 592 | |
| Data Processing Equipment | | 9,649 | |
| Furniture and Fixtures | | 3,824 | |
| Other Equipment | | 1,486 | |
| Total Juvenile Services | | | \$ 2,094,518 |

Other Operations

Employee Benefits

| | | | |
|-------------------------|----|-------|--------------|
| Social Security | \$ | 178 | |
| Termination Benefits | | 2,333 | |
| Total Employee Benefits | | | <u>2,511</u> |

Total Juvenile Services Fund \$ 2,097,029

Solid Waste/Sanitation Fund

Public Health and Welfare

Convenience Centers

| | | | |
|---|----|---------|--|
| Truck Drivers | \$ | 66,931 | |
| Part-time Personnel | | 294,356 | |
| Overtime Pay | | 67 | |
| Other Salaries and Wages | | 29,511 | |
| Social Security | | 29,706 | |
| Handling Charges and Administrative Costs | | 847 | |
| Pensions | | 7,619 | |
| Employee and Dependent Insurance | | 1,867 | |
| Life Insurance | | 181 | |
| Medical Insurance | | 10,192 | |

(Continued)

Exhibit L-7

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Convenience Centers (Cont.)

| | | | |
|---|----|--------|------------|
| Dental Insurance | \$ | 136 | |
| Unemployment Compensation | | 135 | |
| Local Retirement | | 25 | |
| Other Fringe Benefits | | 868 | |
| Communication | | 8,365 | |
| Operating Lease Payments | | 14,712 | |
| Maintenance and Repair Services - Buildings | | 13,216 | |
| Maintenance and Repair Services - Equipment | | 30,389 | |
| Maintenance and Repair Services - Vehicles | | 42,131 | |
| Medical and Dental Services | | 5,583 | |
| Travel | | 100 | |
| Other Contracted Services | | 24,258 | |
| Gasoline | | 26,942 | |
| Uniforms | | 1,700 | |
| Utilities | | 14,490 | |
| Other Supplies and Materials | | 3,649 | |
| Trustee's Commission | | 21,990 | |
| Other Charges | | 14,416 | |
| Total Convenience Centers | | | \$ 664,382 |

Landfill Operation and Maintenance

| | | | |
|--|----|---------|---------|
| Contracts with Government Agencies | \$ | 399,218 | |
| Other Contracted Services | | 168,108 | |
| Total Landfill Operation and Maintenance | | | 567,326 |

Other Operations

Employee Benefits

| | | | |
|-------------------------|----|--------|--------|
| Social Security | \$ | 1,475 | |
| Termination Benefits | | 19,276 | |
| Total Employee Benefits | | | 20,751 |

Total Solid Waste/Sanitation Fund \$ 1,252,459

Special Purpose Fund

Public Safety

Correctional Incentive Program Improvements

| | | | |
|--|----|---------|--|
| Probation Officer(s) | \$ | 289,625 | |
| Educational Incentive - Other County Employees | | 5,625 | |
| Social Security | | 21,327 | |
| Handling Charges and Administrative Costs | | 3,485 | |
| Pensions | | 6,210 | |
| Employee and Dependent Insurance | | 9,218 | |
| Life Insurance | | 463 | |
| Medical Insurance | | 38,508 | |
| Dental Insurance | | 1,712 | |
| Unemployment Compensation | | 430 | |
| Local Retirement | | 3,906 | |

(Continued)

Exhibit L-7

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

Special Purpose Fund (Cont.)

Public Safety (Cont.)

Correctional Incentive Program Improvements (Cont.)

| | | | |
|---|----|--------|------------|
| Communication | \$ | 3,771 | |
| Data Processing Services | | 10,119 | |
| Dues and Memberships | | 2,811 | |
| Evaluation and Testing | | 5,314 | |
| Maintenance and Repair Services - Buildings | | 5,087 | |
| Maintenance and Repair Services - Vehicles | | 16,906 | |
| Rentals | | 22,696 | |
| Travel | | 2,381 | |
| Office Supplies | | 11,138 | |
| Utilities | | 4,865 | |
| Other Charges | | 150 | |
| Motor Vehicles | | 30,206 | |
| Other Equipment | | 8,486 | |
| Total Correctional Incentive Program Improvements | | | \$ 504,439 |

Work Release Program

| | | | |
|---|----|---------|---------|
| Other Salaries and Wages | \$ | 473,746 | |
| Social Security | | 34,508 | |
| Handling Charges and Administrative Costs | | 5,421 | |
| Pensions | | 20,316 | |
| Employee and Dependent Insurance | | 11,027 | |
| Life Insurance | | 850 | |
| Medical Insurance | | 59,394 | |
| Dental Insurance | | 3,276 | |
| Local Retirement | | 10,317 | |
| Communication | | 14,628 | |
| Data Processing Services | | 20,432 | |
| Evaluation and Testing | | 5,540 | |
| Maintenance and Repair Services - Buildings | | 4,112 | |
| Maintenance and Repair Services - Vehicles | | 11,919 | |
| Postal Charges | | 1,193 | |
| Rentals | | 76,530 | |
| Travel | | 2,618 | |
| Office Supplies | | 21,158 | |
| Utilities | | 13,064 | |
| Motor Vehicles | | 26,772 | |
| Other Equipment | | 9,186 | |
| Total Work Release Program | | | 826,007 |

Other Emergency Management

| | | | |
|----------------------------------|----|--------|--------|
| Other Supplies and Materials | \$ | 6,215 | |
| Other Equipment | | 36,695 | |
| Total Other Emergency Management | | | 42,910 |

Public Safety Grants Program

| | | | |
|--------------------------|----|--------|--|
| Other Salaries and Wages | \$ | 90,288 | |
| Social Security | | 6,761 | |

(Continued)

Exhibit L-7

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

Special Purpose Fund (Cont.)

Public Safety (Cont.)

Public Safety Grants Program (Cont.)

| | | | |
|---|----|--------|---------|
| Handling Charges and Administrative Costs | \$ | 668 | |
| Employee and Dependent Insurance | | 788 | |
| Life Insurance | | 137 | |
| Medical Insurance | | 6,912 | |
| Dental Insurance | | 578 | |
| Local Retirement | | 339 | |
| Communication | | 1,253 | |
| Rentals | | 13,200 | |
| Travel | | 1,521 | |
| Office Supplies | | 3,112 | |
| Utilities | | 1,927 | |
| Other Charges | | 14,389 | |
| Total Public Safety Grants Program | \$ | | 141,873 |

Public Health and Welfare

Maternal and Child Health Services

| | | | |
|---|----|-----------|-----------|
| Part-time Personnel | \$ | 116,864 | |
| Overtime Pay | | 1,077 | |
| Other Salaries and Wages | | 2,162,480 | |
| Social Security | | 165,443 | |
| Handling Charges and Administrative Costs | | 19,266 | |
| Pensions | | 80,932 | |
| Employee and Dependent Insurance | | 56,588 | |
| Life Insurance | | 3,724 | |
| Medical Insurance | | 219,588 | |
| Dental Insurance | | 11,224 | |
| Unemployment Compensation | | 7,296 | |
| Local Retirement | | 56,437 | |
| Advertising | | 86,431 | |
| Communication | | 36,351 | |
| Maintenance Agreements | | 30,833 | |
| Maintenance and Repair Services - Buildings | | 7,599 | |
| Maintenance and Repair Services - Vehicles | | 5,457 | |
| Postal Charges | | 3,932 | |
| Printing, Stationery, and Forms | | 7,633 | |
| Travel | | 11,173 | |
| Remittance of Revenue Collected | | 105,910 | |
| Drugs and Medical Supplies | | 91,716 | |
| Gasoline | | 968 | |
| Office Supplies | | 20,205 | |
| Utilities | | 63,951 | |
| Other Supplies and Materials | | 208,792 | |
| Liability Insurance | | 2,621 | |
| Refunds | | 1,058 | |
| Building Construction | | 94,890 | |
| Data Processing Equipment | | 801 | |
| Furniture and Fixtures | | 17,892 | |
| Total Maternal and Child Health Services | | | 3,699,132 |

(Continued)

Exhibit L-7

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

Special Purpose Fund (Cont.)

Public Health and Welfare (Cont.)

Sanitation Education/Information

| | | | |
|--|----|--------|-----------|
| Other Salaries and Wages | \$ | 18,618 | |
| Social Security | | 1,420 | |
| Gasoline | | 2,164 | |
| Other Supplies and Materials | | 27,165 | |
| Total Sanitation Education/Information | | | \$ 49,367 |

Other Operations

Miscellaneous

| | | | |
|----------------------|----|-------|-------|
| Trustee's Commission | \$ | 6,182 | |
| Total Miscellaneous | | | 6,182 |

Total Special Purpose Fund \$ 5,269,910

Drug Control Fund

Public Safety

Drug Enforcement

| | | | |
|--------------------------|----|-------|-----------|
| Law Enforcement Supplies | \$ | 8,548 | |
| Office Supplies | | 544 | |
| Refunds | | 6,000 | |
| Trustee's Commission | | 476 | |
| Total Drug Enforcement | | | \$ 15,568 |

Total Drug Control Fund 15,568

Highway/Public Works Fund

Highways

Administration

| | | | |
|--|----|---------|--|
| County Official/Administrative Officer | \$ | 121,584 | |
| Clerical Personnel | | 130,895 | |
| Educational Incentive - Official/Admin Officer | | 1,762 | |
| Educational Incentive - Other County Employees | | 6,000 | |
| Social Security | | 19,831 | |
| Handling Charges and Administrative Costs | | 1,860 | |
| Pensions | | 16,293 | |
| Employee and Dependent Insurance | | 6,809 | |
| Life Insurance | | 429 | |
| Medical Insurance | | 20,823 | |
| Dental Insurance | | 867 | |
| Local Retirement | | 2,722 | |
| Termination Benefits | | 24,461 | |
| Data Processing Services | | 7,094 | |
| Dues and Memberships | | 4,824 | |
| Legal Notices, Recording, and Court Costs | | 51 | |
| Maintenance and Repair Services - Buildings | | 7,316 | |
| Postal Charges | | 72 | |
| Printing, Stationery, and Forms | | 756 | |
| Travel | | 698 | |

