

PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER 8, 2023
BONDS TO BE SOLD NOVEMBER 16, 2023 AT 9:45 A.M. C.S.T.

Rating: Moody's "Aa3"

New Issues
Book-Entry Only

In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the County, interest on the Bonds will be excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax except for certain corporations, as more fully described herein. 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).

\$43,700,000*

CHEATHAM COUNTY, TENNESSEE
GENERAL OBLIGATION BONDS, SERIES 2023

Dated: Date of Issuance

Due: December 1, as shown below

Cheatham County, Tennessee (the "County") will issue its \$43,700,000* General Obligation Bonds, Series 2023 (the "Bonds") in fully registered form, without coupons, and, when issued, 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. 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 June 1 and December 1 of each year, commencing June 1, 2024*, calculated on the basis of a 360-day year consisting of twelve 30-day months.

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). 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 corporate trust office of U.S. Bank Trust Company, National Association, Nashville, Tennessee, as registration and paying agent (the "Registration Agent").

The Bonds shall be subject to redemption at the option of the County at any time on or after December 1, 2031, at a price of par plus accrued interest to the redemption date. The Bonds are payable on December 1 of each year as follows:

| <u>Maturity</u> | <u>Principal*</u> | <u>Interest Rate</u> | <u>Price or Yield</u> | <u>CUSIP Number</u> | <u>Maturity</u> | <u>Principal*</u> | <u>Interest Rate</u> | <u>Price or Yield</u> | <u>CUSIP Number</u> |
|-----------------|-------------------|----------------------|-----------------------|---------------------|-----------------|-------------------|----------------------|-----------------------|---------------------|
| 2024 | \$ 910,000 | | | | 2037 | \$1,740,000 | | | |
| 2025 | 955,000 | | | | 2038 | 1,825,000 | | | |
| 2026 | 1,005,000 | | | | 2039 | 1,915,000 | | | |
| 2027 | 1,055,000 | | | | 2040 | 2,005,000 | | | |
| 2028 | 1,110,000 | | | | 2041 | 2,105,000 | | | |
| 2029 | 1,165,000 | | | | 2042 | 2,205,000 | | | |
| 2030 | 1,225,000 | | | | 2043 | 2,315,000 | | | |
| 2031 | 1,290,000 | | | | 2044 | 2,425,000 | | | |
| 2032 | 1,355,000 | | | | 2045 | 2,545,000 | | | |
| 2033 | 1,425,000 | | | | 2046 | 2,665,000 | | | |
| 2034 | 1,500,000 | | | | 2047 | 2,795,000 | | | |
| 2035 | 1,575,000 | | | | 2048 | 2,935,000 | | | |
| 2036 | 1,655,000 | | | | | | | | |

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.

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 Michael B Bligh, Esq., counsel to the County. RSA Advisors, LLC 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 December 6, 2023.*

_____, 2023

* Preliminary and Subject to Change

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 Cheatham 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 RSA Advisors, LLC (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.

CUSIP data herein is subject to copyright 2014, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services (CGS), which is managed on behalf of The American Bankers Association by S&P Capital IQ. This information is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP numbers have been assigned by an independent company not affiliated with the County or the Underwriter and are included solely for the convenience of the registered owners of the applicable Bonds.

Neither the County nor the Underwriter is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the applicable Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the execution and delivery of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

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, Resolution, 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 Bonds.

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**Cheatham County, Tennessee
350 Frey Street
Ashland City, Tennessee 37015**

Officials

Kerry McCarver
County Mayor

Board of Commissioners

Calton Blacker
David Anderson
Ann Jarreau
Tim Williamson

B.J. Hudspeth
Chris Gilmore
Bill Powers
Walter Weakley

Eugene Evans
Diana Pike Lovell
Mike Breedlove
James Hedgepath

County Officials

County Clerk
Trustee
Director of Accounts and Budgets

Abby Short
Cindy Perry
Sandrine Batts

Counsel for the County

Michael B. Bligh, Esq.
Brentwood, Tennessee

Bond Counsel

Bass, Berry & Sims PLC
Nashville, Tennessee

Registration and Paying Agent

U.S. Bank Trust Company, National Association
Nashville, Tennessee

Municipal Advisor

RSA Advisors, LLC
Lexington, Kentucky

Underwriter

NOTICE OF SALE

CHEATHAM COUNTY, TENNESSEE
GENERAL OBLIGATION BONDS, SERIES 2023

Notice is hereby given that the County Mayor of Cheatham County, Tennessee (the "County") will accept a written bid or electronic bid for the purchase of all, but not less than all, of the County's **\$43,700,000* GENERAL OBLIGATION BONDS, SERIES 2023** (the "Bonds") until:

9:45 A.M. C.S.T. on November, 16, 2023

Written bids must be addressed and delivered to the County to the attention of the County Mayor, 350 Frey Street Ashland City, Tennessee 37015. Electronic bids must be submitted to PARITY[®] via the BiDCOMP Competitive Bidding System. No other form of bid or provider of electronic bidding services will be accepted. Such bids are to be publicly opened and read at such time and place on said day. For the purposes of both the written sealed bid process and the electronic bidding process, the time as maintained by BiDCOMP/PARITY[®] shall constitute the official time with respect to all bids submitted. If any provisions of this Notice of Sale conflict with information provided by BiDCOMP/PARITY[®] as the approved provider of electronic bidding services, this Notice of Sale shall control. ***The sale of all or any series of the Bonds on November 16, 2023 may be postponed prior to the time bids are to be received and as published on I-dealProspectus.com. If such postponement occurs, a later public sale may be held at the hour and place and on such date as communicated via I-dealProspectus.com upon forty-eight hours notice.***

The Bonds will be dated the date of delivery. The interest rate or rates on the Bonds shall not exceed 5% per annum and shall be payable semi-annually on June 1 and December 1, commencing June 1, 2024. No bid for the Bonds will be considered for less than 99% of par nor more than 125% of par, as described in the Detailed Notice of Sale. In addition, each maturity of Bonds must be reoffered at a price of not less than 97% of the par amount of such maturity. The Bonds will mature on December 1 in the years 2024 through 2048, with term bonds optional, and will be awarded on the sale date by the County Mayor to the bidder whose bid results in the lowest true interest cost on the Bonds. After opening the bids, the County reserves the right to adjust the principal amount of each maturity of the Bonds as described in the Detailed Notice of Sale.

The Bonds shall be subject to redemption at the option of the County at any time on or after December 1, 2031, at a price of par plus accrued interest to the redemption date.

In the event that the competitive sale requirements of applicable Treasury Regulations are not met, the County will require bidders to comply with the "hold-the-offering-price rule" for purposes of determining the issue price of the Bonds.

The Bonds and approving opinions of Bass, Berry & Sims PLC, Nashville, Tennessee, will be furnished at the expense of the County. Additional information, including the Official Statement and Detailed Notice of Sale, may be obtained from the undersigned at the office of the County Clerk, 350 Frey Street Ashland City, Tennessee 37015 or from RSA Advisors, LLC Attention: Joe Lakofka, 147 East Third Street, Lexington, Kentucky 40508, Telephone: (859) 977-6600.

Kerry McCarver
County Mayor

DETAILED NOTICE OF SALE

CHEATHAM COUNTY, TENNESSEE

\$43,700,000* GENERAL OBLIGATION BONDS, SERIES 2023

Time and Place of Sale

Notice is hereby given that the County Mayor of Cheatham County, Tennessee (the "County") will accept a written bid or electronic bid for the purchase of all, but not less than all, of the **\$43,700,000* GENERAL OBLIGATION BONDS, SERIES 2023** (the "Bonds") until:

9:45 A.M. C.S.T. on November, 16, 2023

The written bids must be addressed and delivered to the County to the attention of the County Mayor, 350 Frey Street Ashland City, Tennessee 37015. Electronic bids must be submitted to PARITY® via the BiDCOMP Competitive Bidding System. No other form of bid or provider of electronic bidding services will be accepted. Such bids are to be publicly opened and read at such time and place on said day. For the purposes of both the written sealed bid process and the electronic bidding process, the time as maintained by BiDCOMP/PARITY® shall constitute the official time with respect to all bids submitted. If any provisions of this Notice of Sale conflict with information provided by BiDCOMP/PARITY® as the approved provider of electronic bidding services, this Notice of Sale shall control. ***The sale of all or any series of the Bonds on November 16, 2023 may be postponed prior to the time bids are to be received and as published on I-dealProspectus.com. If such postponement occurs, a later public sale may be held at the hour and place and on such date as communicated via I-dealProspectus.com upon forty-eight hours notice.*** The Bonds will be awarded on such date by the County Mayor of the County.

Description of Bonds

The Bonds will be issued in fully registered, book-entry form (except as otherwise provided herein), without coupons, be dated the date of delivery, be issued, or reissued upon transfer, in \$5,000 denominations or multiples thereof, as shall be requested by the purchaser or transferor thereof, as appropriate, and will mature and be payable on December 1 of each year as follows:

| <u>Year*</u> | <u>Maturity Amount</u> * | <u>Year*</u> | <u>Maturity Amount</u> * |
|--------------|--------------------------|--------------|--------------------------|
| 2024 | \$ 910,000 | 2037 | \$1,740,000 |
| 2025 | 955,000 | 2038 | 1,825,000 |
| 2026 | 1,005,000 | 2039 | 1,915,000 |
| 2027 | 1,055,000 | 2040 | 2,005,000 |
| 2028 | 1,110,000 | 2041 | 2,105,000 |
| 2029 | 1,165,000 | 2042 | 2,205,000 |
| 2030 | 1,225,000 | 2043 | 2,315,000 |
| 2031 | 1,290,000 | 2044 | 2,425,000 |
| 2032 | 1,355,000 | 2045 | 2,545,000 |
| 2033 | 1,425,000 | 2046 | 2,665,000 |
| 2034 | 1,500,000 | 2047 | 2,795,000 |
| 2035 | 1,575,000 | 2048 | 2,935,000 |
| 2036 | 1,655,000 | | |

* Preliminary and Subject to Change

Purpose and Authority of Bonds

The Bonds are being issued to finance jail and other criminal justice facilities for the County and to pay issuance costs. The Bonds are being issued under the constitution and statutes of the State of Tennessee, including Sections 9-21-101 et seq., and pursuant to Resolution duly adopted by the Board of County Commissioners of the County on October 16, 2023.

Registration and Depository Participation

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. One Bond certificate for each maturity will be issued to the Depository Trust Company, New York, New York (“DTC”), and immobilized in its custody. The book-entry system will evidence beneficial ownership interests of the Bonds in the principal amount of \$5,000 and any integral multiple of \$5,000, with transfers of beneficial ownership interest effected on the records of DTC participants and, if necessary, in turn by DTC pursuant to rules and procedures established by DTC and its participants. The successful bidder, as a condition to delivery of the Bonds, shall be required to deposit the Bond certificates with DTC, registered in the name of Cede & Co., nominee of DTC. Interest on the Bonds will be payable semiannually on June 1 and December 1, beginning June 1, 2024, and principal of the Bonds will be payable, at maturity or upon redemption, to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC, and transfer of principal and interest payments to beneficial owners of the Bonds by Participants of DTC, will be the responsibility of such participants and of the nominees of beneficial owners. The County will not be responsible or liable for such transfer of payments or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

In the event that the book-entry only system for the Bonds is discontinued and a successor securities depository is not appointed by the County, Bond Certificates in fully registered form will be delivered to, and registered in the names of, the DTC Participants or such other persons as such DTC participants may specify (which may be the indirect participants or beneficial owners), in authorized denominations of \$5,000 or integral multiples thereof. In addition, if the successful bidder for the Bonds certifies that it has no present intent to reoffer the Bonds, the Bonds may be issued in fully registered form only. The ownership of Bonds so delivered shall be registered in registration books to be kept by U.S. Bank Trust Company, NA, as registration and paying agent (the “Registration Agent”), at its principal corporate office, and the County and the Registration Agent shall be entitled to treat the registered owners of the Bonds, as their names appear in such registration books as of the appropriate dates, as the owners thereof for all purposes described herein and in the Resolution authorizing the Bonds.

Optional Redemption

The Bonds shall be subject to redemption at the option of the County at any time on or after December 1, 2031, at a price of par plus accrued interest to the redemption date.

Designation of Term Bonds

The successful bidder for the Bonds shall have the option to designate certain consecutive serial maturities of the Bonds as one or more Term Bonds, each Term Bond bearing a single interest rate. If a successful bidder designates certain consecutive serial maturities to be combined into one or more

Term Bonds, each Term Bond shall be subject to mandatory sinking fund redemption by the County at a redemption price equal to 100% of the principal amount thereof, together with accrued interest to the date fixed for redemption at the rate stated in the Term Bonds to be redeemed. Each such mandatory sinking fund redemption shall be made on the date on which a consecutive maturity included as part of a Term Bond is payable in accordance with the proposal of the successful bidder for the Bonds and in the amount of the maturing principal installment for the Bonds listed above for such principal payment date.

Security and Sources of Payment

The Bonds are 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 pledged.

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 to which the Bonds are issued, reference is hereby made to the Resolution authorizing the Bonds.

Submission of Bid

All bids submitted, electronic or otherwise, must be submitted as set forth under the heading "**Time and Place of Sale**", set forth above.

A written bid for the Bonds must be enclosed in a sealed envelope bearing the name and address of the bidder, clearly and legibly marked on the outside "Bid for Bonds," and addressed and delivered to the following address:

Office of the County Mayor
350 Frey Street
Ashland City, Tennessee 37015

Written bids must be submitted on the applicable Bid Form included with the Preliminary Official Statement or on a reasonable facsimile thereof. Electronic bids for the Bonds must be submitted to PARITY® via the BiDCOMP Competitive Bidding System. An electronic bid made through the facilities of BiDCOMP/PARITY® shall be deemed an offer to purchase in response to the Notice of Sale and shall be binding upon the bidder as if made by a signed sealed written bid made to the County. To the extent any instructions or directions set forth in BiDCOMP/PARITY® conflict with the terms of the Detailed Notice of Sale, the Detailed Notice of Sale shall prevail. The County shall not be responsible for any malfunction or mistake made by or as a result of the use of electronic bidding facilities. The use of such facilities is at the sole risk of the bidders. Subscription to I-Deal's BiDCOMP/PARITY® Competitive Bidding System by a bidder is required in order to submit an electronic bid. The County will not confirm any subscription or be responsible for the failure of any prospective bidder to subscribe. Both written bids and electronic bids must be unconditional and received by the office of the County Mayor and/or BiDCOMP/PARITY®, respectively, before the time stated above. Bidders shall be required to comply with the provisions regarding a Good Faith Deposit as described below in the section entitled "Good Faith Deposit". The County is not liable for any costs incurred in the preparation, delivery, acceptance or rejection of any bid, including, without limitation, the providing of a bid security deposit.

Form of Bids

All bids for the Bonds must be for not less than all of the Bonds. Bidders must bid not less than 99% of par nor greater than 125% of par for the Bonds. Bidders must specify the interest rate or rates the Bonds are to bear in multiples of one-hundredth (1/100th) or one-eighth (1/8th) of one percent (1%), but no rate specified for the Bonds shall be in excess of 5% per annum. There will be no limitation on the number of rates of interest which may be specified for the Bonds, but one rate of interest shall apply to all the Bonds of a maturity. In addition, each maturity of the Bonds must be reoffered at a price of not less than 97% of the par amount of such maturity. Bidders may designate two or more consecutive serial maturities as one or more Term Bond maturities equal in aggregate principal amount to, and with mandatory redemption requirements corresponding to, such designated serial maturities. Bidders must specify the reoffering prices or yields of each maturity.

Revised Maturity Schedule and/or Bid Parameters

The aggregate principal amount of the Bonds (the "Preliminary Aggregate Principal Amount") and the annual principal amounts of the Bonds (the "Preliminary Annual Principal Amounts" and collectively, with reference to the Preliminary Aggregate Principal Amounts, the "Preliminary Amounts") set forth in this Detailed Notice of Sale may be revised before the viewing of bids for the purchase of the Bonds, as may the bid parameters set forth herein. Any such revisions (in case of revised principal amounts, the "Revised Aggregate Principal Amount", the "Revised Annual Principal Amounts" and the "Revised Amounts") WILL BE GIVEN BY NOTIFICATION PUBLISHED ON www.l-dealProspectus.com NOT LATER THAN 4:00 P.M., C.S.T. ON THE DAY PRECEDING THE RECEIPT OF BIDS. In the event that no such revisions are made, the Preliminary Amounts will constitute the Revised Amounts and will remain as stated in this Detailed Notice of Sale, and the bid parameters shall remain as set for the herein. BIDDERS SHALL SUBMIT BIDS BASED ON THE REVISED AMOUNTS AND BID PARAMETERS, IF ANY. Prospective bidders may request notification by electronic mail transmission of any revisions in the Preliminary Amounts and bid parameters by so advising and emailing their email addresses to RSA Advisors, LLC, Municipal Advisor to the County, at jlakofka@rsamuni.com by 12:00 Noon, C.S.T., at least one day prior to the date for receipt of the bids.

Changes to Maturity Schedule

The County reserves the right to change the Revised Aggregate Principal Amounts of the Bonds after determination of the winning bidder. The County may increase or decrease the Revised Annual Principal Amount of each maturity of the Bonds without limitation. Such changes, if any, will determine the final annual principal amounts of Bonds (the "Final Annual Principal Amounts") and the final aggregate principal amount of Bonds (the "Final Aggregate Principal Amount"). The Final Aggregate Principal Amount of the Bonds will not exceed \$46,000,000. Any changes beyond those described above will only be made with the consent of the winning bidder.

The dollar amount bid by the successful bidder will be adjusted to reflect any adjustments in the Final Aggregate Principal Amount of the Bonds. The interest rates specified by the successful bidder for the various maturities at the initial reoffering prices will not change. THE SUCCESSFUL BIDDER MAY NOT WITHDRAW THEIR BID OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE TO THE PRINCIPAL AMOUNTS WITHIN THESE LIMITS. The County anticipates that the Final Annual Principal Amounts of the Bonds and the Final Aggregate Principal

Amount of the Bonds will be communicated to the successful bidder prior to the award of the Bonds. THE DOLLAR AMOUNT BID BY THE SUCCESSFUL BIDDER FOR THE PURCHASE OF THE BONDS WILL BE ADJUSTED TO REFLECT ANY CHANGE IN THE ANNUAL PRINCIPAL AMOUNTS BASED UPON THE ASSUMPTION THAT THE COUPON RATES, REOFFERING PRICES, AND THE UNDERWRITER'S DISCOUNT (EXCLUDING ORIGINAL ISSUE DISCOUNT/PREMIUM) STATED AS A PERCENTAGE OF THE AGGREGATE PRINCIPAL AMOUNT, AS SPECIFIED BY THE SUCCESSFUL BIDDER WILL NOT CHANGE.

Basis of Award

If an award is made, the Bonds will be awarded to the bidder whose bid results in the lowest true interest cost to the County as determined by reference to the Revised Aggregate Principal Amounts, prior to post-sale adjustments, as discussed in the paragraph above. The lowest true interest cost of the Bonds will be calculated as that rate which when used in computing the present worth of all payments of principal and interest on the Bonds (compounded semi-annually from the dated date of the Bonds) produces a value equal to the purchase price of the Bonds. For the purpose of calculating the true interest cost, the principal amount of Term Bonds scheduled for mandatory sinking fund redemption as part of a Term Bond shall be treated as a serial maturity in each year. Each bidder is required to specify its calculation of the true interest cost resulting from its bid, but such information shall not be treated as part of its proposal.

In the event that two or more of the bidders offer to purchase the Bonds at the same lowest true interest cost, the County Mayor shall determine in his sole discretion which of the bidders shall be awarded the Bonds.

The County Mayor reserves the right to waive any irregularity or informality in any bid, and to reject any or all bids, and notice of rejection of any bid will be made promptly. Unless all bids are rejected, award of the Bonds will be made by the County Mayor on the sale date.

Bidder Certification Regarding Non-Engagement in a Boycott of Israel

To the extent an accepted bid constitutes a contract to acquire or dispose of services, supplies, information technology, or construction for purpose of Tennessee Code Annotated Section 12-4-119, by submitting a bid each bidder certifies that it (including its wholly-owned subsidiaries, majority-owned subsidiaries, parent companies, or affiliates, if any) is not currently engaged in, and will not, through the issue date of the Bonds, engage in, a boycott of Israel. For this purpose, (1) "Israel" means the State of Israel and Israeli-controlled territories, and (2) a "boycott of Israel" means engaging in refusals to deal, terminating business activities, or other commercial actions that are intended to limit commercial relations with Israel, or companies doing business in or with Israel or authorized by, licensed by, or organized under the laws of the State of Israel to do business, or persons or entities doing business in Israel, when such actions are taken (i) in compliance with, or adherence to, calls for a boycott of Israel, or (ii) in a manner that discriminates on the basis of nationality, national origin, religion, or other unreasonable basis, and is not based on a valid business reason.

Good Faith Deposit

The successful bidder is required to submit, in the manner described below, a good faith deposit (the "Deposit") in the amount of \$437,000 to secure the faithful performance of the terms of the bid to

purchase a series of the Bonds. The Deposit will be delivered to the County by wire transfer or certified check for the prescribed amount. The Deposit may be provided in the form of:

1. **Federal Funds Wire Transfer.** A federal funds wire transfer submitted to the County or the County's Municipal Advisor by the successful bidder by 2:00 p.m. C.S.T. on the day of the sale provided the County awards the bid by 12:00 noon C.S.T. otherwise the wire shall be received not later than 11:00 a.m. C.S.T. on the next business day following the award. The County Mayor reserves the right to adjust the time the deposit is to be received if there are problems with electronic transfers of funds or other acceptable reasons.
2. **Certified Check.** A bank certified check, bank cashier's check or a treasurer's check drawn upon an incorporated bank or trust company payable unconditionally to the order of the County. If a check is used, it must accompany a bid and be received by the time and date bids are required. If the successful bidder's Deposit is by check, the check will be deposited on the date of the sale.

Wire transfer instructions are available from RSA Advisors, LLC Attention: Joe Lakofka, 147 East Third Street, Lexington, Kentucky 40508, Telephone: (859) 977-6600. In the event the successful bidder fails to timely submit the Deposit, the award may be terminated by the County Mayor, and the County Mayor in his discretion may award the Bonds to the bidder whose bid results in the next lowest true interest cost to the County as the lowest complying bidder or hold a subsequent sale of the Bonds. The County shall have no liability to any bidder who fails to properly submit a Deposit.

The Deposit of the successful bidder will be deposited by the County and the proceeds thereof credited with no interest allowed thereon against the total purchase price to be paid for the Bonds upon their delivery or retained as and for full liquidated damages if the successful bidder fails to accept delivery of and pay for the Bonds. Checks of unsuccessful bidders will be returned promptly upon the award of the Bonds. If a successful bidder fails to timely make the Deposit for the Bonds, the award may be terminated in the discretion of the County Mayor and the County shall be entitled to an amount equal to the Deposit as liquidated damages for failure of the successful bidder to comply with the terms of the award of the Bonds.

CUSIP

The County's municipal advisor will request that the CUSIP Service Bureau assign CUSIP identification numbers to the Bonds, which numbers will be printed on the Bonds. The winning bidder will be responsible for the costs of assigning CUSIP numbers to the Bonds. Neither the failure to print a CUSIP number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance with this Detailed Notice of Sale.

Establishment of Issue Price

General. The winning bidder shall assist the County in establishing the issue price of the Bonds as more fully described herein. All actions to be taken by the County under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the County by the County's Municipal Advisor identified herein and any notice or report to be provided to the County may be provided to the County's Municipal Advisor.

Anticipated Compliance with Competitive Sale Requirements. The County anticipates that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “competitive sale requirements”) because:

- the County shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- all bidders shall have an equal opportunity to bid;
- the County expects to receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- the County anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

County Intention to Apply the Hold-the-Offering-Price Rule if Competitive Sale Requirements are Not Met. In the event that the competitive sale requirements are not satisfied with respect to the Bonds, the County intends to treat the initial offering prices of the Bonds to the public as the issue price of the Bonds (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity).

Application of the Hold-the-Offering-Price Rule. If the competitive sale requirements are not satisfied, then the successful bidder shall, on behalf of the underwriters participating in the purchase of the Bonds (i) confirm that the underwriters have offered or will offer each maturity of the Bonds to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- the close of the fifth (5th) business day after the sale date; or
- the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder shall promptly advise the County when the underwriters have sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language

obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

The County acknowledges that, in making the agreements and representations set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The County further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

Definitions. Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- “public” means any person other than an underwriter or a related party,
- “underwriter” means (A) any person that agrees pursuant to a written contract with the County (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),
- a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- “sale date” means the date that the Bonds are awarded by the County to the winning bidder.

Issue Price Certificate. The winning bidder will be required to provide the County, at closing, with an issue price certificate consistent with the foregoing.

Provision of Information for the Official Statement

The successful bidders must furnish the following information to the County to complete the *Official Statement* in final form within 2 hours after receipt and award of the bids for the Bonds:

1. The initial offering prices or yields for the Bonds (expressed as a price or yield per maturity, exclusive of any accrued interest, if applicable);
2. Selling compensation (aggregate total anticipated compensation to the underwriters expressed in dollars, based on the expectation that all the Bonds are sold at the prices or yields as provided above);
3. The identity of the underwriters if the successful bidders are part of a group or syndicate; and
4. Any other material information necessary to complete the Official Statement in final form but not known to the County.

Official Statement

The County will provide or cause to be provided to the successful bidder, either in electronic format or printed copies, the final official statement sufficient in quantity to enable the successful bidder to comply with SEC Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board. Said final official statements will be provided to the successful bidder not later than seven business days after the sale, or, if the County, or its Municipal Advisor, is notified that any confirmation requesting payment from any customer will be sent before the expiration of such period and specifying the date such confirmation will be sent the final official statements will be provided in sufficient time to accompany such confirmation.

Continuing Disclosure

The County will, at the time the Bonds are delivered, execute a Continuing Disclosure Agreement in which it will covenant for the benefit of holders and beneficial owners of the Bonds to (i) provide certain financial information and operating data relating to the County not later than twelve months after each of the County's fiscal years (the "Annual Report"), (ii) provide timely notice of the occurrence of certain enumerated events and (iii) provide timely notice of failure to timely provide any required financial information of the County. The Annual Report (and audited financial statements, if filed separately) and notices described above will be filed by the County with the Municipal Securities Rulemaking Board ("MSRB") at www.emma.msrb.org and with any State Information Depository established in the State of Tennessee (the "SID"). The specific nature of the information to be contained in the Annual Report or the notices of events will be summarized in the County's official statement to be prepared and distributed in connection with the sale of the Bonds.

Legal Opinion and Transcript

The book-entry Bonds and the approving opinion of Bass, Berry & Sims PLC, Nashville, Tennessee, Bond Counsel (which will be delivered with the Bonds), together with the Bond transcript, including a certificate as to no litigation from the County dated as of the date of the delivery of the Bonds, will be furnished to the purchaser at the expense of the County. As set forth in the Official Statement and subject to the limitations set forth therein, bond counsel's opinion will include an opinion that interest on the Bonds will be (i) excluded from gross income for federal income tax purposes as it relates to the Bonds; and (ii) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Owners of the Bonds, however, may be subject to certain additional taxes or tax consequences arising with respect to ownership of the Bonds. For a discussion thereof, reference is hereby made to the Official Statement and the forms of opinions contained therein.

Delivery and Payment

The Bonds are expected to be ready for delivery on or before December 6, 2023, in book-entry form. At least five days' notice will be given to the successful bidder(s). Delivery will be made through the Depository Trust Company, New York, New York at the expense of the purchaser. Payment for the Bonds must be made in federal funds or other immediately available funds.

Further Information

Copies of the Preliminary Official Statement may be obtained from the undersigned at the office of the County Mayor, 350 Frey Street Ashland City, Tennessee 37015, or from RSA Advisors, LLC Attention: Joe Lakofka, 147 East Third Street, Lexington, Kentucky 40508, Telephone: (859) 977-6600.

Kerry McCarver,
County Mayor

CHEATHAM COUNTY, TENNESSEE

\$43,700,000* GENERAL OBLIGATION BONDS, SERIES 2023

OFFICIAL BID FORM

The Honorable Kerry McCarver
 County Mayor
 350 Frey Street
 Ashland City, Tennessee 37015

November 16, 2023

For your legally issued, properly executed Cheatham County, Tennessee (the "County") \$43,700,000* General Obligation Bonds, Series 2023 (the "Bonds") and in all respects to be as more fully outlined in your Detailed Notice of Sale, which by reference is made a part hereof, we will pay you a sum of \$_____.

The Bonds will be dated the date of issuance, will mature on December 1 as shown below, and shall bear interest at the following rates:

| <u>Maturity (December 1)*</u> | <u>Amount*</u> | <u>Interest Rate</u> | <u>Reoffering Price</u> | <u>Maturity (December 1)*</u> | <u>Amount*</u> | <u>Interest Rate</u> | <u>Reoffering Price</u> |
|---------------------------------------|----------------|--------------------------|-----------------------------|---------------------------------------|----------------|--------------------------|-----------------------------|
| 2024 | \$ 910,000 | _____ % | _____ % | 2036 | \$1,655,000 | _____ % | _____ % |
| 2025 | 955,000 | _____ | _____ | 2037 | 1,740,000 | _____ | _____ |
| 2026 | 1,005,000 | _____ | _____ | 2038 | 1,825,000 | _____ | _____ |
| 2027 | 1,055,000 | _____ | _____ | 2039 | 1,915,000 | _____ | _____ |
| 2028 | 1,110,000 | _____ | _____ | 2040 | 2,005,000 | _____ | _____ |
| 2029 | 1,165,000 | _____ | _____ | 2041 | 2,105,000 | _____ | _____ |
| 2030 | 1,225,000 | _____ | _____ | 2042 | 2,205,000 | _____ | _____ |
| 2031 | 1,290,000 | _____ | _____ | 2043 | 2,315,000 | _____ | _____ |
| 2032 | 1,355,000 | _____ | _____ | 2044 | 2,425,000 | _____ | _____ |
| 2033 | 1,425,000 | _____ | _____ | 2045 | 2,545,000 | _____ | _____ |
| 2034 | 1,500,000 | _____ | _____ | 2046 | 2,665,000 | _____ | _____ |
| 2035 | 1,575,000 | _____ | _____ | 2047 | 2,795,000 | _____ | _____ |
| | | | | 2048 | 2,935,000 | _____ | _____ |

Principal of and interest on the Bonds will be payable at the principal corporate trust office of U.S. Bank Trust Company, NA.

This bid is made with the understanding that the County will furnish without cost to the successful bidder the unqualified approving opinion of Bass, Berry & Sims PLC, Attorneys, Nashville, Tennessee, and the executed Bonds. We have exercised the option to designate two or more consecutive serial maturities as Term Bonds as set forth below:

| |
|--|
| Term Bond 1, due December 1, _____ includes the following maturities: From December 1, _____ to December 1, _____. Term Bond 2, due December 1, _____ includes the following maturities: From December 1, _____ to December 1, _____. |
|--|

| | |
|-----------|--|
| Firm Name | |
|-----------|--|

In accordance with the terms of the Detailed Notice of Sale, we have or will make a good faith deposit for \$437,000 as set forth in the Detailed Notice of Sale, which is to be applied in accordance with the Detailed Notice of Sale. The good faith deposit may be provided in the form of:

1. **Federal Funds Wire Transfer.** A federal funds wire transfer submitted to the County or the County’s Municipal Advisor by the successful bidder by 2:00 p.m. C.S.T. on the day of the sale provided the County awards the bid by 12:00 noon C.S.T. otherwise the wire shall be received not later than 11:00 a.m. C.S.T. on the next business day following the award. The County Mayor reserves the right to adjust the time the deposit is to be received if there are problems with electronic transfers of funds or other acceptable reasons.
2. **Certified Check.** A bank certified check, bank cashier’s check or a treasurer’s check drawn upon an incorporated bank or trust company payable unconditionally to the order of the County. If a check is used, it must accompany a bid and be received by the time and date bids are required. If the successful bidder’s Deposit is by check, the check will be deposited on the date of the sale.

Wire transfer instructions are available from RSA Advisors, LLC Attention: Joe Lakofka, 147 East Third Street, Lexington, Kentucky 40508, Telephone: (859) 977-6600. If a successful bidder fails to timely make the Deposit for the Bonds, the award may be terminated in the discretion of the County Mayor and the County shall be entitled to an amount equal to the Deposit as liquidated damages for failure of the successful bidder to comply with the terms of the award of the Bonds. The County Mayor in his discretion may award the Bonds to the bidder whose bid results in the next lowest true interest cost to the County as the lowest complying bidder or hold a subsequent sale of the Bonds. The County shall have no liability to any bidder who fails to properly submit a Deposit.

In the event this bid is accepted and should for any reason we fail to comply with the terms of this bid, said deposit will be forfeited by us as full liquidated damages; otherwise, said deposit will be credited against the purchase price of the Bonds at closing. In the event the County Mayor fails to deliver the Bonds to us as described in the Detailed Notice of Sale, said deposit will be returned to us.

Accepted this ____ day of _____, 2023

Respectfully submitted,

County Mayor

Firm Name

Signature

Title

Telephone Number of Person to Submit Bid

The following is for information purposes only.

| | |
|---------------------------------------|--|
| Total Interest Cost | |
| Plus discount or less premium, if any | |
| Net Interest Cost | |
| True Interest Rate (TIC) | |

(The calculations of Net Interest Costs and True Interest Rate and the Reoffering Prices are for information purposes only and do not constitute a part of this bid.)

Summary Statement

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

| | |
|----------------------------------|--|
| ISSUER | Cheatham County, Tennessee (the "County"). |
| ISSUES | \$43,700,000* General Obligation Bonds, Series 2023 (the "Bonds"). |
| PURPOSE | The Bonds are being issued to finance jail and other criminal justice facilities for the County and pay Bond issuance costs. |
| SECURITY | 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. |
| DATED DATE | Settlement Date. |
| INTEREST DUE | Each June 1 and December 1, commencing June 1, 2024.* |
| PRINCIPAL DUE | December 1, 2024* through December 1, 2048*. |
| SETTLEMENT DATE | December 6, 2023* (use for bidding purposes). |
| OPTIONAL REDEMPTION | The Bonds, shall be subject to redemption at the option of the County at any time on or after December 1, 2031*, at a price of par plus accrued interest to the redemption date. |
| RATING | <p>"Aa3" by Moody's Investors Service, Inc. ("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, the Municipal Advisor nor the Underwriter makes any representations as to the appropriateness of such rating.</p> <p>There is no assurance that such rating will continue for any given period of time or that it will not be lowered or withdrawn. 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 ratings may be obtained from Moody's. See "Rating" herein.</p> |
| TAX MATTERS | In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the County, interest on the Bonds will be excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax, except for certain corporations, as more fully described herein. 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, NA

MUNICIPAL ADVISOR RSA Advisors, LLC

UNDERWRITER _____.

Official Statement

Cheatham County, Tennessee

\$43,700,000* General Obligation Bonds, Series 2023

Introduction

The Official Statement, including the cover page and appendices hereto, is furnished in connection with the issuance by Cheatham County, Tennessee (the "County") of \$43,700,000* General Obligation Bonds, Series 2023 (the "Bonds").

The Bonds are issuable under and in full compliance with the constitution and statutes of the State of Tennessee, including Sections 9-21-101 et seq., Tennessee Code Annotated, and pursuant to Resolution adopted by the Board of County Commissioners of the County on October 16, 2023 (the "Resolution") authorizing the execution, terms, issuance and sale of the Bonds.

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 documents, including the forms 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 finance jail and other criminal justice facilities for the County and pay costs of issuing the Bonds.

The Bonds will be issued as fully registered book-entry Bonds, 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 June 1 and December 1 of each year (herein an "Interest Payment Date"), commencing June 1, 2024*.

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

Registration and Payment

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, NA (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.

Book-Entry-Only System

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds 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 Bond certificate for each maturity of the Bonds will be issued for the Bonds, 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 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("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 Bonds 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 Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds 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 Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds 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 Bonds 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 Bonds 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds 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, the Registration Agent, or the 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 Bonds 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, Bond 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, Bond 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.

Optional Redemption*

The Bonds maturing on or before December 1, 2031 shall mature without option of prior redemption, and Bonds maturing December 1, 2032 and thereafter, shall be subject to redemption prior to maturity at the option of the Municipality on December 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.

Mandatory Redemption*

Subject to any credits as permitted by the terms of the Resolution, the County shall redeem Bonds maturing on December 1, ____, on the redemption dates set forth below opposite the maturity date, in aggregate principal amounts equal to the respective dollar amounts set forth below opposite the respective redemption dates at a price of par plus accrued interest thereon to the date of redemption. 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 in its discretion. If less than all the Bonds within a single maturity shall be called for redemption, the Bonds within a single maturity shall be selected determined by DTC, or such successor Depository, by lot or such other manner as DTC or such successor Depository, shall determine in the event the Bonds are being held under a Book Entry System. If not held under a Book Entry System and if less than all the Bonds of a maturity shall be called for redemption, 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 shall elect. The dates of redemption and principal amount of Bonds to be redeemed on said dates are as follows:

| <u>Maturity</u> | <u>Redemption Date</u> | <u>Principal Amount to be Redeemed</u> |
|-----------------|------------------------|--|
|-----------------|------------------------|--|

***Final Maturity**

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such redemption date, the County may (i) deliver to the Registration Agent for cancellation Bonds of the maturity to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its mandatory redemption obligation for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (other than through mandatory redemption) and cancelled by the Registration Agent and not theretofore applied as a credit against any mandatory redemption obligation. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the County on such payment date, and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by mandatory redemption shall be accordingly reduced.

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 and Sources 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.

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 hereby made to the respective 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 or redemption, 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 or redemption date (provided, if such Bonds are to be redeemed prior to maturity thereof, proper notice of such

redemption shall have been given or adequate provision shall have been made for the giving of such notice);

(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 obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

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 | \$ _____ |
| Reoffering Premium (Discount) | _____ |
| Total Sources | \$ <u>_____</u> |

Uses of Funds

| | |
|----------------------------------|-----------------|
| Deposit to Project Fund | _____ |
| Costs of Issuance ⁽¹⁾ | _____ |
| Total Uses | \$ <u>_____</u> |

(1) Includes all fees and expenses, including underwriter's discount and expenses

Rating

The Bonds have been assigned a rating of "Aa3" by Moody's Investors Service, Inc. ("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, the Municipal Advisor nor the Underwriter makes 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. 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 Certificate under which it will covenant for the benefit of holders and beneficial owners of the Bonds to (i) 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, 2023 (the "Annual Report"), (ii) provide notice of the occurrence of certain enumerated events and (iii) provide timely notice of failure to provide any required financial information of the County. The Annual Report (and audited financial statements if filed separately) and notices described above will be filed by the County with the Municipal Securities Rulemaking Board ("MSRB") at www.emma.msrb.org and with any State Information Depository which may be established in Tennessee (the "SID"). The specific nature of the information to be contained in the Annual Report or the notices of events is summarized below. 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").

In the past five years, the County has not failed to comply in any material respect with any previous undertakings with regard to the Rule.

Future Issues

The County has no additional debt planned or authorized for new capital projects at this time.

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 Michael B. Bligh, Esq., 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 Issuer and assuming compliance by the Issuer with certain covenants, is that interest on the Bonds:

- is excluded from a bondholder's federal gross income under the Internal Revenue Code of 1986, as amended (the "Code"), and
- is not a preference item for a bondholder under the federal alternative minimum tax on individuals under the Code; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations for tax years beginning after December 31, 2023.

The Code imposes requirements on the Bonds that the Issuer must continue to meet after the Bonds are issued. These requirements generally involve the way that Bond proceeds must be invested and ultimately used. If the Issuer 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 Issuer has covenanted to do everything necessary to meet these requirements of the Code.

A bondholder 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
- a borrower of money to purchase or carry the Bonds, or
- an applicable corporation, as defined in Section 59(k) of the Code

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 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. Further, such proposals may impact the marketability or market value of the Bonds simply by being proposed. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued 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 thereby. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. 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

RSA Advisors, LLC is serving as Municipal Advisor to the County in connection with the issuance of the Bonds. RSA Advisors, LLC, 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

_____, _____, _____, 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 \$_____, which is par, less \$_____, plus net original issue premium of \$_____, less 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]

Certificate of County Mayor

I, Kerry McCarver, do hereby certify that I am the duly qualified and acting County Mayor of Cheatham County, Tennessee, and as such official, I do hereby further certify with respect to the Official Statement dated December __, 2023 issued in connection with the sale of the County's \$43,700,000* General Obligation Bonds, Series 2023 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 ____ day of _____, 2023.

/s/ _____
County Mayor

I, Abby Short, do hereby certify that I am the duly qualified and acting County Clerk of Cheatham County, Tennessee, and as such official, I do hereby certify that Kerry McCarver 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 Cheatham County, Tennessee as of the date subscribed to the foregoing certificate.

/s/ _____
County Clerk

(SEAL)

APPENDIX A

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

(Proposed Form of Opinion of Bond Counsel)

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

(Dated Closing Date)

We have acted as bond counsel to Cheatham County, Tennessee (the "Issuer") in connection with the issuance of \$43,700,000* General Obligation Bonds, Series 2023, 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 the valid and binding agreement of the Issuer, enforceable in accordance with its terms.

3. 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. 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.

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 and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals under the Code; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations for tax years beginning after December 31, 2023. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, 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,

APPENDIX B

Demographic and General Financial Information
Related to the County

GENERAL INFORMATION

LOCATION

Cheatham County (the “County”) is located in the northern portion of Tennessee, about 15 miles west of Nashville and about 20 miles south of Clarksville. Robertson and Montgomery Counties lie to the north, with Williamson County directly south. Dickson County covers the western border of the county while Davidson County borders the eastern portion. Ashland City (the “City”) is the county seat and was incorporated in 1859.

GENERAL

The County has a total area of approximately 307 square miles, including 302 square miles of land and 5 square miles of water.

The County is also part of the Nashville-Davidson-Murfreesboro-Franklin Metropolitan Statistical Area (MSA). According to 2022 Census Estimates, the MSA had a population of 2,046,715. The MSA includes Davidson, Rutherford, Williamson, Sumner, Wilson, Maury, Robertson, Dickson, Cheatham, Macon, Smith, Cannon, and Trousdale Counties. The City of Nashville is the largest city in the MSA with a population of 638,622 according to 2022 Census Estimates. According to the 2010 Census, Cheatham County’s population was 41,830 persons and Ashland City was 5,193.

TRANSPORTATION

The County has U.S. highway 70, State Highways 12, 41, 49, 155 & 249 and the nearest interstates are Interstate 24 and 40. Railroad service is provided by the CXS Transportation and R. J. Corman Railroad Company/Nashville & Western Line. The community’s air service is served by the John C. Tune airport, located 17 miles from Ashland City and contains a 5,500 ft. asphalt runway. The Nashville International Airport is the closest commercial/international airport – located 27 miles from Ashland City. BNA serves 440 flights daily in more than 50 nonstop markets and is served by 14 airlines.

EDUCATION

The Cheatham County School System is made-up of 13 public schools, which include six elementary schools, three middle schools, three high schools, and one K-12 school. The system had total student enrollment of 5,902 students with about 415 teachers. The system had 408 graduates in 2018-19.

Source: 2020 Community Data Profile (MTIDA)

There are currently no higher education institutions located within the county. Higher education within 30 miles of the county include TN College of Applied Technology, Austin Peay State University, Nashville State Community College, and several others located in Nashville.

HEALTHCARE

The following chart shows all regional hospitals located near the county.

| <u>Regional Hospitals</u> | <u>Beds</u> | <u>City</u> |
|---|--------------------|--------------------|
| Tristar Ashland City Medical Center | 12 | Ashland City |
| Vanderbilt University Medical Center | 1,051 | Nashville |
| Tristar Centennial Medical Center | 686 | Nashville |
| Saint Thomas Midtown Hospital | 683 | Nashville |
| Saint Thomas West Hospital | 541 | Nashville |
| Tristar Skyline Madison Campus | 385 | Madison |
| Tristar Skyline Medical Center | 385 | Nashville |
| Tennova Healthcare - Clarksville | 270 | Clarksville |
| Tristar Summit Medical Center | 200 | Hermitage |
| Williamson Medical Center | 185 | Franklin |
| Tristar Horizon Medical Center | 157 | Dickson |
| Metropolitan Nashville General Hospital | 150 | Nashville |

Source: TN Department of Economic and Community Development

MANUFACTURING AND COMMERCE

The following chart is a list of the major employers in the County:

**Major Employers in Cheatham
County**

| <u>Top Employers</u> | <u>Employees</u> |
|---------------------------------|-------------------------|
| A. O. Smith Corporation | 1,356 |
| Cheatham County School District | 740 |
| Cheatham County Government | 300 |
| Caymas Boats, LLC | 298 |
| Walmart Store, Inc. | 225 |
| Dillon Transportation, LLC | 165 |
| Arcosa Marine | 155 |
| R. E. West, Inc. | 141 |
| United Structural Systems, Inc | 120 |
| Caraustar Industries | 99 |

Source: 2020 Community Data Profile (MTIDA)

EMPLOYMENT INFORMATION

Below is a chart representing unemployment and labor force in Cheatham County.

| <u>Labor Force Estimates</u> | <u>TN</u> | <u>Cheatham</u> |
|------------------------------|-----------|-----------------|
| Labor Force | 3,327,738 | 22,015 |
| Employment | 3,184,489 | 21,330 |
| Unemployment | 143,248 | 685 |
| Unemployment Rate | 4.30% | 3.10% |

| <u>Unemployment Rate</u> | <u>TN</u> | <u>Cheatham</u> |
|--------------------------|-----------|-----------------|
| 2018 | 3.50% | 2.80% |
| 2019 | 3.40% | 2.60% |
| 2020 | 7.40% | 5.60% |
| 2021 | 4.30% | 3.10% |

Source: TN Department of Economic and Community Development

ECONOMIC DATA

Social and Economic Characteristics

Below is chart of economic data for Cheatham County.

| | <u>National</u> | <u>Tennessee</u> | <u>Cheatham County</u> | <u>Ashland City</u> |
|---|-----------------|------------------|----------------------------|---------------------|
| Median Value Owner Occupied Housing | \$244,900 | \$193,700 | \$217,500 | \$182,400 |
| High school graduate or higher, percent of persons age 25 years+ | 88.90% | 88.80% | 87.30% | 85.90% |
| Bachelor's degree or higher, percent of persons age 25 years+ | 33.70% | 29.00% | 22.00% | 19.20% |
| Persons In Poverty | 11.50% | 13.30% | 8.60% | 14.00% |
| Per Capita Income in Past 12 Months | \$37,638 | \$32,908 | \$31,832 | \$28,266 |
| In civilian labor force, total, percent of population age 16 years+ (in 2021 Dollars) | 63.10% | 61.40% | 65.00% | 61.50% |
| Median Household Income (in 2021 Dollars) | \$69,021 | \$58,516 | \$69,132 | \$62,772 |

Source: U.S. Census Bureau, Fact Sheets

RECREATION

One of nature's best kept secrets, within minutes of downtown Nashville, Cheatham County offers breathtaking landscapes and a rich heritage. You'll discover clean air, sparkling streams, historical sites and natural beauty. Cheatham Wildlife Management Area offers over 20,000 acres of a variety of outdoor recreation including hunting, archery, horseback riding trails, and bird watching.

Exploring by canoe or on foot you'll find some of the most unique man-made features found in nature at the Narrows of the Harpeth River and Mound Bottom. In Ashland City follow the Cumberland River Bicentennial Trail, an innovative rail to trail project, or visit the Cheatham County History Museum. There are ten boat ramp/launches on the rivers in Cheatham County, and many campsites and picnic areas near the Cheatham Dam and Lake.

Source: middletennesseetourism.com

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CHEATHAM
COUNTY,
TENNESSEE
SUMMARY OF
BONDED
INDEBTEDNESS

| Bond Series | Description | Type | Original Par Amount | Amount Outstanding | Interest Rate Range | Final Maturity |
|-------------|--------------------------------------|----------------------|---------------------|--------------------|---------------------|----------------|
| 2012 | Sewer System | TMBF Loan | \$966,000 | \$95,000 | 3.040% | 2024 |
| 2013 | Waterlines | TMBF Loan | \$910,000 | \$172,000 | 2.680% | 2025 |
| 2013 | Fire Station and Equipment | TMBF Loan | \$995,000 | \$0 | 2.790% | 2023 |
| 2017 | Renovation and Construction Projects | Clarksville PBA Loan | \$5,000,000 | \$3,395,000 | 3.580% | 2032 |
| 2020 | Highway Department Facility | Clarksville PBA Loan | \$2,700,000 | \$1,919,262 | 2.370% | 2031 |
| Totals: | --- | --- | \$10,571,000 | \$5,581,262 | --- | --- |

*Information Estimated from FY 22 Audit

CHEATHAM COUNTY, TENNESSEE
BONDED DEBT SERVICE REQUIREMENTS - General Obligation

| | <i>Sewer</i> | <i>Waterlines</i> | <i>Fire Station</i> | <i>Renovations</i> | <i>Highway</i> | |
|---------|--------------|-------------------|---------------------|--------------------|----------------|-------------|
| FY | Series | Series | Series | Series | Series | Net |
| Ending | 2012 | 2013 | 2013B | 2017 | 2020 | Payment |
| June 30 | TMBF Loan | TMBF Loan | TMBF Loan | PBA Loan | PBA Loan | Amount |
| 2024 | \$96,286 | \$89,610 | \$113,562 | \$447,541 | \$250,293 | \$997,292 |
| 2025 | \$96,444 | \$89,332 | | \$447,870 | \$249,074 | \$882,720 |
| 2026 | | | | \$447,770 | \$250,002 | \$697,772 |
| 2027 | | | | \$448,240 | \$249,800 | \$698,040 |
| 2028 | | | | \$448,244 | \$249,479 | \$697,724 |
| 2029 | | | | \$447,784 | \$249,040 | \$696,824 |
| 2030 | | | | \$447,857 | \$249,471 | \$697,328 |
| 2031 | | | | \$448,430 | \$248,771 | \$697,201 |
| 2032 | | | | \$447,466 | \$123,446 | \$570,911 |
| Totals: | \$192,730 | \$178,941 | \$113,562 | \$4,031,202 | \$2,119,377 | \$6,635,812 |

*Information Estimated from FY 22 Audit

FUND BALANCES AND RETAINED EARNINGS

The following table depicts audited fund balances and retained earnings for the last five fiscal years ending June 30:

| | <u>For the Fiscal Year Ended June 30</u> | | |
|---------------------------------|--|-------------------|-------------------|
| | 2022 | 2021 | 2020 |
| Governmental Funds | | | |
| General | \$9,260,305 | \$7,699,291 | \$6,364,839 |
| Highway/Public Works | 2,915,882 | 3,285,783 | 3,413,254 |
| Educations Debt Service | 7,582,161 | 8,103,589 | 6,067,487 |
| Non Major Funds | <u>5,417,534</u> | <u>5,741,944</u> | <u>4,267,017</u> |
| Total Governmental Funds | 25,175,882 | 24,830,607 | 20,112,597 |

Source: Audited financial statements summarized by the financial advisor

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CHEATHAM COUNTY, TENNESSEE
 Three Year Summary of Revenues,
 Expenditures and Changes In Fund
 Balances - General Fund
 For the Fiscal Year Ended June 30

| | 2022 | 2021 | 2020 |
|---|---------------------------|---------------------------|---------------------------|
| REVENUES | | | |
| Local Taxes | \$16,659,410 | \$15,639,165 | \$14,814,597 |
| Licenses & Permits | 580,437 | 512,946 | 528,324 |
| Fines | 209,698 | 189,133 | 203,102 |
| Charges for Services | 1,545,110 | 1,310,514 | 1,270,309 |
| Other Local Revenue | 694,921 | 733,264 | 999,577 |
| Fees Received | 2,309,724 | 2,233,115 | 2,026,054 |
| State | 823,806 | 950,883 | 1,105,579 |
| Federal | 288,662 | 761,198 | 192,313 |
| Other Governments | <u>339,508</u> | <u>302,790</u> | <u>257,453</u> |
| Total Revenues | 23,451,276 | 22,633,008 | 21,397,308 |
| EXPENDITURES | | | |
| General Government | 2,404,944 | 2,193,956 | 2,230,684 |
| Finance | 1,620,685 | 1,489,667 | 1,433,920 |
| Administration of Justice | 1,667,817 | 1,552,264 | 1,590,389 |
| Public Safety | 8,358,891 | 7,976,339 | 7,950,035 |
| Public Health | 3,012,533 | 2,820,347 | 2,826,476 |
| Recreational Services | 415,310 | 378,312 | 381,431 |
| Agriculture | 131,280 | 147,202 | 142,765 |
| Other Operations | 4,243,487 | 4,362,454 | 3,817,707 |
| Capital Projects | <u>72,664</u> | <u>108,919</u> | <u>189,787</u> |
| Total Expenses | 21,927,611 | 21,029,460 | 20,563,194 |
| Excess of Revenues Over Expenditures | 1,523,665 | 1,603,548 | 834,114 |
| OTHER FINANCING SOURCES (USES) | | | |
| Insurance Recovery | 1,306 | 20,643 | 28,334 |
| Transfer In | 36,043 | 22,465 | 22,347 |
| Transfers Out | | <u>(312,204)</u> | <u>(3,433)</u> |
| Total Other Financing Sources | \$37,349 | (\$269,096) | \$47,248 |
| NET CHANGE IN FUND BALANCES | \$1,561,014 | \$1,334,452 | \$881,362 |
| FUND BALANCES, BEGINNING OF YEAR | \$7,699,291 | \$6,364,839 | \$5,483,477 |
| FUND BALANCES, END OF YEAR | <u>\$9,260,305</u> | <u>\$7,699,291</u> | <u>\$6,364,839</u> |

Source: Audited financial statements summarized by the financial advisor

REAL PROPERTY ASSESSMENTS, TAX RATES & COLLECTIONS

ASSESSED VALUES

Assessed Valuations, according to the Tax Aggregate Report, property in the County reflected a ratio of appraised value to true market value of 0.8766. The following table shows historical assessed values.

| Year | Estimated Current Property Value | Total Real Property Assessment | Total Personal Property Assessment | Total Local Property Assessment | Public Utility Assessment | Total Assessment |
|------|----------------------------------|--------------------------------|------------------------------------|---------------------------------|---------------------------|------------------|
| 2022 | \$4,952,381,906 | \$1,065,113,675 | \$43,460,644 | \$1,108,574,319 | \$42,468,052 | \$1,151,042,371 |
| 2021 | \$4,857,394,969 | \$1,046,571,510 | \$41,010,494 | \$1,087,582,004 | \$39,852,299 | \$1,127,434,303 |
| 2020 | \$4,171,264,950 | \$1,024,577,995 | \$45,657,567 | \$1,070,235,562 | \$44,514,491 | \$1,114,750,053 |
| 2019 | \$4,073,363,825 | \$1,001,888,185 | \$42,642,528 | \$1,044,530,713 | \$42,689,085 | \$1,087,219,798 |
| 2018 | \$3,609,988,648 | \$782,889,890 | \$33,211,827 | \$816,101,717 | \$36,002,210 | \$852,103,927 |

Source: 2018-22 Tax Aggregate Reports of Tennessee and the County.

TAX RATES

Approved Tax Rates for the past five fiscal years are below.

| Funds | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|-----------------------------|---------|---------|---------|---------|---------|
| County General | 1.4103 | 1.1669 | 1.1751 | 1.2305 | 1.3305 |
| Highway/Roads | 0.0661 | 0.0527 | 0.0527 | 0.0527 | 0.0527 |
| Education Debt Service | 0.1668 | 0.133 | 0.1330 | 0.1301 | 0.0601 |
| General Debt Service | 0.0656 | 0.0523 | 0.0523 | 0.0523 | 0.0523 |
| Solid Waste/Sanitation | 0.1036 | 0.0826 | 0.0826 | 0.0808 | 0.0808 |
| General Purpose Schools | 0.9767 | 0.7789 | 0.7789 | 0.7203 | 0.6903 |
| Capital Projects | 0.0197 | 0.0157 | 0.0100 | 0.0154 | 0.0154 |
| Capital Projects - Vehicles | 0.0686 | 0.0547 | 0.0522 | 0.0547 | 0.0547 |
| Capital Projects - Jail | 0.0500 | 0.1398 | 0.1398 | 0.1398 | 0.1398 |
| Totals | 2.9274 | 2.4766 | 2.4766 | 2.4766 | 2.4766 |

Source: The County

TAX COLLECTIONS

Tax Collections for the past five fiscal years are below.

| Funds | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|
| County General | \$11,647,435 | \$12,222,499 | \$12,672,875 | \$13,511,450 | \$14,884,246 |
| Highway/Roads | \$545,804 | \$551,910 | \$568,322 | \$578,616 | \$589,368 |
| Education Debt Service | \$1,377,353 | \$1,392,883 | \$1,434,302 | \$1,428,376 | \$669,045 |
| General Debt Service | \$541,706 | \$547,734 | \$564,021 | \$574,236 | \$584,909 |
| Solid Waste/Sanitation | \$855,488 | \$865,041 | \$890,767 | \$887,092 | \$903,620 |
| General Purpose Schools | \$8,078,177 | \$8,153,576 | \$8,419,559 | \$7,893,571 | \$7,737,669 |
| Capital Projects | \$162,689 | \$164,414 | \$107,568 | \$169,201 | \$172,222 |
| Capital Projects - Vehicles | \$566,472 | \$572,865 | \$562,804 | \$600,644 | \$611,747 |
| Capital Projects - Jail | \$412,897 | \$1,468,469 | \$1,507,630 | \$1,534,886 | \$1,563,478 |
| Totals | \$24,188,021 | \$25,939,391 | \$26,727,848 | \$27,178,072 | \$27,716,305 |

Source: The County

Top Ten Largest Taxpayers. For the fiscal year ending June 30, 2023 (tax year 2022), the largest taxpayers in the County were as follows:

| <u>Top Taxpayers</u> | <u>Taxable Valuation</u> | <u>Taxes Paid</u> |
|---------------------------|--------------------------|-------------------|
| State Industries | \$8,425,080 | \$218,520 |
| AFP Phase 1 Owner | \$7,993,560 | \$207,641 |
| SREIT Vantage Ashland | \$6,088,640 | \$158,159 |
| Walmart | \$3,300,000 | \$48,970 |
| Ashland Heights | \$2,923,000 | \$75,928 |
| Trinity O Inc & Ryan & Co | \$2,121,480 | \$55,108 |
| Ashland Farm Partners | \$2,066,360 | \$53,676 |
| Sycamore Ashland | \$1,914,200 | \$49,723 |
| Golf Club of Tennessee | \$1,722,325 | \$44,739 |
| Madison Mill | \$1,600,000 | \$41,562 |

Source: The County

APPENDIX C

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



ANNUAL FINANCIAL REPORT

Cheatham County, Tennessee

For the Year Ended June 30, 2022

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

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

COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

JEFF BAILEY, CPA, CGFM, CFE
Audit Manager

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

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Summary of Audit Findings

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

Scope

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

Results

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

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

Finding

The following is a summary of the audit findings:

OFFICE OF COUNTY MAYOR

- ◆ Official prenumbered receipts were not issued for all collections at the ambulance service.
 - ◆ Duties were not segregated adequately.
-

OFFICE OF BUILDING AND CODES

- ◆ The office had deficiencies in computer system backup procedures.
-

OFFICE OF DIRECTOR OF SCHOOLS

- ◆ The Director of Schools received additional compensation not approved by the Board of Education.
- ◆ The school department did not have adequate policies and procedures to account for fuel card purchases resulting in a net loss of \$29,774.
- ◆ Material audit adjustments were required for proper financial statement presentation.
- ◆ The school department did not maintain adequate controls over its capital assets records.

INTRODUCTORY SECTION

Cheatham County Officials

June 30, 2022

Officials

Kerry McCarver, County Mayor
Robert Hester, Road Superintendent
Dr. Cathy Beck, Director of Schools
Cindy Burney, Assessor of Property
Margie Jarrell, Trustee
Teresa Gupton, County Clerk
Julie Hibbs, Circuit and General Sessions Courts Clerk
Pam Jenkins, Clerk and Master
Patrick Smith, Register of Deeds
Mike Breedlove, Sheriff
Sandrine Batts, Director of Accounts and Budgets

Board of County Commissioners

Donnie Jordan, Chairman
David Anderson
Ed Greer
Ann Jarreau
Gary Binkley
Chris Gilmore

Randy Liles
Tim Williamson
Dr. Connie Mayo
Diana Pike Lovell
Walter Weakley
Eugene Evans

Board of Education

John Louallen, Chairman
Christina Gilliam
Tim Ray

David Risner
James Gupton
John Patrick

Audit Committee

Zach Clayton, Chairman
Mary Macrae
Darwin Newton
Lisa Parker
Charles Edens

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cheatham County, Tennessee, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cheatham County, Tennessee, as of June 30, 2022, and the respective changes in financial position and the respective budgetary comparison for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Internal School Fund of the Cheatham County School Department (a discretely presented component unit), which represent 1.31 percent, 1.81 percent, and 3.2 percent, respectively, of the assets, net position, and revenues of the discretely presented component unit. Those amounts were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to amounts included for the Cheatham County School Department's Internal School Fund, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Cheatham County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Cheatham County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cheatham County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Cheatham County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the Education Debt Service Fund, combining and individual fund financial statements of the Cheatham County School Department (a discretely presented component unit), and miscellaneous schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the Education Debt Service Fund, combining and individual fund financial statements of the Cheatham County School Department (a discretely presented component unit), and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

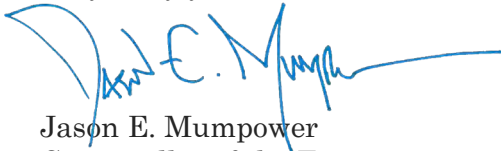
Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information,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

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

Other Reporting Requirements by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2022, on our consideration of Cheatham 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 Cheatham 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 Cheatham County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

December 5, 2022

JEM/gc

BASIC FINANCIAL STATEMENTS

Exhibit A

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

| | <u>Primary Government Governmental Activities</u> | <u>Component Unit Cheatham County School Department</u> |
|---|---|---|
| <u>ASSETS</u> | | |
| Cash | \$ 3,300 | \$ 1,419,180 |
| Equity in Pooled Cash and Investments | 28,431,632 | 20,361,753 |
| Inventory | 0 | 2,464 |
| Accounts Receivable | 8,304,610 | 127,618 |
| Allowance for Uncollectibles | (6,879,554) | 0 |
| Due from Other Governments | 1,188,375 | 2,996,011 |
| Property Taxes Receivable | 20,312,349 | 7,863,386 |
| Allowance for Uncollectible Property Taxes | (433,552) | (172,597) |
| Net Pension Asset - Agent Plan | 3,943,836 | 2,264,974 |
| Net Pension Asset - Teacher Retirement Plan | | 632,745 |
| Net Pension Asset - Teacher Legacy Pension Plan | | 21,153,201 |
| Restricted Assets: | | |
| Amounts Accumulated for Pension Benefits | 0 | 670,979 |
| Capital Assets: | | |
| Assets Not Depreciated: | | |
| Land | 1,913,484 | 1,660,436 |
| Intangibles | 380,904 | 0 |
| Construction in Progress | 4,982,703 | 0 |
| Assets Net of Accumulated Depreciation: | | |
| Buildings and Improvements | 12,421,950 | 45,071,332 |
| Other Capital Assets | 2,266,677 | 4,190,379 |
| Infrastructure | 274,430 | 0 |
| Total Assets | <u>\$ 77,111,144</u> | <u>\$ 108,241,861</u> |
| <u>DEFERRED OUTFLOWS OF RESOURCES</u> | | |
| Pension Changes in Experience | \$ 50,530 | \$ 111,114 |
| Pension Changes in Assumptions | 2,217,968 | 7,153,802 |
| Pension Changes in Proportion | 0 | 193,695 |
| Pension Contributions After Measurement Date | 514,311 | 2,120,783 |
| OPEB Paid after Measurement Date | 0 | 262,264 |
| OPEB Changes in Experience | 0 | 56,688 |
| OPEB Changes in Assumptions | 0 | 866,538 |
| Total Deferred Outflows of Resources | <u>\$ 2,782,809</u> | <u>\$ 10,764,884</u> |

(Continued)

Exhibit A

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

| | <u>Primary Government Governmental Activities</u> | <u>Component Unit Cheatham County School Department</u> |
|--|---|---|
| <u>LIABILITIES</u> | | |
| Accounts Payable | \$ 348,943 | \$ 515,275 |
| Payroll Deductions Payable | 0 | 18,951 |
| Contracts Payable | 232,622 | 0 |
| Due to other Governments | 3,949,544 | 0 |
| Due to Litigants, Heirs, and Others | 53,430 | 0 |
| Accrued Interest Payable | 19,201 | 0 |
| Other Current Liabilities | 3,246 | 0 |
| Noncurrent Liabilities: | | |
| Due Within One Year - Debt | 1,364,918 | 0 |
| Due Within One Year - Other | 305,981 | 0 |
| Due in More Than One Year - Debt | 5,902,410 | 0 |
| Due in More Than One Year - Other | 796,072 | 7,512,088 |
| Total Liabilities | <u>\$ 12,976,367</u> | <u>\$ 8,046,314</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | |
| Deferred Current Property Taxes | \$ 19,508,292 | \$ 7,538,836 |
| Pension Changes in Experience | 332,884 | 2,071,201 |
| Pension Changes in Investment Earnings | 4,304,901 | 19,705,766 |
| Pension Changes in Proportion | 0 | 24,049 |
| OPEB Changes in Experience | 0 | 1,955,858 |
| OPEB Changes in Assumptions | 0 | 863,755 |
| OPEB Changes in Proportion | 0 | 460,417 |
| Total Deferred Inflows of Resources | <u>\$ 24,146,077</u> | <u>\$ 32,619,882</u> |
| <u>NET POSITION</u> | | |
| Net Investment in Capital Assets | \$ 15,806,752 | \$ 50,922,147 |
| Restricted for: | | |
| Capital Projects | 3,816,666 | 2,590,683 |
| Education | 0 | 3,750,159 |
| Debt Service | 8,444,635 | 0 |
| Highway/Public Works | 2,864,388 | 0 |
| Solid Waste/Sanitation | 561,503 | 0 |
| Drug Control | 263,522 | 0 |
| Pensions | 3,943,836 | 24,721,899 |
| Other Purposes | 553,919 | 0 |
| Unrestricted | <u>6,516,288</u> | <u>(3,644,339)</u> |
| Total Net Position | <u>\$ 42,771,509</u> | <u>\$ 78,340,549</u> |

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

Exhibit B

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

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | |
|---|----------------------|----------------------------|---|---|--|--|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary | Component |
| | | | | | Government Total Governmental Activities | Unit Cheatham County School Department |
| Primary Government: | | | | | | |
| Governmental Activities: | | | | | | |
| General Government | \$ 4,407,591 | \$ 1,485,934 | \$ 396,057 | \$ 0 | \$ (2,525,600) | \$ 0 |
| Finance | 1,821,746 | 1,594,056 | 14,082 | 0 | (213,608) | 0 |
| Administration of Justice | 2,184,234 | 787,983 | 196,932 | 0 | (1,199,319) | 0 |
| Public Safety | 10,354,355 | 235,201 | 138,952 | 0 | (9,980,202) | 0 |
| Public Health and Welfare | 5,016,587 | 2,200,759 | 84,366 | 0 | (2,731,462) | 0 |
| Social, Cultural, and Recreational Services | 519,484 | 39,184 | 0 | 0 | (480,300) | 0 |
| Agriculture and Natural Resources | 158,862 | 0 | 0 | 0 | (158,862) | 0 |
| Highways/Public Works | 3,831,497 | 6,002 | 2,412,785 | 350,649 | (1,062,061) | 0 |
| Education | 4,237,383 | 0 | 0 | 0 | (4,237,383) | 0 |
| Interest on Long-term Debt | 278,008 | 0 | 0 | 0 | (278,008) | 0 |
| Total Primary Government | \$ 32,809,747 | \$ 6,349,119 | \$ 3,243,174 | \$ 350,649 | \$ (22,866,805) | \$ 0 |
| Component Unit: | | | | | | |
| Cheatham County School Department | \$ 54,431,226 | \$ 3,738,896 | \$ 8,663,791 | \$ 0 | \$ 0 | \$ (42,028,539) |
| Total Component Unit | \$ 54,431,226 | \$ 3,738,896 | \$ 8,663,791 | \$ 0 | \$ 0 | \$ (42,028,539) |

(Continued)

Exhibit B

Cheatham 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 |
| | | | | | Government Total Governmental Activities | Unit Cheatham County School Department |
| General Revenues: | | | | | | |
| Taxes: | | | | | | |
| Property Taxes Levied for General Purposes | | | | | \$ 17,931,722 | \$ 8,185,205 |
| Property Taxes Levied for Debt Service | | | | | 1,999,457 | 0 |
| Local Option Sales Tax | | | | | 3,858,625 | 4,916,518 |
| Wheel Tax | | | | | 1,795,412 | 451,812 |
| Adequate Facilities/Development Tax | | | | | 1,133,698 | 0 |
| Wholesale Beer Tax | | | | | 303,372 | 0 |
| Fire Tax | | | | | 1,543,251 | 0 |
| Business Tax | | | | | 437,075 | 0 |
| Mixed Drink Tax | | | | | 0 | 47,953 |
| Litigation Tax | | | | | 114,281 | 0 |
| Hotel/Motel Tax | | | | | 413,365 | 0 |
| Other Local Taxes | | | | | 2,098 | 0 |
| Grants and Contributions Not Restricted to Specific Programs | | | | | 1,355,431 | 41,386,921 |
| Unrestricted Investment Earnings | | | | | 125,177 | 0 |
| Miscellaneous | | | | | 41,658 | 254,809 |
| Total General Revenues | | | | | <u>\$ 31,054,622</u> | <u>\$ 55,243,218</u> |
| Change in Net Position | | | | | \$ 8,187,817 | \$ 13,214,679 |
| Net Position, July 1, 2021 | | | | | <u>34,583,692</u> | <u>65,125,870</u> |
| Net Position, June 30, 2022 | | | | | <u>\$ 42,771,509</u> | <u>\$ 78,340,549</u> |

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

Exhibit C-1

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

| | Major Funds | | | | Nonmajor | Total |
|--|----------------------|--------------------------|------------------------------|------------------------------|-------------------------------------|----------------------|
| | General | Other General Fund | Highway / Public Works | Education Debt Service | Other Govern- mental Funds | |
| <u>ASSETS</u> | | | | | | |
| Cash | \$ 650 | \$ 0 | \$ 0 | \$ 0 | \$ 2,650 | \$ 3,300 |
| Equity in Pooled Cash and Investments | 9,047,670 | 3,949,544 | 2,663,599 | 7,113,739 | 5,657,080 | 28,431,632 |
| Accounts Receivable | 8,075,229 | 0 | 40,610 | 128,199 | 60,572 | 8,304,610 |
| Allowance for Uncollectibles | (6,879,554) | 0 | 0 | 0 | 0 | (6,879,554) |
| Due from Other Governments | 76,598 | 0 | 419,910 | 655,939 | 35,928 | 1,188,375 |
| Property Taxes Receivable | 15,103,545 | 0 | 599,556 | 707,017 | 3,902,231 | 20,312,349 |
| Allowance for Uncollectible Property Taxes | (313,490) | 0 | (12,898) | (23,215) | (83,949) | (433,552) |
| Total Assets | <u>\$ 25,110,648</u> | <u>\$ 3,949,544</u> | <u>\$ 3,710,777</u> | <u>\$ 8,581,679</u> | <u>\$ 9,574,512</u> | <u>\$ 50,927,160</u> |
| <u>LIABILITIES</u> | | | | | | |
| Accounts Payable | \$ 281,134 | \$ 0 | \$ 3,320 | \$ 0 | \$ 64,489 | \$ 348,943 |
| Contracts Payable | 0 | 0 | 0 | 0 | 232,622 | 232,622 |
| Due to Other Governments | 0 | 3,949,544 | 0 | 0 | 0 | 3,949,544 |
| Due to Litigants, Heirs, and Others | 0 | 0 | 0 | 0 | 53,430 | 53,430 |
| Other Current Liabilities | 0 | 0 | 0 | 0 | 3,246 | 3,246 |
| Total Liabilities | <u>\$ 281,134</u> | <u>\$ 3,949,544</u> | <u>\$ 3,320</u> | <u>\$ 0</u> | <u>\$ 353,787</u> | <u>\$ 4,587,785</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | | | |
| Deferred Current Property Taxes | \$ 14,530,472 | \$ 0 | \$ 575,540 | \$ 656,356 | \$ 3,745,924 | \$ 19,508,292 |
| Deferred Delinquent Property Taxes | 205,376 | 0 | 8,792 | 21,704 | 57,267 | 293,139 |
| Other Deferred/Unavailable Revenue | 833,361 | 0 | 207,243 | 321,458 | 0 | 1,362,062 |
| Total Deferred Inflows of Resources | <u>\$ 15,569,209</u> | <u>\$ 0</u> | <u>\$ 791,575</u> | <u>\$ 999,518</u> | <u>\$ 3,803,191</u> | <u>\$ 21,163,493</u> |

(Continued)