(Continued)

Exhibit L-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

| | | | |
|--------------------------|----|-------|------------|
| Data Processing Supplies | \$ | 3,074 | |
| Office Supplies | | 3,162 | |
| Other Charges | | 372 | |
| Total Administration | | | \$ 381,755 |

Highway and Bridge Maintenance

| | | | |
|---|----|---------|-----------|
| Materials Supervisor | \$ | 67,359 | |
| Foremen | | 230,654 | |
| Equipment Operators | | 357,109 | |
| Truck Drivers | | 176,463 | |
| Laborers | | 185,902 | |
| Overtime Pay | | 20,060 | |
| Social Security | | 74,876 | |
| Handling Charges and Administrative Costs | | 11,406 | |
| Pensions | | 48,495 | |
| Employee and Dependent Insurance | | 32,845 | |
| Life Insurance | | 1,706 | |
| Medical Insurance | | 125,080 | |
| Dental Insurance | | 5,058 | |
| Local Retirement | | 21,962 | |
| Other Contracted Services | | 25,910 | |
| Asphalt - Cold Mix | | 35,000 | |
| Asphalt - Liquid | | 286,915 | |
| Concrete | | 4,263 | |
| Crushed Stone | | 283,607 | |
| Riprap | | 56,358 | |
| Pipe | | 78,496 | |
| Road Signs | | 25,105 | |
| Salt | | 4,268 | |
| Sand | | 7,350 | |
| Small Tools | | 121 | |
| Uniforms | | 4,023 | |
| Gravel and Chert | | 192,328 | |
| Chemicals | | 104,217 | |
| Other Supplies and Materials | | 4,094 | |
| Other Charges | | 1,000 | |
| Total Highway and Bridge Maintenance | | | 2,472,030 |

Operation and Maintenance of Equipment

| | | | |
|---|----|--------|--|
| Mechanic(s) | \$ | 46,612 | |
| Overtime Pay | | 239 | |
| Social Security | | 3,254 | |
| Handling Charges and Administrative Costs | | 620 | |
| Employee and Dependent Insurance | | 2,270 | |
| Life Insurance | | 81 | |
| Medical Insurance | | 6,912 | |
| Dental Insurance | | 289 | |

(Continued)

Exhibit L-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

| | | | |
|--|----|--------|---------|
| Local Retirement | \$ | 2,610 | |
| Laundry Service | | 1,845 | |
| Maintenance and Repair Services - Equipment | | 16,291 | |
| Diesel Fuel | | 55,950 | |
| Equipment and Machinery Parts | | 80,653 | |
| Garage Supplies | | 2,326 | |
| Gasoline | | 35,576 | |
| Lubricants | | 6,487 | |
| Small Tools | | 9,720 | |
| Tires and Tubes | | 23,300 | |
| Other Supplies and Materials | | 9,299 | |
| In Service/Staff Development | | 1,413 | |
| Total Operation and Maintenance of Equipment | \$ | | 305,747 |

Other Charges

| | | | |
|---------------------------------|----|---------|---------|
| Communication | \$ | 9,220 | |
| Contracts with Private Agencies | | 670 | |
| Utilities | | 20,743 | |
| Liability Insurance | | 117,308 | |
| Trustee's Commission | | 70,479 | |
| Total Other Charges | | | 218,420 |

Employee Benefits

| | | | |
|-----------------------------|----|--------|--------|
| Disability Insurance | \$ | 3,933 | |
| Medical and Dental Services | | 48,637 | |
| Excess Risk Insurance | | 5,941 | |
| Medical Claims | | 2,251 | |
| Total Employee Benefits | | | 60,762 |

Capital Outlay

| | | | |
|---------------------------|----|---------|-----------|
| Engineering Services | \$ | 56,872 | |
| Other Contracted Services | | 257,866 | |
| Asphalt - Hot Mix | | 820,709 | |
| Vehicle Parts | | 15,005 | |
| Bridge Construction | | 517,764 | |
| Building Improvements | | 34,012 | |
| Highway Equipment | | 203,368 | |
| Total Capital Outlay | | | 1,905,596 |

Total Highway/Public Works Fund \$ 5,344,310

General Debt Service Fund

Principal on Debt

General Government

| | | | |
|--------------------------|----|-----------|-----------|
| Principal on Bonds | \$ | 7,330,000 | |
| Principal on Notes | | 202,500 | |
| Total General Government | \$ | | 7,532,500 |

(Continued)

Exhibit L-7

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

General Debt Service Fund (Cont.)

Principal on Debt (Cont.)

Education

| | | |
|--------------------|--------------|--------------|
| Principal on Bonds | \$ 1,285,000 | |
| Principal on Notes | 607,500 | |
| Total Education | | \$ 1,892,500 |

Interest on Debt

General Government

| | | |
|--------------------------|--------------|-----------|
| Interest on Bonds | \$ 2,350,481 | |
| Interest on Notes | 47,293 | |
| Total General Government | | 2,397,774 |

Education

| | | |
|-------------------|------------|---------|
| Interest on Bonds | \$ 724,875 | |
| Interest on Notes | 141,879 | |
| Total Education | | 866,754 |

Other Debt Service

General Government

| | | |
|-----------------------------|------------|---------|
| Trustee's Commission | \$ 247,444 | |
| Underwriter's Discount | 7,584 | |
| Other Debt Issuance Charges | 18,149 | |
| Other Debt Service | 1,524 | |
| Total General Government | | 274,701 |

Education

| | | |
|-----------------------------|-----------|--------|
| Underwriter's Discount | \$ 22,752 | |
| Other Debt Issuance Charges | 54,446 | |
| Other Debt Service | 576 | |
| Total Education | | 77,774 |

Total General Debt Service Fund \$ 13,042,003

General Capital Projects Fund

General Government

Election Commission

| | | |
|---------------------------|-----------|-----------|
| Building Improvements | \$ 26,894 | |
| Total Election Commission | | \$ 26,894 |

County Buildings

| | | |
|------------------------|------------|---------|
| Building Improvements | \$ 250,265 | |
| Total County Buildings | | 250,265 |

Finance

Accounting and Budgeting

| | | |
|--------------------------------|------------|---------|
| Data Processing Equipment | \$ 332,691 | |
| Total Accounting and Budgeting | | 332,691 |

(Continued)

Exhibit L-7

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

General Capital Projects Fund (Cont.)

Finance (Cont.)

Property Assessor's Office

| | | |
|----------------------------------|----------|----------|
| Furniture and Fixtures | \$ 6,500 | |
| Total Property Assessor's Office | | \$ 6,500 |

Administration of Justice

Circuit Court

| | | |
|------------------------|----------|-------|
| Furniture and Fixtures | \$ 9,741 | |
| Total Circuit Court | | 9,741 |

Juvenile Court

| | | |
|-----------------------|-----------|--------|
| Building Improvements | \$ 18,300 | |
| Total Juvenile Court | | 18,300 |

Public Safety

Sheriff's Department

| | | |
|---|----------|---------|
| Maintenance and Repair Services - Buildings | \$ 3,661 | |
| Building Improvements | 18,429 | |
| Data Processing Equipment | 14,604 | |
| Law Enforcement Equipment | 20,500 | |
| Motor Vehicles | 485,695 | |
| Total Sheriff's Department | | 542,889 |

Jail

| | | |
|-------------------------|---------------|------------|
| Building Construction | \$ 17,615,094 | |
| Communication Equipment | 8,550 | |
| Total Jail | | 17,623,644 |

Fire Prevention and Control

| | | |
|-----------------------------------|------------|---------|
| Other Equipment | \$ 819,323 | |
| Total Fire Prevention and Control | | 819,323 |

Civil Defense

| | | |
|-------------------------|----------|-------|
| Building Improvements | \$ 1,248 | |
| Communication Equipment | 1,994 | |
| Total Civil Defense | | 3,242 |

Inspection and Regulation

| | | |
|---------------------------------|----------|-------|
| Motor Vehicles | \$ 9,127 | |
| Total Inspection and Regulation | | 9,127 |

Public Health and Welfare

Convenience Centers

| | | |
|---------------------------|----------|-------|
| Site Development | \$ 5,000 | |
| Total Convenience Centers | | 5,000 |

Social, Cultural, and Recreational Services

Parks and Fair Boards

| | | |
|-----------------------------|----------|---------|
| Site Development | \$ 5,900 | |
| Other Capital Outlay | 368,257 | |
| Total Parks and Fair Boards | | 374,157 |

(Continued)

Exhibit L-7

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

| | | | |
|---|----|---------|----------------------|
| <u>General Capital Projects Fund (Cont.)</u> | | | |
| <u>Other Operations</u> | | | |
| <u>Airport</u> | | | |
| Airport Improvement | \$ | 611 | |
| Total Airport | | | \$ 611 |
| | | | |
| <u>Miscellaneous</u> | | | |
| Trustee's Commission | \$ | 27,223 | |
| Building Construction | | 11,375 | |
| Total Miscellaneous | | | 38,598 |
| | | | |
| <u>Principal on Debt</u> | | | |
| <u>General Government</u> | | | |
| Principal on Capital Leases | \$ | 170,810 | |
| Total General Government | | | 170,810 |
| | | | |
| <u>Interest on Debt</u> | | | |
| <u>General Government</u> | | | |
| Interest on Capital Leases | \$ | 46,569 | |
| Total General Government | | | 46,569 |
| | | | |
| Total General Capital Projects Fund | | | \$ 20,278,361 |
| | | | |
| <u>Community Development/Industrial Park Fund</u> | | | |
| <u>Other Operations</u> | | | |
| <u>Industrial Development</u> | | | |
| Contributions | \$ | 100,000 | |
| Trustee's Commission | | 350 | |
| Total Industrial Development | | | \$ 100,350 |
| | | | |
| <u>Airport</u> | | | |
| Airport Improvement | \$ | 50,732 | |
| Total Airport | | | 50,732 |
| | | | |
| Total Community Development/Industrial Park Fund | | | 151,082 |
| | | | |
| Total Governmental Funds - Primary Government | | | <u>\$ 94,815,630</u> |

Exhibit L-8

Madison County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Madison County School Department
For the Year Ended June 30, 2021

General Purpose School Fund

Instruction

Regular Instruction Program

| | | |
|--------------------------------------|---------------|---------------|
| Teachers | \$ 33,170,403 | |
| Career Ladder Program | 78,153 | |
| Homebound Teachers | 128,776 | |
| Salary Supplements | 599,933 | |
| Educational Assistants | 1,060,239 | |
| Bonus Payments | 971,201 | |
| Other Salaries and Wages | 719,771 | |
| Certified Substitute Teachers | 61,370 | |
| Non-certified Substitute Teachers | 159,790 | |
| Social Security | 2,615,554 | |
| Pensions | 3,367,039 | |
| Life Insurance | 73,639 | |
| Medical Insurance | 3,717,153 | |
| Dental Insurance | 133,346 | |
| Local Retirement | 27,382 | |
| Other Fringe Benefits | 282,239 | |
| Tuition | 52,816 | |
| Other Contracted Services | 678,206 | |
| Instructional Supplies and Materials | 284,799 | |
| Textbooks - Bound | 372,080 | |
| Software | 119,228 | |
| Other Supplies and Materials | 22,781 | |
| Regular Instruction Equipment | 254,019 | |
| Total Regular Instruction Program | | \$ 48,949,917 |

Special Education Program

| | | |
|--------------------------------------|--------------|-----------|
| Teachers | \$ 5,726,711 | |
| Career Ladder Program | 20,336 | |
| Homebound Teachers | 56,630 | |
| Educational Assistants | 839,368 | |
| Speech Pathologist | 609,395 | |
| Bonus Payments | 196,345 | |
| Certified Substitute Teachers | 4,292 | |
| Non-certified Substitute Teachers | 27,424 | |
| Social Security | 512,059 | |
| Pensions | 610,598 | |
| Life Insurance | 12,592 | |
| Medical Insurance | 590,083 | |
| Dental Insurance | 25,453 | |
| Local Retirement | 22,318 | |
| Contracts with Other Public Agencies | 535,260 | |
| Contracts with Private Agencies | 67,390 | |
| Other Contracted Services | 23,445 | |
| Instructional Supplies and Materials | 22,412 | |
| Other Supplies and Materials | 24,180 | |
| Special Education Equipment | 11,520 | |
| Total Special Education Program | | 9,937,811 |

(Continued)

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Career and Technical Education Program

| | | | |
|--|----|-----------|--------------|
| Teachers | \$ | 1,972,828 | |
| Career Ladder Program | | 2,268 | |
| Bonus Payments | | 45,156 | |
| Other Salaries and Wages | | 26,270 | |
| Certified Substitute Teachers | | 765 | |
| Non-certified Substitute Teachers | | 20,170 | |
| Social Security | | 147,223 | |
| Pensions | | 180,963 | |
| Life Insurance | | 3,550 | |
| Medical Insurance | | 159,112 | |
| Dental Insurance | | 7,622 | |
| Local Retirement | | 1,088 | |
| Other Contracted Services | | 1,019 | |
| Instructional Supplies and Materials | | 106,517 | |
| Textbooks - Electronic | | 19,198 | |
| Textbooks - Bound | | 3,059 | |
| Software | | 3,846 | |
| Vocational Instruction Equipment | | 18,831 | |
| Total Career and Technical Education Program | | | \$ 2,719,485 |

COVID-19 Expenditures

| | | | |
|--------------------------------------|----|---------|-----------|
| Teachers | \$ | 85,877 | |
| Homebound Teachers | | 2,265 | |
| Educational Assistants | | 6,151 | |
| Social Security | | 6,618 | |
| Pensions | | 8,706 | |
| Unemployment Compensation | | 64,300 | |
| Local Retirement | | 246 | |
| Instructional Supplies and Materials | | 62,500 | |
| Software | | 16,550 | |
| Regular Instruction Equipment | | 806,573 | |
| Total COVID-19 Expenditures | | | 1,059,786 |

Support Services

Attendance

| | | | |
|--------------------------|----|---------|--|
| Supervisor/Director | \$ | 62,292 | |
| Bonus Payments | | 1,716 | |
| Other Salaries and Wages | | 97,400 | |
| Social Security | | 12,003 | |
| Pensions | | 12,671 | |
| Life Insurance | | 307 | |
| Medical Insurance | | 9,911 | |
| Dental Insurance | | 130 | |
| Local Retirement | | 2,600 | |
| Travel | | 1,031 | |
| Software | | 122,999 | |

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Attendance (Cont.)

| | | | |
|------------------------------|----|-----|------------|
| Other Supplies and Materials | \$ | 902 | |
| In Service/Staff Development | | 990 | |
| Total Attendance | | | \$ 324,952 |

Health Services

| | | | |
|------------------------------|----|---------|---------|
| Supervisor/Director | \$ | 10,938 | |
| Medical Personnel | | 571,617 | |
| Bonus Payments | | 13,441 | |
| Other Salaries and Wages | | 48,250 | |
| Social Security | | 43,793 | |
| Pensions | | 46,167 | |
| Life Insurance | | 1,116 | |
| Medical Insurance | | 103,686 | |
| Dental Insurance | | 3,741 | |
| Local Retirement | | 4,992 | |
| Travel | | 2,749 | |
| Software | | 11,700 | |
| Other Supplies and Materials | | 18,361 | |
| In Service/Staff Development | | 1,574 | |
| Total Health Services | | | 882,125 |

Other Student Support

| | | | |
|------------------------------------|----|-----------|-----------|
| Career Ladder Program | \$ | 2,000 | |
| Guidance Personnel | | 1,973,461 | |
| Psychological Personnel | | 395,653 | |
| Social Workers | | 113,843 | |
| Assessment Personnel | | 45,972 | |
| Clerical Personnel | | 91,067 | |
| Bonus Payments | | 55,038 | |
| Other Salaries and Wages | | 202,291 | |
| Social Security | | 197,944 | |
| Pensions | | 246,906 | |
| Life Insurance | | 5,136 | |
| Medical Insurance | | 244,309 | |
| Dental Insurance | | 9,475 | |
| Local Retirement | | 5,150 | |
| Contracts with Government Agencies | | 250,000 | |
| Travel | | 4,014 | |
| Other Contracted Services | | 19,150 | |
| Software | | 136,225 | |
| Other Supplies and Materials | | 29,418 | |
| In Service/Staff Development | | 4,833 | |
| Other Charges | | 3,562 | |
| Total Other Student Support | | | 4,035,447 |

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program

| | | | |
|-----------------------------------|----|---------|--------------|
| Supervisor/Director | \$ | 373,348 | |
| Career Ladder Program | | 15,945 | |
| Librarians | | 997,686 | |
| Clerical Personnel | | 108,089 | |
| Bonus Payments | | 52,804 | |
| Other Salaries and Wages | | 784,204 | |
| Certified Substitute Teachers | | 1,020 | |
| In-service Training | | 2,000 | |
| Non-certified Substitute Teachers | | 3,259 | |
| Social Security | | 163,163 | |
| Pensions | | 207,655 | |
| Life Insurance | | 4,181 | |
| Medical Insurance | | 193,951 | |
| Dental Insurance | | 6,886 | |
| Local Retirement | | 5,671 | |
| Travel | | 14,269 | |
| Other Contracted Services | | 4,731 | |
| Library Books/Media | | 37,908 | |
| Office Supplies | | 5,272 | |
| Software | | 24,456 | |
| Other Supplies and Materials | | 15,111 | |
| In Service/Staff Development | | 37,038 | |
| Other Charges | | 7,548 | |
| Total Regular Instruction Program | | | \$ 3,066,195 |

Special Education Program

| | | | |
|---------------------------------|----|---------|---------|
| Supervisor/Director | \$ | 163,118 | |
| Bonus Payments | | 15,834 | |
| Other Salaries and Wages | | 559,359 | |
| Social Security | | 52,851 | |
| Pensions | | 65,282 | |
| Life Insurance | | 1,289 | |
| Medical Insurance | | 59,409 | |
| Dental Insurance | | 2,072 | |
| Local Retirement | | 5,404 | |
| Contracts with Private Agencies | | 6,718 | |
| Travel | | 10,838 | |
| Other Contracted Services | | 388 | |
| Other Supplies and Materials | | 24,034 | |
| In Service/Staff Development | | 9,448 | |
| Total Special Education Program | | | 976,044 |

Career and Technical Education Program

| | | | |
|--|----|-------|-------|
| Maintenance and Repair Services - Equipment | \$ | 2,852 | |
| Other Supplies and Materials | | 926 | |
| Other Charges | | 100 | |
| Total Career and Technical Education Program | | | 3,878 |