Exhibit C-1

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

| | Major Funds | | | | Nonmajor | Total |
|---|----------------------|--|------------------------------|------------------------------|-------------------------------------|----------------------|
| | General | Other General Government Fund | Highway / Public Works | Education Debt Service | Other Govern- mental Funds | |
| <u>FUND BALANCES</u> | | | | | | |
| Restricted: | | | | | | |
| Restricted for General Government | \$ 71,775 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 71,775 |
| Restricted for Finance | 102,847 | 0 | 0 | 0 | 0 | 102,847 |
| Restricted for Administration of Justice | 247,976 | 0 | 0 | 0 | 0 | 247,976 |
| Restricted for Public Safety | 89,215 | 0 | 0 | 0 | 263,522 | 352,737 |
| Restricted for Public Health and Welfare | 21,366 | 0 | 0 | 0 | 789,244 | 810,610 |
| Restricted for Social, Cultural, and Recreational Services | 20,740 | 0 | 0 | 0 | 0 | 20,740 |
| Restricted for Highways/Public Works | 0 | 0 | 2,915,882 | 0 | 0 | 2,915,882 |
| Restricted for Capital Outlay | 0 | 0 | 0 | 0 | 3,781,605 | 3,781,605 |
| Restricted for Debt Service | 0 | 0 | 0 | 7,582,161 | 529,786 | 8,111,947 |
| Committed: | | | | | | |
| Committed for General Government | 538,536 | 0 | 0 | 0 | 53,377 | 591,913 |
| Committed for Finance | 59,263 | 0 | 0 | 0 | 0 | 59,263 |
| Committed for Public Safety | 1,269,766 | 0 | 0 | 0 | 0 | 1,269,766 |
| Committed for Social, Cultural, and Recreational Services | 56,720 | 0 | 0 | 0 | 0 | 56,720 |
| Committed for Other Operations | 68,480 | 0 | 0 | 0 | 0 | 68,480 |
| Assigned: | | | | | | |
| Assigned for Public Safety | 33,313 | 0 | 0 | 0 | 0 | 33,313 |
| Assigned for Public Health and Welfare | 80,545 | 0 | 0 | 0 | 0 | 80,545 |
| Assigned for Capital Projects | 250,380 | 0 | 0 | 0 | 0 | 250,380 |
| Unassigned | 6,349,383 | 0 | 0 | 0 | 0 | 6,349,383 |
| Total Fund Balances | <u>\$ 9,260,305</u> | <u>\$ 0</u> | <u>\$ 2,915,882</u> | <u>\$ 7,582,161</u> | <u>\$ 5,417,534</u> | <u>\$ 25,175,882</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 25,110,648</u> | <u>\$ 3,949,544</u> | <u>\$ 3,710,777</u> | <u>\$ 8,581,679</u> | <u>\$ 9,574,512</u> | <u>\$ 50,927,160</u> |

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

Exhibit C-2

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

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

| | | |
|--|--------------------|----------------------|
| Total fund balances - balance sheet - governmental funds (Exhibit C-1) | | \$ 25,175,882 |
| (1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. | | |
| Add: land | \$ 1,913,484 | |
| Add: intangibles | 380,904 | |
| Add: construction in progress | 4,982,703 | |
| Add: buildings and improvements net of accumulated depreciation | 12,421,950 | |
| Add: other capital assets net of accumulated depreciation | 2,266,677 | |
| Add: infrastructure net of accumulated depreciation | <u>274,430</u> | 22,240,148 |
| (2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. | | |
| Less: notes payable | \$ (618,334) | |
| Less: other loans payable | (6,648,994) | |
| Less: compensated absences payable | (874,232) | |
| Less: landfill closure/postclosure costs | (227,821) | |
| Less: accrued interest on notes and other loans | <u>(19,201)</u> | (8,388,582) |
| (3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension and other postemployment expense in future years. | | |
| Add: deferred outflows of resources related to pensions | \$ 2,782,809 | |
| Less: deferred inflows of resources related to pensions | <u>(4,637,785)</u> | (1,854,976) |
| (4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds. | | 3,943,836 |
| (5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds. | | <u>1,655,201</u> |
| Net position of governmental activities (Exhibit A) | | <u>\$ 42,771,509</u> |

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

Exhibit C-3

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

| | Major Funds | | | | Nonmajor Funds | Total Governmental Funds |
|---|----------------------|------------------------------|------------------------------|----------------------------------|-------------------------------------|--------------------------------|
| | General | Highway / Public Works | Education Debt Service | Education Capital Projects | Other Govern- mental Funds | |
| <u>Revenues</u> | | | | | | |
| Local Taxes | \$ 16,659,410 | \$ 1,105,231 | \$ 7,723,952 | \$ 0 | \$ 4,366,784 | \$ 29,855,377 |
| Licenses and Permits | 580,437 | 200 | 0 | 0 | 0 | 580,637 |
| Fines, Forfeitures, and Penalties | 209,698 | 0 | 0 | 0 | 94,401 | 304,099 |
| Charges for Current Services | 1,545,110 | 0 | 0 | 0 | 483,051 | 2,028,161 |
| Other Local Revenues | 694,921 | 25,326 | 0 | 0 | 99,696 | 819,943 |
| Fees Received From County Officials | 2,309,724 | 0 | 0 | 0 | 0 | 2,309,724 |
| State of Tennessee | 823,806 | 2,760,587 | 29,920 | 0 | 512,646 | 4,126,959 |
| Federal Government | 288,662 | 38,419 | 0 | 0 | 0 | 327,081 |
| Other Governments and Citizens Groups | 339,508 | 0 | 0 | 0 | 0 | 339,508 |
| Total Revenues | \$ 23,451,276 | \$ 3,929,763 | \$ 7,753,872 | \$ 0 | \$ 5,556,578 | \$ 40,691,489 |
| <u>Expenditures</u> | | | | | | |
| Current: | | | | | | |
| General Government | \$ 2,404,944 | \$ 0 | \$ 87,825 | \$ 0 | \$ 99,067 | \$ 2,591,836 |
| Finance | 1,620,685 | 0 | 0 | 0 | 0 | 1,620,685 |
| Administration of Justice | 1,667,817 | 0 | 0 | 0 | 0 | 1,667,817 |
| Public Safety | 8,358,891 | 0 | 0 | 0 | 54,583 | 8,413,474 |
| Public Health and Welfare | 3,012,533 | 0 | 0 | 0 | 1,264,889 | 4,277,422 |
| Social, Cultural, and Recreational Services | 415,310 | 0 | 0 | 0 | 0 | 415,310 |
| Agriculture and Natural Resources | 131,280 | 0 | 0 | 0 | 0 | 131,280 |
| Other Operations | 4,243,487 | 0 | 0 | 0 | 70,166 | 4,313,653 |
| Highways | 0 | 4,058,293 | 0 | 0 | 0 | 4,058,293 |
| Debt Service: | | | | | | |
| Principal on Debt | 0 | 133,333 | 8,127,708 | 0 | 1,171,666 | 9,432,707 |
| Interest on Debt | 0 | 8,038 | 59,767 | 0 | 219,351 | 287,156 |
| Capital Projects | 72,664 | 0 | 0 | 4,222,851 | 3,394,518 | 7,690,033 |
| Total Expenditures | \$ 21,927,611 | \$ 4,199,664 | \$ 8,275,300 | \$ 4,222,851 | \$ 6,274,240 | \$ 44,899,666 |

(Continued)

Exhibit C-3

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

| | Major Funds | | | | Nonmajor Funds | Total Governmental Funds |
|--|--------------|------------------------------|------------------------------|----------------------------------|-------------------------------------|--------------------------------|
| | General | Highway / Public Works | Education Debt Service | Education Capital Projects | Other Govern- mental Funds | |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 1,523,665 | \$ (269,901) | \$ (521,428) | \$ (4,222,851) | \$ (717,662) | \$ (4,208,177) |
| <u>Other Financing Sources (Uses)</u> | | | | | | |
| Notes Issued | \$ 0 | \$ 0 | \$ 0 | \$ 4,222,851 | \$ 0 | \$ 4,222,851 |
| Other Loans Issued | 0 | 0 | 0 | 0 | 294,101 | 294,101 |
| Insurance Recovery | 1,306 | 0 | 0 | 0 | 35,194 | 36,500 |
| Transfers In | 36,043 | 0 | 0 | 0 | 170,000 | 206,043 |
| Transfers Out | 0 | (100,000) | 0 | 0 | (106,043) | (206,043) |
| Total Other Financing Sources (Uses) | \$ 37,349 | \$ (100,000) | \$ 0 | \$ 4,222,851 | \$ 393,252 | \$ 4,553,452 |
| Net Change in Fund Balances | \$ 1,561,014 | \$ (369,901) | \$ (521,428) | \$ 0 | \$ (324,410) | \$ 345,275 |
| Fund Balance, July 1, 2021 | 7,699,291 | 3,285,783 | 8,103,589 | 0 | 5,741,944 | 24,830,607 |
| Fund Balance, June 30, 2022 | \$ 9,260,305 | \$ 2,915,882 | \$ 7,582,161 | \$ 0 | \$ 5,417,534 | \$ 25,175,882 |

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

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

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

| | | |
|---|--------------------|---------------------|
| Net change in fund balances - total governmental funds (Exhibit C-3) | | \$ 345,275 |
| (1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows: | | |
| Add: capital assets purchased in the current period | \$ 3,116,146 | |
| Less: current-year depreciation expense | <u>(1,422,962)</u> | 1,693,184 |
| (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 | | (3,830) |
| (3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | |
| Less: deferred delinquent property taxes and other deferred June 30, 2021 | \$ (1,322,037) | |
| Add: deferred delinquent property taxes and other deferred June 30, 2022 | <u>1,655,201</u> | 333,164 |
| (4) The issuance of long-term debt (e.g., bonds, notes, other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items. | | |
| Add: principal payments on notes | \$ 7,912,663 | |
| Add: principal payments on other loans | 1,101,344 | |
| Add: principal payments on bonds | 418,700 | |
| Less: note proceeds | (4,222,851) | |
| Less: other loan proceeds | (294,101) | |
| Less: change in deferred amount on refunding debt | <u>(102)</u> | 4,915,653 |
| (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 | \$ 9,250 | |
| Change in landfill closure/postclosure care costs | (8,973) | |
| Change in compensated absences payable | 42,621 | |
| Change in net pension asset | 3,501,000 | |
| Change in deferred outflows of resources related to pensions | 1,854,521 | |
| Change in deferred inflows of resources related to pensions | <u>(4,494,048)</u> | <u>904,371</u> |
| Change in net position of governmental activities (Exhibit B) | | <u>\$ 8,187,817</u> |

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

Exhibit C-5

Cheatham County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Fund
For the Year Ended June 30, 2022

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---------------------------------------|---------------|------------------|---------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Local Taxes | \$ 16,659,410 | \$ 16,133,978 | \$ 16,133,978 | \$ 525,432 |
| Licenses and Permits | 580,437 | 547,750 | 547,750 | 32,687 |
| Fines, Forfeitures, and Penalties | 209,698 | 199,250 | 199,250 | 10,448 |
| Charges for Current Services | 1,545,110 | 1,219,565 | 1,229,309 | 315,801 |
| Other Local Revenues | 694,921 | 866,780 | 874,185 | (179,264) |
| Fees Received From County Officials | 2,309,724 | 2,025,138 | 2,025,138 | 284,586 |
| State of Tennessee | 823,806 | 948,099 | 986,967 | (163,161) |
| Federal Government | 288,662 | 64,850 | 249,799 | 38,863 |
| Other Governments and Citizens Groups | 339,508 | 364,009 | 385,509 | (46,001) |
| Total Revenues | \$ 23,451,276 | \$ 22,369,419 | \$ 22,631,885 | \$ 819,391 |
| <u>Expenditures</u> | | | | |
| <u>General Government</u> | | | | |
| County Commission | \$ 128,421 | \$ 133,420 | \$ 133,420 | \$ 4,999 |
| Beer Board | 1,000 | 4,000 | 6,750 | 5,750 |
| County Mayor/Executive | 179,205 | 196,158 | 196,206 | 17,001 |
| Personnel Office | 67,405 | 71,865 | 71,865 | 4,460 |
| Election Commission | 237,767 | 193,853 | 259,525 | 21,758 |
| Register of Deeds | 217,396 | 223,675 | 229,729 | 12,333 |
| Building | 266,626 | 269,570 | 274,195 | 7,569 |
| County Buildings | 1,231,170 | 1,168,156 | 1,314,698 | 83,528 |
| Other General Administration | 55,340 | 0 | 70,000 | 14,660 |
| Preservation of Records | 20,614 | 19,693 | 21,057 | 443 |
| <u>Finance</u> | | | | |
| Accounting and Budgeting | 331,841 | 336,116 | 345,116 | 13,275 |
| Property Assessor's Office | 334,468 | 337,416 | 349,418 | 14,950 |
| County Trustee's Office | 232,778 | 248,703 | 248,703 | 15,925 |
| County Clerk's Office | 526,630 | 539,321 | 549,001 | 22,371 |
| Data Processing | 194,968 | 190,343 | 197,343 | 2,375 |
| <u>Administration of Justice</u> | | | | |
| Circuit Court | 583,824 | 595,790 | 650,824 | 67,000 |
| General Sessions Court | 134,605 | 137,791 | 138,011 | 3,406 |
| Chancery Court | 264,268 | 268,192 | 268,422 | 4,154 |
| Juvenile Court | 366,146 | 370,795 | 389,550 | 23,404 |
| District Attorney General | 18,000 | 18,000 | 18,000 | 0 |
| Probation Services | 139,783 | 172,231 | 172,231 | 32,448 |
| Courtroom Security | 115,891 | 126,994 | 129,448 | 13,557 |
| Victim Assistance Programs | 45,300 | 43,760 | 49,025 | 3,725 |
| <u>Public Safety</u> | | | | |
| Sheriff's Department | 3,402,045 | 3,382,918 | 3,552,071 | 150,026 |
| Jail | 2,412,692 | 2,778,063 | 2,836,013 | 423,321 |
| Rural Fire Protection | 1,311,089 | 1,318,149 | 1,325,649 | 14,560 |
| Other Emergency Management | 478,205 | 437,738 | 531,081 | 52,876 |
| County Coroner/Medical Examiner | 108,875 | 114,650 | 120,850 | 11,975 |
| Other Public Safety | 645,985 | 746,389 | 746,389 | 100,404 |
| <u>Public Health and Welfare</u> | | | | |
| Local Health Center | 18,830 | 39,785 | 39,785 | 20,955 |
| Rabies and Animal Control | 294,872 | 292,283 | 315,155 | 20,283 |

(Continued)

Exhibit C-5

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

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------|------------------|---------------|--|
| | | Original | Final | |
| <u>Expenditures (Cont.)</u> | | | | |
| <u>Public Health and Welfare (Cont.)</u> | | | | |
| Ambulance/Emergency Medical Services | \$ 2,618,535 | \$ 2,529,700 | \$ 2,655,302 | \$ 36,767 |
| General Welfare Assistance | 32,420 | 33,198 | 33,198 | 778 |
| Sanitation Education/Information | 47,876 | 49,873 | 50,173 | 2,297 |
| <u>Social, Cultural, and Recreational Services</u> | | | | |
| Senior Citizens Assistance | 115,283 | 119,524 | 119,524 | 4,241 |
| Libraries | 300,027 | 273,520 | 305,388 | 5,361 |
| <u>Agriculture and Natural Resources</u> | | | | |
| Agricultural Extension Service | 87,939 | 119,046 | 119,046 | 31,107 |
| Soil Conservation | 43,341 | 43,476 | 43,476 | 135 |
| <u>Other Operations</u> | | | | |
| Other Economic and Community Development | 114,689 | 120,371 | 120,871 | 6,182 |
| Veterans' Services | 105,332 | 112,468 | 113,785 | 8,453 |
| Other Charges | 358,540 | 362,000 | 362,000 | 3,460 |
| Contributions to Other Agencies | 239,373 | 211,016 | 239,373 | 0 |
| Employee Benefits | 3,124,840 | 3,358,431 | 3,202,347 | 77,507 |
| Miscellaneous | 300,713 | 337,653 | 337,653 | 36,940 |
| <u>Capital Projects</u> | | | | |
| Public Safety Projects | 7,726 | 0 | 7,788 | 62 |
| Highway and Street Capital Projects | 420 | 300 | 420 | 0 |
| Education Capital Projects | 64,518 | 0 | 165,108 | 100,590 |
| Total Expenditures | \$ 21,927,611 | \$ 22,446,393 | \$ 23,424,982 | \$ 1,497,371 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 1,523,665 | \$ (76,974) | \$ (793,097) | \$ 2,316,762 |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Notes Issued | \$ 0 | \$ 300 | \$ 300 | \$ (300) |
| Insurance Recovery | 1,306 | 0 | 1,306 | 0 |
| Transfers In | 36,043 | 22,465 | 22,465 | 13,578 |
| Total Other Financing Sources | \$ 37,349 | \$ 22,765 | \$ 24,071 | \$ 13,278 |
| Net Change in Fund Balance | \$ 1,561,014 | \$ (54,209) | \$ (769,026) | \$ 2,330,040 |
| Fund Balance, July 1, 2021 | 7,699,291 | 5,753,785 | 7,699,291 | 0 |
| Fund Balance, June 30, 2022 | \$ 9,260,305 | \$ 5,699,576 | \$ 6,930,265 | \$ 2,330,040 |

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

Exhibit C-6

Cheatham County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Highway/Public Works Fund
For the Year Ended June 30, 2022

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------|---------------------|-----------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Local Taxes | \$ 1,105,231 | \$ 1,039,182 | \$ 1,039,182 | \$ 66,049 |
| Licenses and Permits | 200 | 0 | 0 | 200 |
| Other Local Revenues | 25,326 | 200 | 4,946 | 20,380 |
| State of Tennessee | 2,760,587 | 3,392,543 | 3,392,543 | (631,956) |
| Federal Government | 38,419 | 0 | 0 | 38,419 |
| Total Revenues | <u>\$ 3,929,763</u> | <u>\$ 4,431,925</u> | <u>\$ 4,436,671</u> | <u>\$ (506,908)</u> |
| <u>Expenditures</u> | | | | |
| <u>Highways</u> | | | | |
| Administration | \$ 206,260 | \$ 204,764 | \$ 207,604 | \$ 1,344 |
| Highway and Bridge Maintenance | 2,306,034 | 1,939,678 | 2,856,078 | 550,044 |
| Operation and Maintenance of Equipment | 498,539 | 446,202 | 513,506 | 14,967 |
| Other Charges | 149,062 | 158,951 | 160,635 | 11,573 |
| Employee Benefits | 461,998 | 444,516 | 469,612 | 7,614 |
| Capital Outlay | 436,400 | 1,096,441 | 1,446,441 | 1,010,041 |
| <u>Principal on Debt</u> | | | | |
| Highways and Streets | 133,333 | 133,333 | 133,333 | 0 |
| <u>Interest on Debt</u> | | | | |
| Highways and Streets | 8,038 | 8,040 | 8,040 | 2 |
| Total Expenditures | <u>\$ 4,199,664</u> | <u>\$ 4,431,925</u> | <u>\$ 5,795,249</u> | <u>\$ 1,595,585</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ (269,901)</u> | <u>\$ 0</u> | <u>\$ (1,358,578)</u> | <u>\$ 1,088,677</u> |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Transfers Out | \$ (100,000) | \$ 0 | \$ (100,000) | \$ 0 |
| Total Other Financing Sources | <u>\$ (100,000)</u> | <u>\$ 0</u> | <u>\$ (100,000)</u> | <u>\$ 0</u> |
| Net Change in Fund Balance | \$ (369,901) | \$ 0 | \$ (1,458,578) | \$ 1,088,677 |
| Fund Balance, July 1, 2021 | 3,285,783 | 2,297,385 | 3,285,783 | 0 |
| Fund Balance, June 30, 2022 | <u>\$ 2,915,882</u> | <u>\$ 2,297,385</u> | <u>\$ 1,827,205</u> | <u>\$ 1,088,677</u> |

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

Exhibit D-1

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

| | <u>Custodial Funds</u> |
|--|----------------------------|
| <u>ASSETS</u> | |
| Cash | \$ 2,285,483 |
| Due from Other Governments | <u>922,328</u> |
| Total Assets | <u>\$ 3,207,811</u> |
| <u>LIABILITIES</u> | |
| Due to Other Taxing Units | <u>\$ 922,328</u> |
| Total Liabilities | <u>\$ 922,328</u> |
| <u>NET POSITION</u> | |
| Restricted for Individuals, Organizations, and Other Governments | <u>\$ 2,285,483</u> |
| Total Net Position | <u><u>\$ 2,285,483</u></u> |

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

Exhibit D-2

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

| | <u>Custodial Funds</u> |
|---|----------------------------|
| <u>ADDITIONS</u> | |
| Sales Tax Collections for Other Governments | \$ 5,545,021 |
| Fines/Fees and Other Collections | <u>11,305,060</u> |
| Total Additions | <u>\$ 16,850,081</u> |
| <u>DEDUCTIONS</u> | |
| Payment of Sales Tax Collections to Other Governments | \$ 5,545,021 |
| Payments to State | 5,437,613 |
| Payments to County/City | 3,558,376 |
| Payments to Individuals and Others | <u>2,368,681</u> |
| Total Deductions | <u>\$ 16,909,691</u> |
| Net Increase (Decrease) in Fiduciary in Net Position | \$ (59,610) |
| Net Position, July 1, 2021 | <u>2,345,093</u> |
| Net Position, June 30, 2022 | <u><u>\$ 2,285,483</u></u> |

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cheatham 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 Cheatham County:

A. Reporting Entity

Cheatham County is a public municipal corporation governed by an elected 12-member board. As required by GAAP, these financial statements present Cheatham County (the primary government) and its component units. The financial statements of the Cheatham County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of this omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

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

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

Administrative Office:

Cheatham County Emergency
Communications District
P.O. Box 682
Ashland City, TN 37015

Related Organizations – The Cheatham County Water and Wastewater Authority and the Cheatham County Industrial Development Board are related organizations of Cheatham County. The county is responsible for appointing the members of the boards, but the county’s accountability for the organizations does not extend beyond making the appointments.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all 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 Cheatham 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 Cheatham 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.

Cheatham County issues all debt for the discretely presented Cheatham County School Department. Net debt issues totaling \$4,222,851 were contributed by the county to the school department during the year ended June 30, 2022.

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

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

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

Fund financial statements of Cheatham County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. Cheatham County has no proprietary funds to report.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Cheatham County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the

related fund liability is incurred. Principal and interest on long-term debt, including lease obligations, are recognized as fund liabilities when due or when amounts have been accumulated in the debt service funds for payments to be made early in the following year.

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

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.

Cheatham County reports the following major governmental funds:

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

Other General Government Fund – This special revenue fund accounts for all financial resources and payments made related to the American Rescue Plan Act Grant.

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.

Education Debt Service Fund – This fund accounts for the accumulation of resources for, and the payment of, debt principal, interest, and related costs for school construction and renovation projects.

Education Capital Projects Fund – This fund accounts for debt issued by Cheatham County that is subsequently contributed to the discretely presented Cheatham County School Department for construction and renovation projects.

Additionally, Cheatham County reports the following fund type:

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

The discretely presented Cheatham 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.

Internal School Fund – This special revenue 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. Collections from students and school activities are the foundational revenues of this fund. 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>.

Education Capital Projects Fund – This fund is used to account for the receipt of debt issued by Cheatham County and contributed to the school department for building construction and renovations.

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

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

1. Deposits and Investments

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Cheatham 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 Fund. Cheatham 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. Cheatham County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

2. Receivables and Payables

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

All ambulance and property taxes receivable are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to one 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 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 Cheatham 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 Cheatham County School Department to fund retirement

benefits upon approval of the TCRS Board of Directors. To date, the Cheatham 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.

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 as assets with an initial, individual cost of \$10,000 or more and an estimated useful life of more than five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

| <u>Assets</u> | <u>Years</u> |
|----------------------------|--------------|
| Buildings and Improvements | 20 - 40 |
| Land Improvements | 10 - 20 |
| Other Capital Assets | 5 - 15 |
| Infrastructure | 20 - 40 |

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. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position. These

items are for pension and OPEB changes in experience, pension and OPEB changes in assumptions, pension changes in proportionate share, and employer contributions made to the pension and OPEB plans after the measurement date.

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

6. Compensated Absences

It is the county's policy to permit employees to accumulate limited amounts of earned but unused vacation benefits (with the exception of the Offices of County Clerk and Trustee that do not allow the accumulation of unused vacation). The general policy of the county permits the unlimited accumulation of unused sick leave days. There is no liability for unpaid accumulated sick leave (with the exception of the highway department) since Cheatham County does not have a policy to pay any amounts when employees separate from service with the government.

School department employees may accumulate limited amounts of earned but unused vacation benefits. The general policy of the school department permits the unlimited accumulation of unused sick leave days. The granting of vacation and sick leave has no guaranteed payment attached and therefore is not required to be accrued or recorded.

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

7. Long-term Debt, Lease Obligations, and Long-term Obligations

In the government-wide financial statements, long-term debt, lease obligations, 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 and lease obligations, is recognized as a liability and expenditure in the governmental fund financial statements. Liabilities and expenditures for other long-term obligations, including compensated absences, landfill closure/ postclosure care costs, 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, equity is classified as net position and displayed in three components:

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

other governments or (2) law through constitutional provisions or enabling legislation.

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

The government-wide Statement of Net Position reports \$20,448,469 of restricted net position, of which \$114,281 is restricted by enabling legislation.

As of June 30, 2022, Cheatham County had \$833,932 in outstanding debt for capital purposes of the discretely presented Cheatham County School Department. This debt is a liability of Cheatham County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Cheatham County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

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

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

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

Committed Fund Balance – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the county commission, the county's highest level of decision-making authority and the Board of

Education, the school department's highest level of decision-making authority, and shall remain binding unless removed in the same manner.

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

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

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

The primary government does not provide Other Postemployment Benefits (OPEB) to retirees.

Discretely Presented Cheatham 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 Cheatham 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 Cheatham County School Department

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

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

Primary Government

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

Discretely Presented Cheatham County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

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

At June 30, 2022, Cheatham County School Department had the following outstanding encumbrances:

| Funds | Amount |
|------------------------|------------|
| School Department: | |
| Major Fund: | |
| General Purpose School | \$ 241,464 |
| Nonmajor Fund: | |
| Central Cafeteria | 78,512 |

B. Cash Shortage

The Office of Director of Schools had a cash shortage of \$29,774 as of June 30, 2022. Details of this cash shortage are discussed in the Schedule of Findings and Questioned Costs section of this report.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

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

For deposits with financial institutions that do not participate in the bank collateral pool, state statutes require that all deposits be collateralized with collateral whose 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 Promontory IntraFi Network, LLC.

Investments

Legal Provisions. Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and federal chartered banks and savings and loan associations; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes. These investments may not have a maturity greater than two years. The county may make investments with longer maturities if various restrictions set out in state law are followed. Counties are also authorized to make investments in the State Treasurer's Investment Pool, the State Treasurer's Intermediate Term Investment Fund, and in repurchase agreements. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the State

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

Investment Balances. As of June 30, 2022, Cheatham County had the following investments carried at amortized cost using a Stable Net Asset Value. All investments are in the State Treasurer’s Investment Pool. Separate disclosures concerning pooled investments cannot be made for Cheatham County and the discretely presented Cheatham County School Department since both pool their deposits and investments through the county trustee.

| Investment | Weighted Average Maturity | Amortized Cost |
|-----------------------------------|---------------------------------|-------------------|
| State Treasurer's Investment Pool | 1 to 44 days | \$ 9,184,006 |

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. Cheatham 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. Cheatham County has no investment policy that would further limit its investment choices. As of June 30, 2022, Cheatham County’s investment in the State Treasurer’s Investment Pool and the State Treasurer’s Intermediate Term Investment Fund was unrated.

Further information concerning the legal provisions, investment policies, investment types, and credit risks for the State Treasurer’s Investment Pool and the State Treasurer’s Intermediate Term Investment Fund can be

obtained by reviewing the State of Tennessee Annual Comprehensive Financial Report at <https://www.tn.gov/finance/rd-doa/fa-accfin-ar.html>.

TCRS Stabilization Trust

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

On June 30, 2022, the Cheatham 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 | \$ 208,004 |
| Developed Market International Equity | N/A | N/A | 93,937 |
| Emerging Market International Equity | N/A | N/A | 26,839 |
| U.S. Fixed Income | N/A | N/A | 134,196 |
| Real Estate | N/A | N/A | 67,098 |
| Short-term Securities | N/A | N/A | 6,710 |
| NAV - Private Equity and Strategic Lending | N/A | N/A | 134,195 |
| Total | | | \$ 670,979 |

For further information concerning the legal provisions, investment policies, investment types, and credit risks of the school department’s investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at <https://comptroller.tn.gov/content/dam/cot/sa/advanced-search/disclaimer/2022/ag21066.pdf>.

B. Capital Assets

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

Primary Government

Governmental Activities:

| | Balance 7-1-21 | Increases | Decreases | Balance 6-30-22 |
|--|----------------------|---------------------|---------------------|----------------------|
| Capital Assets Not Depreciated: | | | | |
| Land | \$ 1,913,484 | \$ 0 | \$ 0 | \$ 1,913,484 |
| Intangibles | 346,104 | 34,800 | 0 | 380,904 |
| Construction in Progress | 2,777,318 | 2,536,693 | (331,308) | 4,982,703 |
| Total Capital Assets Not Depreciated | <u>\$ 5,036,906</u> | <u>\$ 2,571,493</u> | <u>\$ (331,308)</u> | <u>\$ 7,277,091</u> |
| Capital Assets Depreciated: | | | | |
| Buildings and Improvements | \$ 21,580,240 | \$ 331,308 | \$ (10,000) | \$ 21,901,548 |
| Other Capital Assets Infrastructure | 10,209,909 | 544,653 | (386,135) | 10,368,427 |
| | 16,808,514 | 0 | 0 | 16,808,514 |
| Total Capital Assets Depreciated | <u>\$ 48,598,663</u> | <u>\$ 875,961</u> | <u>\$ (396,135)</u> | <u>\$ 49,078,489</u> |
| Less Accumulated Depreciation for: | | | | |
| Buildings and Improvements | \$ 8,985,570 | \$ 503,278 | \$ (9,250) | \$ 9,479,598 |
| Other Capital Assets Infrastructure | 7,652,342 | 832,463 | (383,055) | 8,101,750 |
| | 16,446,863 | 87,221 | 0 | 16,534,084 |
| Total Accumulated Depreciation | <u>\$ 33,084,775</u> | <u>\$ 1,422,962</u> | <u>\$ (392,305)</u> | <u>\$ 34,115,432</u> |
| Total Capital Assets Depreciated, Net | <u>\$ 15,513,888</u> | <u>\$ (547,001)</u> | <u>\$ (3,830)</u> | <u>\$ 14,963,057</u> |
| Governmental Activities Capital Assets, Net | <u>\$ 20,550,794</u> | <u>\$ 2,024,492</u> | <u>\$ (335,138)</u> | <u>\$ 22,240,148</u> |

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

Governmental Activities:

| | |
|---|----------------------------|
| General Government | \$ 365,032 |
| Public Safety | 420,531 |
| Public Health and Welfare | 367,938 |
| Social, Cultural, and Recreational Services | 32,795 |
| Highway/Public Works | <u>236,666</u> |
| Total Depreciation and Amortization Expense- Governmental Activities | <u><u>\$ 1,422,962</u></u> |

Net Investment in Capital Assets

| | |
|---|-----------------------------|
| Capital Assets | \$ 22,240,148 |
| Less: | |
| Outstanding principal of capital debt and other capital borrowings | <u>(6,433,396)</u> |
| Net Investment in Capital Assets | <u><u>\$ 15,806,752</u></u> |

Discretely Presented Cheatham County School Department

Governmental Activities:

| | Balance 7-1-21 | Increases | Decreases | Balance 6-30-22 |
|--|-----------------------|---------------------|-----------------------|-----------------------|
| Capital Assets Not Depreciated: | | | | |
| Land | \$ 1,660,436 | \$ 0 | \$ 0 | \$ 1,660,436 |
| Construction in Progress | 1,298,026 | 0 | (1,298,026) | 0 |
| Total Capital Assets Not Depreciated | \$ 2,958,462 | \$ 0 | \$ (1,298,026) | \$ 1,660,436 |
| Capital Assets Depreciated: | | | | |
| Buildings and Improvements | \$ 99,586,711 | \$ 5,381,071 | \$ 0 | \$ 104,967,782 |
| Other Capital Assets | 9,423,000 | 174,316 | (603,890) | 8,993,426 |
| Total Capital Assets Depreciated | \$ 109,009,711 | \$ 5,555,387 | \$ (603,890) | \$ 113,961,208 |
| Less Accumulated Depreciation for: | | | | |
| Buildings and Improvements | \$ 57,777,345 | \$ 2,119,105 | \$ 0 | \$ 59,896,450 |
| Other Capital Assets | 4,865,350 | 541,587 | (603,890) | 4,803,047 |
| Total Accumulated Depreciation | \$ 62,642,695 | \$ 2,660,692 | \$ (603,890) | \$ 64,699,497 |
| Total Capital Assets Depreciated, Net | \$ 46,367,016 | \$ 2,894,695 | \$ 0 | \$ 49,261,711 |
| Governmental Activities Capital Assets, Net | \$ 49,325,478 | \$ 2,894,695 | \$ (1,298,026) | \$ 50,922,147 |

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

Governmental Activities:

| | |
|---|----------------------------|
| Instruction | \$ 1,286 |
| Support Services | 2,650,158 |
| Operation of Non-instructional Services | <u>9,248</u> |
| Total Depreciation Expense - Governmental Activities | <u>\$ 2,660,692</u> |

C. Interfund Transfers

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

Primary Government

| Transfers Out | Transfers In | | Purpose |
|----------------------------|------------------|----------------------------|---------------------|
| | General Fund | Nonmajor Governmental Fund | |
| Highway/Public Works Fund | \$ 0 | \$ 100,000 | Debt retirement |
| Nonmajor Governmental Fund | 36,043 | 0 | DICE officer salary |
| " | 0 | 70,000 | Debt retirement |
| Total | \$ 36,043 | \$ 170,000 | |

Discretely Presented Cheatham County School Department

| Transfers Out | Transfers In | | Purpose |
|-----------------------------|-----------------------------|---------------------------------|----------------|
| | General Purpose School Fund | Education Capital Projects Fund | |
| General Purpose School Fund | \$ 0 | \$ 317,000 | Operations |
| Nonmajor Governmental Fund | 400,000 | 0 | " |
| " | 489,314 | 0 | Indirect costs |
| Total | \$ 889,314 | \$ 317,000 | |

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

D. Long-term Debt

Primary Government

Notes and Other Loans

Direct Borrowing and Direct Placements - Cheatham County issues other loans to provide funds for the acquisition and construction of major capital facilities and other capital outlay purchases, such as equipment, for the primary government and discretely presented school department. Capital outlay notes are also issued to fund capital facilities. Capital outlay notes, and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes, and other loans outstanding were issued for original terms of up to 11 years for notes and up to 15 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes and other loans included in long-term debt as of June 30, 2022, will be retired from the General Debt Service and Education Debt Service funds.

Capital outlay notes, and other loans outstanding as of June 30, 2022, for governmental activities are as follows:

| Type | Interest Rate | Final Maturity | Original Amount of Issue | Balance 6-30-22 |
|--|----------------|----------------|--------------------------|-----------------|
| Direct Borrowing and Direct Placement: | | | | |
| Capital Outlay Notes | 2.68 to 4.75 % | 6-1-24 | \$ 3,271,000 | \$ 618,334 |
| Other Loans | .75 to 3.58 | 6-1-32 | 12,500,980 | 6,648,994 |

In a prior year, Cheatham County entered into a loan agreement with the Public Building Authority of the City of Clarksville. This loan agreement provided for the authority to loan \$5,000,000 to Cheatham County on an as-needed basis for various renovation and construction projects. This loan is repayable at a fixed interest rate of 3.58 percent.

Also in a prior year, Cheatham County entered into a loan agreement with the Public Building Authority of the City of Clarksville. This loan agreement provided for the authority to loan up to \$2,700,000 to Cheatham County for the construction of the highway department facility. This loan is repayable at a fixed interest rate of 2.22 percent.

Additionally, in a prior year, Cheatham County entered into a loan agreement with the Tennessee Energy Efficient Schools Council. This loan agreement provided for the authority to make \$5,028,918 available for loan to the discretely presented Cheatham County School Department for energy efficiency upgrades. This loan is repayable at a .75 percent rate of interest over 13 years.

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

| Year Ending June 30 | Notes - Direct Placement | | |
|------------------------|--------------------------|-----------|------------|
| | Principal | Interest | Total |
| 2023 | \$ 414,334 | \$ 12,595 | \$ 426,929 |
| 2024 | 204,000 | 3,100 | 207,100 |
| Total | \$ 618,334 | \$ 15,695 | \$ 634,029 |

| Year Ending June 30 | Other Loans - Direct Placement | | |
|------------------------|--------------------------------|--------------|--------------|
| | Principal | Interest | Total |
| 2023 | \$ 950,584 | \$ 190,480 | \$ 1,141,064 |
| 2024 | 933,348 | 171,072 | 1,104,420 |
| 2025 | 549,000 | 152,968 | 701,968 |
| 2026 | 567,000 | 135,797 | 702,797 |
| 2027 | 585,000 | 118,065 | 703,065 |
| 2028-2032 | 3,064,062 | 302,599 | 3,366,661 |
| Total | \$ 6,648,994 | \$ 1,070,981 | \$ 7,719,975 |

There is \$529,786 available in the General Debt Service Fund and \$7,582,161 available in the Education Debt Service Fund to service long-term debt. Total debt per capita, including notes and other loans totaled \$177, based on the 2020 federal census.

Changes in Long-term Debt

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

| Governmental Activities | Bonds | Notes - Direct Placement | Other |
|-----------------------------|------------|-----------------------------|-----------------------------|
| | | | Loans - Direct Placement |
| Balance, July 1, 2021 | \$ 418,700 | \$ 4,308,146 | \$ 7,456,237 |
| Additions | 0 | 4,222,851 | 294,101 |
| Reductions | (418,700) | (7,912,663) | (1,101,344) |
| Balance, June 30, 2022 | \$ 0 | \$ 618,334 | \$ 6,648,994 |
| Balance Due Within One Year | \$ 0 | \$ 414,334 | \$ 950,584 |

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

| | |
|--|---------------------|
| Total Noncurrent Liabilities - Debt, June 30, 2022 | \$ 7,267,328 |
| Less: Due Within One Year - Debt | <u>(1,364,918)</u> |
| Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A | <u>\$ 5,902,410</u> |

E. Long-term Obligations

Changes in Long-term Obligations

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

Governmental Activities:

| | Compensated Absences | Landfill Closure/ Postclosure Care Costs |
|-----------------------------|-------------------------|---|
| Balance, July 1, 2021 | \$ 916,853 | \$ 218,848 |
| Additions | 981,053 | 8,973 |
| Reductions | <u>(1,023,674)</u> | <u>0</u> |
| Balance, June 30, 2022 | <u>\$ 874,232</u> | <u>\$ 227,821</u> |
| Balance Due Within One Year | <u>\$ 305,981</u> | <u>\$ 0</u> |

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

| | |
|---|-------------------|
| Total Noncurrent Liabilities - Other, June 30, 2022 | \$ 1,102,053 |
| Less: Due Within One Year - Other | <u>(305,981)</u> |
| Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A | <u>\$ 796,072</u> |

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

Discretely Presented Cheatham County School Department

Changes in Long-term Obligations

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

Governmental Activities

| | Other Postemployment Benefits |
|-----------------------------|-------------------------------------|
| Balance, July 1, 2021 | \$ 7,686,506 |
| Additions | 1,531,786 |
| Reductions | <u>(1,706,204)</u> |
| Balance, June 30, 2022 | <u>\$ 7,512,088</u> |
| Balance Due Within One Year | <u>\$ 0</u> |

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

| | |
|---|---------------------|
| Total Noncurrent Liabilities - Other, June 30, 2022 | \$ 7,512,088 |
| Less: Due Within One Year - Other | <u>0</u> |
| Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A | <u>\$ 7,512,088</u> |

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

F. On-Behalf Payments – Discretely Presented Cheatham County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Cheatham County School Department. These payments are made by the state to the Local Education Group Insurance Plan. This 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, 2022, totaled \$102,367. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. OTHER INFORMATION

A. Risk Management

Cheatham County

The county joined the Local Government Property and Casualty Fund (LGPCF), which is a public entity risk pool established by the Tennessee County Services Association, an association of member counties. The county pays an annual premium to the LGPCF for its general liability, property, and casualty insurance coverage. The creation of the LGPCF provides for it to be self-sustaining through member premiums. The LGPCF reinsures through

commercial insurance companies for claims exceeding \$250,000 for property and \$450,000 for liability for each insured event.

The county participates in the Tennessee Risk Management Trust (TN-RMT), which is a public entity risk pool created under the auspices of the Tennessee Governmental Tort Liability Act to provide governmental insurance coverage. The county pays an annual premium to the TN-RMT for its workers' compensation insurance coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

Employee Health Insurance

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

Discretely Presented Cheatham County School Department

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

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

B. Accounting Changes

GASB Statement No. 87, *Leases*, became effective for fiscal year ending June 30, 2022. Leases should be recognized and measured using the facts and circumstances that exist at the beginning of the period of implementation.

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

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

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

GASB Statement 93, *Replacement of Interbank Offered Rates*, became effective

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

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

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

C. Contingent Liabilities

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

The county is involved in several pending lawsuits. The county attorney estimates that any potential claims resulting from such litigation would not materially affect the county's financial statements.

D. Landfill Closure/Postclosure Care Costs

Cheatham County has an active permit on file with the state Department of Environment and Conservation for a sanitary landfill. The county has provided financial assurances for estimated closure and postclosure liabilities as

required by the State of Tennessee. These financial assurances are on file with the Department of Environment and Conservation.

State and federal laws and regulations require Cheatham County to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$227,821 reported as landfill closure and postclosure care liability at June 30, 2022, represents the cumulative amount reported to date based on the use of 21 percent of the estimated capacity of the landfill. The county will recognize the remaining estimated costs of closure and postclosure care of \$857,041 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2022. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

E. Joint Ventures

The Cheatham County Joint Economic and Community Development Board is a joint venture between Cheatham County and the cities of Ashland City, Kingston Springs, Pegram, and Pleasant View. The board comprises the county mayor, city mayors, and thirteen additional members. The purpose of the board is to foster communication relative to economic and community development between and among governmental entities, industry, and private citizens. The county and cities will provide the majority of funding for the board based on the percentage of their population compared to the total census of the county when financial activity begins. Cheatham County contributed \$106,911 to the Cheatham County Joint Economic and Community Development Board during the 2021-22 year.

The Twenty-third Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twenty-third Judicial District; Cheatham, Dickson, Houston, Humphreys, and Stewart counties; and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Cheatham County did not appropriate any funds to the operations of the DTF during the year ended June 30, 2022.

Cheatham County does not retain an equity interest in any of these joint ventures. Complete financial statements for the above-noted joint ventures can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Joint Economic and Community Development Board
100 Public Square
Ashland City, TN 37015

District Attorney General
Twenty-third Judicial District Drug Task Force
P.O. Box 580
Charlotte, TN 37036

F. Jointly Governed Organizations

The Cheatham County Rail Authority was created by the county in conjunction with Metropolitan Davidson County. The Cheatham County Rail Authority's board includes seven members. Five members are appointed by the Cheatham County Commission, and two members are appointed by Metropolitan Davidson County. Cheatham County did not appropriate any funds to the authority for the year ended June 30, 2022. Funding sources for the Cheatham County Rail Authority are grants, freight service fees, interest, and private contributions.

The Ashland City Port Authority was created by the county in conjunction with Ashland City to promote navigation on the Cumberland River. The Ashland City Port Authority's board includes five members. Two members are appointed by the Cheatham County Commission, two members are appointed by the Ashland City Council, and the fifth member is selected by the four appointees. Funding sources for the Ashland City Port Authority are grants, fees, and donations. Cheatham County did not appropriate any funds to the authority for the year ended June 30, 2022.

G. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

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

comprised 63.52 percent, the non-certified employees of the discretely presented school department comprise 36.48 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 non-service-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

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

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

| | |
|--|---------------------|
| Inactive Employees or Beneficiaries Currently Receiving Benefits | 283 |
| Inactive Employees Entitled to But Not Yet Receiving Benefits | 717 |
| Active Employees | <u>496</u> |
| Total | <u><u>1,496</u></u> |

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary to the plan (alternatively - employees are non-contributory). Cheatham County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2022, the employer contribution for Cheatham County was \$800,452 based on a rate of 4.5 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Cheatham 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)

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

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

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

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

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

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

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

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

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

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

Changes in the Net Pension Liability (Asset)

| | Increase (Decrease) | | |
|---|--------------------------------------|--|---|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (Asset) (a)-(b) |
| Balance, July 1, 2020 | \$ 48,913,213 | \$ 49,613,128 | \$ (699,915) |
| Changes for the Year: | | | |
| Service Cost | \$ 1,391,685 | \$ 0 | \$ 1,391,685 |
| Interest | 3,563,580 | 0 | 3,563,580 |
| Differences Between Expected and Actual Experience | (550,050) | 0 | (550,050) |
| Changes in Assumptions | 4,364,704 | 0 | 4,364,704 |
| Contributions-Employer | 0 | 766,017 | (766,017) |
| Contributions-Employees | 0 | 851,456 | (851,456) |
| Net Investment Income | 0 | 12,704,504 | (12,704,504) |
| Benefit Payments, Including Refunds of Employee Contributions | (2,304,149) | (2,304,149) | 0 |
| Administrative Expense | 0 | (43,163) | 43,163 |
| Net Changes | \$ 6,465,770 | \$ 11,974,665 | \$ (5,508,895) |
| Balance, June 30, 2021 | \$ 55,378,983 | \$ 61,587,793 | \$ (6,208,810) |

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

| | | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability (Asset) |
|--------------------|--------|-------------------------------|--------------------------------------|--|
| Primary Government | 63.52% | \$ 35,176,730 | \$ 39,120,566 | \$ (3,943,836) |
| School Department | 36.48% | 20,202,253 | 22,467,227 | (2,264,974) |
| Total | | <u>\$ 55,378,983</u> | <u>\$ 61,587,793</u> | <u>\$ (6,208,810)</u> |

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

| | 1% Decrease | Current Discount Rate | 1% Increase |
|-----------------|----------------|-----------------------------|----------------|
| Cheatham County | 5.75% | 6.75% | 7.75% |

Net Pension Liability (Asset) \$ 1,524,965 \$ (6,208,810) \$ (12,578,888)

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

Pension Expense (Negative Pension Expense). For the year ended June 30, 2022, Cheatham County recognized pension expense (negative pension expense) of (\$542,168).

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2022, Cheatham 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 | \$ 79,550 | \$ 524,061 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 0 | 6,777,238 |
| Changes in Assumptions | 3,491,763 | 0 |
| Contributions Subsequent to the Measurement Date of June 30, 2021 (1) | 800,452 | N/A |
| Total | <u>\$ 4,371,765</u> | <u>\$ 7,301,299</u> |

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

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--------------------|--------------------------------------|-------------------------------------|
| Primary Government | \$ 2,782,809 | \$ 4,637,785 |
| School Department | 1,588,956 | 2,663,514 |
| Total | <u>\$ 4,371,765</u> | <u>\$ 7,301,299</u> |

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

| Year Ending June 30 | Amount |
|------------------------|----------------|
| 2023 | \$ (1,006,586) |
| 2024 | (839,704) |
| 2025 | (819,821) |
| 2026 | (1,063,871) |
| 2027 | 0 |
| Thereafter | 0 |

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

Discretely Presented Cheatham County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Cheatham County and non-certified employees of the discretely presented Cheatham County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 63.52 percent and the non-certified employees of the discretely presented school department comprise 36.48 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the Cheatham County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan is closed to new membership. Teachers with membership in the TCRS after June 30, 2014, are provided with pensions through a legally separate plan referred to as the Teacher Retirement Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of

state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

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

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer

contributions for the year ended June 30, 2022, to the Teacher Retirement Plan were \$200,839, which is 2.01 percent of covered payroll. In addition, employer contributions of \$187,101, which is 1.99 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). At June 30, 2022, the school department reported a liability (asset) of (\$632,745) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2021, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2021, the school department's proportion was .584138 percent. The proportion as of June 30, 2020, was .549238 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2022, the Cheatham County School Department recognized pension expense of \$82,038.

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|---|--|
| Difference Between Expected and Actual Experience | \$ 11,008 | \$ 115,779 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 0 | 364,225 |
| Changes in Assumptions | 228,225 | 0 |
| Changes in Proportion of Net Pension Liability (Asset) | 61,173 | 16,361 |
| LEA's Contributions Subsequent to the Measurement Date of June 30, 2021 | 200,839 | N/A |
| Total | <u>\$ 501,245</u> | <u>\$ 496,365</u> |

The school department's employer contributions of \$200,839, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) of net pension liability (asset) in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ending June 30 | Amount |
|------------------------|-------------|
| 2023 | \$ (74,802) |
| 2024 | (72,809) |
| 2025 | (72,241) |
| 2026 | (81,406) |
| 2027 | 15,742 |
| Thereafter | 89,557 |

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

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

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

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

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

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

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

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

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

| School Department's Proportionate Share of the Net Pension Liability (Asset) | 1% Decrease 5.75% | Current Discount Rate 6.75% | 1% Increase 7.75% |
|---|-------------------------|--------------------------------------|-------------------------|
| Net Pension Liability (Asset) | \$ 217,521 | \$ (632,745) | \$ (1,259,847) |

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

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

death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Cheatham County School Department for the year ended June 30, 2022, to the Teacher Legacy Pension Plan were \$1,633,803, which is 10.3 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liability (Assets). At June 30, 2022, the school department reported a liability (asset) of (\$21,153,201) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2021, the school department's proportion was .490425 percent. The proportion measured at June 30, 2020, was .509691 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2022, the school department recognized pension expense (negative pension expense) of (\$3,235,360).

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|---|--|
| Difference Between Expected and Actual Experience | \$ 71,086 | \$ 1,764,246 |
| Changes in Assumptions | 5,651,782 | 0 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 0 | 16,869,205 |
| Changes in Proportion of Net Pension Liability (Asset) | 132,522 | 7,688 |
| LEA's Contributions Subsequent to the Measurement Date of June 30, 2021 | 1,633,803 | N/A |
| Total | <u>\$ 7,489,193</u> | <u>\$ 18,641,139</u> |

The school department's employer contributions of \$1,633,803 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the net pension liability (asset) in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ending June 30 | Amount |
|------------------------|----------------|
| 2023 | \$ (3,024,436) |
| 2024 | (2,857,198) |
| 2025 | (2,351,602) |
| 2026 | (4,552,513) |
| 2027 | 0 |
| Thereafter | 0 |

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

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

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

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

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

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

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

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

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

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

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

Net Pension Liability (Asset) \$ (3,764,558) \$ (21,153,201) \$ (35,624,020)

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

Primary Government

Cheatham County offers its employees a deferred compensation plan, established pursuant to IRC Section 401(k). All costs of administering and funding this program is the responsibility of plan participants. The Section 401(k) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Section 401(k) establishes participation, contribution, and withdrawal provisions for the plan.

Discretely Presented Cheatham County School Department

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

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$499,043 and teachers contributed \$460,148 to this deferred compensation pension plan.

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

Primary Government

During the previous year, Cheatham County elected to discontinue Other Postemployment Benefits (OPEB) to retirees.

Discretely Presented Cheatham County School Department

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

OPEB Provided Through State Administered Public Entity Risk Pool

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

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

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2021, actuarial valuation of each plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

| | |
|--|--|
| Actuarial Cost Method | Entry Age Normal |
| Inflation | 2.25% |
| Salary Increases | Salary increases used in the July 1, 2021, TCRS actuarial valuation; 3.44% to 8.72%, including inflation |
| Discount Rate | 2.16% |
| Healthcare Cost Trend Rates | Based on the Getzen Model, with trend starting at 7.36% for pre-65 retirees in the 2022 calendar year, and decreasing annually over a 10-year period to an ultimate trend rate of 4.5% |
| Retirees Share of Benefit Related Cost | Discussed under each plan |

The discount rate was 2.16 percent, based on the daily rate of 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, 2021, actuarial valuation of the TCRS.

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

Changes in Assumptions. The discount rate changed from 2.21 percent as of the beginning of the measurement period to 2.16 percent as of the

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

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

Plan Description. Employees of the Cheatham 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 Cheatham 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, for certified employees with 30 years of Tennessee Consolidated Retirement System service with at least 20 years of service with the school department at any age or for certified employees with at least 20 years of service with the school department and age 55, a direct subsidy of 100 percent of the premium is provided for employee only or employee plus spouse coverage of the insurance plan selected by the retiree, until the retiree becomes Medicare eligible. No direct subsidy is provided for non-certified employees. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retiree's premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms

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

| | <u>School Department</u> |
|--|------------------------------|
| Inactive Employees Currently Receiving Benefit Payments | 25 |
| Inactive Employees Entitled To But Not Yet Receiving Benefit Payments | 0 |
| Active Employees Eligible For Benefits | <u>469</u> |
| Total | <u><u>494</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 \$262,264 to the LEP for OPEB benefits as they came due.

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

| | <u>Share of Collective Liability</u> | | |
|-----------------------|--|------------------------|---------------------------------|
| | <u>Cheatham County School Department</u> | <u>State of TN</u> | <u>Total OPEB Liability</u> |
| | 72.01% | 27.99% | |
| Balance July 1, 2020 | \$ 7,686,506 | \$ 2,683,735 | \$ 10,370,241 |
| Changes for the Year: | | | |
| Service Cost | \$ 425,774 | \$ 165,497 | \$ 591,271 |
| Interest | 171,544 | 66,679 | 238,223 |
| Changes in | | | |
| Benefit Terms | (76,805) | (29,854) | (106,659) |
| Difference between | | | |
| Expected and Actual | | | |
| Experience | 63,372 | 24,632 | 88,004 |
| Changes in Proportion | (218,729) | 218,729 | 0 |
| Changes in Assumption | | | |
| and Other Inputs | (275,741) | (107,180) | (382,921) |
| Benefit Payments | (263,833) | (102,551) | (366,384) |
| Net Changes | <u>\$ (174,418)</u> | <u>\$ 235,952</u> | <u>\$ 61,534</u> |
| Balance June 30, 2021 | <u>\$ 7,512,088</u> | <u>\$ 2,919,687</u> | <u>\$ 10,431,775</u> |

The Cheatham 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 Cheatham County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$155,543 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Cheatham County School Department's proportionate share of the collective OPEB liability was 72.01 percent and the State of Tennessee's share was 27.99 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2022, the school department recognized OPEB expense of \$346,413, including the state's share of the expense. At June 30, 2022, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|---|--|
| Difference Between Expected and Actual Experience | \$ 56,688 | \$ 1,955,858 |
| Changes of Assumptions/Inputs | 866,538 | 863,755 |
| 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 | 0 | 460,417 |
| Benefits Paid After the Measurement Date of June 30, 2021 | <u>262,264</u> | <u>0</u> |
| Total | <u>\$ 1,185,490</u> | <u>\$ 3,280,030</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> |
|--------------------------------|------------------------------|
| 2023 | \$ (329,655) |
| 2024 | (329,655) |
| 2025 | (329,655) |
| 2026 | (329,655) |
| 2027 | (329,655) |
| Thereafter | (708,529) |

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

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

| <u>Discount Rate</u> | 1% Decrease | Current Discount Rate | 1% Increase |
|----------------------|----------------|-----------------------------|----------------|
| | 1.16% | 2.16% | 3.16% |

| | | | |
|--|--------------|--------------|--------------|
| Proportionate Share of the Collective Total OPEB Liability | \$ 8,085,841 | \$ 7,512,088 | \$ 6,963,148 |
|--|--------------|--------------|--------------|

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 | Curent Rates | 1% Increase |
|-----------------------------------|----------------|-----------------|----------------|
| | 6.36 to 3.5% | 7.36 to 4.5% | 8.36 to 5.5% |

| | | | |
|--|--------------|--------------|--------------|
| Proportionate Share of the Collective Total OPEB Liability | \$ 6,634,064 | \$ 7,512,088 | \$ 8,551,478 |
|--|--------------|--------------|--------------|

I. Office of Central Accounting and Budgeting

Office of Director of Accounts and Budgets

Cheatham County operates under the provisions of the Fiscal Control Acts of 1957. These acts provide for a central system of accounting and budgeting covering all funds administered by the county mayor and road superintendent. These funds are maintained in the Office of Central Accounting and Budgeting under the supervision of the director of accounts and budgets.

J. Purchasing Laws

Offices of County Mayor and Road Superintendent

Purchasing procedures for these offices are governed by Chapter 250, Private Acts of 1933, as amended, and the County Purchasing Law of 1983, Sections 5-14-201 through 5-14-206, *Tennessee Code Annotated (TCA)*. Purchasing procedures for the highway department are also governed by the Uniform Road Law, Section 54-7-113, *TCA*. Chapter 250, Private Acts of 1933, as amended, provides for the establishment of a Purchasing Commission whose responsibility is to establish guidelines for bid requirements and purchasing procedures and to keep a record of all purchases. The County Purchasing Law of 1983 provide for purchases exceeding \$10,000 and the Uniform Road Law for purchases exceeding \$25,000 to be made after public advertisement and solicitation of competitive bids.

Office of Director of Schools

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

K. Subsequent Events

On August 31, 2022, Margie Jarrell left the Office of Trustee and was succeeded by Cindy Perry, Teresa Gupton left the Office of County Clerk and was succeeded by Abby Short, Julie Hibbs left the Office of Circuit and General Sessions Courts Clerk and was succeeded by Holly Waller, Patrick Smith left the Office of Register of Deeds and was succeeded by Chrissy Henderson, and Mike Breedlove left the Office of Sheriff and was succeeded by Tim Binkley.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit E-1

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

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|----------------|---------------|---------------|---------------|----------------|----------------|---------------|----------------|
| Total Pension Liability | | | | | | | | |
| Service Cost | \$ 994,390 | \$ 1,030,792 | \$ 1,076,461 | \$ 1,326,246 | \$ 1,342,607 | \$ 1,408,168 | \$ 1,353,571 | \$ 1,391,685 |
| Interest | 2,433,946 | 2,539,278 | 2,726,187 | 2,899,334 | 3,034,858 | 3,183,085 | 3,367,035 | 3,563,580 |
| Differences Between Actual and Expected Experience | (596,410) | 470,051 | (41,287) | (307,635) | (396,224) | (11,941) | 132,584 | (550,050) |
| Changes in Assumptions | 0 | 0 | 0 | 1,200,027 | 0 | 0 | 0 | 4,364,704 |
| Benefit Payments, Including Refunds of Employee Contributions | (1,367,699) | (1,560,128) | (1,627,200) | (1,777,849) | (2,086,172) | (1,918,413) | (2,056,530) | (2,304,149) |
| Net Change in Total Pension Liability | \$ 1,464,227 | \$ 2,479,993 | \$ 2,134,161 | \$ 3,340,123 | \$ 1,895,069 | \$ 2,660,899 | \$ 2,796,660 | \$ 6,465,770 |
| Total Pension Liability, Beginning | 32,142,081 | 33,606,308 | 36,086,301 | 38,220,462 | 41,560,585 | 43,455,654 | 46,116,553 | 48,913,213 |
| Total Pension Liability, Ending (a) | \$ 33,606,308 | \$ 36,086,301 | \$ 38,220,462 | \$ 41,560,585 | \$ 43,455,654 | \$ 46,116,553 | \$ 48,913,213 | \$ 55,378,983 |
| Plan Fiduciary Net Position | | | | | | | | |
| Contributions - Employer | \$ 761,356 | \$ 783,645 | \$ 853,253 | \$ 688,582 | \$ 702,299 | \$ 708,919 | \$ 763,185 | \$ 766,017 |
| Contributions - Employee | 664,687 | 675,582 | 824,416 | 766,366 | 812,767 | 806,510 | 855,148 | 851,456 |
| Net Investment Income | 5,122,155 | 1,109,859 | 983,896 | 4,295,328 | 3,462,067 | 3,323,785 | 2,355,958 | 12,704,504 |
| Benefit Payments, Including Refunds of Employee Contributions | (1,367,699) | (1,560,128) | (1,627,200) | (1,777,849) | (2,086,172) | (1,918,413) | (2,056,530) | (2,304,149) |
| Administrative Expense | (16,751) | (21,907) | (36,940) | (41,241) | (46,638) | (43,331) | (43,987) | (43,163) |
| Other | 0 | 0 | 13,205 | 5,059 | 0 | 0 | 0 | 0 |
| Net Change in Plan Fiduciary Net Position | \$ 5,163,748 | \$ 987,051 | \$ 1,010,630 | \$ 3,936,245 | \$ 2,844,323 | \$ 2,877,470 | \$ 1,873,774 | \$ 11,974,665 |
| Plan Fiduciary Net Position, Beginning | 30,919,887 | 36,083,635 | 37,070,686 | 38,081,316 | 42,017,561 | 44,861,884 | 47,739,354 | 49,613,128 |
| Plan Fiduciary Net Position, Ending (b) | \$ 36,083,635 | \$ 37,070,686 | \$ 38,081,316 | \$ 42,017,561 | \$ 44,861,884 | \$ 47,739,354 | \$ 49,613,128 | \$ 61,587,793 |
| Net Pension Liability (Asset), Ending (a - b) | \$ (2,477,327) | \$ (984,385) | \$ 139,146 | \$ (456,976) | \$ (1,406,230) | \$ (1,622,801) | \$ (699,915) | \$ (6,208,810) |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 107.37% | 102.73% | 99.64% | 101.10% | 103.24% | 103.52% | 101.43% | 111.21% |
| Covered Payroll | \$ 13,264,064 | \$ 13,500,247 | \$ 14,757,795 | \$ 15,301,756 | \$ 15,606,602 | \$ 15,753,709 | \$ 16,959,629 | \$ 17,022,551 |
| Net Pension Liability (Asset) as a Percentage of Covered Payroll | 18.68% | (7.29)% | 0.94% | (2.99)% | (9.01)% | (10.30)% | (4.13)% | (36.47)% |

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

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

Exhibit E-2

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

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Actuarially Determined Contribution | \$ 761,356 | \$ 789,869 | \$ 853,253 | \$ 460,583 | \$ 497,851 | \$ 598,643 | \$ 663,123 | \$ 665,584 | \$ 800,452 |
| Less: Contributions in Relation to the Actuarially Determined Contribution | (761,356) | (789,869) | (853,253) | (688,582) | (702,299) | (708,919) | (763,185) | (766,017) | (800,452) |
| Contribution Deficiency (Excess) | \$ 0 | \$ 0 | \$ 0 | \$ (227,999) | \$ (204,448) | \$ (110,276) | \$ (100,062) | \$ (100,433) | \$ 0 |
| Covered Payroll | \$ 13,264,064 | \$ 11,444,154 | \$ 14,757,795 | \$ 15,301,756 | \$ 15,606,602 | \$ 15,743,140 | \$ 16,959,629 | \$ 17,022,551 | \$ 17,174,755 |
| Contributions as a Percentage of Covered Payroll | 5.74% | 6.90% | 5.78% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% |

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

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

Exhibit E-3

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

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Contractually Required Contribution | \$ 75,998 | \$ 154,627 | \$ 195,302 | \$ 90,339 | \$ 116,035 | \$ 140,698 | \$ 170,294 | \$ 200,839 |
| Less: Contributions in Relation to the Contractually Required Contribution | (75,998) | (154,627) | (195,302) | (221,589) | (116,035) | (140,698) | (170,294) | (200,839) |
| Contribution Deficiency (Excess) | \$ 0 | \$ 0 | \$ 0 | \$ (131,250) | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Covered Payroll | \$ 1,899,954 | \$ 3,865,635 | \$ 4,882,503 | \$ 5,539,677 | \$ 5,981,165 | \$ 6,930,929 | \$ 8,430,410 | \$ 9,992,014 |
| Contributions as a Percentage of Covered Payroll | 4.00% | 4.00% | 4.00% | 4.00% | 1.94% | 2.03% | 2.02% | 2.01% |

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

Exhibit E-4

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

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Contractually Required Contribution | \$ 1,952,735 | \$ 1,741,942 | \$ 1,823,573 | \$ 1,751,072 | \$ 1,706,416 | \$ 1,872,310 | \$ 1,803,256 | \$ 1,653,119 | \$ 1,633,803 |
| Less: Contributions in Relation to the Contractually Required Contribution | (1,952,735) | (1,741,942) | (1,823,573) | (1,751,072) | (1,706,416) | (1,872,310) | (1,803,256) | (1,653,119) | (1,633,803) |
| Contribution Deficiency (Excess) | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Covered Payroll | \$ 21,990,227 | \$ 24,363,448 | \$ 20,172,257 | \$ 19,370,255 | \$ 18,793,094 | \$ 17,899,701 | \$ 16,963,814 | \$ 16,096,591 | \$ 15,862,155 |
| Contributions as a Percentage of Covered Payroll | 8.88% | 7.15% | 9.04% | 9.04% | 9.08% | 10.46% | 10.63% | 10.27% | 10.30% |

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

Exhibit E-5

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

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| School Department's Proportion of the Net Pension Liability (Asset) | 0.914423% | 0.878553% | 0.743905% | 0.633922% | 0.565219% | 0.549238% | 0.584138% |
| School Department's Proportionate Share of the Net Pension Liability (Asset) | \$ (36,787) | \$ (91,460) | \$ (196,268) | \$ (287,501) | \$ (319,058) | \$ (312,320) | \$ (632,745) |
| Covered Payroll | \$ 1,899,954 | \$ 3,865,635 | \$ 4,882,503 | \$ 5,539,677 | \$ 5,981,165 | \$ 6,930,929 | \$ 8,430,410 |
| School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll | (1.94)% | (2.37)% | (4.02)% | (5.19)% | (5.33)% | (4.51)% | (7.51)% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset) | 127.46% | 121.88% | 126.81% | 126.97% | 123.07% | 116.52% | 121.53% |

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

Exhibit E-6

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

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---------------|---------------|---------------|---------------|----------------|----------------|----------------|-----------------|
| School Department's Proportion of the Net Pension Liability (Asset) | 0.560263% | 0.514737% | 0.558820% | 0.547964% | 0.536690% | 0.533819% | 0.509691% | 0.490425% |
| School Department's Proportionate Share of the Net Pension Liability (Asset) | \$ (91,040) | \$ 210,854 | \$ 3,492,313 | \$ (179,285) | \$ (1,888,566) | \$ (5,488,618) | \$ (3,886,770) | \$ (21,153,201) |
| Covered Payroll | \$ 21,990,262 | \$ 19,269,280 | \$ 20,172,257 | \$ 19,370,255 | \$ 18,793,094 | \$ 17,899,701 | \$ 16,963,814 | \$ 16,096,591 |
| School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll | (0.414002)% | 1.094250% | 17.31% | (0.93)% | (10.05)% | (30.66)% | (22.91)% | (131.41)% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset) | 100.08% | 99.81% | 97.14% | 100.14% | 101.49% | 104.28% | 103.09% | 116.13% |

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

Exhibit E-7

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

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---------------|---------------|---------------|---------------|---------------|
| Total OPEB Liability | | | | | |
| Service Cost | \$ 740,981 | \$ 686,765 | \$ 671,588 | \$ 576,820 | \$ 591,271 |
| Interest | 350,971 | 424,681 | 416,834 | 393,298 | 238,223 |
| Changes in Benefit Terms | 0 | 164,860 | 1,291,974 | (1,182,240) | (106,659) |
| Differences Between Actual and Expected Experience | 0 | (1,639,614) | (1,329,176) | (925,101) | 88,004 |
| Changes in Assumptions or Other Inputs | (578,401) | 521,547 | (774,164) | 1,096,489 | (382,921) |
| Benefit Payments | (531,181) | (568,083) | (551,934) | (430,827) | (366,384) |
| Net Change in Total OPEB Liability | \$ (17,630) | \$ (409,844) | \$ (274,878) | \$ (471,561) | \$ 61,534 |
| Total OPEB Liability, Beginning | 11,544,154 | 11,526,524 | 11,116,680 | 10,841,802 | 10,370,241 |
| Total OPEB Liability, Ending | \$ 11,526,524 | \$ 11,116,680 | \$ 10,841,802 | \$ 10,370,241 | \$ 10,431,775 |
| Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability | \$ 2,702,555 | \$ 2,768,287 | \$ 2,758,176 | \$ 2,683,735 | \$ 2,919,687 |
| Employer Proportionate Share of the Total OPEB Liability | 8,823,969 | 8,348,393 | 8,083,626 | 7,686,506 | 7,512,088 |
| Covered Employee Payroll | \$ 31,065,306 | \$ 30,216,978 | \$ 30,123,671 | \$ 30,737,511 | \$ 30,737,511 |
| Net OPEB Liability as a Percentage of Covered Employee Payroll | 28.4% | 27.6% | 26.8% | 25.0% | 24.4% |

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

Note 2: Changes in assumptions.

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

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

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

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

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

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

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for 2022 were calculated based on the July 1, 2020, actuarial valuation.

Methods and assumptions used to determine contribution rates:

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

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

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

Nonmajor Governmental Funds

Special Revenue Funds

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

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

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions of Cheatham County’s recycling/convenience centers.

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.

Unemployment Compensation Fund – The Unemployment Compensation Fund is used to account for transactions of the county’s unemployment compensation plan.

Debt Service Fund

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

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

Capital Projects Funds

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

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

Other Capital Projects Fund – The Other Capital Projects Fund is used to account for motor vehicle purchases.

Other Capital Projects (Jail) Fund – The Other Capital Projects (Jail) Fund is used to account for capital outlay expenditures related to the jail.

Exhibit F-1

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

| | Special Revenue Funds | | | | | |
|--|---------------------------------------|--------------------------------|-----------------|--|------------------------------|--------------|
| | Courthouse and Jail Maintenance | Solid Waste / Sanitation | Drug Control | Constitu - tional Officers - Fees | Unemployment Compensation | Total |
| <u>ASSETS</u> | | | | | | |
| Cash | \$ 0 | \$ 300 | \$ 0 | \$ 2,350 | \$ 0 | \$ 2,650 |
| Equity in Pooled Cash and Investments | 12,777 | 846,129 | 243,026 | 0 | 40,022 | 1,141,954 |
| Accounts Receivable | 578 | 2,002 | 623 | 51,080 | 0 | 54,283 |
| Due from Other Governments | 0 | 0 | 24,695 | 0 | 0 | 24,695 |
| Property Taxes Receivable | 0 | 919,243 | 0 | 0 | 0 | 919,243 |
| Allowance for Uncollectible Property Taxes | 0 | (19,776) | 0 | 0 | 0 | (19,776) |
| Total Assets | \$ 13,355 | \$ 1,747,898 | \$ 268,344 | \$ 53,430 | \$ 40,022 | \$ 2,123,049 |
| <u>LIABILITIES</u> | | | | | | |
| Accounts Payable | \$ 0 | \$ 62,753 | \$ 1,576 | \$ 0 | \$ 0 | \$ 64,329 |
| Contracts Payable | 0 | 0 | 0 | 0 | 0 | 0 |
| Due to Litigants, Heirs, and Others | 0 | 0 | 0 | 53,430 | 0 | 53,430 |
| Other Current Liabilities | 0 | 0 | 3,246 | 0 | 0 | 3,246 |
| Total Liabilities | \$ 0 | \$ 62,753 | \$ 4,822 | \$ 53,430 | \$ 0 | \$ 121,005 |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | | | |
| Deferred Current Property Taxes | \$ 0 | \$ 882,422 | \$ 0 | \$ 0 | \$ 0 | \$ 882,422 |
| Deferred Delinquent Property Taxes | 0 | 13,479 | 0 | 0 | 0 | 13,479 |
| Total Deferred Inflows of Resources | \$ 0 | \$ 895,901 | \$ 0 | \$ 0 | \$ 0 | \$ 895,901 |

(Continued)

Exhibit F-1

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

| | Special Revenue Funds | | | | | |
|---|---------------------------------------|--------------------------------|-------------------|--|------------------------------|---------------------|
| | Courthouse and Jail Maintenance | Solid Waste / Sanitation | Drug Control | Constitu - tional Officers - Fees | Unemployment Compensation | Total |
| <u>FUND BALANCES</u> | | | | | | |
| Restricted: | | | | | | |
| Restricted for Public Safety | \$ 0 | \$ 0 | \$ 263,522 | \$ 0 | \$ 0 | \$ 263,522 |
| Restricted for Public Health and Welfare | 0 | 789,244 | 0 | 0 | 0 | 789,244 |
| Restricted for Capital Outlay | 0 | 0 | 0 | 0 | 0 | 0 |
| Restricted for Debt Service | 0 | 0 | 0 | 0 | 0 | 0 |
| Committed: | | | | | | |
| Committed for General Government | 13,355 | 0 | 0 | 0 | 40,022 | 53,377 |
| Total Fund Balances | <u>\$ 13,355</u> | <u>\$ 789,244</u> | <u>\$ 263,522</u> | <u>\$ 0</u> | <u>\$ 40,022</u> | <u>\$ 1,106,143</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 13,355</u> | <u>\$ 1,747,898</u> | <u>\$ 268,344</u> | <u>\$ 53,430</u> | <u>\$ 40,022</u> | <u>\$ 2,123,049</u> |

(Continued)

Exhibit F-1

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

| | Debt Service | | Capital Projects Funds | | | Total Nonmajor Governmental Funds |
|--|--------------|------------|------------------------|--------------|--------------|--|
| | Fund | | General | Other | Other | |
| | General | General | Capital | Capital | Capital | |
| | Debt | Capital | Projects | Projects | Projects | |
| | Service | Projects | | (Jail) | Total | |
| <u>ASSETS</u> | | | | | | |
| Cash | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 2,650 |
| Equity in Pooled Cash and Investments | 514,968 | 557,451 | 729,788 | 2,712,919 | 4,000,158 | 5,657,080 |
| Accounts Receivable | 1,279 | 309 | 1,306 | 3,395 | 5,010 | 60,572 |
| Due from Other Governments | 11,233 | 0 | 0 | 0 | 0 | 35,928 |
| Property Taxes Receivable | 595,005 | 175,202 | 622,309 | 1,590,472 | 2,387,983 | 3,902,231 |
| Allowance for Uncollectible Property Taxes | (12,800) | (3,769) | (13,388) | (34,216) | (51,373) | (83,949) |
| Total Assets | \$ 1,109,685 | \$ 729,193 | \$ 1,340,015 | \$ 4,272,570 | \$ 6,341,778 | \$ 9,574,512 |
| <u>LIABILITIES</u> | | | | | | |
| Accounts Payable | \$ 0 | \$ 0 | \$ 0 | \$ 160 | \$ 160 | 64,489 |
| Contracts Payable | 0 | 0 | 0 | 232,622 | 232,622 | 232,622 |
| Due to Litigants, Heirs, and Others | 0 | 0 | 0 | 0 | 0 | 53,430 |
| Other Current Liabilities | 0 | 0 | 0 | 0 | 0 | 3,246 |
| Total Liabilities | \$ 0 | \$ 0 | \$ 0 | \$ 232,782 | \$ 232,782 | \$ 353,787 |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | | | |
| Deferred Current Property Taxes | \$ 571,172 | \$ 168,184 | \$ 597,382 | \$ 1,526,764 | \$ 2,292,330 | \$ 3,745,924 |
| Deferred Delinquent Property Taxes | 8,727 | 2,570 | 9,126 | 23,365 | 35,061 | 57,267 |
| Total Deferred Inflows of Resources | \$ 579,899 | \$ 170,754 | \$ 606,508 | \$ 1,550,129 | \$ 2,327,391 | \$ 3,803,191 |