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Technology

| | | | |
|---|----|---------|--------------|
| Supervisor/Director | \$ | 99,935 | |
| Bonus Payments | | 4,566 | |
| Other Salaries and Wages | | 294,607 | |
| Social Security | | 28,126 | |
| Pensions | | 13,304 | |
| Life Insurance | | 744 | |
| Medical Insurance | | 46,356 | |
| Dental Insurance | | 1,464 | |
| Local Retirement | | 11,476 | |
| Maintenance and Repair Services - Equipment | | 66,885 | |
| Internet Connectivity | | 112,178 | |
| Other Contracted Services | | 182,072 | |
| Cabling | | 200 | |
| Software | | 421,398 | |
| Other Supplies and Materials | | 9,881 | |
| In Service/Staff Development | | 752 | |
| Other Equipment | | 84,881 | |
| Total Technology | | | \$ 1,378,825 |

Other Programs

| | | | |
|----------------------------|----|---------|---------|
| On-behalf Payments to OPEB | \$ | 444,222 | |
| Total Other Programs | | | 444,222 |

Board of Education

| | | | |
|----------------------------------|----|---------|-----------|
| Secretary to Board | \$ | 36,987 | |
| Bonus Payments | | 570 | |
| Board and Committee Members Fees | | 30,000 | |
| Social Security | | 5,168 | |
| Pensions | | 4,349 | |
| Life Insurance | | 73 | |
| Unemployment Compensation | | 101,798 | |
| Audit Services | | 21,000 | |
| Contributions | | 6,078 | |
| Dues and Memberships | | 13,999 | |
| Legal Services | | 131,505 | |
| Software | | 2,000 | |
| Other Supplies and Materials | | 6,680 | |
| Trustee's Commission | | 724,251 | |
| Workers' Compensation Insurance | | 827,169 | |
| In Service/Staff Development | | 12,386 | |
| Other Charges | | 821 | |
| Total Board of Education | | | 1,924,834 |

Director of Schools

| | | | |
|--|----|---------|--|
| County Official/Administrative Officer | \$ | 185,000 | |
| Assistant(s) | | 392,606 | |

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

| | | | |
|------------------------------|----|---------|--------------|
| Career Ladder Program | \$ | 1,000 | |
| Secretary(ies) | | 129,135 | |
| Bonus Payments | | 5,530 | |
| Other Salaries and Wages | | 70,000 | |
| Social Security | | 60,170 | |
| Pensions | | 67,497 | |
| Life Insurance | | 1,464 | |
| Medical Insurance | | 48,445 | |
| Dental Insurance | | 1,580 | |
| Local Retirement | | 2,214 | |
| Other Fringe Benefits | | 43,120 | |
| Advertising | | 11,702 | |
| Communication | | 156,979 | |
| Dues and Memberships | | 6,872 | |
| Operating Lease Payments | | 59,494 | |
| Postal Charges | | 4,745 | |
| Travel | | 4,303 | |
| Other Contracted Services | | 39,600 | |
| Office Supplies | | 2,675 | |
| Other Supplies and Materials | | 8,172 | |
| In Service/Staff Development | | 2,589 | |
| Other Charges | | 1,763 | |
| Total Director of Schools | | | \$ 1,306,655 |

Office of the Principal

| | | | |
|-------------------------------|----|-----------|-----------|
| Principals | \$ | 2,184,133 | |
| Career Ladder Program | | 15,000 | |
| Assistant Principals | | 1,848,394 | |
| Secretary(ies) | | 1,273,133 | |
| Clerical Personnel | | 13,389 | |
| Bonus Payments | | 100,072 | |
| Other Salaries and Wages | | 323,002 | |
| Social Security | | 408,863 | |
| Pensions | | 517,928 | |
| Life Insurance | | 10,498 | |
| Medical Insurance | | 526,266 | |
| Dental Insurance | | 21,112 | |
| Local Retirement | | 39,120 | |
| Travel | | 4,012 | |
| Other Supplies and Materials | | 96,219 | |
| Total Office of the Principal | | | 7,381,141 |

Fiscal Services

| | | | |
|-------------------------|----|---------|--|
| Supervisor/Director | \$ | 96,453 | |
| Accountants/Bookkeepers | | 213,579 | |
| Bonus Payments | | 2,998 | |

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Fiscal Services (Cont.)

| | | | |
|------------------------------|----|---------|------------|
| Social Security | \$ | 22,115 | |
| Pensions | | 22,251 | |
| Life Insurance | | 599 | |
| Medical Insurance | | 15,027 | |
| Dental Insurance | | 1,478 | |
| Local Retirement | | 7,926 | |
| Dues and Memberships | | 769 | |
| Travel | | 36 | |
| Other Contracted Services | | 277,977 | |
| Office Supplies | | 1,445 | |
| Software | | 16,914 | |
| In Service/Staff Development | | 730 | |
| Administration Equipment | | 282 | |
| Total Fiscal Services | | | \$ 680,579 |

Human Services/Personnel

| | | | |
|--------------------------------|----|---------|---------|
| Supervisor/Director | \$ | 252,215 | |
| Clerical Personnel | | 39,408 | |
| Bonus Payments | | 3,367 | |
| Other Salaries and Wages | | 100,113 | |
| Social Security | | 25,949 | |
| Pensions | | 22,742 | |
| Life Insurance | | 703 | |
| Medical Insurance | | 26,519 | |
| Dental Insurance | | 1,225 | |
| Local Retirement | | 10,651 | |
| Dues and Memberships | | 538 | |
| Travel | | 65 | |
| Other Contracted Services | | 3,641 | |
| Office Supplies | | 3,137 | |
| Software | | 25,279 | |
| Other Supplies and Materials | | 4,995 | |
| In Service/Staff Development | | 574 | |
| Other Charges | | 1,630 | |
| Total Human Services/Personnel | | | 522,751 |

Operation of Plant

| | | | |
|---------------------------------|----|-----------|-----------|
| Other Contracted Services | \$ | 2,149,938 | |
| Electricity | | 1,935,143 | |
| Natural Gas | | 369,658 | |
| Water and Sewer | | 235,314 | |
| Other Supplies and Materials | | 14,428 | |
| Building and Contents Insurance | | 1,005,335 | |
| Total Operation of Plant | | | 5,709,816 |

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant

| | | | |
|------------------------------|----|-----------|-----------|
| Supervisor/Director | \$ | 99,490 | |
| Secretary(ies) | | 75,710 | |
| Bonus Payments | | 20,904 | |
| Other Salaries and Wages | | 1,350,517 | |
| Social Security | | 110,540 | |
| Pensions | | 97,425 | |
| Life Insurance | | 2,769 | |
| Medical Insurance | | 143,552 | |
| Dental Insurance | | 5,664 | |
| Local Retirement | | 33,554 | |
| Other Contracted Services | | 473,209 | |
| Software | | 16,200 | |
| Other Supplies and Materials | | 625,771 | |
| In Service/Staff Development | | 875 | |
| Administration Equipment | | 281,877 | |
| Total Maintenance of Plant | \$ | | 3,338,057 |

Transportation

| | | | |
|--|----|-----------|-----------|
| Supervisor/Director | \$ | 98,838 | |
| Mechanic(s) | | 333,942 | |
| Bus Drivers | | 2,051,717 | |
| Bonus Payments | | 78,760 | |
| Other Salaries and Wages | | 798,995 | |
| Social Security | | 241,928 | |
| Pensions | | 182,264 | |
| Life Insurance | | 5,072 | |
| Medical Insurance | | 290,439 | |
| Dental Insurance | | 17,173 | |
| Local Retirement | | 70,798 | |
| Maintenance and Repair Services - Vehicles | | 11,683 | |
| Travel | | 338 | |
| Other Contracted Services | | 20,900 | |
| Diesel Fuel | | 249,682 | |
| Gasoline | | 77,435 | |
| Lubricants | | 9,537 | |
| Office Supplies | | 3,744 | |
| Tires and Tubes | | 115,524 | |
| Vehicle Parts | | 215,119 | |
| Software | | 68,846 | |
| Other Supplies and Materials | | 8,181 | |
| In Service/Staff Development | | 4,379 | |
| Other Charges | | 9,751 | |
| Administration Equipment | | 2,488 | |
| Total Transportation | | | 4,967,533 |

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

COVID-19 Expenditures

| | | | |
|------------------------------|----|---------|-----------|
| Supervisor/Director | \$ | 10,647 | |
| Guidance Personnel | | 1,981 | |
| Librarians | | 8,758 | |
| Medical Personnel | | 6,080 | |
| Bus Drivers | | 2,952 | |
| Secretary(ies) | | 6,697 | |
| Clerical Personnel | | 1,859 | |
| Other Salaries and Wages | | 13,364 | |
| Social Security | | 3,727 | |
| Pensions | | 2,961 | |
| Local Retirement | | 925 | |
| Internet Connectivity | | 36,320 | |
| Other Supplies and Materials | | 31,759 | |
| Other Charges | | 892,470 | |
| Other Equipment | | 16,923 | |
| Total COVID-19 Expenditures | \$ | | 1,037,423 |

Operation of Non-Instructional Services

Community Services

| | | | |
|--------------------------------------|----|---------|---------|
| Supervisor/Director | \$ | 55,198 | |
| Bonus Payments | | 2,728 | |
| Other Salaries and Wages | | 250,331 | |
| Social Security | | 22,352 | |
| Pensions | | 16,490 | |
| Life Insurance | | 334 | |
| Medical Insurance | | 18,586 | |
| Dental Insurance | | 1,140 | |
| Local Retirement | | 6,252 | |
| Communication | | 1,796 | |
| Travel | | 619 | |
| Other Contracted Services | | 1,808 | |
| Instructional Supplies and Materials | | 6,605 | |
| Other Supplies and Materials | | 8,583 | |
| Other Charges | | 298 | |
| Other Equipment | | 2,790 | |
| Total Community Services | | | 395,910 |