(Continued)

Exhibit F-1

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

| | Debt Service | | Capital Projects Funds | | | Total Nonmajor Governmental Funds |
|---|----------------------------|--------------------------------|------------------------------|--|---------------------|--|
| | Fund | | | | | |
| | General Debt Service | General Capital Projects | Other Capital Projects | Other Capital Projects (Jail) | Total | |
| <u>FUND BALANCES</u> | | | | | | |
| Restricted: | | | | | | |
| Restricted for Public Safety | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 263,522 |
| Restricted for Public Health and Welfare | 0 | 0 | 0 | 0 | 0 | 789,244 |
| Restricted for Capital Outlay | 0 | 558,439 | 733,507 | 2,489,659 | 3,781,605 | 3,781,605 |
| Restricted for Debt Service | 529,786 | 0 | 0 | 0 | 0 | 529,786 |
| Committed: | | | | | | |
| Committed for General Government | 0 | 0 | 0 | 0 | 0 | 53,377 |
| Total Fund Balances | <u>\$ 529,786</u> | <u>\$ 558,439</u> | <u>\$ 733,507</u> | <u>\$ 2,489,659</u> | <u>\$ 3,781,605</u> | <u>\$ 5,417,534</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 1,109,685</u> | <u>\$ 729,193</u> | <u>\$ 1,340,015</u> | <u>\$ 4,272,570</u> | <u>\$ 6,341,778</u> | <u>\$ 9,574,512</u> |

Exhibit F-2

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

| | Special Revenue Funds | | | | | Debt Service Fund |
|---|---------------------------------|--------------------------|-------------------|---------------------------|---------------------|----------------------|
| | Courthouse and Jail Maintenance | Solid Waste / Sanitation | Drug Control | Unemployment Compensation | Total | General Debt Service |
| <u>Revenues</u> | | | | | | |
| Local Taxes | \$ 6,903 | \$ 925,291 | \$ 0 | \$ 0 | \$ 932,194 | \$ 1,035,063 |
| Fines, Forfeitures, and Penalties | 0 | 0 | 94,401 | 0 | 94,401 | 0 |
| Charges for Current Services | 0 | 474,740 | 0 | 8,311 | 483,051 | 0 |
| Other Local Revenues | 0 | 39,565 | 16,461 | 0 | 56,026 | 0 |
| State of Tennessee | 0 | 18,582 | 0 | 0 | 18,582 | 11,830 |
| Total Revenues | <u>\$ 6,903</u> | <u>\$ 1,458,178</u> | <u>\$ 110,862</u> | <u>\$ 8,311</u> | <u>\$ 1,584,254</u> | <u>\$ 1,046,893</u> |
| <u>Expenditures</u> | | | | | | |
| Current: | | | | | | |
| General Government | \$ 7,765 | \$ 23,656 | \$ 510 | \$ 2,711 | \$ 34,642 | \$ 16,433 |
| Public Safety | 0 | 0 | 54,583 | 0 | 54,583 | 0 |
| Public Health and Welfare | 0 | 1,264,889 | 0 | 0 | 1,264,889 | 0 |
| Other Operations | 0 | 70,166 | 0 | 0 | 70,166 | 0 |
| Debt Service: | | | | | | |
| Principal on Debt | 0 | 0 | 0 | 0 | 0 | 1,171,666 |
| Interest on Debt | 0 | 0 | 0 | 0 | 0 | 219,351 |
| Capital Projects | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Expenditures | <u>\$ 7,765</u> | <u>\$ 1,358,711</u> | <u>\$ 55,093</u> | <u>\$ 2,711</u> | <u>\$ 1,424,280</u> | <u>\$ 1,407,450</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ (862)</u> | <u>\$ 99,467</u> | <u>\$ 55,769</u> | <u>\$ 5,600</u> | <u>\$ 159,974</u> | <u>\$ (360,557)</u> |

(Continued)

Exhibit F-2

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

| | Special Revenue Funds | | | | | Debt Service Fund |
|---------------------------------------|---------------------------------|--------------------------|--------------|---------------------------|--------------|----------------------|
| | Courthouse and Jail Maintenance | Solid Waste / Sanitation | Drug Control | Unemployment Compensation | Total | General Debt Service |
| <u>Other Financing Sources (Uses)</u> | | | | | | |
| Other Loans Issued | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0 |
| Insurance Recovery | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfers In | 0 | 0 | 0 | 0 | 0 | 170,000 |
| Transfers Out | 0 | 0 | (36,043) | 0 | (36,043) | 0 |
| Total Other Financing Sources (Uses) | \$ 0 | \$ 0 | \$ (36,043) | \$ 0 | \$ (36,043) | \$ 170,000 |
| Net Change in Fund Balances | \$ (862) | \$ 99,467 | \$ 19,726 | \$ 5,600 | \$ 123,931 | \$ (190,557) |
| Fund Balance, July 1, 2021 | 14,217 | 689,777 | 243,796 | 34,422 | 982,212 | 720,343 |
| Fund Balance, June 30, 2022 | \$ 13,355 | \$ 789,244 | \$ 263,522 | \$ 40,022 | \$ 1,106,143 | \$ 529,786 |

(Continued)

Exhibit F-2

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

| | Capital Projects Funds | | | | Total Nonmajor Governmental Funds |
|--|--------------------------------|------------------------------|--|---------------------|--|
| | General Capital Projects | Other Capital Projects | Other Capital Projects (Jail) | Total | |
| <u>Revenues</u> | | | | | |
| Local Taxes | \$ 174,873 | \$ 625,325 | \$ 1,599,329 | \$ 2,399,527 | \$ 4,366,784 |
| Fines, Forfeitures, and Penalties | 0 | 0 | 0 | 0 | 94,401 |
| Charges for Current Services | 0 | 0 | 0 | 0 | 483,051 |
| Other Local Revenues | 0 | 40,545 | 3,125 | 43,670 | 99,696 |
| State of Tennessee | 438,663 | 11,949 | 31,622 | 482,234 | 512,646 |
| Total Revenues | <u>\$ 613,536</u> | <u>\$ 677,819</u> | <u>\$ 1,634,076</u> | <u>\$ 2,925,431</u> | <u>\$ 5,556,578</u> |
| <u>Expenditures</u> | | | | | |
| Current: | | | | | |
| General Government | \$ 3,487 | \$ 12,506 | \$ 31,999 | \$ 47,992 | \$ 99,067 |
| Public Safety | 0 | 0 | 0 | 0 | 54,583 |
| Public Health and Welfare | 0 | 0 | 0 | 0 | 1,264,889 |
| Other Operations | 0 | 0 | 0 | 0 | 70,166 |
| Debt Service: | | | | | |
| Principal on Debt | 0 | 0 | 0 | 0 | 1,171,666 |
| Interest on Debt | 0 | 0 | 0 | 0 | 219,351 |
| Capital Projects | 1,093,592 | 485,339 | 1,815,587 | 3,394,518 | 3,394,518 |
| Total Expenditures | <u>\$ 1,097,079</u> | <u>\$ 497,845</u> | <u>\$ 1,847,586</u> | <u>\$ 3,442,510</u> | <u>\$ 6,274,240</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ (483,543)</u> | <u>\$ 179,974</u> | <u>\$ (213,510)</u> | <u>\$ (517,079)</u> | <u>\$ (717,662)</u> |

(Continued)

Exhibit F-2

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

| | Capital Projects Funds | | | Total | Total Nonmajor Governmental Funds |
|---------------------------------------|--------------------------------|------------------------------|--|--------------|--|
| | General Capital Projects | Other Capital Projects | Other Capital Projects (Jail) | | |
| <u>Other Financing Sources (Uses)</u> | | | | | |
| Other Loans Issued | \$ 294,101 | \$ 0 | \$ 0 | \$ 294,101 | \$ 294,101 |
| Insurance Recovery | 0 | 35,194 | 0 | 35,194 | 35,194 |
| Transfers In | 0 | 0 | 0 | 0 | 170,000 |
| Transfers Out | (70,000) | 0 | 0 | (70,000) | (106,043) |
| Total Other Financing Sources (Uses) | \$ 224,101 | \$ 35,194 | \$ 0 | \$ 259,295 | \$ 393,252 |
| Net Change in Fund Balances | \$ (259,442) | \$ 215,168 | \$ (213,510) | \$ (257,784) | \$ (324,410) |
| Fund Balance, July 1, 2021 | 817,881 | 518,339 | 2,703,169 | 4,039,389 | 5,741,944 |
| Fund Balance, June 30, 2022 | \$ 558,439 | \$ 733,507 | \$ 2,489,659 | \$ 3,781,605 | \$ 5,417,534 |

Exhibit F-3

Cheatham County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Courthouse and Jail Maintenance Fund
For the Year Ended June 30, 2022

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|------------------|------------------|------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Local Taxes | \$ 6,903 | \$ 10,000 | \$ 10,000 | \$ (3,097) |
| Total Revenues | <u>\$ 6,903</u> | <u>\$ 10,000</u> | <u>\$ 10,000</u> | <u>\$ (3,097)</u> |
| <u>Expenditures</u> | | | | |
| <u>General Government</u> | | | | |
| County Buildings | \$ 7,696 | \$ 9,800 | \$ 9,800 | \$ 2,104 |
| Other General Administration | 69 | 200 | 200 | 131 |
| Total Expenditures | <u>\$ 7,765</u> | <u>\$ 10,000</u> | <u>\$ 10,000</u> | <u>\$ 2,235</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ (862)</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ (862)</u> |
| Net Change in Fund Balance | \$ (862) | \$ 0 | \$ 0 | (862) |
| Fund Balance, July 1, 2021 | <u>14,217</u> | <u>13,811</u> | <u>14,217</u> | <u>0</u> |
| Fund Balance, June 30, 2022 | <u>\$ 13,355</u> | <u>\$ 13,811</u> | <u>\$ 14,217</u> | <u>\$ (862)</u> |

Exhibit F-4

Cheatham County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Solid Waste/Sanitation Fund
For the Year Ended June 30, 2022

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|---------------------|---------------------|---------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Local Taxes | \$ 925,291 | \$ 945,071 | \$ 945,071 | \$ (19,780) |
| Charges for Current Services | 474,740 | 247,359 | 397,359 | 77,381 |
| Other Local Revenues | 39,565 | 35,959 | 35,959 | 3,606 |
| State of Tennessee | 18,582 | 20,900 | 20,900 | (2,318) |
| Total Revenues | <u>\$ 1,458,178</u> | <u>\$ 1,249,289</u> | <u>\$ 1,399,289</u> | <u>\$ 58,889</u> |
| <u>Expenditures</u> | | | | |
| <u>General Government</u> | | | | |
| Other General Administration | \$ 23,656 | \$ 25,000 | \$ 25,000 | \$ 1,344 |
| <u>Public Health and Welfare</u> | | | | |
| Sanitation Management | 295,227 | 330,706 | 330,706 | 35,479 |
| Convenience Centers | 893,506 | 711,948 | 940,866 | 47,360 |
| Transfer Stations | 76,156 | 61,700 | 79,300 | 3,144 |
| <u>Other Operations</u> | | | | |
| Employee Benefits | 69,443 | 113,905 | 113,905 | 44,462 |
| Miscellaneous | 723 | 6,030 | 6,030 | 5,307 |
| Total Expenditures | <u>\$ 1,358,711</u> | <u>\$ 1,249,289</u> | <u>\$ 1,495,807</u> | <u>\$ 137,096</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 99,467</u> | <u>\$ 0</u> | <u>\$ (96,518)</u> | <u>\$ 195,985</u> |
| Net Change in Fund Balance | \$ 99,467 | \$ 0 | \$ (96,518) | \$ 195,985 |
| Fund Balance, July 1, 2021 | <u>689,777</u> | <u>538,490</u> | <u>689,777</u> | <u>0</u> |
| Fund Balance, June 30, 2022 | <u>\$ 789,244</u> | <u>\$ 538,490</u> | <u>\$ 593,259</u> | <u>\$ 195,985</u> |

Exhibit F-5

Cheatham County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Drug Control Fund
For the Year Ended June 30, 2022

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|--------------------|-------------------|--------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Fines, Forfeitures, and Penalties | \$ 94,401 | \$ 101,000 | \$ 101,000 | \$ (6,599) |
| Other Local Revenues | 16,461 | 0 | 0 | 16,461 |
| Total Revenues | <u>\$ 110,862</u> | <u>\$ 101,000</u> | <u>\$ 101,000</u> | <u>\$ 9,862</u> |
| <u>Expenditures</u> | | | | |
| <u>General Government</u> | | | | |
| Other General Administration | \$ 510 | \$ 8,500 | \$ 8,500 | \$ 7,990 |
| <u>Public Safety</u> | | | | |
| Drug Enforcement | 54,583 | 92,500 | 92,500 | 37,917 |
| Total Expenditures | <u>\$ 55,093</u> | <u>\$ 101,000</u> | <u>\$ 101,000</u> | <u>\$ 45,907</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 55,769</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 55,769</u> |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Transfers Out | \$ (36,043) | \$ 0 | \$ (36,043) | \$ 0 |
| Total Other Financing Sources | <u>\$ (36,043)</u> | <u>\$ 0</u> | <u>\$ (36,043)</u> | <u>\$ 0</u> |
| Net Change in Fund Balance | \$ 19,726 | \$ 0 | \$ (36,043) | \$ 55,769 |
| Fund Balance, July 1, 2021 | 243,796 | 254,907 | 243,796 | 0 |
| Fund Balance, June 30, 2022 | <u>\$ 263,522</u> | <u>\$ 254,907</u> | <u>\$ 207,753</u> | <u>\$ 55,769</u> |

Exhibit F-6

Cheatham County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Unemployment Compensation Fund
For the Year Ended June 30, 2022

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|-----------|------------------|-----------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Charges for Current Services | \$ 8,311 | \$ 75,000 | \$ 75,000 | \$ (66,689) |
| Total Revenues | \$ 8,311 | \$ 75,000 | \$ 75,000 | \$ (66,689) |
| <u>Expenditures</u> | | | | |
| <u>General Government</u> | | | | |
| Other General Administration | \$ 2,711 | \$ 75,000 | \$ 75,000 | \$ 72,289 |
| Total Expenditures | \$ 2,711 | \$ 75,000 | \$ 75,000 | \$ 72,289 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 5,600 | \$ 0 | \$ 0 | \$ 5,600 |
| Net Change in Fund Balance | \$ 5,600 | \$ 0 | \$ 0 | \$ 5,600 |
| Fund Balance, July 1, 2021 | 34,422 | 761 | 34,422 | 0 |
| Fund Balance, June 30, 2022 | \$ 40,022 | \$ 761 | \$ 34,422 | \$ 5,600 |

Exhibit F-7

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

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|---------------------|---------------------|---------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Local Taxes | \$ 1,035,063 | \$ 891,226 | \$ 891,226 | \$ 143,837 |
| State of Tennessee | 11,830 | 7,500 | 7,500 | 4,330 |
| Total Revenues | <u>\$ 1,046,893</u> | <u>\$ 898,726</u> | <u>\$ 898,726</u> | <u>\$ 148,167</u> |
| <u>Expenditures</u> | | | | |
| <u>General Government</u> | | | | |
| Other General Administration | \$ 16,433 | \$ 20,000 | \$ 20,000 | \$ 3,567 |
| <u>Principal on Debt</u> | | | | |
| General Government | 1,171,666 | 1,001,667 | 1,171,668 | 2 |
| <u>Interest on Debt</u> | | | | |
| General Government | 219,351 | 233,271 | 233,270 | 13,919 |
| <u>Other Debt Service</u> | | | | |
| General Government | 0 | 6,000 | 6,000 | 6,000 |
| Total Expenditures | <u>\$ 1,407,450</u> | <u>\$ 1,260,938</u> | <u>\$ 1,430,938</u> | <u>\$ 23,488</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ (360,557)</u> | <u>\$ (362,212)</u> | <u>\$ (532,212)</u> | <u>\$ 171,655</u> |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Transfers In | \$ 170,000 | \$ 0 | \$ 170,000 | \$ 0 |
| Total Other Financing Sources | <u>\$ 170,000</u> | <u>\$ 0</u> | <u>\$ 170,000</u> | <u>\$ 0</u> |
| Net Change in Fund Balance | \$ (190,557) | \$ (362,212) | \$ (362,212) | \$ 171,655 |
| Fund Balance, July 1, 2021 | <u>720,343</u> | <u>730,738</u> | <u>720,343</u> | <u>0</u> |
| Fund Balance, June 30, 2022 | <u>\$ 529,786</u> | <u>\$ 368,526</u> | <u>\$ 358,131</u> | <u>\$ 171,655</u> |

Exhibit F-8

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

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|--------------------------|-------------------------|-------------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Local Taxes | \$ 174,873 | \$ 169,650 | \$ 169,650 | \$ 5,223 |
| State of Tennessee | 438,663 | 3,986 | 440,082 | (1,419) |
| Total Revenues | <u>\$ 613,536</u> | <u>\$ 173,636</u> | <u>\$ 609,732</u> | <u>\$ 3,804</u> |
| <u>Expenditures</u> | | | | |
| <u>General Government</u> | | | | |
| Other General Administration | \$ 3,487 | \$ 12,971 | \$ 12,971 | \$ 9,484 |
| <u>Capital Projects</u> | | | | |
| General Administration Projects | 140,088 | 0 | 442,018 | 301,930 |
| Public Safety Projects | 6,524 | 0 | 8,301 | 1,777 |
| Other General Government Projects | 29,037 | 160,000 | 160,000 | 130,963 |
| Highway and Street Capital Projects | 917,943 | 0 | 942,750 | 24,807 |
| Total Expenditures | <u>\$ 1,097,079</u> | <u>\$ 172,971</u> | <u>\$ 1,566,040</u> | <u>\$ 468,961</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ (483,543)</u> | <u>\$ 665</u> | <u>\$ (956,308)</u> | <u>\$ 472,765</u> |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Other Loans Issued | \$ 294,101 | \$ 0 | \$ 294,101 | \$ 0 |
| Transfers Out | (70,000) | 0 | (70,000) | 0 |
| Total Other Financing Sources | <u>\$ 224,101</u> | <u>\$ 0</u> | <u>\$ 224,101</u> | <u>\$ 0</u> |
| Net Change in Fund Balance | <u>\$ (259,442)</u> | <u>\$ 665</u> | <u>\$ (732,207)</u> | <u>\$ 472,765</u> |
| Fund Balance, July 1, 2021 | <u>817,881</u> | <u>46,521</u> | <u>817,881</u> | <u>0</u> |
| Fund Balance, June 30, 2022 | <u><u>\$ 558,439</u></u> | <u><u>\$ 47,186</u></u> | <u><u>\$ 85,674</u></u> | <u><u>\$ 472,765</u></u> |

Exhibit F-9

Cheatham County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Other Capital Projects Fund
For the Year Ended June 30, 2022

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|--------------------------|--------------------------|--------------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Local Taxes | \$ 625,325 | \$ 620,661 | \$ 620,661 | \$ 4,664 |
| Other Local Revenues | 40,545 | 0 | 9,100 | 31,445 |
| State of Tennessee | 11,949 | 13,800 | 13,800 | (1,851) |
| Total Revenues | <u>\$ 677,819</u> | <u>\$ 634,461</u> | <u>\$ 643,561</u> | <u>\$ 34,258</u> |
| <u>Expenditures</u> | | | | |
| <u>General Government</u> | | | | |
| Other General Administration | \$ 12,506 | \$ 13,000 | \$ 13,000 | \$ 494 |
| <u>Capital Projects</u> | | | | |
| Other General Government Projects | 485,339 | 634,560 | 742,445 | 257,106 |
| Total Expenditures | <u>\$ 497,845</u> | <u>\$ 647,560</u> | <u>\$ 755,445</u> | <u>\$ 257,600</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 179,974</u> | <u>\$ (13,099)</u> | <u>\$ (111,884)</u> | <u>\$ 291,858</u> |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Insurance Recovery | \$ 35,194 | \$ 0 | \$ 35,194 | \$ 0 |
| Total Other Financing Sources | <u>\$ 35,194</u> | <u>\$ 0</u> | <u>\$ 35,194</u> | <u>\$ 0</u> |
| Net Change in Fund Balance | \$ 215,168 | \$ (13,099) | \$ (76,690) | \$ 291,858 |
| Fund Balance, July 1, 2021 | <u>518,339</u> | <u>452,209</u> | <u>518,339</u> | <u>0</u> |
| Fund Balance, June 30, 2022 | <u><u>\$ 733,507</u></u> | <u><u>\$ 439,110</u></u> | <u><u>\$ 441,649</u></u> | <u><u>\$ 291,858</u></u> |

Exhibit F-10

Cheatham County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Other Capital Projects (Jail) Fund
For the Year Ended June 30, 2022

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|---------------------|---------------------|---------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Local Taxes | \$ 1,599,329 | \$ 1,523,266 | \$ 1,523,266 | \$ 76,063 |
| Other Local Revenues | 3,125 | 0 | 0 | 3,125 |
| State of Tennessee | 31,622 | 10,000 | 10,000 | 21,622 |
| Total Revenues | <u>\$ 1,634,076</u> | <u>\$ 1,533,266</u> | <u>\$ 1,533,266</u> | <u>\$ 100,810</u> |
| <u>Expenditures</u> | | | | |
| <u>General Government</u> | | | | |
| Other General Administration | \$ 31,999 | \$ 35,500 | \$ 35,500 | \$ 3,501 |
| <u>Capital Projects</u> | | | | |
| Public Safety Projects | 1,815,587 | 1,497,766 | 1,997,766 | 182,179 |
| Total Expenditures | <u>\$ 1,847,586</u> | <u>\$ 1,533,266</u> | <u>\$ 2,033,266</u> | <u>\$ 185,680</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ (213,510)</u> | <u>\$ 0</u> | <u>\$ (500,000)</u> | <u>\$ 286,490</u> |
| Net Change in Fund Balance | \$ (213,510) | \$ 0 | \$ (500,000) | \$ 286,490 |
| Fund Balance, July 1, 2021 | <u>2,703,169</u> | <u>1,401,784</u> | <u>2,703,169</u> | <u>0</u> |
| Fund Balance, June 30, 2022 | <u>\$ 2,489,659</u> | <u>\$ 1,401,784</u> | <u>\$ 2,203,169</u> | <u>\$ 286,490</u> |

Major Governmental Fund

Education Debt Service Fund

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

Exhibit G

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

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|---------------------|---------------------|-----------------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Local Taxes | \$ 7,723,952 | \$ 5,986,337 | \$ 5,996,337 | \$ 1,727,615 |
| State of Tennessee | 29,920 | 33,750 | 33,750 | (3,830) |
| Total Revenues | <u>\$ 7,753,872</u> | <u>\$ 6,020,087</u> | <u>\$ 6,030,087</u> | <u>\$ 1,723,785</u> |
| <u>Expenditures</u> | | | | |
| <u>General Government</u> | | | | |
| Other General Administration | \$ 87,825 | \$ 85,000 | \$ 95,000 | \$ 7,175 |
| <u>Principal on Debt</u> | | | | |
| Education | 8,127,708 | 5,415,683 | 8,128,336 | 628 |
| <u>Interest on Debt</u> | | | | |
| Education | 59,767 | 508,071 | 507,757 | 447,990 |
| <u>Other Debt Service</u> | | | | |
| Education | 0 | 20,000 | 20,000 | 20,000 |
| Total Expenditures | <u>\$ 8,275,300</u> | <u>\$ 6,028,754</u> | <u>\$ 8,751,093</u> | <u>\$ 475,793</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ (521,428)</u> | <u>\$ (8,667)</u> | <u>\$ (2,721,006)</u> | <u>\$ 2,199,578</u> |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Transfers In | \$ 0 | \$ 8,667 | \$ 8,667 | \$ (8,667) |
| Total Other Financing Sources | <u>\$ 0</u> | <u>\$ 8,667</u> | <u>\$ 8,667</u> | <u>\$ (8,667)</u> |
| Net Change in Fund Balance | \$ (521,428) | \$ 0 | \$ (2,712,339) | \$ 2,190,911 |
| Fund Balance, July 1, 2021 | <u>8,103,589</u> | <u>6,067,487</u> | <u>8,103,589</u> | <u>0</u> |
| Fund Balance, June 30, 2022 | <u>\$ 7,582,161</u> | <u>\$ 6,067,487</u> | <u>\$ 5,391,250</u> | <u>\$ 2,190,911</u> |

Custodial Funds

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

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

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

Exhibit H-1

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

| | <u>Custodial Funds</u> | | |
|--|------------------------|---------------------|---------------------|
| | <u>Cities -</u> | <u>Constitu-</u> | |
| | <u>Sales</u> | <u>tional</u> | |
| | <u>Tax</u> | <u>Officers -</u> | |
| | | <u>Custodial</u> | <u>Total</u> |
| <u>ASSETS</u> | | | |
| Cash | \$ 0 | \$ 2,285,483 | \$ 2,285,483 |
| Due from Other Governments | 922,328 | 0 | 922,328 |
| Total Assets | <u>\$ 922,328</u> | <u>\$ 2,285,483</u> | <u>\$ 3,207,811</u> |
| <u>LIABILITIES</u> | | | |
| Due to Other Taxing Units | <u>\$ 922,328</u> | <u>\$ 0</u> | <u>\$ 922,328</u> |
| Total Liabilities | <u>\$ 922,328</u> | <u>\$ 0</u> | <u>\$ 922,328</u> |
| <u>NET POSITION</u> | | | |
| Restricted for Individuals, Organizations, and Other Governments | <u>\$ 0</u> | <u>\$ 2,285,483</u> | <u>\$ 2,285,483</u> |
| Total Net Position | <u>\$ 0</u> | <u>\$ 2,285,483</u> | <u>\$ 2,285,483</u> |

Exhibit H-2

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

| | <u>Custodial Funds</u> | | |
|---|--------------------------|---|----------------------|
| | Cities - Sales Tax | Constitu - tional Officers - Custodial | Total |
| <u>Additions</u> | | | |
| Sales Tax Collections for Other Governments | \$ 5,545,021 | \$ 0 | \$ 5,545,021 |
| Fines/Fees and Other Collections | 0 | 11,305,060 | 11,305,060 |
| Total Additions | <u>\$ 5,545,021</u> | <u>\$ 11,305,060</u> | <u>\$ 16,850,081</u> |
| <u>Deductions</u> | | | |
| Payment of Sales Tax Collections to Other Governments | \$ 5,545,021 | \$ 0 | \$ 5,545,021 |
| Payments to State | 0 | 5,437,613 | 5,437,613 |
| Payments to County/City | 0 | 3,558,376 | 3,558,376 |
| Payments to Individuals and Others | 0 | 2,368,681 | 2,368,681 |
| Total Deductions | <u>\$ 5,545,021</u> | <u>\$ 11,364,670</u> | <u>\$ 16,909,691</u> |
| Change in Net Position | \$ 0 | \$ (59,610) | \$ (59,610) |
| Net Position July 1, 2021 | <u>0</u> | <u>2,345,093</u> | <u>2,345,093</u> |
| Net Position June 30, 2022 | <u>\$ 0</u> | <u>\$ 2,285,483</u> | <u>\$ 2,285,483</u> |

Cheatham County School Department

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

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

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

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

Extended School Program Fund – The Extended School Program Fund is used to account for transactions related to the after-school program in the individual schools.

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

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

Exhibit I-1

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

| Functions/Programs | Expenses | Program Revenues | | Net (Expense) |
|--|----------------------|----------------------------|---|--|
| | | Charges for Services | Operating Grants and Contributions | Revenue and Changes in Net Position Total Governmental Activities |
| Governmental Activities: | | | | |
| Instruction | \$ 27,812,911 | \$ 0 | \$ 2,933,590 | \$ (24,879,321) |
| Support Services | 19,901,919 | 62,016 | 950,128 | (18,889,775) |
| Operation of Non-instructional Services | 6,716,396 | 3,676,880 | 4,780,073 | 1,740,557 |
| Total Governmental Activities | \$ 54,431,226 | \$ 3,738,896 | \$ 8,663,791 | \$ (42,028,539) |
| General Revenues: | | | | |
| Taxes: | | | | |
| Property Taxes Levied for General Purposes | | | | \$ 8,185,205 |
| Local Option Sales Tax | | | | 4,916,518 |
| Wheel Tax | | | | 451,812 |
| Mixed Drink Tax | | | | 47,953 |
| Grants and Contributions Not Restricted to Specific Programs | | | | 41,386,921 |
| Miscellaneous | | | | 254,809 |
| Total General Revenues | | | | \$ 55,243,218 |
| Change in Net Position | | | | \$ 13,214,679 |
| Net Position, July 1, 2021 | | | | 65,125,870 |
| Net Position, June 30, 2022 | | | | \$ 78,340,549 |

Exhibit I-2

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

| | Major Funds | | | Nonmajor Funds | Total Governmental Funds |
|--|------------------------------|---------------------|----------------------------------|-------------------------------------|--------------------------------|
| | General Purpose School | Internal School | Education Capital Projects | Other Govern- mental Funds | |
| <u>ASSETS</u> | | | | | |
| Cash | \$ 1,000 | \$ 1,416,180 | \$ 0 | \$ 2,000 | \$ 1,419,180 |
| Equity in Pooled Cash and Investments | 15,046,552 | 0 | 2,794,897 | 2,520,304 | 20,361,753 |
| Inventories | 0 | 2,464 | 0 | 0 | 2,464 |
| Accounts Receivable | 23,962 | 0 | 0 | 103,656 | 127,618 |
| Due from Other Governments | 2,245,129 | 0 | 0 | 750,882 | 2,996,011 |
| Property Taxes Receivable | 7,863,386 | 0 | 0 | 0 | 7,863,386 |
| Allowance for Uncollectible Property Taxes | (172,597) | 0 | 0 | 0 | (172,597) |
| Restricted Assets | 670,979 | 0 | 0 | 0 | 670,979 |
| Total Assets | <u>\$ 25,678,411</u> | <u>\$ 1,418,644</u> | <u>\$ 2,794,897</u> | <u>\$ 3,376,842</u> | <u>\$ 33,268,794</u> |
| <u>LIABILITIES</u> | | | | | |
| Accounts Payable | \$ 250,121 | \$ 0 | \$ 204,214 | \$ 60,940 | \$ 515,275 |
| Payroll Deductions Payable | 327 | 0 | 0 | 18,624 | 18,951 |
| Total Liabilities | <u>\$ 250,448</u> | <u>\$ 0</u> | <u>\$ 204,214</u> | <u>\$ 79,564</u> | <u>\$ 534,226</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | | |
| Deferred Current Property Taxes | \$ 7,538,836 | \$ 0 | \$ 0 | \$ 0 | \$ 7,538,836 |
| Deferred Delinquent Property Taxes | 120,142 | 0 | 0 | 0 | 120,142 |
| Other Deferred/Unavailable Revenue | 400,000 | 0 | 0 | 0 | 400,000 |
| Total Deferred Inflows of Resources | <u>\$ 8,058,978</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 8,058,978</u> |

(Continued)

Exhibit I-2

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

| | Major Funds | | | Nonmajor Funds | Total Governmental Funds |
|---|------------------------------|---------------------|----------------------------------|-------------------------------------|--------------------------------|
| | General Purpose School | Internal School | Education Capital Projects | Other Govern- mental Funds | |
| <u>FUND BALANCES</u> | | | | | |
| Nonspendable: | | | | | |
| Inventory | \$ 0 | \$ 2,464 | \$ 0 | \$ 0 | \$ 2,464 |
| Restricted: | | | | | |
| Restricted for Education | 0 | 1,416,180 | 0 | 792,210 | 2,208,390 |
| Restricted for Instruction | 1,239 | 0 | 0 | 0 | 1,239 |
| Restricted for Operation of Non-instructional Services | 0 | 0 | 0 | 1,540,530 | 1,540,530 |
| Restricted for Capital Projects | 0 | 0 | 2,590,683 | 0 | 2,590,683 |
| Restricted for Hybrid Retirement Stabilization Funds | 670,979 | 0 | 0 | 0 | 670,979 |
| Committed: | | | | | |
| Committed for Education | 2,636,021 | 0 | 0 | 550,000 | 3,186,021 |
| Assigned: | | | | | |
| Assigned for Education | 0 | 0 | 0 | 414,538 | 414,538 |
| Unassigned | 14,060,746 | 0 | 0 | 0 | 14,060,746 |
| Total Fund Balances | <u>\$ 17,368,985</u> | <u>\$ 1,418,644</u> | <u>\$ 2,590,683</u> | <u>\$ 3,297,278</u> | <u>\$ 24,675,590</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 25,678,411</u> | <u>\$ 1,418,644</u> | <u>\$ 2,794,897</u> | <u>\$ 3,376,842</u> | <u>\$ 33,268,794</u> |

Exhibit I-3

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

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

| | | |
|--|--------------------|----------------------|
| Total fund balances - balance sheet - governmental funds (Exhibit I-2) | | \$ 24,675,590 |
| (1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. | | |
| Add: land | \$ 1,660,436 | |
| Add: buildings and improvements net of accumulated depreciation | 45,071,332 | |
| Add: other capital assets net of accumulated depreciation | <u>4,190,379</u> | 50,922,147 |
| (2) Long-term OPEB liability is not due and payable in the current period and therefore is not reported in the governmental funds. | | (7,512,088) |
| (3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB benefits will be amortized and recognized as components of pension and OPEB expense in future years. | | |
| Add: deferred outflows of resources related to pensions | \$ 9,579,394 | |
| Less: deferred inflows of resources related to pensions | (21,801,016) | |
| Add: deferred outflows of resources related to OPEB | 1,185,490 | |
| Less: deferred inflows of resources related to OPEB | <u>(3,280,030)</u> | (14,316,162) |
| (4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds. | | 24,050,920 |
| (5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds. | | <u>520,142</u> |
| Net position of governmental activities (Exhibit A) | | <u>\$ 78,340,549</u> |

Exhibit I-4

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

| | Major Funds | | | Nonmajor Funds | Total Governmental Funds |
|--|------------------------------|--------------------|----------------------------------|-------------------------------------|--------------------------------|
| | General Purpose School | Internal School | Education Capital Projects | Other Govern- mental Funds | |
| <u>Revenues</u> | | | | | |
| Local Taxes | \$ 13,578,105 | \$ 0 | \$ 0 | \$ 0 | \$ 13,578,105 |
| Licenses and Permits | 2,793 | 0 | 0 | 0 | 2,793 |
| Charges for Current Services | 62,016 | 0 | 0 | 1,380,465 | 1,442,481 |
| Other Local Revenues | 376,559 | 2,164,625 | 0 | 11,360 | 2,552,544 |
| State of Tennessee | 36,267,458 | 0 | 0 | 30,431 | 36,297,889 |
| Federal Government | 298,534 | 0 | 0 | 10,653,903 | 10,952,437 |
| Other Governments and Citizens Groups | 126,441 | 0 | 4,222,851 | 0 | 4,349,292 |
| Total Revenues | \$ 50,711,906 | \$ 2,164,625 | \$ 4,222,851 | \$ 12,076,159 | \$ 69,175,541 |
| <u>Expenditures</u> | | | | | |
| Current: | | | | | |
| Instruction | \$ 28,266,786 | \$ 0 | \$ 0 | \$ 3,383,887 | \$ 31,650,673 |
| Support Services | 16,185,700 | 0 | 0 | 1,676,020 | 17,861,720 |
| Operation of Non-Instructional Services | 504,109 | 1,938,859 | 0 | 4,450,801 | 6,893,769 |
| Capital Projects | 0 | 0 | 6,355,382 | 0 | 6,355,382 |
| Total Expenditures | \$ 44,956,595 | \$ 1,938,859 | \$ 6,355,382 | \$ 9,510,708 | \$ 62,761,544 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 5,755,311 | \$ 225,766 | \$ (2,132,531) | \$ 2,565,451 | \$ 6,413,997 |
| <u>Other Financing Sources (Uses)</u> | | | | | |
| Insurance Recovery | \$ 50,844 | \$ 0 | \$ 0 | \$ 0 | \$ 50,844 |
| Transfers In | 889,314 | 0 | 317,000 | 0 | 1,206,314 |
| Transfers Out | (317,000) | 0 | 0 | (889,314) | (1,206,314) |
| Total Other Financing Sources (Uses) | \$ 623,158 | \$ 0 | \$ 317,000 | \$ (889,314) | \$ 50,844 |

(Continued)

Exhibit I-4

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

| | Major Funds | | | Nonmajor Funds | Total Governmental Funds |
|-----------------------------|------------------------------|--------------------|----------------------------------|-------------------------------------|--------------------------------|
| | General Purpose School | Internal School | Education Capital Projects | Other Govern- mental Funds | |
| Net Change in Fund Balances | \$ 6,378,469 | \$ 225,766 | \$ (1,815,531) | \$ 1,676,137 | \$ 6,464,841 |
| Fund Balance, July 1, 2021 | 10,990,516 | 1,192,878 | 4,406,214 | 1,621,141 | 18,210,749 |
| Fund Balance, June 30, 2022 | \$ 17,368,985 | \$ 1,418,644 | \$ 2,590,683 | \$ 3,297,278 | \$ 24,675,590 |

Exhibit I-5

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

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

| | | |
|---|--------------------|----------------------|
| Net change in fund balances - total governmental funds (Exhibit I-4) | | \$ 6,464,841 |
| (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 | \$ 4,257,361 | |
| Less: current-year depreciation expense | <u>(2,660,692)</u> | 1,596,669 |
| (2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | |
| Less: deferred delinquent property taxes and other deferred June 30, 2021 | \$ (907,295) | |
| Add: deferred delinquent property taxes and other deferred June 30, 2022 | <u>520,142</u> | (387,153) |
| (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 other postemployment benefits liability | \$ 174,418 | |
| Change in deferred outflows of resources related to pensions | 5,615,142 | |
| Change in deferred outflows of resources related to OPEB | (88,301) | |
| Change in deferred inflows of resources related to pensions | (19,740,965) | |
| Change in deferred inflows of resources related to OPEB | (14,723) | |
| Change in net pension asset | <u>19,594,751</u> | <u>5,540,322</u> |
| Change in net position of governmental activities (Exhibit B) | | <u>\$ 13,214,679</u> |

Exhibit I-6

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

| | Special Revenue Funds | | | Total Nonmajor Governmental Funds |
|--|-------------------------------|----------------------|-------------------------------|--|
| | School Federal Projects | Central Cafeteria | Extended School Program | |
| <u>ASSETS</u> | | | | |
| Cash | \$ 0 | \$ 1,000 | \$ 1,000 | \$ 2,000 |
| Equity in Pooled Cash and Investments | 63,368 | 1,481,900 | 975,036 | 2,520,304 |
| Accounts Receivable | 0 | 1,177 | 102,479 | 103,656 |
| Due from Other Governments | 529,520 | 69,079 | 152,283 | 750,882 |
| Total Assets | <u>\$ 592,888</u> | <u>\$ 1,553,156</u> | <u>\$ 1,230,798</u> | <u>\$ 3,376,842</u> |
| <u>LIABILITIES</u> | | | | |
| Accounts Payable | \$ 40,944 | \$ 4,271 | \$ 15,725 | \$ 60,940 |
| Payroll Deductions Payable | 1,944 | 8,355 | 8,325 | 18,624 |
| Total Liabilities | <u>\$ 42,888</u> | <u>\$ 12,626</u> | <u>\$ 24,050</u> | <u>\$ 79,564</u> |
| <u>FUND BALANCES</u> | | | | |
| Restricted: | | | | |
| Restricted for Education | \$ 0 | \$ 0 | \$ 792,210 | \$ 792,210 |
| Restricted for Operation of Non-instructional Services | 0 | 1,540,530 | 0 | 1,540,530 |
| Committed: | | | | |
| Committed for Education | 550,000 | 0 | 0 | 550,000 |
| Assigned: | | | | |
| Assigned for Education | 0 | 0 | 414,538 | 414,538 |
| Total Fund Balances | <u>\$ 550,000</u> | <u>\$ 1,540,530</u> | <u>\$ 1,206,748</u> | <u>\$ 3,297,278</u> |
| Total Liabilities and Fund Balances | <u>\$ 592,888</u> | <u>\$ 1,553,156</u> | <u>\$ 1,230,798</u> | <u>\$ 3,376,842</u> |

Exhibit I-7

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

| | <u>Special Revenue Funds</u> | | | Total Nonmajor Governmental Funds |
|--|-------------------------------|----------------------|-------------------------------|--|
| | School Federal Projects | Central Cafeteria | Extended School Program | |
| <u>Revenues</u> | | | | |
| Charges for Current Services | \$ 0 | \$ 328,936 | \$ 1,051,529 | \$ 1,380,465 |
| Other Local Revenues | 0 | 9,555 | 1,805 | 11,360 |
| State of Tennessee | 0 | 26,357 | 4,074 | 30,431 |
| Federal Government | 5,592,943 | 4,268,750 | 792,210 | 10,653,903 |
| Total Revenues | <u>\$ 5,592,943</u> | <u>\$ 4,633,598</u> | <u>\$ 1,849,618</u> | <u>\$ 12,076,159</u> |
| <u>Expenditures</u> | | | | |
| Current: | | | | |
| Instruction | \$ 3,383,887 | \$ 0 | \$ 0 | \$ 3,383,887 |
| Support Services | 1,666,530 | 0 | 9,490 | 1,676,020 |
| Operation of Non-Instructional Services | 178,830 | 3,315,674 | 956,297 | 4,450,801 |
| Total Expenditures | <u>\$ 5,229,247</u> | <u>\$ 3,315,674</u> | <u>\$ 965,787</u> | <u>\$ 9,510,708</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 363,696</u> | <u>\$ 1,317,924</u> | <u>\$ 883,831</u> | <u>\$ 2,565,451</u> |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Transfers Out | \$ (362,001) | \$ (400,000) | \$ (127,313) | \$ (889,314) |
| Total Other Financing Sources (Uses) | <u>\$ (362,001)</u> | <u>\$ (400,000)</u> | <u>\$ (127,313)</u> | <u>\$ (889,314)</u> |
| Net Change in Fund Balances | \$ 1,695 | \$ 917,924 | \$ 756,518 | \$ 1,676,137 |
| Fund Balance, July 1, 2021 | 548,305 | 622,606 | 450,230 | 1,621,141 |
| Fund Balance, June 30, 2022 | <u>\$ 550,000</u> | <u>\$ 1,540,530</u> | <u>\$ 1,206,748</u> | <u>\$ 3,297,278</u> |

Exhibit I-8

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

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2021 | Add: Encumbrances 6/30/2022 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|---------------|--|
| | | | | | Original | Final | |
| <u>Revenues</u> | | | | | | | |
| Local Taxes | \$ 13,578,105 | \$ 0 | \$ 0 | \$ 13,578,105 | \$ 12,162,999 | \$ 12,162,999 | \$ 1,415,106 |
| Licenses and Permits | 2,793 | 0 | 0 | 2,793 | 4,000 | 4,000 | (1,207) |
| Charges for Current Services | 62,016 | 0 | 0 | 62,016 | 130,000 | 130,000 | (67,984) |
| Other Local Revenues | 376,559 | 0 | 0 | 376,559 | 229,000 | 229,000 | 147,559 |
| State of Tennessee | 36,267,458 | 0 | 0 | 36,267,458 | 35,969,485 | 36,071,117 | 196,341 |
| Federal Government | 298,534 | 0 | 0 | 298,534 | 50,000 | 50,000 | 248,534 |
| Other Governments and Citizens Groups | 126,441 | 0 | 0 | 126,441 | 129,580 | 129,580 | (3,139) |
| Total Revenues | \$ 50,711,906 | \$ 0 | \$ 0 | \$ 50,711,906 | \$ 48,675,064 | \$ 48,776,696 | \$ 1,935,210 |
| <u>Expenditures</u> | | | | | | | |
| <u>Instruction</u> | | | | | | | |
| Regular Instruction Program | \$ 22,928,766 | \$ (8,822) | \$ 0 | \$ 22,919,944 | \$ 26,175,359 | \$ 25,983,243 | \$ 3,063,299 |
| Special Education Program | 4,319,411 | (80,678) | 128 | 4,238,861 | 4,300,178 | 4,332,178 | 93,317 |
| Career and Technical Education Program | 1,018,609 | 0 | 0 | 1,018,609 | 1,168,825 | 1,168,825 | 150,216 |
| <u>Support Services</u> | | | | | | | |
| Attendance | 24,707 | 0 | 0 | 24,707 | 26,164 | 26,364 | 1,657 |
| Health Services | 509,644 | 0 | 0 | 509,644 | 538,795 | 562,316 | 52,672 |
| Other Student Support | 1,286,842 | (33,411) | 0 | 1,253,431 | 1,441,216 | 1,456,716 | 203,285 |
| Regular Instruction Program | 1,606,114 | 0 | 36,331 | 1,642,445 | 1,589,817 | 1,723,817 | 81,372 |
| Special Education Program | 545,295 | (44,399) | 0 | 500,896 | 676,849 | 605,049 | 104,153 |
| Career and Technical Education Program | 43,294 | 0 | 0 | 43,294 | 45,491 | 45,591 | 2,297 |
| Technology | 918,285 | (57,416) | 51,987 | 912,856 | 1,153,937 | 1,086,437 | 173,581 |
| Other Programs | 102,367 | 0 | 0 | 102,367 | 0 | 102,367 | 0 |
| Board of Education | 618,276 | 0 | 0 | 618,276 | 617,746 | 721,746 | 103,470 |
| Director of Schools | 290,929 | (3,835) | 4,700 | 291,794 | 330,622 | 343,622 | 51,828 |
| Office of the Principal | 2,901,045 | (842) | 0 | 2,900,203 | 3,132,675 | 3,101,288 | 201,085 |
| Fiscal Services | 430,943 | 0 | 0 | 430,943 | 400,789 | 435,989 | 5,046 |
| Human Services/Personnel | 119,648 | 0 | 0 | 119,648 | 119,880 | 128,780 | 9,132 |
| Operation of Plant | 2,961,311 | (2,879) | 107,811 | 3,066,243 | 3,078,103 | 3,198,103 | 131,860 |

(Continued)

Exhibit I-8

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

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2021 | Add: Encumbrances 6/30/2022 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|----------------------|----------------------|--|
| | | | | | Original | Final | |
| <u>Expenditures (Cont.)</u> | | | | | | | |
| <u>Support Services (Cont.)</u> | | | | | | | |
| Maintenance of Plant | \$ 1,414,696 | \$ (59,472) | \$ 30,705 | \$ 1,385,929 | \$ 1,478,257 | \$ 1,482,757 | \$ 96,828 |
| Transportation | 2,412,304 | (127,128) | 9,802 | 2,294,978 | 2,813,456 | 2,679,956 | 384,978 |
| <u>Operation of Non-Instructional Services</u> | | | | | | | |
| Food Service | 40,699 | 0 | 0 | 40,699 | 61,318 | 66,700 | 26,001 |
| Early Childhood Education | 463,410 | 0 | 0 | 463,410 | 463,990 | 465,618 | 2,208 |
| Total Expenditures | <u>\$ 44,956,595</u> | <u>\$ (418,882)</u> | <u>\$ 241,464</u> | <u>\$ 44,779,177</u> | <u>\$ 49,613,467</u> | <u>\$ 49,717,462</u> | <u>\$ 4,938,285</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 5,755,311</u> | <u>\$ 418,882</u> | <u>\$ (241,464)</u> | <u>\$ 5,932,729</u> | <u>\$ (938,403)</u> | <u>\$ (940,766)</u> | <u>\$ 6,873,495</u> |
| <u>Other Financing Sources (Uses)</u> | | | | | | | |
| Insurance Recovery | \$ 50,844 | \$ 0 | \$ 0 | \$ 50,844 | \$ 75,000 | \$ 75,000 | \$ (24,156) |
| Transfers In | 889,314 | 0 | 0 | 889,314 | 398,000 | 367,537 | 521,777 |
| Transfers Out | (317,000) | 0 | 0 | (317,000) | (33,491) | (317,666) | 666 |
| Total Other Financing Sources | <u>\$ 623,158</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 623,158</u> | <u>\$ 439,509</u> | <u>\$ 124,871</u> | <u>\$ 498,287</u> |
| Net Change in Fund Balance | \$ 6,378,469 | \$ 418,882 | \$ (241,464) | \$ 6,555,887 | \$ (498,894) | \$ (815,895) | \$ 7,371,782 |
| Fund Balance, July 1, 2021 | <u>10,990,516</u> | <u>(418,882)</u> | <u>0</u> | <u>10,571,634</u> | <u>5,632,724</u> | <u>10,990,516</u> | <u>(418,882)</u> |
| Fund Balance, June 30, 2022 | <u>\$ 17,368,985</u> | <u>\$ 0</u> | <u>\$ (241,464)</u> | <u>\$ 17,127,521</u> | <u>\$ 5,133,830</u> | <u>\$ 10,174,621</u> | <u>\$ 6,952,900</u> |

Exhibit I-9

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

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|--------------|------------------|---------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Federal Government | \$ 5,592,943 | \$ 12,065,031 | \$ 12,667,143 | \$ (7,074,200) |
| Total Revenues | \$ 5,592,943 | \$ 12,065,031 | \$ 12,667,143 | \$ (7,074,200) |
| <u>Expenditures</u> | | | | |
| <u>Instruction</u> | | | | |
| Regular Instruction Program | \$ 1,857,969 | \$ 4,107,924 | \$ 5,389,506 | \$ 3,531,537 |
| Special Education Program | 1,214,430 | 996,765 | 1,807,831 | 593,401 |
| Career and Technical Education Program | 311,488 | 1,134,774 | 1,191,693 | 880,205 |
| <u>Support Services</u> | | | | |
| Attendance | 216 | 0 | 2,655 | 2,439 |
| Health Services | 143,571 | 317,543 | 280,518 | 136,947 |
| Other Student Support | 259,890 | 255,697 | 341,128 | 81,238 |
| Regular Instruction Program | 667,946 | 1,038,245 | 1,108,241 | 440,295 |
| Special Education Program | 334,161 | 680,741 | 570,257 | 236,096 |
| Career and Technical Education Program | 2,674 | 2,743 | 5,064 | 2,390 |
| Technology | 87,659 | 273,163 | 284,419 | 196,760 |
| Director of Schools | 1,701 | 0 | 5,308 | 3,607 |
| Office of the Principal | 118,029 | 213,579 | 348,660 | 230,631 |
| Fiscal Services | 4,825 | 0 | 15,923 | 11,098 |
| Human Services/Personnel | 1,283 | 1,978,023 | 2,655 | 1,372 |
| Maintenance of Plant | 4,298 | 0 | 13,343 | 9,045 |
| Transportation | 40,277 | 198,359 | 272,359 | 232,082 |
| <u>Operation of Non-Instructional Services</u> | | | | |
| Food Service | 61,794 | 137,762 | 266,387 | 204,593 |
| Community Services | 108,259 | 100,086 | 174,394 | 66,135 |
| Early Childhood Education | 8,777 | 0 | 29,192 | 20,415 |
| Total Expenditures | \$ 5,229,247 | \$ 11,435,404 | \$ 12,109,533 | \$ 6,880,286 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 363,696 | \$ 629,627 | \$ 557,610 | \$ (193,914) |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Transfers Out | \$ (362,001) | \$ (629,628) | \$ (557,610) | \$ 195,609 |
| Total Other Financing Sources | \$ (362,001) | \$ (629,628) | \$ (557,610) | \$ 195,609 |
| Net Change in Fund Balance | \$ 1,695 | \$ (1) | \$ 0 | \$ 1,695 |
| Fund Balance, July 1, 2021 | 548,305 | 548,305 | 548,305 | 0 |
| Fund Balance, June 30, 2022 | \$ 550,000 | \$ 548,304 | \$ 548,305 | \$ 1,695 |

Exhibit I-10

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

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2021 | Add: Encumbrances 6/30/2022 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|---------------------|---------------------|--|
| | | | | | Original | Final | |
| <u>Revenues</u> | | | | | | | |
| Charges for Current Services | \$ 328,936 | \$ 0 | \$ 0 | \$ 328,936 | \$ 1,288,900 | \$ 1,288,900 | \$ (959,964) |
| Other Local Revenues | 9,555 | 0 | 0 | 9,555 | 21,200 | 21,200 | (11,645) |
| State of Tennessee | 26,357 | 0 | 0 | 26,357 | 26,000 | 26,000 | 357 |
| Federal Government | 4,268,750 | 0 | 0 | 4,268,750 | 2,100,000 | 2,100,000 | 2,168,750 |
| Total Revenues | \$ 4,633,598 | \$ 0 | \$ 0 | \$ 4,633,598 | \$ 3,436,100 | \$ 3,436,100 | \$ 1,197,498 |
| <u>Expenditures</u> | | | | | | | |
| <u>Operation of Non-Instructional Services</u> | | | | | | | |
| Food Service | \$ 3,315,674 | \$ (285,462) | \$ 78,512 | \$ 3,108,724 | \$ 3,436,100 | \$ 3,436,100 | \$ 327,376 |
| Total Expenditures | \$ 3,315,674 | \$ (285,462) | \$ 78,512 | \$ 3,108,724 | \$ 3,436,100 | \$ 3,436,100 | \$ 327,376 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 1,317,924 | \$ 285,462 | \$ (78,512) | \$ 1,524,874 | \$ 0 | \$ 0 | \$ 1,524,874 |
| <u>Other Financing Sources (Uses)</u> | | | | | | | |
| Transfers Out | \$ (400,000) | \$ 0 | \$ 0 | \$ (400,000) | \$ 0 | \$ (400,000) | \$ 0 |
| Total Other Financing Sources | \$ (400,000) | \$ 0 | \$ 0 | \$ (400,000) | \$ 0 | \$ (400,000) | \$ 0 |
| Net Change in Fund Balance | \$ 917,924 | \$ 285,462 | \$ (78,512) | \$ 1,124,874 | \$ 0 | \$ (400,000) | \$ 1,524,874 |
| Fund Balance, July 1, 2021 | 622,606 | (285,462) | 0 | 337,144 | 201,093 | 622,606 | (285,462) |
| Fund Balance, June 30, 2022 | \$ 1,540,530 | \$ 0 | \$ (78,512) | \$ 1,462,018 | \$ 201,093 | \$ 222,606 | \$ 1,239,412 |

Exhibit I-11

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

| | Actual (GAAP Basis) | Less: Encumbrances 7/1/2021 | Actual Revenues/ Expenditures (Budgetary Basis) | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|--|---------------------------|-----------------------------------|---|---------------------|---------------------|--|
| | | | | Original | Final | |
| <u>Revenues</u> | | | | | | |
| Charges for Current Services | \$ 1,051,529 | \$ 0 | \$ 1,051,529 | \$ 1,284,650 | \$ 1,284,650 | \$ (233,121) |
| Other Local Revenues | 1,805 | 0 | 1,805 | 0 | 0 | 1,805 |
| State of Tennessee | 4,074 | 0 | 4,074 | 0 | 0 | 4,074 |
| Federal Government | 792,210 | 0 | 792,210 | 0 | 0 | 792,210 |
| Total Revenues | \$ 1,849,618 | \$ 0 | \$ 1,849,618 | \$ 1,284,650 | \$ 1,284,650 | \$ 564,968 |
| <u>Expenditures</u> | | | | | | |
| <u>Support Services</u> | | | | | | |
| Board of Education | \$ 9,490 | \$ 0 | \$ 9,490 | \$ 13,000 | \$ 17,000 | \$ 7,510 |
| <u>Operation of Non-Instructional Services</u> | | | | | | |
| Community Services | 956,297 | (3,746) | 952,551 | 1,067,650 | 1,063,650 | 111,099 |
| Total Expenditures | \$ 965,787 | \$ (3,746) | \$ 962,041 | \$ 1,080,650 | \$ 1,080,650 | \$ 118,609 |
| <u>Excess (Deficiency) of Revenues</u> | | | | | | |
| Over Expenditures | \$ 883,831 | \$ 3,746 | \$ 887,577 | \$ 204,000 | \$ 204,000 | \$ 683,577 |
| <u>Other Financing Sources (Uses)</u> | | | | | | |
| Transfers Out | \$ (127,313) | \$ 0 | \$ (127,313) | \$ (204,000) | \$ (204,000) | \$ 76,687 |
| Total Other Financing Sources | \$ (127,313) | \$ 0 | \$ (127,313) | \$ (204,000) | \$ (204,000) | \$ 76,687 |
| Net Change in Fund Balance | \$ 756,518 | \$ 3,746 | \$ 760,264 | \$ 0 | \$ 0 | \$ 760,264 |
| Fund Balance, July 1, 2021 | 450,230 | (3,746) | 446,484 | 358,695 | 450,230 | (3,746) |
| Fund Balance, June 30, 2022 | \$ 1,206,748 | \$ 0 | \$ 1,206,748 | \$ 358,695 | \$ 450,230 | \$ 756,518 |

Exhibit I-12

Cheatham County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Cheatham County School Department
Education Capital Projects Fund
For the Year Ended June 30, 2022

| | Actual | Budgeted Amounts | | Variance with Final Budget - Positive (Negative) |
|---|----------------|------------------|----------------|--|
| | | Original | Final | |
| <u>Revenues</u> | | | | |
| Other Governments and Citizens Groups | \$ 4,222,851 | \$ 0 | \$ 4,222,851 | \$ 0 |
| Total Revenues | \$ 4,222,851 | \$ 0 | \$ 4,222,851 | \$ 0 |
| <u>Expenditures</u> | | | | |
| <u>Capital Outlay</u> | | | | |
| Regular Capital Outlay | \$ 0 | \$ 5,034,431 | \$ 0 | \$ 0 |
| <u>Capital Projects</u> | | | | |
| Education Capital Projects | 6,355,382 | 0 | 9,574,282 | 3,218,900 |
| Total Expenditures | \$ 6,355,382 | \$ 5,034,431 | \$ 9,574,282 | \$ 3,218,900 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ (2,132,531) | \$ (5,034,431) | \$ (5,351,431) | \$ 3,218,900 |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Notes Issued | \$ 0 | \$ 5,034,431 | \$ 0 | \$ 0 |
| Transfers In | 317,000 | 0 | 317,000 | 0 |
| Total Other Financing Sources | \$ 317,000 | \$ 5,034,431 | \$ 317,000 | \$ 0 |
| Net Change in Fund Balance | \$ (1,815,531) | \$ 0 | \$ (5,034,431) | \$ 3,218,900 |
| Fund Balance, July 1, 2021 | 4,406,214 | 2,044,403 | 4,406,214 | 0 |
| Fund Balance, June 30, 2022 | \$ 2,590,683 | \$ 2,044,403 | \$ (628,217) | \$ 3,218,900 |

MISCELLANEOUS SCHEDULES

Exhibit J-1

Cheatham County, Tennessee
Schedule of Changes in Long-term Notes, Other Loans, and Bonds
For the Year Ended June 30, 2022

| Description of Indebtedness | Original Amount of Issue | Interest Rate | Date of Issue | Last Maturity Date | Outstanding 7-1-21 | Issued During Period | Paid and/or Matured During Period | Outstanding 6-30-22 |
|--|--------------------------|---------------|---------------|--------------------|---------------------|----------------------|-----------------------------------|---------------------|
| NOTES PAYABLE | | | | | | | | |
| <u>Payable through General Debt Service Fund</u> | | | | | | | | |
| Sewer System | \$ 966,000 | 3.04 % | 8-29-12 | 8-1-23 | \$ 256,000 | \$ 0 | \$ 87,000 | \$ 169,000 |
| Waterlines | 910,000 | 2.68 | 6-19-13 | 6-1-24 | 176,000 | 0 | 81,000 | 95,000 |
| Fire Station and Equipment | 995,000 | 2.79 | 8-29-13 | 8-1-23 | 327,000 | 0 | 106,000 | 221,000 |
| Highway Department Office and Garage - Phase 1 | 680,000 | 4.75 | 4-11-19 | 9-3-21 | 226,666 | 0 | 226,666 | 0 |
| Highway Department Office and Garage - Phase 2 | 400,000 | 4.75 | 9-11-19 | 9-1-22 | 266,667 | 0 | 133,333 | 133,334 |
| Total Payable through General Debt Service Fund | | | | | <u>\$ 1,252,333</u> | <u>\$ 0</u> | <u>\$ 633,999</u> | <u>\$ 618,334</u> |
| <u>Payable through Education Debt Service Fund</u> | | | | | | | | |
| School Bus Garage Facility | 4,456,639 | 1.21 | 1-27-21 | 4-22-22 | \$ 2,925,154 | \$ 0 | \$ 2,925,154 | \$ 0 |
| School Laptops | 200,000 | 3.5 | 4-29-22 | 5-13-22 | 0 | 200,000 | 200,000 | 0 |
| School Playground Equipment | 267,689 | 3.25 | 6-15-21 | 8-13-21 | 130,659 | 0 | 130,659 | 0 |
| 7 School Buses | 925,218 | 3.25 | 4-1-22 | 4-22-22 | 0 | 925,218 | 925,218 | 0 |
| CCHS Roof Project | 1,479,177 | 3.25 | 12-6-21 | 1-7-22 | 0 | 1,479,177 | 1,479,177 | 0 |
| CCCHS & SHS Paving | 422,104 | 3.25 | 8-11-21 | 8-27-21 | 0 | 422,104 | 422,104 | 0 |
| Districtwide Playground Equipment | 836,032 | 3.25 | 9-1-21 | 9-24-21 | 0 | 836,032 | 836,032 | 0 |
| Harpeth Middle Drainage | 360,320 | 3.25 | 11-10-21 | 12-3-21 | 0 | 360,320 | 360,320 | 0 |
| Total Payable through Education Debt Service Fund | | | | | <u>\$ 3,055,813</u> | <u>\$ 4,222,851</u> | <u>\$ 7,278,664</u> | <u>\$ 0</u> |
| Total Notes Payable | | | | | <u>\$ 4,308,146</u> | <u>\$ 4,222,851</u> | <u>\$ 7,912,663</u> | <u>\$ 618,334</u> |
| OTHER LOANS PAYABLE | | | | | | | | |
| <u>Payable through General Debt Service Fund</u> | | | | | | | | |
| County Services Offices Project | 5,000,000 | 3.58 | 11-30-17 | 6-1-32 | \$ 4,014,000 | \$ 0 | \$ 304,000 | \$ 3,710,000 |
| Highway Facility Project | (1) | 2.22 | 12-1-20 | 12-1-31 | 2,177,961 | 294,101 | 367,000 | 2,105,062 |
| Total Payable through General Debt Service Fund | | | | | <u>\$ 6,191,961</u> | <u>\$ 294,101</u> | <u>\$ 671,000</u> | <u>\$ 5,815,062</u> |
| <u>Payable through Education Debt Service Fund</u> | | | | | | | | |
| Energy Efficient Schools Initiative | 5,028,918 | .75 | 5-31-11 | 5-1-24 | \$ 1,264,276 | \$ 0 | \$ 430,344 | \$ 833,932 |
| Total Payable through Education Debt Service Fund | | | | | <u>\$ 1,264,276</u> | <u>\$ 0</u> | <u>\$ 430,344</u> | <u>\$ 833,932</u> |
| Total Other Loans Payable | | | | | <u>\$ 7,456,237</u> | <u>\$ 294,101</u> | <u>\$ 1,101,344</u> | <u>\$ 6,648,994</u> |
| BONDS PAYABLE | | | | | | | | |
| <u>Payable through Education Debt Service Fund</u> | | | | | | | | |
| Refunding | 7,894,500 | 3.14 | 4-29-09 | 5-23-22 | \$ 418,700 | \$ 0 | \$ 418,700 | \$ 0 |
| Total Bonds Payable | | | | | <u>\$ 418,700</u> | <u>\$ 0</u> | <u>\$ 418,700</u> | <u>\$ 0</u> |

(1) Total amount approved was \$2,700,000, of which \$227,938 remains available for draws as of June 30, 2022.

Exhibit J-2

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

| Year Ending June 30 | Notes | | |
|---------------------------|-------------------|------------------|-------------------|
| | Principal | Interest | Total |
| 2023 | \$ 414,334 | \$ 12,595 | \$ 426,929 |
| 2024 | 204,000 | 3,100 | 207,100 |
| Total | <u>\$ 618,334</u> | <u>\$ 15,695</u> | <u>\$ 634,029</u> |

| Year Ending June 30 | Other Loans | | |
|---------------------------|---------------------|---------------------|---------------------|
| | Principal | Interest | Total |
| 2023 | \$ 950,584 | \$ 190,480 | \$ 1,141,064 |
| 2024 | 933,348 | 171,072 | 1,104,420 |
| 2025 | 549,000 | 152,968 | 701,968 |
| 2026 | 567,000 | 135,797 | 702,797 |
| 2027 | 585,000 | 118,065 | 703,065 |
| 2028 | 603,000 | 99,748 | 702,748 |
| 2029 | 621,000 | 80,849 | 701,849 |
| 2030 | 641,000 | 61,353 | 702,353 |
| 2031 | 661,000 | 41,225 | 702,225 |
| 2032 | 538,062 | 19,424 | 557,486 |
| Total | <u>\$ 6,648,994</u> | <u>\$ 1,070,981</u> | <u>\$ 7,719,975</u> |

Exhibit J-3

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

| <u>From Fund</u> | <u>To Fund</u> | <u>Purpose</u> | <u>Amount</u> |
|---|----------------------------|---------------------|---------------------|
| <u>PRIMARY GOVERNMENT</u> | | | |
| General Capital Projects | General Debt Service | Debt retirement | \$ 70,000 |
| Highway/Public Works | " | " | 100,000 |
| Drug Control | General | DICE officer salary | <u>36,043</u> |
| Total Transfers Primary Government | | | <u>\$ 206,043</u> |
| <u>DISCRETELY PRESENTED CHEATHAM COUNTY SCHOOL DEPARTMENT</u> | | | |
| School Federal Projects | General Purpose School | Indirect costs | \$ 362,001 |
| Extended School Program | " | " | 127,313 |
| Central Cafeteria | " | Operations | 400,000 |
| General Purpose School | Education Capital Projects | " | <u>317,000</u> |
| Total Transfers Discretely Presented Cheatham County School Department | | | <u>\$ 1,206,314</u> |

Exhibit J-4

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

| Official | Authorization for Salary | Salary Paid During Period | Bond | Surety |
|---|---|---------------------------|--------------|---|
| County Mayor | Section 8-24-102, <i>TCA</i> | \$ 98,425 | (5) | |
| Road Superintendent | Section 8-24-102, <i>TCA</i> | 93,738 | (5) | |
| Director of Schools | State Board of Education and Local Board of Education | 141,125 (1) | (5) | |
| Trustee | Section 8-24-102, <i>TCA</i> | 85,216 | \$ 1,600,000 | RLI Insurance Company |
| Assessor of Property | Section 8-24-102, <i>TCA</i> | 85,216 | (5) | |
| Director of Accounts and Budgets | County Commission | 87,791 (2) | (5) | |
| County Clerk | Section 8-24-102, <i>TCA</i> | 85,216 | (5) | |
| Circuit and General Sessions Courts Clerk | Section 8-24-102, <i>TCA</i> | 85,216 | (5) | |
| Clerk and Master | Section 8-24-102, <i>TCA</i> | 85,216 (3) | (5) | |
| Register of Deeds | Section 8-24-102, <i>TCA</i> | 85,216 | (5) | |
| Sheriff | Section 8-24-102, <i>TCA</i> | 93,738 (4) | (5) | |
| <u>Employee Bonds</u> | | | | |
| General Employee Blanket Bond | | | 400,000 | Local Government Property and Casualty Fund |
| School Employee Blanket Bond | | | 400,000 | Tennessee Risk Management Trust |

- (1) Includes \$1,000 CEO supplement; does not include \$9,000 Planning Grant funds.
- (2) Includes \$10,535 for serving as purchasing director; does not include \$1,500 for longevity.
- (3) Does not include special commissioner fees of \$4,950.
- (4) Does not include \$800 law enforcement training supplement.
- (5) Officials are covered by the employee blanket bond pursuant to Section 8-19-101, *TCA*.

Exhibit J-5

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

| | Special Revenue Funds | | | | | |
|--|-----------------------|---------------------------------------|--------------------------------|-----------------|------------------------------|------------------------------|
| | General | Courthouse and Jail Maintenance | Solid Waste / Sanitation | Drug Control | Unemployment Compensation | Highway / Public Works |
| <u>Local Taxes</u> | | | | | | |
| <u>County Property Taxes</u> | | | | | | |
| Current Property Tax | \$ 13,511,450 | \$ 0 | \$ 887,092 | \$ 0 | \$ 0 | \$ 578,616 |
| Trustee's Collections - Prior Year | 213,908 | 0 | 15,052 | 0 | 0 | 9,605 |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 115,073 | 0 | 8,129 | 0 | 0 | 5,187 |
| Interest and Penalty | 104,578 | 0 | 6,838 | 0 | 0 | 4,384 |
| Pickup Taxes | 25,942 | 0 | 1,716 | 0 | 0 | 1,118 |
| Payments in-Lieu-of Taxes - T.V.A. | 1,108 | 0 | 0 | 0 | 0 | 0 |
| Payments in-Lieu-of Taxes - Local Utilities | 80,125 | 0 | 5,431 | 0 | 0 | 3,506 |
| Payments in-Lieu-of Taxes - Other | 15,117 | 0 | 1,033 | 0 | 0 | 666 |
| <u>County Local Option Taxes</u> | | | | | | |
| Local Option Sales Tax | 0 | 0 | 0 | 0 | 0 | 0 |
| Hotel/Motel Tax | 413,365 | 0 | 0 | 0 | 0 | 0 |
| Wheel Tax | 0 | 0 | 0 | 0 | 0 | 448,853 |
| Litigation Tax - General | 77,869 | 6,903 | 0 | 0 | 0 | 0 |
| Litigation Tax - Jail, Workhouse, or Courthouse | 29,509 | 0 | 0 | 0 | 0 | 0 |
| Business Tax | 500 | 0 | 0 | 0 | 0 | 0 |
| Adequate Facilities/Development Tax | 53,333 | 0 | 0 | 0 | 0 | 53,296 |
| Other County Local Option Taxes | 1,543,251 | 0 | 0 | 0 | 0 | 0 |
| <u>Statutory Local Taxes</u> | | | | | | |
| Bank Excise Tax | 168,812 | 0 | 0 | 0 | 0 | 0 |
| Wholesale Beer Tax | 303,372 | 0 | 0 | 0 | 0 | 0 |
| Beer Privilege Tax | 2,098 | 0 | 0 | 0 | 0 | 0 |
| Total Local Taxes | \$ 16,659,410 | \$ 6,903 | \$ 925,291 | \$ 0 | \$ 0 | \$ 1,105,231 |

(Continued)

Exhibit J-5

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

| | Special Revenue Funds | | | | | |
|--|-----------------------|---------------------------------------|--------------------------------|-----------------|------------------------------|------------------------------|
| | General | Courthouse and Jail Maintenance | Solid Waste / Sanitation | Drug Control | Unemployment Compensation | Highway / Public Works |
| <u>Licenses and Permits</u> | | | | | | |
| <u>Licenses</u> | | | | | | |
| Animal Registration | \$ 12,139 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Cable TV Franchise | 232,592 | 0 | 0 | 0 | 0 | 0 |
| <u>Permits</u> | | | | | | |
| Beer Permits | 250 | 0 | 0 | 0 | 0 | 0 |
| Building Permits | 333,276 | 0 | 0 | 0 | 0 | 0 |
| Other Permits | 2,180 | 0 | 0 | 0 | 0 | 200 |
| Total Licenses and Permits | <u>\$ 580,437</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 200</u> |
| <u>Fines, Forfeitures, and Penalties</u> | | | | | | |
| <u>Circuit Court</u> | | | | | | |
| Fines | \$ 15,242 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Officers Costs | 9,622 | 0 | 0 | 0 | 0 | 0 |
| Data Entry Fee - Circuit Court | 1,020 | 0 | 0 | 0 | 0 | 0 |
| <u>General Sessions Court</u> | | | | | | |
| Fines | 19,364 | 0 | 0 | 0 | 0 | 0 |
| Officers Costs | 81,184 | 0 | 0 | 0 | 0 | 0 |
| Game and Fish Fines | 360 | 0 | 0 | 0 | 0 | 0 |
| Jail Fees | 56,917 | 0 | 0 | 0 | 0 | 0 |
| Judicial Commissioner Fees | 71 | 0 | 0 | 0 | 0 | 0 |
| DUI Treatment Fines | 8,656 | 0 | 0 | 0 | 0 | 0 |
| Data Entry Fee - General Sessions Court | 9,449 | 0 | 0 | 0 | 0 | 0 |
| Courtroom Security Fee | 1,045 | 0 | 0 | 0 | 0 | 0 |
| <u>Juvenile Court</u> | | | | | | |
| Fines | 2,006 | 0 | 0 | 0 | 0 | 0 |
| Data Entry Fee - Juvenile Court | 996 | 0 | 0 | 0 | 0 | 0 |

(Continued)

Exhibit J-5

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

| | Special Revenue Funds | | | | | |
|--|-----------------------|---------------------------------------|--------------------------------|------------------|------------------------------|------------------------------|
| | General | Courthouse and Jail Maintenance | Solid Waste / Sanitation | Drug Control | Unemployment Compensation | Highway / Public Works |
| <u>Fines, Forfeitures, and Penalties (Cont.)</u> | | | | | | |
| <u>Chancery Court</u> | | | | | | |
| Officers Costs | \$ 120 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Data Entry Fee - Chancery Court | 3,646 | 0 | 0 | 0 | 0 | 0 |
| <u>Other Courts - In-county</u> | | | | | | |
| Drug Control Fines | 0 | 0 | 0 | 25,074 | 0 | 0 |
| <u>Judicial District Drug Program</u> | | | | | | |
| Drug Task Force Forfeitures and Seizures | 0 | 0 | 0 | 69,327 | 0 | 0 |
| Total Fines, Forfeitures, and Penalties | \$ 209,698 | \$ 0 | \$ 0 | \$ 94,401 | \$ 0 | \$ 0 |
| <u>Charges for Current Services</u> | | | | | | |
| <u>General Service Charges</u> | | | | | | |
| Self-Insurance Premiums/Contributions | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 8,311 | \$ 0 |
| Tipping Fees | 0 | 0 | 461,688 | 0 | 0 | 0 |
| Surcharge - Waste Tire Disposal | 0 | 0 | 13,052 | 0 | 0 | 0 |
| Patient Charges | 1,319,253 | 0 | 0 | 0 | 0 | 0 |
| Other General Service Charges | 45,984 | 0 | 0 | 0 | 0 | 0 |
| <u>Fees</u> | | | | | | |
| Engineer Review Fees | 6,461 | 0 | 0 | 0 | 0 | 0 |
| Copy Fees | 3,547 | 0 | 0 | 0 | 0 | 0 |
| Library Fees | 2,086 | 0 | 0 | 0 | 0 | 0 |
| Archives and Records Management Fee | 35,882 | 0 | 0 | 0 | 0 | 0 |
| Greenbelt Late Application Fee | 100 | 0 | 0 | 0 | 0 | 0 |
| Telephone Commissions | 23,140 | 0 | 0 | 0 | 0 | 0 |
| Constitutional Officers' Fees and Commissions | 29,012 | 0 | 0 | 0 | 0 | 0 |
| Data Processing Fee - Register | 19,104 | 0 | 0 | 0 | 0 | 0 |
| Probation Fees | 31,955 | 0 | 0 | 0 | 0 | 0 |