Early Childhood Education

| | | | |
|-----------------------------------|----|-----------|--|
| Teachers | \$ | 1,215,577 | |
| Guidance Personnel | | 38,376 | |
| Educational Assistants | | 450,047 | |
| Bonus Payments | | 139,264 | |
| Other Salaries and Wages | | 775 | |
| Certified Substitute Teachers | | 910 | |
| Non-certified Substitute Teachers | | 10,908 | |
| Social Security | | 131,119 | |

(Continued)

Exhibit L-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education (Cont.)

| | | | |
|--------------------------------------|----|---------|-----------|
| Pensions | \$ | 144,813 | |
| Life Insurance | | 3,260 | |
| Medical Insurance | | 191,856 | |
| Dental Insurance | | 7,955 | |
| Local Retirement | | 12,655 | |
| Other Contracted Services | | 569 | |
| Instructional Supplies and Materials | | 14,243 | |
| Software | | 5,150 | |
| In Service/Staff Development | | 3,809 | |
| Regular Instruction Equipment | | 4,634 | |
| Total Early Childhood Education | \$ | | 2,375,920 |

COVID-19 Expenditures

| | | | |
|-----------------------------|----|-----|-----|
| Other Salaries and Wages | \$ | 300 | |
| Social Security | | 21 | |
| Local Retirement | | 12 | |
| Total COVID-19 Expenditures | | | 333 |

Other Debt Service

Education

| | | | |
|---|----|---------|---------|
| Debt Service Contribution to Primary Government | \$ | 420,000 | |
| Total Education | | | 420,000 |

Total General Purpose School Fund \$ 103,839,639

School Federal Projects Fund

Instruction

Regular Instruction Program

| | | | |
|--------------------------------------|----|-----------|-----------|
| Teachers | \$ | 281,884 | |
| Educational Assistants | | 151,463 | |
| Bonus Payments | | 8,400 | |
| Other Salaries and Wages | | 1,312,054 | |
| Certified Substitute Teachers | | 85 | |
| Non-certified Substitute Teachers | | 1,602 | |
| Social Security | | 113,369 | |
| Pensions | | 135,532 | |
| Life Insurance | | 2,629 | |
| Medical Insurance | | 104,979 | |
| Dental Insurance | | 4,835 | |
| Local Retirement | | 4,044 | |
| Other Contracted Services | | 119,691 | |
| Instructional Supplies and Materials | | 754,349 | |
| Other Supplies and Materials | | 9,995 | |
| Other Charges | | 117 | |
| Regular Instruction Equipment | | 1,848,076 | |
| Total Regular Instruction Program | \$ | | 4,853,104 |

(Continued)

Exhibit L-8

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Special Education Program

| | | | |
|--------------------------------------|----|-----------|--------------|
| Teachers | \$ | 18,638 | |
| Educational Assistants | | 1,592,792 | |
| Speech Pathologist | | 111,044 | |
| Social Security | | 117,604 | |
| Pensions | | 73,065 | |
| Life Insurance | | 2,910 | |
| Medical Insurance | | 214,026 | |
| Dental Insurance | | 11,523 | |
| Local Retirement | | 40,804 | |
| Instructional Supplies and Materials | | 23,054 | |
| Other Supplies and Materials | | 3,210 | |
| Special Education Equipment | | 16,640 | |
| Total Special Education Program | | | \$ 2,225,310 |

Career and Technical Education Program

| | | | |
|--|----|---------|---------|
| Educational Assistants | \$ | 18,165 | |
| Other Salaries and Wages | | 45,275 | |
| Social Security | | 3,834 | |
| Pensions | | 5,243 | |
| Life Insurance | | 119 | |
| Medical Insurance | | 15,240 | |
| Dental Insurance | | 467 | |
| Local Retirement | | 727 | |
| Instructional Supplies and Materials | | 14,723 | |
| Other Supplies and Materials | | 11,764 | |
| Vocational Instruction Equipment | | 144,028 | |
| Total Career and Technical Education Program | | | 259,585 |

COVID-19 Expenditures

| | | | |
|--------------------------------------|----|-----------|-----------|
| Educational Assistants | \$ | 64,360 | |
| Bonus Payments | | 2,194,281 | |
| Other Salaries and Wages | | 500,500 | |
| Social Security | | 208,355 | |
| Pensions | | 224,748 | |
| Unemployment Compensation | | 32,461 | |
| Local Retirement | | 8,601 | |
| Instructional Supplies and Materials | | 5,584 | |
| Textbooks - Electronic | | 749 | |
| Textbooks - Bound | | 1,892 | |
| Software | | 501,197 | |
| Regular Instruction Equipment | | 2,778,101 | |
| Total COVID-19 Expenditures | | | 6,520,829 |

Support Services

Health Services

| | | | |
|-------------------|----|---------|--|
| Medical Personnel | \$ | 163,548 | |
|-------------------|----|---------|--|

(Continued)

Exhibit L-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Health Services (Cont.)

| | | | |
|--------------------------|----|--------|------------|
| Other Salaries and Wages | \$ | 11,052 | |
| Social Security | | 12,366 | |
| Pensions | | 9,656 | |
| Life Insurance | | 288 | |
| Medical Insurance | | 14,697 | |
| Dental Insurance | | 505 | |
| Local Retirement | | 2,981 | |
| Other Charges | | 322 | |
| Other Equipment | | 9,425 | |
| Total Health Services | | | \$ 224,840 |

Other Student Support

| | | | |
|------------------------------|----|---------|---------|
| Guidance Personnel | \$ | 72,940 | |
| Other Salaries and Wages | | 355,254 | |
| Social Security | | 27,591 | |
| Pensions | | 26,341 | |
| Life Insurance | | 527 | |
| Medical Insurance | | 18,248 | |
| Dental Insurance | | 891 | |
| Local Retirement | | 1,136 | |
| Evaluation and Testing | | 240 | |
| Travel | | 5,315 | |
| Other Contracted Services | | 225,534 | |
| Other Supplies and Materials | | 29,747 | |
| In Service/Staff Development | | 4,115 | |
| Other Charges | | 60,963 | |
| Total Other Student Support | | | 828,842 |

Regular Instruction Program

| | | | |
|-----------------------------------|----|---------|-----------|
| Supervisor/Director | \$ | 94,377 | |
| Secretary(ies) | | 5,599 | |
| Clerical Personnel | | 78,489 | |
| Educational Assistants | | 30,102 | |
| Other Salaries and Wages | | 871,659 | |
| Social Security | | 72,107 | |
| Pensions | | 88,620 | |
| Life Insurance | | 1,029 | |
| Medical Insurance | | 32,239 | |
| Dental Insurance | | 1,285 | |
| Local Retirement | | 1,171 | |
| Travel | | 884 | |
| Other Contracted Services | | 2,219 | |
| Other Supplies and Materials | | 24,820 | |
| In Service/Staff Development | | 285,765 | |
| Other Equipment | | 4,704 | |
| Total Regular Instruction Program | | | 1,595,069 |

(Continued)

Exhibit L-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program

| | | | |
|---------------------------------|----|---------|------------|
| Assessment Personnel | \$ | 231,523 | |
| Secretary(ies) | | 35,393 | |
| Other Salaries and Wages | | 262,372 | |
| In-service Training | | 6,090 | |
| Social Security | | 36,720 | |
| Pensions | | 24,745 | |
| Life Insurance | | 821 | |
| Medical Insurance | | 45,184 | |
| Dental Insurance | | 2,122 | |
| Local Retirement | | 8,419 | |
| Other Contracted Services | | 2,709 | |
| Other Supplies and Materials | | 46,498 | |
| In Service/Staff Development | | 10,946 | |
| Other Equipment | | 3,684 | |
| Total Special Education Program | | | \$ 717,226 |

Career and Technical Education Program

| | | | |
|--|----|-------|-------|
| In Service/Staff Development | \$ | 199 | |
| Other Charges | | 3,000 | |
| Total Career and Technical Education Program | | | 3,199 |

Office of the Principal

| | | | |
|-------------------------------|----|--------|--------|
| Bonus Payments | \$ | 39,600 | |
| Social Security | | 3,030 | |
| Pensions | | 4,067 | |
| Total Office of the Principal | | | 46,697 |

Operation of Plant

| | | | |
|---------------------------|----|---|---|
| Plant Operation Equipment | \$ | 1 | |
| Total Operation of Plant | | | 1 |

Maintenance of Plant

| | | | |
|----------------------------|----|---|---|
| Social Security | \$ | 1 | |
| Local Retirement | | 1 | |
| Total Maintenance of Plant | | | 2 |

Transportation

| | | | |
|-------------------------------|----|--------|--------|
| Contracts with Vehicle Owners | \$ | 26,710 | |
| Total Transportation | | | 26,710 |

COVID-19 Expenditures

| | | | |
|--------------------------|----|---------|--|
| Medical Personnel | \$ | 79,188 | |
| Clerical Personnel | | 20,020 | |
| Bonus Payments | | 807,686 | |
| Other Salaries and Wages | | 83,240 | |
| Social Security | | 71,314 | |

(Continued)

Exhibit L-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

COVID-19 Expenditures (Cont.)

| | | | |
|------------------------------|----|---------|--------------|
| Pensions | \$ | 67,657 | |
| Local Retirement | | 11,699 | |
| Other Supplies and Materials | | 46,374 | |
| In Service/Staff Development | | 47,635 | |
| Plant Operation Equipment | | 15,925 | |
| Health Equipment | | 136,674 | |
| Other Equipment | | 4,591 | |
| Total COVID-19 Expenditures | | | \$ 1,392,003 |

Operation of Non-Instructional Services

Community Services

| | | | |
|--------------------------------------|----|---------|---------|
| Supervisor/Director | \$ | 9,012 | |
| Other Salaries and Wages | | 110,910 | |
| Social Security | | 9,130 | |
| Pensions | | 10,763 | |
| Local Retirement | | 96 | |
| Other Contracted Services | | 2,250 | |
| Instructional Supplies and Materials | | 20,869 | |
| Total Community Services | | | 163,030 |

COVID-19 Expenditures

| | | | |
|-----------------------------|----|---------|---------|
| Bonus Payments | \$ | 180,170 | |
| Social Security | | 13,775 | |
| Pensions | | 9,206 | |
| Local Retirement | | 4,538 | |
| Total COVID-19 Expenditures | | | 207,689 |

Total School Federal Projects Fund \$ 19,064,136

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

| | | | |
|---------------------------|----|-----------|--|
| Supervisor/Director | \$ | 67,748 | |
| Accountants/Bookkeepers | | 62,358 | |
| Cafeteria Personnel | | 1,637,723 | |
| Bonus Payments | | 56,850 | |
| Other Salaries and Wages | | 136,841 | |
| Social Security | | 144,437 | |
| Pensions | | 124,372 | |
| Life Insurance | | 3,376 | |
| Medical Insurance | | 156,406 | |
| Dental Insurance | | 12,242 | |
| Unemployment Compensation | | 3,710 | |
| Local Retirement | | 43,425 | |
| Other Fringe Benefits | | 21,350 | |
| Communication | | 7,198 | |

(Continued)

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

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

| | | | |
|---|----|-----------|--------------|
| Maintenance and Repair Services - Equipment | \$ | 45,284 | |
| Transportation - Other than Students | | 2,400 | |
| Travel | | 2,098 | |
| Other Contracted Services | | 104,477 | |
| Food Supplies | | 1,808,851 | |
| USDA - Commodities | | 560,416 | |
| Other Supplies and Materials | | 178,829 | |
| Trustee's Commission | | 856 | |
| In Service/Staff Development | | 3,000 | |
| Food Service Equipment | | 38,495 | |
| Total Food Service | | | \$ 5,222,742 |

COVID-19 Expenditures

| | | | |
|------------------------------|----|---------|------------------|
| Supervisor/Director | \$ | 15,892 | |
| Accountants/Bookkeepers | | 15,390 | |
| Cafeteria Personnel | | 373,042 | |
| Bonus Payments | | 13,338 | |
| Other Salaries and Wages | | 32,870 | |
| Social Security | | 31,983 | |
| Pensions | | 26,600 | |
| Life Insurance | | 798 | |
| Medical Insurance | | 37,050 | |
| Dental Insurance | | 2,945 | |
| Local Retirement | | 10,565 | |
| Other Contracted Services | | 22,591 | |
| Food Supplies | | 589,000 | |
| Other Supplies and Materials | | 42,211 | |
| Total COVID-19 Expenditures | | | <u>1,214,275</u> |

Total Central Cafeteria Fund \$ 6,437,017

Internal School Fund

Operation of Non-Instructional Services

Community Services

| | | | |
|--------------------------|----|-----------|---------------------|
| Other Charges | \$ | 1,611,758 | |
| Total Community Services | | | <u>\$ 1,611,758</u> |

Total Internal School Fund 1,611,758

Education Capital Projects Fund

Capital Projects

Education Capital Projects

| | | | |
|---------------------------|----|-----------|--|
| Engineering Services | \$ | 188,391 | |
| Other Contracted Services | | 7,815 | |
| Trustee's Commission | | 19,948 | |
| Building Improvements | | 3,947,363 | |

(Continued)

Exhibit L-8

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

| | | |
|---|------------------|-----------------------|
| <u>Education Capital Projects Fund (Cont.)</u> | | |
| <u>Capital Projects (Cont.)</u> | | |
| <u>Education Capital Projects (Cont.)</u> | | |
| Furniture and Fixtures | \$ 919,911 | |
| Motor Vehicles | 76,984 | |
| Transportation Equipment | 523,705 | |
| Other Equipment | 147,559 | |
| Total Education Capital Projects | <u>5,831,676</u> | \$ <u>5,831,676</u> |
| Total Education Capital Projects Fund | | \$ <u>5,831,676</u> |
| Total Governmental Funds - Madison County School Department | | \$ <u>136,784,226</u> |

Exhibit L-9

Madison County, Tennessee
Schedule of Detailed Additions, Deductions, and Changes in Net Position - City Custodial Funds
For the Year Ended June 30, 2021

| | Cities - Sales Tax Fund | Cities - Property Tax Fund | Total |
|---|-------------------------------|----------------------------------|----------------------|
| <u>Additions</u> | | | |
| Other Statutory Local Taxes | \$ 0 | \$ 529 | \$ 529 |
| Current Property Tax | 0 | 283,719 | 283,719 |
| Prior Year's Property Tax | 0 | 5,468 | 5,468 |
| Interest and Penalty | 0 | 1,121 | 1,121 |
| Local Option Sales Tax | 23,308,037 | 195,358 | 23,503,395 |
| Hotel/Motel Tax | 860,186 | 0 | 860,186 |
| Total Additions | <u>\$ 24,168,223</u> | <u>\$ 486,195</u> | <u>\$ 24,654,418</u> |
| <u>Deductions</u> | | | |
| Remittance of Revenues Collected | \$ 23,930,129 | \$ 478,497 | \$ 24,408,626 |
| Trustee's Commission | 238,094 | 7,698 | 245,792 |
| Total Deductions | <u>\$ 24,168,223</u> | <u>\$ 486,195</u> | <u>\$ 24,654,418</u> |
| Excess of Additions Over (Under) Deductions | \$ 0 | \$ 0 | \$ 0 |
| Net Position, July 1, 2020 | <u>0</u> | <u>0</u> | <u>0</u> |
| Net Position, June 30, 2021 | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |

SINGLE AUDIT SECTION



JASON E. MUMPOWER
Comptroller

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

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Madison County, Tennessee, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Madison County's basic financial statements as listed in the table of contents, and have issued our report thereon dated September 27, 2021. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the Madison County School Department (a discretely presented component unit) as described in our report on Madison 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.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be a significant deficiency: 2021-001.

Compliance and Other Matters

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

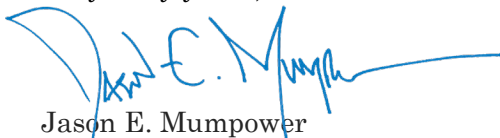
Madison County's Response to the Finding

Madison County's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. Madison County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

September 27, 2021

JEM/sl



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

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Madison County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Madison County's major federal programs for the year ended June 30, 2021. Madison County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Madison County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Madison County's compliance with those

requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Madison County's compliance.

Opinion on Each Major Federal Program

In our opinion, Madison County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of Madison County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Madison County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Madison County's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

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

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Madison County, Tennessee, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Madison County's basic financial statements. We issued our report thereon dated September 27, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

September 27, 2021

JEM/sl

Madison County, Tennessee, and the Madison County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (10) (11) (12)
For the Year Ended June 30, 2021

| Federal/Pass-through Agency/State Grantor Program Title | Federal Assistance Listings Number | Pass-through Entity Identifying Number | Expenditures |
|--|---|--|---------------------|
| U.S. Department of Agriculture: | | | |
| Passed-through State Department of Education: | | | |
| Child Nutrition Cluster: (3) | | | |
| School Breakfast Program | 10.553 | N/A | \$ 1,735,360 |
| National School Lunch Program | 10.555 | N/A | 2,603,130 (9) |
| Fresh Fruit and Vegetable Program | 10.582 | N/A | 224,307 |
| Passed-through State Department of Agriculture: | | | |
| Child Nutrition Cluster: (3) | | | |
| National School Lunch Program (Commodities - Noncash Assistance) | 10.555 | N/A | 560,416 (9) |
| Rebate of Storage and Distribution Fees | 10.555 | N/A | 3,495 (9) |
| Passed-through State Department of Health: | | | |
| Special Supplemental Nutrition Program for Women, Infants, and Children | 10.557 | GG1960318 | 778,457 |
| Total U.S. Department of Agriculture | | | <u>\$ 5,905,165</u> |
| U.S. Department of Justice: | | | |
| Direct Grant: | | | |
| COVID 19 - Coronavirus Emergency Supplemental Funding Program | 16.034 | N/A | \$ 53,251 |
| Passed-through State Office of Criminal Justice Programs: | | | |
| Crime Victim Assistance | 16.575 | (4) | 151,433 |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | (4) | 115,863 (9) |
| Passed-through State Department of Mental Health and Substance Abuse Services: | | | |
| Drug Court Discretionary Grant Program | 16.585 | (4) | 5,947 |
| Passed-through City of Jackson: | | | |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | (4) | 19,322 (9) |
| Total U.S. Department of Justice | | | <u>\$ 345,816</u> |
| U.S. Department of Labor: | | | |
| Passed-through State Department of Labor and Workforce Development: | | | |
| COVID 19 - Unemployment Insurance | 17.225 | N/A | \$ 93,024 |
| Total U.S. Department of Labor | | | <u>\$ 93,024</u> |
| U.S. Department of Transportation: | | | |
| Passed-through State Department of Transportation: | | | |
| Highway Safety Cluster: (3) | | | |
| State and Community Highway Safety | 20.600 | (5) | \$ 41,353 |
| Total U.S. Department of Transportation | | | <u>\$ 41,353</u> |
| U.S. Department of the Treasury: | | | |
| Passed-through State Department of Finance and Administration: | | | |
| COVID 19 - Coronavirus Relief Fund | 21.019 | (4) | \$ 1,464,075 (9) |
| Passed-through State Department of Education: | | | |
| COVID 19 - Coronavirus Relief Fund | 21.019 | (4) | 967,288 (9) |
| Total U.S. Department of the Treasury | | | <u>\$ 2,431,363</u> |
| U.S. Department of Education: | | | |
| Passed-through State Department of Education: | | | |
| Title I Grants to Local Educational Agencies | 84.010 | N/A | \$ 6,236,315 |
| Title I State Agency Program for Neglected and Delinquent Children and Youth | 84.013 | N/A | 66,047 |
| Special Education Cluster: (3) | | | |
| Special Education - Grants to States | 84.027 | N/A | 3,238,300 (9) |
| COVID 19 - Special Education - Grants to States | 84.027 | N/A | 4,010 (9) |
| Special Education - Preschool Grants | 84.173 | N/A | 37,060 |
| Career and Technical Education - Basic Grants to States | 84.048 | N/A | 269,706 |
| Education for Homeless Children and Youth | 84.196 | N/A | 77,379 |
| Twenty-first Century Community Learning Centers | 84.287 | N/A | 163,031 |
| English Language Acquisition State Grants | 84.365 | N/A | 86,373 |
| Supporting Effective Instruction State Grant | 84.367 | N/A | 549,742 |
| Student Support and Academic Enrichment Program | 84.424 | N/A | 352,834 |