(Continued)

Exhibit J-5

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

| | Special Revenue Funds | | | | | |
|---|-----------------------|---------------------------------------|--------------------------------|------------------|------------------------------|------------------------------|
| | General | Courthouse and Jail Maintenance | Solid Waste / Sanitation | Drug Control | Unemployment Compensation | Highway / Public Works |
| <u>Charges for Current Services (Cont.)</u> | | | | | | |
| <u>Fees (Cont.)</u> | | | | | | |
| Data Processing Fee - Sheriff | \$ 5,063 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Sexual Offender Registration Fee - Sheriff | 8,550 | 0 | 0 | 0 | 0 | 0 |
| Data Processing Fee - County Clerk | 14,973 | 0 | 0 | 0 | 0 | 0 |
| Total Charges for Current Services | \$ 1,545,110 | \$ 0 | \$ 474,740 | \$ 0 | \$ 8,311 | \$ 0 |
| <u>Other Local Revenues</u> | | | | | | |
| <u>Recurring Items</u> | | | | | | |
| Investment Income | \$ 125,110 | \$ 0 | \$ 5 | \$ 0 | \$ 0 | \$ 62 |
| Lease/Rentals | 519,016 | 0 | 0 | 0 | 0 | 0 |
| Sale of Materials and Supplies | 0 | 0 | 0 | 0 | 0 | 13,284 |
| Commissary Sales | 5,774 | 0 | 0 | 0 | 0 | 0 |
| Sale of Recycled Materials | 0 | 0 | 39,556 | 0 | 0 | 6,002 |
| E-Rate Funding | 1,116 | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous Refunds | 4,152 | 0 | 4 | 0 | 0 | 2,978 |
| Expenditure Credits | 5,026 | 0 | 0 | 0 | 0 | 0 |
| <u>Nonrecurring Items</u> | | | | | | |
| Sale of Equipment | 0 | 0 | 0 | 16,461 | 0 | 0 |
| Damages Recovered from Individuals | 1,482 | 0 | 0 | 0 | 0 | 0 |
| Contributions and Gifts | 22,090 | 0 | 0 | 0 | 0 | 3,000 |
| Performance Bond Forfeitures | 9,500 | 0 | 0 | 0 | 0 | 0 |
| <u>Other Local Revenues</u> | | | | | | |
| Other Local Revenues | 1,655 | 0 | 0 | 0 | 0 | 0 |
| Total Other Local Revenues | \$ 694,921 | \$ 0 | \$ 39,565 | \$ 16,461 | \$ 0 | \$ 25,326 |

(Continued)

Exhibit J-5

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

| | Special Revenue Funds | | | | | |
|--|-----------------------|---------------------------------------|--------------------------------|-----------------|------------------------------|------------------------------|
| | General | Courthouse and Jail Maintenance | Solid Waste / Sanitation | Drug Control | Unemployment Compensation | Highway / Public Works |
| <u>Fees Received From County Officials</u> | | | | | | |
| <u>Fees In-Lieu-of Salary</u> | | | | | | |
| County Clerk | \$ 587,501 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Circuit Court Clerk | 271,044 | 0 | 0 | 0 | 0 | 0 |
| Clerk and Master | 157,772 | 0 | 0 | 0 | 0 | 0 |
| Register | 351,723 | 0 | 0 | 0 | 0 | 0 |
| Sheriff | 25,098 | 0 | 0 | 0 | 0 | 0 |
| Trustee | 916,586 | 0 | 0 | 0 | 0 | 0 |
| Total Fees Received From County Officials | \$ 2,309,724 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| <u>State of Tennessee</u> | | | | | | |
| <u>General Government Grants</u> | | | | | | |
| Juvenile Services Program | \$ 9,000 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| <u>Public Safety Grants</u> | | | | | | |
| Law Enforcement Training Programs | 35,200 | 0 | 0 | 0 | 0 | 0 |
| <u>Health and Welfare Grants</u> | | | | | | |
| Health Department Programs | 8,724 | 0 | 0 | 0 | 0 | 0 |
| <u>Public Works Grants</u> | | | | | | |
| State Aid Program | 0 | 0 | 0 | 0 | 0 | 325,553 |
| Litter Program | 75,642 | 0 | 0 | 0 | 0 | 0 |
| <u>Other State Revenues</u> | | | | | | |
| Income Tax | 9,025 | 0 | 0 | 0 | 0 | 0 |
| Vehicle Certificate of Title Fees | 14,082 | 0 | 0 | 0 | 0 | 0 |
| Alcoholic Beverage Tax | 114,593 | 0 | 0 | 0 | 0 | 0 |
| State Revenue Sharing - T.V.A. | 268,933 | 0 | 18,582 | 0 | 0 | 11,920 |
| State Revenue Sharing - Telecommunications | 69,481 | 0 | 0 | 0 | 0 | 0 |
| State Shared Sports Gaming Privilege Tax | 25,096 | 0 | 0 | 0 | 0 | 0 |

(Continued)

Exhibit J-5

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

| | Special Revenue Funds | | | | | |
|--|-----------------------|---------------------------------------|--------------------------------|-------------------|------------------------------|------------------------------|
| | General | Courthouse and Jail Maintenance | Solid Waste / Sanitation | Drug Control | Unemployment Compensation | Highway / Public Works |
| <u>State of Tennessee (Cont.)</u> | | | | | | |
| <u>Other State Revenues (Cont.)</u> | | | | | | |
| Prisoner Transportation | \$ 685 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Contracted Prisoner Boarding | 146,718 | 0 | 0 | 0 | 0 | 0 |
| Gasoline and Motor Fuel Tax | 0 | 0 | 0 | 0 | 0 | 2,395,733 |
| Petroleum Special Tax | 0 | 0 | 0 | 0 | 0 | 27,381 |
| Registrar's Salary Supplement | 15,164 | 0 | 0 | 0 | 0 | 0 |
| Other State Grants | 0 | 0 | 0 | 0 | 0 | 0 |
| Other State Revenues | 31,463 | 0 | 0 | 0 | 0 | 0 |
| Total State of Tennessee | \$ 823,806 | \$ 0 | \$ 18,582 | \$ 0 | \$ 0 | \$ 2,760,587 |
| <u>Federal Government</u> | | | | | | |
| <u>Federal Through State</u> | | | | | | |
| Civil Defense Reimbursement | \$ 33,055 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Disaster Relief | 11,663 | 0 | 0 | 0 | 0 | 38,419 |
| Homeland Security Grants | 19,930 | 0 | 0 | 0 | 0 | 0 |
| COVID-19 Grant #4 | 9,922 | 0 | 0 | 0 | 0 | 0 |
| Other Federal through State | 187,932 | 0 | 0 | 0 | 0 | 0 |
| <u>Direct Federal Revenue</u> | | | | | | |
| Police Service (Lake Area) | 26,160 | 0 | 0 | 0 | 0 | 0 |
| Total Federal Government | \$ 288,662 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 38,419 |
| <u>Other Governments and Citizens Groups</u> | | | | | | |
| <u>Other Governments</u> | | | | | | |
| Contributions | \$ 339,508 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Total Other Governments and Citizens Groups | \$ 339,508 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Total | \$ 23,451,276 | \$ 6,903 | \$ 1,458,178 | \$ 110,862 | \$ 8,311 | \$ 3,929,763 |

(Continued)

Exhibit J-5

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

| | Debt Service Funds | | Capital Projects Funds | | | Total |
|--|----------------------|------------------------|--------------------------|--------------------------|-------------------------------|----------------------|
| | General Debt Service | Education Debt Service | General Capital Projects | Other Capital Projects - | Other Capital Projects (Jail) | |
| <u>Local Taxes</u> | | | | | | |
| <u>County Property Taxes</u> | | | | | | |
| Current Property Tax | \$ 574,236 | \$ 1,428,375 | \$ 169,201 | \$ 600,644 | \$ 1,534,886 | \$ 19,284,500 |
| Trustee's Collections - Prior Year | 9,515 | 24,243 | 1,820 | 9,504 | 25,312 | 308,959 |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 5,147 | 13,090 | 1,388 | 5,315 | 13,759 | 167,088 |
| Interest and Penalty | 4,342 | 11,023 | 1,127 | 4,469 | 11,414 | 148,175 |
| Pickup Taxes | 1,110 | 2,763 | 326 | 1,160 | 2,896 | 37,031 |
| Payments in-Lieu-of Taxes - T.V.A. | 0 | 0 | 0 | 0 | 0 | 1,108 |
| Payments in-Lieu-of Taxes - Local Utilities | 3,479 | 8,746 | 856 | 3,561 | 9,300 | 115,004 |
| Payments in-Lieu-of Taxes - Other | 659 | 8,835 | 155 | 672 | 1,762 | 28,899 |
| <u>County Local Option Taxes</u> | | | | | | |
| Local Option Sales Tax | 0 | 3,853,249 | 0 | 0 | 0 | 3,853,249 |
| Hotel/Motel Tax | 0 | 0 | 0 | 0 | 0 | 413,365 |
| Wheel Tax | 0 | 1,346,559 | 0 | 0 | 0 | 1,795,412 |
| Litigation Tax - General | 0 | 0 | 0 | 0 | 0 | 84,772 |
| Litigation Tax - Jail, Workhouse, or Courthouse | 0 | 0 | 0 | 0 | 0 | 29,509 |
| Business Tax | 436,575 | 0 | 0 | 0 | 0 | 437,075 |
| Adequate Facilities/Development Tax | 0 | 1,027,069 | 0 | 0 | 0 | 1,133,698 |
| Other County Local Option Taxes | 0 | 0 | 0 | 0 | 0 | 1,543,251 |
| <u>Statutory Local Taxes</u> | | | | | | |
| Bank Excise Tax | 0 | 0 | 0 | 0 | 0 | 168,812 |
| Wholesale Beer Tax | 0 | 0 | 0 | 0 | 0 | 303,372 |
| Beer Privilege Tax | 0 | 0 | 0 | 0 | 0 | 2,098 |
| Total Local Taxes | \$ 1,035,063 | \$ 7,723,952 | \$ 174,873 | \$ 625,325 | \$ 1,599,329 | \$ 29,855,377 |

(Continued)

Exhibit J-5

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

| | Debt Service Funds | | Capital Projects Funds | | | Total |
|--|----------------------|------------------------|--------------------------|--------------------------|-------------------------------|---------|
| | General Debt Service | Education Debt Service | General Capital Projects | Other Capital Projects - | Other Capital Projects (Jail) | |
| <u>Licenses and Permits</u> | | | | | | |
| <u>Licenses</u> | | | | | | |
| Animal Registration | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 12,139 |
| Cable TV Franchise | 0 | 0 | 0 | 0 | 0 | 232,592 |
| <u>Permits</u> | | | | | | |
| Beer Permits | 0 | 0 | 0 | 0 | 0 | 250 |
| Building Permits | 0 | 0 | 0 | 0 | 0 | 333,276 |
| Other Permits | 0 | 0 | 0 | 0 | 0 | 2,380 |
| Total Licenses and Permits | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 580,637 |
| <u>Fines, Forfeitures, and Penalties</u> | | | | | | |
| <u>Circuit Court</u> | | | | | | |
| Fines | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 15,242 |
| Officers Costs | 0 | 0 | 0 | 0 | 0 | 9,622 |
| Data Entry Fee - Circuit Court | 0 | 0 | 0 | 0 | 0 | 1,020 |
| <u>General Sessions Court</u> | | | | | | |
| Fines | 0 | 0 | 0 | 0 | 0 | 19,364 |
| Officers Costs | 0 | 0 | 0 | 0 | 0 | 81,184 |
| Game and Fish Fines | 0 | 0 | 0 | 0 | 0 | 360 |
| Jail Fees | 0 | 0 | 0 | 0 | 0 | 56,917 |
| Judicial Commissioner Fees | 0 | 0 | 0 | 0 | 0 | 71 |
| DUI Treatment Fines | 0 | 0 | 0 | 0 | 0 | 8,656 |
| Data Entry Fee - General Sessions Court | 0 | 0 | 0 | 0 | 0 | 9,449 |
| Courtroom Security Fee | 0 | 0 | 0 | 0 | 0 | 1,045 |
| <u>Juvenile Court</u> | | | | | | |
| Fines | 0 | 0 | 0 | 0 | 0 | 2,006 |
| Data Entry Fee - Juvenile Court | 0 | 0 | 0 | 0 | 0 | 996 |

(Continued)

Exhibit J-5

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

| | Debt Service Funds | | Capital Projects Funds | | | Total |
|--|----------------------|------------------------|--------------------------|--------------------------|-------------------------------|----------------|
| | General Debt Service | Education Debt Service | General Capital Projects | Other Capital Projects - | Other Capital Projects (Jail) | |
| <u>Fines, Forfeitures, and Penalties (Cont.)</u> | | | | | | |
| <u>Chancery Court</u> | | | | | | |
| Officers Costs | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 120 |
| Data Entry Fee - Chancery Court | 0 | 0 | 0 | 0 | 0 | 3,646 |
| <u>Other Courts - In-county</u> | | | | | | |
| Drug Control Fines | 0 | 0 | 0 | 0 | 0 | 25,074 |
| <u>Judicial District Drug Program</u> | | | | | | |
| Drug Task Force Forfeitures and Seizures | 0 | 0 | 0 | 0 | 0 | 69,327 |
| Total Fines, Forfeitures, and Penalties | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 304,099 |
| <u>Charges for Current Services</u> | | | | | | |
| <u>General Service Charges</u> | | | | | | |
| Self-Insurance Premiums/Contributions | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 8,311 |
| Tipping Fees | 0 | 0 | 0 | 0 | 0 | 461,688 |
| Surcharge - Waste Tire Disposal | 0 | 0 | 0 | 0 | 0 | 13,052 |
| Patient Charges | 0 | 0 | 0 | 0 | 0 | 1,319,253 |
| Other General Service Charges | 0 | 0 | 0 | 0 | 0 | 45,984 |
| <u>Fees</u> | | | | | | |
| Engineer Review Fees | 0 | 0 | 0 | 0 | 0 | 6,461 |
| Copy Fees | 0 | 0 | 0 | 0 | 0 | 3,547 |
| Library Fees | 0 | 0 | 0 | 0 | 0 | 2,086 |
| Archives and Records Management Fee | 0 | 0 | 0 | 0 | 0 | 35,882 |
| Greenbelt Late Application Fee | 0 | 0 | 0 | 0 | 0 | 100 |
| Telephone Commissions | 0 | 0 | 0 | 0 | 0 | 23,140 |
| Constitutional Officers' Fees and Commissions | 0 | 0 | 0 | 0 | 0 | 29,012 |
| Data Processing Fee - Register | 0 | 0 | 0 | 0 | 0 | 19,104 |
| Probation Fees | 0 | 0 | 0 | 0 | 0 | 31,955 |

(Continued)

Exhibit J-5

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

| | Debt Service Funds | | Capital Projects Funds | | | Total |
|---|----------------------|------------------------|--------------------------|--------------------------|-------------------------------|------------------|
| | General Debt Service | Education Debt Service | General Capital Projects | Other Capital Projects - | Other Capital Projects (Jail) | |
| <u>Charges for Current Services (Cont.)</u> | | | | | | |
| <u>Fees (Cont.)</u> | | | | | | |
| Data Processing Fee - Sheriff | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 5,063 |
| Sexual Offender Registration Fee - Sheriff | 0 | 0 | 0 | 0 | 0 | 8,550 |
| Data Processing Fee - County Clerk | 0 | 0 | 0 | 0 | 0 | 14,973 |
| Total Charges for Current Services | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 2,028,161 |
| <u>Other Local Revenues</u> | | | | | | |
| <u>Recurring Items</u> | | | | | | |
| Investment Income | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 125,177 |
| Lease/Rentals | 0 | 0 | 0 | 0 | 0 | 519,016 |
| Sale of Materials and Supplies | 0 | 0 | 0 | 0 | 0 | 13,284 |
| Commissary Sales | 0 | 0 | 0 | 0 | 0 | 5,774 |
| Sale of Recycled Materials | 0 | 0 | 0 | 0 | 0 | 45,558 |
| E-Rate Funding | 0 | 0 | 0 | 0 | 0 | 1,116 |
| Miscellaneous Refunds | 0 | 0 | 0 | 0 | 0 | 7,134 |
| Expenditure Credits | 0 | 0 | 0 | 0 | 0 | 5,026 |
| <u>Nonrecurring Items</u> | | | | | | |
| Sale of Equipment | 0 | 0 | 0 | 40,545 | 3,125 | 60,131 |
| Damages Recovered from Individuals | 0 | 0 | 0 | 0 | 0 | 1,482 |
| Contributions and Gifts | 0 | 0 | 0 | 0 | 0 | 25,090 |
| Performance Bond Forfeitures | 0 | 0 | 0 | 0 | 0 | 9,500 |
| <u>Other Local Revenues</u> | | | | | | |
| Other Local Revenues | 0 | 0 | 0 | 0 | 0 | 1,655 |
| Total Other Local Revenues | \$ 0 | \$ 0 | \$ 0 | 40,545 | 3,125 | 819,943 |

(Continued)

Exhibit J-5

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

| | Debt Service Funds | | Capital Projects Funds | | | Total |
|--|----------------------|------------------------|--------------------------|--------------------------|-------------------------------|------------------|
| | General Debt Service | Education Debt Service | General Capital Projects | Other Capital Projects - | Other Capital Projects (Jail) | |
| <u>Fees Received From County Officials</u> | | | | | | |
| <u>Fees In-Lieu-of Salary</u> | | | | | | |
| County Clerk | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 587,501 |
| Circuit Court Clerk | 0 | 0 | 0 | 0 | 0 | 271,044 |
| Clerk and Master | 0 | 0 | 0 | 0 | 0 | 157,772 |
| Register | 0 | 0 | 0 | 0 | 0 | 351,723 |
| Sheriff | 0 | 0 | 0 | 0 | 0 | 25,098 |
| Trustee | 0 | 0 | 0 | 0 | 0 | 916,586 |
| Total Fees Received From County Officials | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 2,309,724 |
| <u>State of Tennessee</u> | | | | | | |
| <u>General Government Grants</u> | | | | | | |
| Juvenile Services Program | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 9,000 |
| <u>Public Safety Grants</u> | | | | | | |
| Law Enforcement Training Programs | 0 | 0 | 0 | 0 | 0 | 35,200 |
| <u>Health and Welfare Grants</u> | | | | | | |
| Health Department Programs | 0 | 0 | 0 | 0 | 0 | 8,724 |
| <u>Public Works Grants</u> | | | | | | |
| State Aid Program | 0 | 0 | 0 | 0 | 0 | 325,553 |
| Litter Program | 0 | 0 | 0 | 0 | 0 | 75,642 |
| <u>Other State Revenues</u> | | | | | | |
| Income Tax | 0 | 0 | 0 | 0 | 0 | 9,025 |
| Vehicle Certificate of Title Fees | 0 | 0 | 0 | 0 | 0 | 14,082 |
| Alcoholic Beverage Tax | 0 | 0 | 0 | 0 | 0 | 114,593 |
| State Revenue Sharing - T.V.A. | 11,830 | 29,920 | 2,567 | 11,949 | 31,622 | 387,323 |
| State Revenue Sharing - Telecommunications | 0 | 0 | 0 | 0 | 0 | 69,481 |
| State Shared Sports Gaming Privilege Tax | 0 | 0 | 0 | 0 | 0 | 25,096 |

(Continued)

Exhibit J-5

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

| | Debt Service Funds | | Capital Projects Funds | | | Total |
|--|----------------------|------------------------|--------------------------|--------------------------|-------------------------------|----------------------|
| | General Debt Service | Education Debt Service | General Capital Projects | Other Capital Projects - | Other Capital Projects (Jail) | |
| <u>State of Tennessee (Cont.)</u> | | | | | | |
| <u>Other State Revenues (Cont.)</u> | | | | | | |
| Prisoner Transportation | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 685 |
| Contracted Prisoner Boarding | 0 | 0 | 0 | 0 | 0 | 146,718 |
| Gasoline and Motor Fuel Tax | 0 | 0 | 0 | 0 | 0 | 2,395,733 |
| Petroleum Special Tax | 0 | 0 | 0 | 0 | 0 | 27,381 |
| Registrar's Salary Supplement | 0 | 0 | 0 | 0 | 0 | 15,164 |
| Other State Grants | 0 | 0 | 436,096 | 0 | 0 | 436,096 |
| Other State Revenues | 0 | 0 | 0 | 0 | 0 | 31,463 |
| Total State of Tennessee | \$ 11,830 | \$ 29,920 | \$ 438,663 | \$ 11,949 | \$ 31,622 | \$ 4,126,959 |
| <u>Federal Government</u> | | | | | | |
| <u>Federal Through State</u> | | | | | | |
| Civil Defense Reimbursement | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 33,055 |
| Disaster Relief | 0 | 0 | 0 | 0 | 0 | 50,082 |
| Homeland Security Grants | 0 | 0 | 0 | 0 | 0 | 19,930 |
| COVID-19 Grant #4 | 0 | 0 | 0 | 0 | 0 | 9,922 |
| Other Federal through State | 0 | 0 | 0 | 0 | 0 | 187,932 |
| <u>Direct Federal Revenue</u> | | | | | | |
| Police Service (Lake Area) | 0 | 0 | 0 | 0 | 0 | 26,160 |
| Total Federal Government | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 327,081 |
| <u>Other Governments and Citizens Groups</u> | | | | | | |
| <u>Other Governments</u> | | | | | | |
| Contributions | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 339,508 |
| Total Other Governments and Citizens Groups | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 339,508 |
| Total | \$ 1,046,893 | \$ 7,753,872 | \$ 613,536 | \$ 677,819 | \$ 1,634,076 | \$ 40,691,489 |

Exhibit J-6

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

| | Special Revenue Funds | | | | |
|--|------------------------------|-------------------------------|----------------------|-------------------------------|--------------------|
| | General Purpose School | School Federal Projects | Central Cafeteria | Extended School Program | Internal School |
| <u>Local Taxes</u> | | | | | |
| <u>County Property Taxes</u> | | | | | |
| Current Property Tax | \$ 7,907,188 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Trustee's Collections - Prior Year | 141,953 | 0 | 0 | 0 | 0 |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 78,446 | 0 | 0 | 0 | 0 |
| Interest and Penalty | 63,322 | 0 | 0 | 0 | 0 |
| Pickup Taxes | 15,330 | 0 | 0 | 0 | 0 |
| Payments in-Lieu-of Taxes - Local Utilities | 50,278 | 0 | 0 | 0 | 0 |
| Payments in-Lieu-of Taxes - Other | 5,305 | 0 | 0 | 0 | 0 |
| <u>County Local Option Taxes</u> | | | | | |
| Local Option Sales Tax | 4,816,518 | 0 | 0 | 0 | 0 |
| Wheel Tax | 451,812 | 0 | 0 | 0 | 0 |
| Mixed Drink Tax | 47,953 | 0 | 0 | 0 | 0 |
| Total Local Taxes | <u>\$ 13,578,105</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |
| <u>Licenses and Permits</u> | | | | | |
| <u>Licenses</u> | | | | | |
| Marriage Licenses | \$ 2,793 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Total Licenses and Permits | <u>\$ 2,793</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |
| <u>Charges for Current Services</u> | | | | | |
| <u>Education Charges</u> | | | | | |
| Lunch Payments - Children | \$ 0 | \$ 0 | \$ 194,649 | \$ 0 | \$ 0 |
| Lunch Payments - Adults | 0 | 0 | 41,909 | 0 | 0 |
| Income from Breakfast | 0 | 0 | 11,991 | 0 | 0 |
| A la Carte Sales | 0 | 0 | 51,330 | 0 | 0 |

(Continued)

Exhibit J-6

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

| | Special Revenue Funds | | | | |
|---|------------------------------|-------------------------------|----------------------|-------------------------------|---------------------|
| | General Purpose School | School Federal Projects | Central Cafeteria | Extended School Program | Internal School |
| <u>Charges for Current Services (Cont.)</u> | | | | | |
| <u>Education Charges (Cont.)</u> | | | | | |
| Receipts from Individual Schools | \$ 62,016 | \$ 0 | \$ 0 | \$ 0 | 0 |
| Community Service Fees - Children | 0 | 0 | 0 | 1,051,529 | 0 |
| Other Charges for Services | 0 | 0 | 29,057 | 0 | 0 |
| Total Charges for Current Services | \$ 62,016 | \$ 0 | \$ 328,936 | \$ 1,051,529 | \$ 0 |
| <u>Other Local Revenues</u> | | | | | |
| <u>Recurring Items</u> | | | | | |
| Investment Income | \$ (31,045) | \$ 0 | \$ 6 | \$ 0 | 0 |
| Miscellaneous Refunds | 166,324 | 0 | 9,249 | 0 | 0 |
| <u>Nonrecurring Items</u> | | | | | |
| Sale of Equipment | 73,545 | 0 | 0 | 0 | 0 |
| Damages Recovered from Individuals | 5,691 | 0 | 0 | 0 | 0 |
| Contributions and Gifts | 32,059 | 0 | 300 | 0 | 0 |
| <u>Other Local Revenues</u> | | | | | |
| Other Local Revenues | 129,985 | 0 | 0 | 1,805 | 2,164,625 |
| Total Other Local Revenues | \$ 376,559 | \$ 0 | \$ 9,555 | \$ 1,805 | \$ 2,164,625 |
| <u>State of Tennessee</u> | | | | | |
| <u>General Government Grants</u> | | | | | |
| On-behalf Contributions for OPEB | \$ 102,367 | \$ 0 | \$ 0 | \$ 0 | 0 |
| <u>State Education Funds</u> | | | | | |
| Basic Education Program | 34,192,972 | 0 | 0 | 0 | 0 |
| Early Childhood Education | 484,966 | 0 | 0 | 0 | 0 |
| School Food Service | 0 | 0 | 26,357 | 0 | 0 |

(Continued)

Exhibit J-6

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

| | Special Revenue Funds | | | | |
|--|------------------------------|-------------------------------|----------------------|-------------------------------|--------------------|
| | General Purpose School | School Federal Projects | Central Cafeteria | Extended School Program | Internal School |
| <u>State of Tennessee (Cont.)</u> | | | | | |
| <u>State Education Funds (Cont.)</u> | | | | | |
| Other State Education Funds | \$ 1,036,453 | \$ 0 | \$ 0 | \$ 4,074 | \$ 0 |
| Coordinated School Health | 105,000 | 0 | 0 | 0 | 0 |
| Career Ladder Program | 52,918 | 0 | 0 | 0 | 0 |
| <u>Other State Revenues</u> | | | | | |
| State Revenue Sharing - T.V.A. | 172,869 | 0 | 0 | 0 | 0 |
| Other State Grants | 11,120 | 0 | 0 | 0 | 0 |
| Safe Schools | 107,482 | 0 | 0 | 0 | 0 |
| Other State Revenues | 1,311 | 0 | 0 | 0 | 0 |
| Total State of Tennessee | <u>\$ 36,267,458</u> | <u>\$ 0</u> | <u>\$ 26,357</u> | <u>\$ 4,074</u> | <u>\$ 0</u> |
| <u>Federal Government</u> | | | | | |
| <u>Federal Through State</u> | | | | | |
| USDA School Lunch Program | \$ 0 | \$ 0 | \$ 3,020,090 | \$ 0 | \$ 0 |
| USDA - Commodities | 0 | 0 | 138,224 | 0 | 0 |
| Breakfast | 0 | 0 | 964,213 | 0 | 0 |
| USDA - Other | 0 | 0 | 146,223 | 0 | 0 |
| Vocational Education - Basic Grants to States | 0 | 76,468 | 0 | 0 | 0 |
| Title I Grants to Local Education Agencies | 0 | 657,416 | 0 | 0 | 0 |
| Special Education - Grants to States | 79,362 | 1,376,047 | 0 | 0 | 0 |
| Special Education Preschool Grants | 0 | 33,796 | 0 | 0 | 0 |
| English Language Acquisition Grants | 0 | 11,641 | 0 | 0 | 0 |
| 21st Century Community Learning Centers | 0 | 89,656 | 0 | 0 | 0 |
| Eisenhower Professional Development State Grants | 0 | 169,918 | 0 | 0 | 0 |
| COVID-19 Grant #1 | 0 | 19,371 | 0 | 0 | 0 |

(Continued)

Exhibit J-6

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

| | <u>Special Revenue Funds</u> | | | | |
|--|------------------------------|-------------------------------|----------------------|-------------------------------|---------------------|
| | General Purpose School | School Federal Projects | Central Cafeteria | Extended School Program | Internal School |
| <u>Federal Government (Cont.)</u> | | | | | |
| <u>Federal Through State (Cont.)</u> | | | | | |
| COVID-19 Grant B | \$ 0 | \$ 778,340 | \$ 0 | \$ 0 | \$ 0 |
| COVID-19 Grant C | 0 | 0 | 0 | 792,210 | 0 |
| COVID-19 Grant D | 0 | 39,993 | 0 | 0 | 0 |
| COVID-19 Grant E | 0 | 240,397 | 0 | 0 | 0 |
| American Rescue Plan Act Grant #1 | 0 | 1,972,206 | 0 | 0 | 0 |
| American Rescue Plan Act Grant #2 | 0 | 68,233 | 0 | 0 | 0 |
| American Rescue Plan Act Grant #3 | 0 | 756 | 0 | 0 | 0 |
| Other Federal through State | 219,172 | 58,705 | 0 | 0 | 0 |
| Total Federal Government | <u>\$ 298,534</u> | <u>\$ 5,592,943</u> | <u>\$ 4,268,750</u> | <u>\$ 792,210</u> | <u>\$ 0</u> |
| <u>Other Governments and Citizens Groups</u> | | | | | |
| <u>Other Governments</u> | | | | | |
| Contributions | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| <u>Other</u> | | | | | |
| Other | 126,441 | 0 | 0 | 0 | 0 |
| Total Other Governments and Citizens Groups | <u>\$ 126,441</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |
| Total | <u>\$ 50,711,906</u> | <u>\$ 5,592,943</u> | <u>\$ 4,633,598</u> | <u>\$ 1,849,618</u> | <u>\$ 2,164,625</u> |

(Continued)

Exhibit J-6

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

| | <u>Capital Projects Fund</u> | |
|--|----------------------------------|----------------------|
| | Education Capital Projects | Total |
| <u>Local Taxes</u> | | |
| <u>County Property Taxes</u> | | |
| Current Property Tax | \$ 0 | \$ 7,907,188 |
| Trustee's Collections - Prior Year | 0 | 141,953 |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 0 | 78,446 |
| Interest and Penalty | 0 | 63,322 |
| Pickup Taxes | 0 | 15,330 |
| Payments in-Lieu-of Taxes - Local Utilities | 0 | 50,278 |
| Payments in-Lieu-of Taxes - Other | 0 | 5,305 |
| <u>County Local Option Taxes</u> | | |
| Local Option Sales Tax | 0 | 4,816,518 |
| Wheel Tax | 0 | 451,812 |
| Mixed Drink Tax | 0 | 47,953 |
| Total Local Taxes | <u>\$ 0</u> | <u>\$ 13,578,105</u> |
| <u>Licenses and Permits</u> | | |
| <u>Licenses</u> | | |
| Marriage Licenses | \$ 0 | \$ 2,793 |
| Total Licenses and Permits | <u>\$ 0</u> | <u>\$ 2,793</u> |
| <u>Charges for Current Services</u> | | |
| <u>Education Charges</u> | | |
| Lunch Payments - Children | \$ 0 | \$ 194,649 |
| Lunch Payments - Adults | 0 | 41,909 |
| Income from Breakfast | 0 | 11,991 |
| A la Carte Sales | 0 | 51,330 |

(Continued)

Exhibit J-6

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

| | <u>Capital Projects Fund</u> | |
|---|----------------------------------|---------------------|
| | Education Capital Projects | Total |
| <u>Charges for Current Services (Cont.)</u> | | |
| <u>Education Charges (Cont.)</u> | | |
| Receipts from Individual Schools | \$ 0 | \$ 62,016 |
| Community Service Fees - Children | 0 | 1,051,529 |
| Other Charges for Services | 0 | 29,057 |
| Total Charges for Current Services | <u>\$ 0</u> | <u>\$ 1,442,481</u> |
| <u>Other Local Revenues</u> | | |
| <u>Recurring Items</u> | | |
| Investment Income | \$ 0 | \$ (31,039) |
| Miscellaneous Refunds | 0 | 175,573 |
| <u>Nonrecurring Items</u> | | |
| Sale of Equipment | 0 | 73,545 |
| Damages Recovered from Individuals | 0 | 5,691 |
| Contributions and Gifts | 0 | 32,359 |
| <u>Other Local Revenues</u> | | |
| Other Local Revenues | 0 | 2,296,415 |
| Total Other Local Revenues | <u>\$ 0</u> | <u>\$ 2,552,544</u> |
| <u>State of Tennessee</u> | | |
| <u>General Government Grants</u> | | |
| On-behalf Contributions for OPEB | \$ 0 | \$ 102,367 |
| <u>State Education Funds</u> | | |
| Basic Education Program | 0 | 34,192,972 |
| Early Childhood Education | 0 | 484,966 |
| School Food Service | 0 | 26,357 |

(Continued)

Exhibit J-6

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

| | <u>Capital Projects Fund</u> | |
|--|----------------------------------|----------------------|
| | Education Capital Projects | Total |
| <u>State of Tennessee (Cont.)</u> | | |
| <u>State Education Funds (Cont.)</u> | | |
| Other State Education Funds | \$ 0 | \$ 1,040,527 |
| Coordinated School Health | 0 | 105,000 |
| Career Ladder Program | 0 | 52,918 |
| <u>Other State Revenues</u> | | |
| State Revenue Sharing - T.V.A. | 0 | 172,869 |
| Other State Grants | 0 | 11,120 |
| Safe Schools | 0 | 107,482 |
| Other State Revenues | 0 | 1,311 |
| Total State of Tennessee | <u>\$ 0</u> | <u>\$ 36,297,889</u> |
| <u>Federal Government</u> | | |
| <u>Federal Through State</u> | | |
| USDA School Lunch Program | \$ 0 | \$ 3,020,090 |
| USDA - Commodities | 0 | 138,224 |
| Breakfast | 0 | 964,213 |
| USDA - Other | 0 | 146,223 |
| Vocational Education - Basic Grants to States | 0 | 76,468 |
| Title I Grants to Local Education Agencies | 0 | 657,416 |
| Special Education - Grants to States | 0 | 1,455,409 |
| Special Education Preschool Grants | 0 | 33,796 |
| English Language Acquisition Grants | 0 | 11,641 |
| 21st Century Community Learning Centers | 0 | 89,656 |
| Eisenhower Professional Development State Grants | 0 | 169,918 |
| COVID-19 Grant #1 | 0 | 19,371 |

(Continued)

Exhibit J-6

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

| | <u>Capital Projects Fund</u> | |
|--|----------------------------------|----------------------|
| | Education Capital Projects | Total |
| <u>Federal Government (Cont.)</u> | | |
| <u>Federal Through State (Cont.)</u> | | |
| COVID-19 Grant B | \$ 0 | \$ 778,340 |
| COVID-19 Grant C | 0 | 792,210 |
| COVID-19 Grant D | 0 | 39,993 |
| COVID-19 Grant E | 0 | 240,397 |
| American Rescue Plan Act Grant #1 | 0 | 1,972,206 |
| American Rescue Plan Act Grant #2 | 0 | 68,233 |
| American Rescue Plan Act Grant #3 | 0 | 756 |
| Other Federal through State | 0 | 277,877 |
| Total Federal Government | <u>\$ 0</u> | <u>\$ 10,952,437</u> |
| <u>Other Governments and Citizens Groups</u> | | |
| <u>Other Governments</u> | | |
| Contributions | \$ 4,222,851 | \$ 4,222,851 |
| <u>Other</u> | | |
| Other | 0 | 126,441 |
| Total Other Governments and Citizens Groups | <u>\$ 4,222,851</u> | <u>\$ 4,349,292</u> |
| Total | <u>\$ 4,222,851</u> | <u>\$ 69,175,541</u> |

Exhibit J-7

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

General Fund

General Government

County Commission

| | | | |
|----------------------------------|----|--------|------------|
| Other Salaries and Wages | \$ | 7,407 | |
| Board and Committee Members Fees | | 78,740 | |
| Audit Services | | 16,840 | |
| Data Processing Services | | 3,679 | |
| Dues and Memberships | | 1,550 | |
| Legal Services | | 20,120 | |
| Other Supplies and Materials | | 85 | |
| Total County Commission | | | \$ 128,421 |