(Continued)

Madison County, Tennessee, and the Madison County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (10) (11) (12) (Cont.)

| Federal/Pass-through Agency/State Grantor Program Title | Federal Assistance Listings Number | Pass-through Entity Identifying Number | Expenditures |
|--|---|--|----------------------|
| U.S. Department of Education (Cont.): | | | |
| Passed-through State Department of Education (Cont.): | | | |
| COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER 1.0) | 84.425D | N/A | \$ 3,629,791 (9) |
| COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER 2.0) | 84.425D | N/A | <u>6,514,253 (9)</u> |
| Total U.S. Department of Education | | | <u>\$ 21,224,841</u> |
| U.S. Election Assistance Commission: | | | |
| Passed-through Tennessee Secretary of State: | | | |
| COVID 19 - 2020 Supplemental Election Security Grants | 90.404 | (4) | \$ 42,026 |
| Total U.S. Election Assistance Commission | | | <u>\$ 42,026</u> |
| U.S. Department of Health and Human Services: | | | |
| Passed-through State Department of Health: | | | |
| Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements | 93.074 | GG1853849 | \$ 412,783 |
| Injury Prevention and Control Research and State and Community Based Programs | 93.136 | GG1962125 | 36,919 |
| Family Planning Services | 93.217 | GG1853848 | 41,935 |
| Immunization Cooperative Agreements | 93.268 | GG2064929 | 159,465 |
| Centers for Disease Control and Prevention - Investigations and Technical Assistance | 93.305 | GG2064975 | 33,066 |
| Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) | 93.323 | GG2068023 | 1,601,276 |
| Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke | 93.426 | GG2062388 | 27,603 |
| CCDF Cluster: (3) | | | |
| Child Care and Development Block Grant | 93.575 | 34549-90620 | 20,418 |
| HIV Care Formula Grants | 93.917 | (6) | 21,164 |
| HIV Prevention Activities - Health Department Based | 93.940 | (7) | 151,554 |
| Cooperative Agreements to Support State-based Safe Motherhood and Infant Health Initiative Programs | 93.946 | GU1960694 | 3,000 |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | DGA 65805-2020-2021-052 | 19,995 |
| Preventive Health and Health Services Block Grant | 93.991 | GG2165376 | 87,827 |
| Maternal and Child Health Services Block Grant to the States | 93.994 | GG2165744 | 203,536 |
| Passed-through State Department of Education: | | | |
| TANF Cluster: (3) | | | |
| Temporary Assistance for Needy Families | 93.558 | (4) | 579,608 |
| Total U.S. Department of Health and Human Services | | | <u>\$ 3,400,149</u> |
| U.S. Department of Homeland Security: | | | |
| Passed-through State Department of Military: | | | |
| Disaster Grants - Public Assistance (Presidentially Declared Disasters) | 97.036 | FEMA-1909-DR-TN | \$ 98,817 |
| Emergency Management Performance Grants | 97.042 | (4) | 96,535 |
| Total U.S. Department of Homeland Security | | | <u>\$ 195,352</u> |
| Total Expenditures of Federal Awards | | | <u>\$ 33,679,089</u> |
| <u>Contract Number</u> | | | |
| State Grants: | | | |
| Child and Family Intervention Services - State Department of Children's Services | N/A | 35910-02826 | \$ 135,375 |
| State Supplement Juvenile Improvement Funds - State Commission on Children and Youth | N/A | (4) | 342 |
| Litter Program - State Department of Transportation | N/A | (4) | 49,984 |
| Recovery Court Adult Program - State Department of Mental Health and Substance Abuse Services | N/A | (4) | 136,716 |
| Administering Environmental Health Programs - State Department of Health | N/A | GU1853784 | 3,477 |
| Tobacco Prevention - State Department of Health | N/A | GG1958850 | 18,507 |
| Grant in Aid - State Department of Health | N/A | GG2168468 | 355,644 |
| Tuberculosis Control, Prevention and Outreach Services - State Department of Health | N/A | (8) | 150,291 |
| TennCare School Based Dental Prevention Program - State Department of Health | N/A | GG2167551 | 283,454 |

(Continued)

Madison County, Tennessee, and the Madison County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (10) (11) (12) (Cont.)

| | | Contract Number | Expenditures |
|--|-----|-----------------|---------------------|
| State Grants (Cont.): | | | |
| Prenatal Presumptive Eligibility Expansion - State Department of Health | N/A | GG2063230 | \$ 23,000 |
| Voluntary Acknowledgment of Paternity Program - State Department of Human Services | N/A | (4) | 980 |
| Pre-Arrest Diversion Infrastructure Program - State Department of Mental Health and Substance Abuse Services | N/A | (4) | 1,180,326 |
| Local Parks and Recreation Fund (LPRF) - State Department of Environment and Conservation | N/A | (4) | 73,021 |
| Disaster Grants - Public Assistance (Presidentially Declared Disasters) - State Department of Military | N/A | FEMA-1909-DR-TN | 91,086 |
| State Appropriations Grant - State Department of Finance and Administration | N/A | (4) | 1,576,177 |
| Alternative Transportation Pilot Project - State Department of Mental Health and Substance Abuse Services | N/A | (4) | 180,943 |
| Archives Development Program - Tennessee State Library and Archives | N/A | (4) | 2,750 |
| Coordinated School Health - State Department of Education | N/A | (4) | 135,000 |
| Priority School Principal Leadership Incentive Grant - State Department of Education | N/A | (4) | 97,795 |
| Family Engagement Pilot - State Department of Education | N/A | (4) | 10,000 |
| Safe Schools - State Department of Education | N/A | (4) | 174,178 |
| Middle School STEM Start Up - State Department of Education | N/A | (4) | 40,000 |
| Early Childhood Education - State Department of Education | N/A | (4) | 1,484,142 |
| Summer Learning Camps Grant - State Department of Education | N/A | (4) | 267,374 |
| STREAM Mini Camps Grant - State Department of Education | N/A | (4) | 39,269 |
| Learning Camp Transportation Grant - State Department of Education | N/A | (4) | 63,329 |
| Lottery for Education: Afterschool Programs - State Department of Education | N/A | (4) | 93,081 |
| Vocational Rehabilitation Grant - State Department of Human Services | N/A | (4) | 13,860 |
| School to Work Program - State Department of Human Services | N/A | (4) | 85,655 |
| Governor's Investment in Vocational Education Grant (GIVE) - Tennessee Higher Education Commission | N/A | (4) | 372,867 |
| Total State Grants | | | <u>\$ 7,138,623</u> |

FAL = Federal Assistance Listings
N/A = Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Madison County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) Child Nutrition Cluster total \$4,902,401; Highway Safety Cluster total \$41,353; Special Education Cluster total \$3,279,370; CCDF Cluster total \$20,418; TANF Cluster total \$579,608.
- (4) Information not available.
- (5) Z20THS149: \$13,476; Z21THS174: \$5,700; Z21THS175: \$22,177.
- (6) GG2067308: \$19,653; GR2065815: \$1,511.
- (7) GG2066451: \$14,524; GG2169352: \$115,868; GG2066451: \$21,162.
- (8) GG2061951: \$17,985; GG2166621: \$132,306.
- (9) Total for FAL No. 10.555 is \$3,167,041; Total for FAL No. 16.738 is \$135,185; Total for FAL No. 21.019 is \$2,431,363; Total for FAL No. 84.027 is \$3,242,310; Total for FAL No. 84.425D is \$10,144,044.
- (10) For the year ended June 30, 2021, Madison County received donated PPE valued at \$988,577 (\$741,432 federal and \$247,145 state) from the State Department of Military. These donations were unaudited.
- (11) No amounts (\$0) were passed-through to subrecipients.
- (12) The following amounts were consolidated for administration purposes:

| Program Title | Federal Assistance Listing Number | Amount Provided to Consolidated Administration |
|--|-----------------------------------|--|
| Title I Grants to Local Educational Agencies | 84.010 | \$ 554,106 |
| English Language Acquisition State Grants | 84.365 | 619 |
| Supporting Effective Instruction State Grant | 84.367 | 59,435 |
| Student Support and Academic Enrichment Program | 84.424 | 4,953 |
| Total amounts consolidated for administration purposes | | <u>\$ 619,113</u> |

Madison County, Tennessee
Summary Schedule of Prior-year Findings
For the Year Ended June 30, 2021

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 Madison County, Tennessee, for the year ended June 30, 2021.

Prior-year Financial Statement Findings

| Fiscal Year | Page Number | Finding Number | Title of Finding | FAL Number | Current Status |
|-------------|-------------|----------------|------------------|------------|----------------|
|-------------|-------------|----------------|------------------|------------|----------------|

OFFICES OF FINANCE DIRECTOR, DIRECTOR OF SCHOOLS AND SHERIFF

| | | | | | |
|------|-----|----------|--|-----|-----------|
| 2020 | 247 | 2020-001 | The offices had deficiencies related to time and attendance records. | N/A | Corrected |
|------|-----|----------|--|-----|-----------|

OFFICES OF FINANCE DIRECTOR AND DIRECTOR OF SCHOOLS

| | | | | | |
|------|-----|----------|---|-----|-----------|
| 2020 | 248 | 2020-002 | A cash shortage of \$13,741 existed in the School Federal Projects Fund at June 30, 2020. | N/A | Corrected |
|------|-----|----------|---|-----|-----------|

Prior-year Federal Awards Findings

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

MADISON COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2021

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Our report on the financial statements of Madison 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 Listings Numbers: 10.553 and 10.555 Child Nutrition Cluster: School Breakfast Program and National School Lunch Program
 - * Assistance Listings Number: 21.019 COVID 19 - Coronavirus Relief Fund
 - * Assistance Listings Number: 84.425 COVID 19 - Education Stabilization Program - Elementary and Secondary School Emergency Relief Fund (ESSER 1.0 and 2.0)
 - * Assistance Listings Number: 93.323 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$1,010,373**
9. Auditee qualified as low-risk auditee? **YES**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

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

OFFICE OF FINANCE DIRECTOR

FINDING 2021-001

THE OFFICE DID NOT RECONCILE THE EMPLOYEE INSURANCE FUND CLEARING ACCOUNT WITH BILLINGS

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

The county established the Employee Insurance Fund for risks associated with the employees' self-insured health insurance plan. Employee payroll deductions and county contributions are deposited in an insurance clearing account. Employee payroll deductions and county contributions were not reconciled with monthly billings from BlueCross BlueShield of Tennessee. As a result, at June 30, 2021, the county had an unidentified balance of \$23,576 in the Employee Insurance Fund clearing account. Sound business practices dictate that employee payroll deductions and county contributions be reconciled with billings monthly. The failure to regularly reconcile the employee payroll deductions and county contributions with billings is a significant deficiency that increases the risks that errors will not be discovered and corrected in a timely manner. These deficiencies resulted from a lack of management oversight.

RECOMMENDATION

Officials should ensure that employee payroll deductions and county contributions are reconciled with the Employee Insurance Fund clearing account billings monthly. Any errors discovered should be corrected promptly. Steps should be taken to identify the unidentified balance in this clearing account.

MANAGEMENT'S RESPONSE – FINANCE DIRECTOR

Once the finance department was made aware of this situation, we have agreed to take on the monthly reconciliation of the account.

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, 2021.

Madison County, Tennessee
Management's Corrective Action Plan
For the Year Ended June 30, 2021

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 |
|-------------------|------------------|---------------------------------------|
|-------------------|------------------|---------------------------------------|

OFFICE OF FINANCE DIRECTOR

| | | |
|----------|--|-----|
| 2021-001 | The office did not reconcile the Employee Insurance Fund clearing account with billings. | 255 |
|----------|--|-----|



**Madison County
Finance Department**

Karen Bell
Director

1981 Hollywood Drive, Suite 100
Jackson, Tennessee 38305
Phone: 731-660-6221
Fax: 731-664-8315

Corrective Action Plan

**FINDING: THE OFFICE DID NOT RECONCILE THE EMPLOYEE INSURANCE
FUND CLEARING ACCOUNT WITH BILLINGS**

Response and Corrective Action Plan Prepared by:
Karen Bell, Madison County Finance Director

Person Responsible for Implementing the Corrective Action:
Karen Bell, Madison County Finance Director

Anticipated Completion Date of Corrective Action:
September 30, 2021

Repeat Finding:
No

Planned Corrective Action:
Once the Finance Department was made aware of this situation, we have agreed to take on the monthly reconciliation of this account.

Signature:  _____

[This page is intentionally left blank]

APPENDIX D

Form of Continuing Disclosure Agreement

MADISON COUNTY, TENNESSEE

\$33,630,000 GENERAL OBLIGATION SCHOOL BONDS, SERIES 2022

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this “Disclosure Agreement”) is executed and delivered this 20th day of April, 2022 by Madison County, Tennessee (the “Issuer”) in connection with the issuance of its \$33,630,000 General Obligation School Bonds, Series 2022 (the “Bonds”). The Issuer hereby covenants and agrees as follows:

SECTION 1. Purpose of and Authority for the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer for the benefit of the Registered Owners and the Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with Rule 15c2-12(b)(5) (the “Rule”) of the Securities and Exchange Commission (the “SEC”). This Disclosure Agreement is being executed and delivered by the Issuer under the authority of the Resolution.

SECTION 2. Definitions. In addition to the terms otherwise defined herein, the following capitalized terms shall have the following meanings:

“Beneficial Owner” shall mean any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) is treated as the owner of any Bonds for federal income tax purposes.

“Fiscal Year” shall mean any period of twelve consecutive months adopted by the Issuer as its fiscal year for financial reporting purposes, and shall initially mean the period beginning on July 1 of each calendar year and ending June 30 of the following calendar year.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“Official Statement” shall mean the Official Statement of the Issuer, dated March 29, 2022, relating to the Bonds.

“Participating Underwriters” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Registered Owner” means any person who is identified as a holder of Bonds on the registration records maintained by or on behalf of the Issuer with respect to the Bonds.

“Resolution” shall mean the bond resolution adopted by the Board of Commissioners of the Issuer on March 1, 2022.

“State” shall mean the State of Tennessee.

“State Repository” shall mean any public or private repository or entity designated by the State as a state repository for the purpose of the Rule.

SECTION 3. Continuing Disclosure. The Issuer hereby agrees to provide or cause to be provided the information set forth below:

(a) *Annual Financial Information.* For Fiscal Years ending on or after June 30, 2022, the Issuer shall provide annual financial information and operating data within 12 months after the end of the Fiscal Year. The annual financial information and operating data shall include:

(i) The Issuer's audited financial statements, prepared in accordance with generally accepted accounting principles, or, if the Issuer's audited financial statements are not available, then the Issuer's unaudited financial statements; and

(ii) Operating data of the type included under the following headings of the Official Statement, which data may be presented in a manner other than as set in the Official Statement:

- Summary of Outstanding Debt
- Debt Statement
- Debt Record
- Per Capita Debt Ratios
- Debt Ratios
- Debt Trend
- Debt Service Requirements
- Property Valuation and Property Tax
- Top Taxpayers
- Fund Balances
- County Portion of Local Sales Tax

(b) *Audited Financial Statements.* For Fiscal Years ending on or after June 30, 2022, the Issuer shall provide audited financial statements, prepared in accordance with generally accepted accounting principles, if and when available, if such audited financial statements are not included with the annual financial information described in subsection (a) above.

(c) *Event Notices.* The Issuer will provide notice of the following events relating to the Bonds in a timely manner, not in excess of ten business days after the occurrence of the event:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances (including disclosure as to whether the Bonds have been defeased to their maturity or to a preceding call date);
- (x) Release, substitution, or sale of property securing repayment of the securities, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the obligated person;

- (xiii) The consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) Incurrence of a financial obligation* of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation* of the Issuer, any of which affect security holders, if material; and
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation* of the Issuer, any of which reflect financial difficulties.

* As used in subsections (xv) and (xvi), the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

(d) *Notice of Failure to File Annual Financial Information.* The Issuer will provide timely notice of its failure to provide the annual financial information described in subsection (a) above within the time frame prescribed by subsection (a).

(e) *Notice of Amendment of Disclosure Agreement.* The Issuer will provide timely notice of an amendment to this Disclosure Agreement pursuant to the terms of Section 5(a) below.

SECTION 4. Methods of Providing Information.

(a) All disclosures required by Section 3 shall be transmitted to the MSRB using the MSRB's Electronic Municipal Market Access System ("EMMA") or by such other method as may be subsequently determined by the MSRB.

(b) Information shall be provided to the MSRB in an electronic format as prescribed by the MSRB, either directly, or indirectly through an indenture trustee or a designated dissemination agent.

(c) All transmissions to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(d) Any required disclosure may be incorporated by reference to other documents filed with the MSRB in the manner required by subsection (a) above. The Issuer shall clearly identify each such other document so incorporated by reference.

(e) All disclosures transmitted to the MSRB hereunder shall be simultaneously transmitted to any State Repository.

SECTION 5. Amendment.

This Disclosure Agreement may be amended or modified so long as: (i) any such amendments are not violative of any rule or regulation of the SEC or MSRB, or other federal or state regulatory body; (ii) the amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the obligated person, or type of business conducted; (iii)

this Disclosure Agreement, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (iv) the amendment does not materially impair the interests of Beneficial Owners or Registered Owners, as determined either by parties unaffiliated with the Issuer (such as bond counsel), or by approving vote of the Beneficial Owners and Registered Owners pursuant to the terms of the Resolution at the time of the amendment.

(b) In the event of any amendment or modification to the financial information or operating data required to be filed pursuant to Section 3(a) above, the Issuer shall describe such amendment in the next filing pursuant to Section 3(a), and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, the next filing pursuant to Section 3(a) or 3(b), as applicable, shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 7. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any disclosure required hereunder, in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future disclosure.

SECTION 8. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Registered Owners and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 9. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, any Registered Owner or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed a default under the Resolution, and the sole remedy under this Disclosure Agreement in the event of any failure of any party to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 10. Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State.

SECTION 11. Severability. In case any one or more of the provisions of this Disclosure Agreement shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Disclosure Agreement, but this Disclosure Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

MADISON COUNTY, TENNESSEE

By: _____
Mayor

32742671.1