Beer Board

| | | | |
|------------------|----|-------|-------|
| Other Charges | \$ | 1,000 | |
| Total Beer Board | | | 1,000 |

County Mayor/Executive

| | | | |
|--|----|--------|---------|
| County Official/Administrative Officer | \$ | 98,425 | |
| Secretary(ies) | | 53,715 | |
| Communication | | 503 | |
| Dues and Memberships | | 12,575 | |
| Legal Services | | 7,900 | |
| Maintenance and Repair Services - Office Equipment | | 622 | |
| Maintenance and Repair Services - Vehicles | | 119 | |
| Travel | | 461 | |
| Gasoline | | 1,126 | |
| Office Supplies | | 1,234 | |
| Other Supplies and Materials | | 113 | |
| Other Charges | | 12 | |
| Office Equipment | | 2,400 | |
| Total County Mayor/Executive | | | 179,205 |

Personnel Office

| | | | |
|--|----|--------|--------|
| Supervisor/Director | \$ | 60,936 | |
| Contracts with Private Agencies | | 5,255 | |
| Maintenance and Repair Services - Office Equipment | | 150 | |
| Printing, Stationery, and Forms | | 348 | |
| Travel | | 301 | |
| Office Supplies | | 415 | |
| Total Personnel Office | | | 67,405 |

Election Commission

| | | | |
|--|----|--------|--|
| County Official/Administrative Officer | \$ | 76,694 | |
| Attendants | | 73,443 | |
| Board and Committee Members Fees | | 5,185 | |
| Election Workers | | 26,398 | |
| In-service Training | | 465 | |
| Other Per Diem and Fees | | 670 | |
| Advertising | | 3,175 | |
| Communication | | 748 | |

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

| | | | |
|---|----|--------|------------|
| Maintenance and Repair Services - Equipment | \$ | 27,134 | |
| Postal Charges | | 10,574 | |
| Printing, Stationery, and Forms | | 5,679 | |
| Travel | | 286 | |
| Office Supplies | | 2,736 | |
| Data Processing Equipment | | 3,833 | |
| Office Equipment | | 747 | |
| Total Election Commission | | | \$ 237,767 |

Register of Deeds

| | | | |
|--|----|---------|---------|
| County Official/Administrative Officer | \$ | 85,216 | |
| Deputy(ies) | | 109,765 | |
| Part-time Personnel | | 6,136 | |
| In-service Training | | 355 | |
| Data Processing Services | | 8,826 | |
| Dues and Memberships | | 833 | |
| Legal Services | | 40 | |
| Maintenance and Repair Services - Office Equipment | | 1,642 | |
| Travel | | 1,304 | |
| Office Supplies | | 1,318 | |
| Office Equipment | | 1,961 | |
| Total Register of Deeds | | | 217,396 |

Building

| | | | |
|---|----|--------|---------|
| County Official/Administrative Officer | \$ | 67,461 | |
| Supervisor/Director | | 51,182 | |
| Investigator(s) | | 39,832 | |
| Secretary(ies) | | 38,915 | |
| Board and Committee Members Fees | | 3,725 | |
| In-service Training | | 150 | |
| Communication | | 1,260 | |
| Consultants | | 14,080 | |
| Data Processing Services | | 9,000 | |
| Dues and Memberships | | 742 | |
| Engineering Services | | 13,929 | |
| Legal Services | | 6,820 | |
| Maintenance and Repair Services - Equipment | | 4,338 | |
| Maintenance and Repair Services - Vehicles | | 2,651 | |
| Printing, Stationery, and Forms | | 938 | |
| Travel | | 384 | |
| Other Contracted Services | | 5,307 | |
| Gasoline | | 4,121 | |
| Library Books/Media | | 1,027 | |
| Office Supplies | | 630 | |
| Uniforms | | 134 | |
| Total Building | | | 266,626 |

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

County Buildings

| | | | |
|--|----|---------|--------------|
| Assistant(s) | \$ | 39,518 | |
| Supervisor/Director | | 53,648 | |
| Custodial Personnel | | 103,392 | |
| Maintenance Personnel | | 29,930 | |
| Communication | | 1,959 | |
| Contracts with Private Agencies | | 87,185 | |
| Legal Services | | 1,720 | |
| Maintenance and Repair Services - Buildings | | 121,231 | |
| Maintenance and Repair Services - Equipment | | 800 | |
| Maintenance and Repair Services - Office Equipment | | 744 | |
| Maintenance and Repair Services - Vehicles | | 2,954 | |
| Pest Control | | 6,800 | |
| Remittance of Revenue Collected | | 38,072 | |
| Other Contracted Services | | 4,042 | |
| Custodial Supplies | | 19,589 | |
| Diesel Fuel | | 1,962 | |
| Drugs and Medical Supplies | | 3,260 | |
| Electricity | | 212,546 | |
| Fertilizer, Lime, and Seed | | 6,785 | |
| Gasoline | | 5,557 | |
| Natural Gas | | 43,096 | |
| Office Supplies | | 735 | |
| Propane Gas | | 9,114 | |
| Uniforms | | 12,355 | |
| Water and Sewer | | 127,514 | |
| Other Supplies and Materials | | 3,042 | |
| Liability Insurance | | 9,234 | |
| Building Improvements | | 266,586 | |
| Communication Equipment | | 38 | |
| Heating and Air Conditioning Equipment | | 15,000 | |
| Other Equipment | | 2,762 | |
| Total County Buildings | | | \$ 1,231,170 |

Other General Administration

| | | | |
|------------------------------------|----|--------|--------|
| Gasoline | \$ | 55,340 | |
| Total Other General Administration | | | 55,340 |

Preservation of Records

| | | | |
|-------------------------------|----|--------|--------|
| Part-time Personnel | \$ | 17,182 | |
| Office Supplies | | 3,432 | |
| Total Preservation of Records | | | 20,614 |

Finance

Accounting and Budgeting

| | | | |
|--|----|--------|--|
| County Official/Administrative Officer | \$ | 77,256 | |
| Assistant(s) | | 60,691 | |
| Salary Supplements | | 10,535 | |

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

| | | | |
|---|----|--------|------------|
| Clerical Personnel | \$ | 80,598 | |
| In-service Training | | 470 | |
| Advertising | | 9,878 | |
| Data Processing Services | | 20,014 | |
| Maintenance and Repair Services - Equipment | | 945 | |
| Postal Charges | | 59,753 | |
| Printing, Stationery, and Forms | | 3,012 | |
| Office Supplies | | 5,426 | |
| Office Equipment | | 3,263 | |
| Total Accounting and Budgeting | | | \$ 331,841 |

Property Assessor's Office

| | | | |
|--|----|---------|---------|
| County Official/Administrative Officer | \$ | 85,216 | |
| Deputy(ies) | | 166,102 | |
| Assessment Personnel | | 39,486 | |
| Part-time Personnel | | 7,045 | |
| Board and Committee Members Fees | | 3,140 | |
| In-service Training | | 260 | |
| Consultants | | 475 | |
| Contracts with Private Agencies | | 7,625 | |
| Data Processing Services | | 18,550 | |
| Dues and Memberships | | 1,550 | |
| Maintenance and Repair Services - Office Equipment | | 347 | |
| Maintenance and Repair Services - Vehicles | | 1,847 | |
| Printing, Stationery, and Forms | | 153 | |
| Gasoline | | 1,900 | |
| Office Supplies | | 638 | |
| Office Equipment | | 134 | |
| Total Property Assessor's Office | | | 334,468 |

County Trustee's Office

| | | | |
|--|----|--------|---------|
| County Official/Administrative Officer | \$ | 85,216 | |
| Deputy(ies) | | 79,234 | |
| Part-time Personnel | | 32,036 | |
| Data Processing Services | | 16,441 | |
| Dues and Memberships | | 1,233 | |
| Legal Services | | 1,000 | |
| Printing, Stationery, and Forms | | 14,450 | |
| Office Supplies | | 3,168 | |
| Total County Trustee's Office | | | 232,778 |

County Clerk's Office

| | | | |
|--|----|---------|--|
| County Official/Administrative Officer | \$ | 85,216 | |
| Deputy(ies) | | 343,055 | |
| Part-time Personnel | | 27,431 | |
| Other Salaries and Wages | | 6,000 | |
| Communication | | 2,238 | |

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

| | | | |
|--|----|--------|------------|
| Data Processing Services | \$ | 37,817 | |
| Dues and Memberships | | 2,524 | |
| Maintenance and Repair Services - Office Equipment | | 2,085 | |
| Printing, Stationery, and Forms | | 5,182 | |
| Travel | | 6,603 | |
| Office Supplies | | 8,479 | |
| Total County Clerk's Office | | | \$ 526,630 |

Data Processing

| | | | |
|---------------------------|----|--------|---------|
| Communication | \$ | 72,163 | |
| Internet Connectivity | | 41,646 | |
| Other Contracted Services | | 81,120 | |
| Office Equipment | | 39 | |
| Total Data Processing | | | 194,968 |

Administration of Justice

Circuit Court

| | | | |
|--|----|---------|---------|
| County Official/Administrative Officer | \$ | 85,216 | |
| Deputy(ies) | | 422,360 | |
| Jury and Witness Expense | | 8,222 | |
| Data Processing Services | | 22,686 | |
| Dues and Memberships | | 590 | |
| Legal Services | | 120 | |
| Maintenance and Repair Services - Buildings | | 108 | |
| Maintenance and Repair Services - Office Equipment | | 3,622 | |
| Office Supplies | | 5,770 | |
| Office Equipment | | 35,130 | |
| Total Circuit Court | | | 583,824 |

General Sessions Court

| | | | |
|------------------------------|----|---------|---------|
| Judge(s) | \$ | 114,029 | |
| Salary Supplements | | 19,476 | |
| Dues and Memberships | | 1,033 | |
| Library Books/Media | | 67 | |
| Total General Sessions Court | | | 134,605 |

Chancery Court

| | | | |
|--|----|---------|---------|
| County Official/Administrative Officer | \$ | 85,216 | |
| Deputy(ies) | | 153,363 | |
| Part-time Personnel | | 7,158 | |
| Data Processing Services | | 12,051 | |
| Dues and Memberships | | 978 | |
| Legal Services | | 40 | |
| Maintenance and Repair Services - Office Equipment | | 424 | |
| Travel | | 147 | |
| Office Supplies | | 4,561 | |
| Office Equipment | | 330 | |
| Total Chancery Court | | | 264,268 |

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court

| | | | |
|--|----|---------|------------|
| Judge(s) | \$ | 53,341 | |
| Probation Officer(s) | | 118,755 | |
| Social Workers | | 49,421 | |
| Salary Supplements | | 18,452 | |
| Secretary(ies) | | 34,390 | |
| Part-time Personnel | | 62,390 | |
| Other Salaries and Wages | | 8,851 | |
| Communication | | 3,295 | |
| Contracts with Government Agencies | | 3,040 | |
| Data Processing Services | | 4,425 | |
| Dues and Memberships | | 780 | |
| Evaluation and Testing | | 1,500 | |
| Maintenance and Repair Services - Office Equipment | | 743 | |
| Travel | | 86 | |
| Gasoline | | 293 | |
| Office Supplies | | 4,552 | |
| Office Equipment | | 1,832 | |
| Total Juvenile Court | | | \$ 366,146 |

District Attorney General

| | | | |
|---------------------------------|----|--------|--------|
| Contributions | \$ | 18,000 | |
| Total District Attorney General | | | 18,000 |

Probation Services

| | | | |
|--|----|--------|---------|
| Probation Officer(s) | \$ | 89,279 | |
| Attendants | | 30,334 | |
| In-service Training | | 1,810 | |
| Communication | | 1,800 | |
| Data Processing Services | | 810 | |
| Maintenance and Repair Services - Office Equipment | | 98 | |
| Printing, Stationery, and Forms | | 1,024 | |
| Drugs and Medical Supplies | | 8,651 | |
| Office Supplies | | 999 | |
| Office Equipment | | 4,978 | |
| Total Probation Services | | | 139,783 |

Courtroom Security

| | | | |
|---------------------------|----|---------|---------|
| Part-time Personnel | \$ | 110,583 | |
| Uniforms | | 1,376 | |
| Law Enforcement Equipment | | 3,932 | |
| Total Courtroom Security | | | 115,891 |

Victim Assistance Programs

| | | | |
|----------------------------------|----|--------|--------|
| Psychological Personnel | \$ | 45,148 | |
| Travel | | 152 | |
| Total Victim Assistance Programs | | | 45,300 |

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety

Sheriff's Department

| | | | |
|--|----|---------|--------------|
| County Official/Administrative Officer | \$ | 93,738 | |
| Assistant(s) | | 41,410 | |
| Supervisor/Director | | 72,806 | |
| Deputy(ies) | | 835,512 | |
| Detective(s) | | 57,880 | |
| Investigator(s) | | 149,158 | |
| Lieutenant(s) | | 115,760 | |
| Sergeant(s) | | 366,888 | |
| Clerical Personnel | | 142,919 | |
| School Resource Officer | | 581,542 | |
| Overtime Pay | | 83,116 | |
| Other Salaries and Wages | | 61,120 | |
| In-service Training | | 16,986 | |
| Communication | | 63,803 | |
| Dues and Memberships | | 2,794 | |
| Legal Services | | 1,300 | |
| Maintenance and Repair Services - Equipment | | 6,954 | |
| Maintenance and Repair Services - Office Equipment | | 51,377 | |
| Maintenance and Repair Services - Vehicles | | 52,795 | |
| Travel | | 25,307 | |
| Gasoline | | 152,338 | |
| Instructional Supplies and Materials | | 654 | |
| Law Enforcement Supplies | | 10,595 | |
| Office Supplies | | 9,115 | |
| Tires and Tubes | | 15,787 | |
| Uniforms | | 37,534 | |
| Other Supplies and Materials | | 11,757 | |
| Liability Insurance | | 162,395 | |
| Vehicle and Equipment Insurance | | 69,256 | |
| Workers' Compensation Insurance | | 72,738 | |
| Other Charges | | 2,440 | |
| Law Enforcement Equipment | | 31,918 | |
| Office Equipment | | 2,353 | |
| Total Sheriff's Department | | | \$ 3,402,045 |

Jail

| | | |
|------------------------------------|----|---------|
| Assistant(s) | \$ | 55,264 |
| Supervisor/Director | | 61,470 |
| Sergeant(s) | | 294,815 |
| Foremen | | 79,354 |
| Guards | | 684,669 |
| Clerical Personnel | | 39,472 |
| Maintenance Personnel | | 29,377 |
| Overtime Pay | | 31,648 |
| In-service Training | | 575 |
| Communication | | 6,877 |
| Contracts with Government Agencies | | 41,661 |

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

| | | | |
|--|----|---------|--------------|
| Contracts with Private Agencies | \$ | 6,000 | |
| Maintenance and Repair Services - Buildings | | 34,272 | |
| Maintenance and Repair Services - Equipment | | 15,177 | |
| Maintenance and Repair Services - Office Equipment | | 399 | |
| Maintenance and Repair Services - Vehicles | | 737 | |
| Medical and Dental Services | | 666,556 | |
| Travel | | 2,754 | |
| Custodial Supplies | | 22,133 | |
| Food Supplies | | 176,641 | |
| Gasoline | | 13,869 | |
| Law Enforcement Supplies | | 552 | |
| Office Supplies | | 4,957 | |
| Prisoners Clothing | | 8,313 | |
| Uniforms | | 4,718 | |
| Other Supplies and Materials | | 1,373 | |
| Communication Equipment | | 100,577 | |
| Food Service Equipment | | 2,110 | |
| Law Enforcement Equipment | | 169 | |
| Motor Vehicles | | 16,950 | |
| Office Equipment | | 6,931 | |
| Other Equipment | | 2,322 | |
| Total Jail | | | \$ 2,412,692 |

Rural Fire Protection

| | | | |
|------------------------------------|----|-----------|-----------|
| Contracts with Government Agencies | \$ | 200,000 | |
| Remittance of Revenue Collected | | 1,111,089 | |
| Total Rural Fire Protection | | | 1,311,089 |

Other Emergency Management

| | | | |
|---|----|---------|--|
| Supervisor/Director | \$ | 60,520 | |
| Salary Supplements | | 8,238 | |
| Secretary(ies) | | 39,069 | |
| In-service Training | | 361 | |
| Communication | | 4,093 | |
| Contracts with Government Agencies | | 3,500 | |
| Contracts with Private Agencies | | 307,945 | |
| Dues and Memberships | | 780 | |
| Maintenance and Repair Services - Equipment | | 295 | |
| Maintenance and Repair Services - Vehicles | | 1,270 | |
| Travel | | 650 | |
| Diesel Fuel | | 32 | |
| Gasoline | | 2,768 | |
| Office Supplies | | 1,485 | |
| Uniforms | | 1,089 | |
| Other Supplies and Materials | | 18,023 | |
| Other Charges | | 810 | |
| Communication Equipment | | 378 | |

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Other Emergency Management (Cont.)

| | | | |
|----------------------------------|----|--------|------------|
| Office Equipment | \$ | 863 | |
| Other Equipment | | 26,036 | |
| Total Other Emergency Management | | | \$ 478,205 |

County Coroner/Medical Examiner

| | | | |
|---------------------------------------|----|---------|---------|
| Medical and Dental Services | \$ | 106,725 | |
| Other Contracted Services | | 2,150 | |
| Total County Coroner/Medical Examiner | | | 108,875 |

Other Public Safety

| | | | |
|-----------------------------|----|---------|---------|
| Assistant(s) | \$ | 23,742 | |
| Supervisor/Director | | 61,784 | |
| Salary Supplements | | 3,023 | |
| Dispatchers/Radio Operators | | 557,436 | |
| Total Other Public Safety | | | 645,985 |

Public Health and Welfare

Local Health Center

| | | | |
|---------------------------|----|--------|--------|
| Clerical Personnel | \$ | 6,996 | |
| Dues and Memberships | | 440 | |
| Janitorial Services | | 10,200 | |
| Custodial Supplies | | 666 | |
| Office Supplies | | 359 | |
| Other Charges | | 169 | |
| Total Local Health Center | | | 18,830 |

Rabies and Animal Control

| | | | |
|---|----|--------|---------|
| Supervisor/Director | \$ | 45,689 | |
| Deputy(ies) | | 62,757 | |
| Clerical Personnel | | 28,376 | |
| Part-time Personnel | | 59,044 | |
| In-service Training | | 500 | |
| Communication | | 4,984 | |
| Licenses | | 203 | |
| Maintenance and Repair Services - Equipment | | 785 | |
| Maintenance and Repair Services - Vehicles | | 3,360 | |
| Printing, Stationery, and Forms | | 231 | |
| Veterinary Services | | 30,449 | |
| Animal Food and Supplies | | 3,423 | |
| Custodial Supplies | | 4,369 | |
| Drugs and Medical Supplies | | 23,395 | |
| Gasoline | | 8,000 | |
| Office Supplies | | 564 | |
| Uniforms | | 424 | |
| Other Supplies and Materials | | 717 | |
| Other Charges | | 12,850 | |
| Communication Equipment | | 3,359 | |
| Other Equipment | | 1,393 | |
| Total Rabies and Animal Control | | | 294,872 |

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services

| | | | |
|--|----|-----------|--------------|
| Supervisor/Director | \$ | 68,948 | |
| Salary Supplements | | 14,897 | |
| Clerical Personnel | | 35,864 | |
| Attendants | | 1,826,899 | |
| Temporary Personnel | | 10,010 | |
| Part-time Personnel | | 29,167 | |
| In-service Training | | 9,401 | |
| Communication | | 14,850 | |
| Consultants | | 600 | |
| Contracts with Private Agencies | | 280 | |
| Dues and Memberships | | 435 | |
| Licenses | | 2,500 | |
| Maintenance and Repair Services - Equipment | | 19,727 | |
| Maintenance and Repair Services - Office Equipment | | 1,046 | |
| Maintenance and Repair Services - Vehicles | | 55,089 | |
| Rentals | | 19,200 | |
| Travel | | 724 | |
| Remittance of Revenue Collected | | 94,211 | |
| Disposal Fees | | 6,589 | |
| Custodial Supplies | | 85 | |
| Drugs and Medical Supplies | | 151,215 | |
| Gasoline | | 58,943 | |
| Office Supplies | | 2,015 | |
| Tires and Tubes | | 11,308 | |
| Uniforms | | 18,546 | |
| Other Supplies and Materials | | 3,754 | |
| Liability Insurance | | 14,712 | |
| Vehicle and Equipment Insurance | | 33,234 | |
| Workers' Compensation Insurance | | 64,121 | |
| Other Charges | | 45,042 | |
| Communication Equipment | | 2,590 | |
| Furniture and Fixtures | | 940 | |
| Office Equipment | | 1,593 | |
| Total Ambulance/Emergency Medical Services | | | \$ 2,618,535 |

General Welfare Assistance

| | | | |
|------------------------------------|----|--------|--------|
| Contracts with Government Agencies | \$ | 32,420 | |
| Total General Welfare Assistance | | | 32,420 |

Sanitation Education/Information

| | | | |
|--|----|--------|--------|
| Foremen | \$ | 30,962 | |
| Maintenance and Repair Services - Vehicles | | 1,142 | |
| Gasoline | | 4,000 | |
| Instructional Supplies and Materials | | 11,050 | |
| Uniforms | | 300 | |
| Other Supplies and Materials | | 422 | |
| Total Sanitation Education/Information | | | 47,876 |

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Social, Cultural, and Recreational Services

Senior Citizens Assistance

| | | |
|----------------------------------|------------|------------|
| Matching Share | \$ 115,283 | |
| Total Senior Citizens Assistance | | \$ 115,283 |

Libraries

| | | |
|---|-----------|---------|
| Assistant(s) | \$ 37,710 | |
| Supervisor/Director | 91,267 | |
| Part-time Personnel | 95,192 | |
| In-service Training | 227 | |
| Communication | 13,284 | |
| Dues and Memberships | 374 | |
| Maintenance and Repair Services - Equipment | 1,622 | |
| Travel | 968 | |
| Library Books/Media | 26,045 | |
| Office Supplies | 8,655 | |
| Office Equipment | 24,683 | |
| Total Libraries | | 300,027 |

Agriculture and Natural Resources

Agricultural Extension Service

| | | |
|--------------------------------------|-----------|--------|
| Salary Supplements | \$ 54,230 | |
| Educational Assistants | 20,659 | |
| Board and Committee Members Fees | 275 | |
| In-service Training | 715 | |
| Communication | 3,095 | |
| Travel | 3,520 | |
| Instructional Supplies and Materials | 200 | |
| Office Supplies | 952 | |
| Office Equipment | 4,293 | |
| Total Agricultural Extension Service | | 87,939 |

Soil Conservation

| | | |
|---------------------------|-----------|--------|
| Secretary(ies) | \$ 37,830 | |
| Dues and Memberships | 535 | |
| Travel | 4,191 | |
| Other Contracted Services | 785 | |
| Total Soil Conservation | | 43,341 |

Other Operations

Other Economic and Community Development

| | | |
|--|-----------|---------|
| Assistant(s) | \$ 41,034 | |
| Supervisor/Director | 71,233 | |
| Electricity | 2,422 | |
| Total Other Economic and Community Development | | 114,689 |

Veterans' Services

| | | |
|---------------------------|-----------|--|
| Supervisor/Director | \$ 45,690 | |
| Data Processing Personnel | 35,063 | |

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services (Cont.)

| | | | |
|--|----|--------|------------|
| Part-time Personnel | \$ | 18,519 | |
| Data Processing Services | | 1,347 | |
| Maintenance and Repair Services - Office Equipment | | 1,733 | |
| Travel | | 236 | |
| Office Supplies | | 521 | |
| Office Equipment | | 2,223 | |
| Total Veterans' Services | | | \$ 105,332 |

Other Charges

| | | | |
|----------------------|----|---------|---------|
| Trustee's Commission | \$ | 358,540 | |
| Total Other Charges | | | 358,540 |

Contributions to Other Agencies

| | | | |
|---------------------------------------|----|---------|---------|
| Contributions | \$ | 239,373 | |
| Total Contributions to Other Agencies | | | 239,373 |

Employee Benefits

| | | | |
|-------------------------|----|-----------|-----------|
| Social Security | \$ | 816,381 | |
| Pensions | | 452,033 | |
| Life Insurance | | 20,152 | |
| Medical Insurance | | 1,836,274 | |
| Total Employee Benefits | | | 3,124,840 |

Miscellaneous

| | | | |
|------------------------------------|----|--------|---------|
| Longevity Pay | \$ | 86,096 | |
| Disability Insurance | | 29,963 | |
| Unemployment Compensation | | 5,010 | |
| Building and Contents Insurance | | 94,182 | |
| Liability Insurance | | 36,258 | |
| Premiums on Corporate Surety Bonds | | 4,641 | |
| Vehicle and Equipment Insurance | | 27,024 | |
| Workers' Compensation Insurance | | 17,539 | |
| Total Miscellaneous | | | 300,713 |

Capital Projects

Public Safety Projects

| | | | |
|------------------------------|----|-------|-------|
| Building Construction | \$ | 7,726 | |
| Total Public Safety Projects | | | 7,726 |

Highway and Street Capital Projects

| | | | |
|---|----|-----|-----|
| Contracts with Government Agencies | \$ | 420 | |
| Total Highway and Street Capital Projects | | | 420 |

Education Capital Projects

| | | | |
|----------------------------------|----|--------|--------|
| Building Construction | \$ | 64,518 | |
| Total Education Capital Projects | | | 64,518 |

Total General Fund \$ 21,927,611

(Continued)

Exhibit J-7

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

Courthouse and Jail Maintenance Fund

General Government

County Buildings

| | | |
|------------------------|----------|----------|
| Building Improvements | \$ 7,696 | |
| Total County Buildings | | \$ 7,696 |

Other General Administration

| | | |
|------------------------------------|-------|----|
| Trustee's Commission | \$ 69 | |
| Total Other General Administration | | 69 |

| | | |
|--|--|----------|
| Total Courthouse and Jail Maintenance Fund | | \$ 7,765 |
|--|--|----------|

Solid Waste/Sanitation Fund

General Government

Other General Administration

| | | |
|------------------------------------|-----------|-----------|
| Trustee's Commission | \$ 23,656 | |
| Total Other General Administration | | \$ 23,656 |

Public Health and Welfare

Sanitation Management

| | | |
|---|-----------|---------|
| Assistant(s) | \$ 41,632 | |
| Supervisor/Director | 59,778 | |
| Equipment Operators | 73,749 | |
| Truck Drivers | 60,680 | |
| Advertising | 74 | |
| Communication | 7,458 | |
| Dues and Memberships | 250 | |
| Legal Services | 300 | |
| Maintenance and Repair Services - Equipment | 4,330 | |
| Travel | 224 | |
| Electricity | 3,569 | |
| Office Supplies | 775 | |
| Water and Sewer | 4,799 | |
| Other Supplies and Materials | 80 | |
| Building and Contents Insurance | 1,803 | |
| Liability Insurance | 3,798 | |
| Vehicle and Equipment Insurance | 10,916 | |
| Workers' Compensation Insurance | 21,012 | |
| Total Sanitation Management | | 295,227 |

Convenience Centers

| | |
|---|------------|
| Laborers | \$ 161,792 |
| In-service Training | 500 |
| Communication | 6,022 |
| Contracts with Government Agencies | 601,856 |
| Contracts with Private Agencies | 19,238 |
| Maintenance and Repair Services - Equipment | 16,664 |
| Rentals | 13,309 |
| Travel | 1,833 |
| Diesel Fuel | 47,503 |

(Continued)

Exhibit J-7

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Convenience Centers (Cont.)

| | | | |
|-------------------------------|----|--------|------------|
| Electricity | \$ | 7,636 | |
| Equipment and Machinery Parts | | 1,001 | |
| Tires and Tubes | | 11,910 | |
| Other Supplies and Materials | | 4,242 | |
| Total Convenience Centers | | | \$ 893,506 |

Transfer Stations

| | | | |
|---|----|--------|--------|
| Consultants | \$ | 1,500 | |
| Contracts with Private Agencies | | 12,425 | |
| Evaluation and Testing | | 18,319 | |
| Licenses | | 1,150 | |
| Maintenance and Repair Services - Equipment | | 11,505 | |
| Other Contracted Services | | 791 | |
| Crushed Stone | | 1,932 | |
| Equipment and Machinery Parts | | 13,233 | |
| Other Supplies and Materials | | 2,801 | |
| Solid Waste Equipment | | 8,000 | |
| Other Equipment | | 4,500 | |
| Total Transfer Stations | | | 76,156 |

Other Operations

Employee Benefits

| | | | |
|-------------------------|----|--------|--------|
| Longevity Pay | \$ | 1,100 | |
| Social Security | | 29,670 | |
| Pensions | | 10,103 | |
| Life Insurance | | 504 | |
| Medical Insurance | | 28,066 | |
| Total Employee Benefits | | | 69,443 |

Miscellaneous

| | | | |
|----------------------|----|-----|-----|
| Disability Insurance | \$ | 723 | |
| Total Miscellaneous | | | 723 |

Total Solid Waste/Sanitation Fund \$ 1,358,711

Drug Control Fund

General Government

Other General Administration

| | | | |
|------------------------------------|----|-----|--------|
| Trustee's Commission | \$ | 510 | |
| Total Other General Administration | | | \$ 510 |

Public Safety

Drug Enforcement

| | | | |
|---|----|--------|--|
| In-service Training | \$ | 3,185 | |
| Communication | | 1,310 | |
| Confidential Drug Enforcement Payments | | 2,000 | |
| Maintenance and Repair Services - Equipment | | 10,300 | |

(Continued)

Exhibit J-7

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

Drug Control Fund (Cont.)

Public Safety (Cont.)

Drug Enforcement (Cont.)

| | | | |
|--|----|--------|-----------|
| Maintenance and Repair Services - Vehicles | \$ | 7,308 | |
| Travel | | 974 | |
| Veterinary Services | | 463 | |
| Animal Food and Supplies | | 398 | |
| Gasoline | | 12,770 | |
| Law Enforcement Supplies | | 5,020 | |
| Uniforms | | 440 | |
| Water and Sewer | | 363 | |
| Other Supplies and Materials | | 550 | |
| Law Enforcement Equipment | | 9,502 | |
| Total Drug Enforcement | | | \$ 54,583 |

Total Drug Control Fund \$ 55,093

Unemployment Compensation Fund

General Government

Other General Administration

| | | | |
|------------------------------------|----|-------|----------|
| Unemployment Compensation | \$ | 2,711 | |
| Total Other General Administration | | | \$ 2,711 |

Total Unemployment Compensation Fund 2,711

Highway/Public Works Fund

Highways

Administration

| | | | |
|--|----|--------|------------|
| County Official/Administrative Officer | \$ | 93,738 | |
| Assistant(s) | | 34,258 | |
| Clerical Personnel | | 58,329 | |
| In-service Training | | 450 | |
| Advertising | | 484 | |
| Contracts with Private Agencies | | 4,992 | |
| Dues and Memberships | | 3,349 | |
| Legal Services | | 6,680 | |
| Travel | | 990 | |
| Office Supplies | | 665 | |
| Other Supplies and Materials | | 68 | |
| Office Equipment | | 2,257 | |
| Total Administration | | | \$ 206,260 |

Highway and Bridge Maintenance

| | | | |
|-----------------------------|----|---------|--|
| Foremen | \$ | 179,451 | |
| Equipment Operators - Heavy | | 456,606 | |
| Truck Drivers | | 330,777 | |
| Laborers | | 41,437 | |
| Overtime Pay | | 26,938 | |
| Rentals | | 1,577 | |
| Other Contracted Services | | 909,831 | |

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

| | | | |
|--------------------------------------|----|---------|--------------|
| Asphalt - Cold Mix | \$ | 22,067 | |
| Asphalt - Hot Mix | | 25,422 | |
| Asphalt - Liquid | | 108,299 | |
| Concrete | | 22 | |
| Crushed Stone | | 100,438 | |
| Pipe - Metal | | 28,051 | |
| Road Signs | | 19,211 | |
| Salt | | 49,250 | |
| Other Supplies and Materials | | 6,657 | |
| Total Highway and Bridge Maintenance | | | \$ 2,306,034 |

Operation and Maintenance of Equipment

| | | | |
|--|----|---------|---------|
| Foremen | \$ | 64,914 | |
| Mechanic(s) | | 140,192 | |
| Overtime Pay | | 6,409 | |
| Diesel Fuel | | 97,696 | |
| Equipment Parts - Light | | 13,400 | |
| Equipment and Machinery Parts | | 58,181 | |
| Garage Supplies | | 5,431 | |
| Gasoline | | 57,148 | |
| Lubricants | | 6,266 | |
| Propane Gas | | 8,393 | |
| Small Tools | | 949 | |
| Tires and Tubes | | 28,068 | |
| Uniforms | | 11,492 | |
| Total Operation and Maintenance of Equipment | | | 498,539 |

Other Charges

| | | | |
|---------------------------------|----|--------|---------|
| Communication | \$ | 4,762 | |
| Penalties | | 547 | |
| Electricity | | 14,403 | |
| Natural Gas | | 1,859 | |
| Water and Sewer | | 640 | |
| Trustee's Commission | | 41,342 | |
| Vehicle and Equipment Insurance | | 34,174 | |
| Workers' Compensation Insurance | | 51,335 | |
| Total Other Charges | | | 149,062 |

Employee Benefits

| | | | |
|-------------------------|----|---------|---------|
| Longevity Pay | \$ | 17,000 | |
| Social Security | | 105,099 | |
| Pensions | | 64,852 | |
| Life Insurance | | 2,627 | |
| Medical Insurance | | 268,037 | |
| Disability Insurance | | 4,383 | |
| Total Employee Benefits | | | 461,998 |

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Capital Outlay

| | | | |
|-------------------------|----|---------|------------|
| Bridge Construction | \$ | 69,696 | |
| Communication Equipment | | 571 | |
| State Aid Projects | | 316,342 | |
| Other Equipment | | 49,791 | |
| Total Capital Outlay | | | \$ 436,400 |

Principal on Debt

Highways and Streets

| | | | |
|----------------------------|----|---------|---------|
| Principal on Notes | \$ | 133,333 | |
| Total Highways and Streets | | | 133,333 |

Interest on Debt

Highways and Streets

| | | | |
|----------------------------|----|-------|-------|
| Interest on Notes | \$ | 8,038 | |
| Total Highways and Streets | | | 8,038 |

Total Highway/Public Works Fund \$ 4,199,664

General Debt Service Fund

General Government

Other General Administration

| | | | |
|------------------------------------|----|--------|-----------|
| Trustee's Commission | \$ | 16,433 | |
| Total Other General Administration | | | \$ 16,433 |

Principal on Debt

General Government

| | | | |
|--------------------------|----|---------|-----------|
| Principal on Notes | \$ | 500,666 | |
| Principal on Other Loans | | 671,000 | |
| Total General Government | | | 1,171,666 |

Interest on Debt

General Government

| | | | |
|--------------------------|----|---------|---------|
| Interest on Notes | \$ | 21,634 | |
| Interest on Other Loans | | 197,717 | |
| Total General Government | | | 219,351 |

Total General Debt Service Fund 1,407,450

Education Debt Service Fund

General Government

Other General Administration

| | | | |
|------------------------------------|----|--------|-----------|
| Trustee's Commission | \$ | 87,825 | |
| Total Other General Administration | | | \$ 87,825 |

Principal on Debt

Education

| | | | |
|--------------------|----|---------|--|
| Principal on Bonds | \$ | 418,700 | |
|--------------------|----|---------|--|

(Continued)

Exhibit J-7

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

Education Debt Service Fund (Cont.)

Principal on Debt (Cont.)

Education (Cont.)

| | | |
|--------------------------|------------------|--------------|
| Principal on Notes | \$ 7,278,664 | |
| Principal on Other Loans | 430,344 | |
| Total Education | <u>7,709,008</u> | \$ 8,127,708 |

Interest on Debt

Education

| | | |
|-------------------------|---------------|---------------|
| Interest on Bonds | \$ 13,330 | |
| Interest on Notes | 38,433 | |
| Interest on Other Loans | 8,004 | |
| Total Education | <u>59,767</u> | <u>59,767</u> |

Total Education Debt Service Fund \$ 8,275,300

General Capital Projects Fund

General Government

Other General Administration

| | | |
|------------------------------------|--------------|----------|
| Trustee's Commission | \$ 3,487 | |
| Total Other General Administration | <u>3,487</u> | \$ 3,487 |

Capital Projects

General Administration Projects

| | | |
|---------------------------------------|----------------|---------|
| Other Capital Outlay | \$ 140,088 | |
| Total General Administration Projects | <u>140,088</u> | 140,088 |

Public Safety Projects

| | | |
|------------------------------|--------------|-------|
| Building Improvements | \$ 6,524 | |
| Total Public Safety Projects | <u>6,524</u> | 6,524 |

Other General Government Projects

| | | |
|---|---------------|--------|
| Other Charges | \$ 29,037 | |
| Total Other General Government Projects | <u>29,037</u> | 29,037 |

Highway and Street Capital Projects

| | | |
|---|----------------|----------------|
| Site Development | \$ 917,943 | |
| Total Highway and Street Capital Projects | <u>917,943</u> | <u>917,943</u> |

Total General Capital Projects Fund 1,097,079

Education Capital Projects Fund

Capital Projects

Education Capital Projects

| | | |
|----------------------------------|------------------|---------------------|
| Contributions | \$ 4,222,851 | |
| Total Education Capital Projects | <u>4,222,851</u> | <u>\$ 4,222,851</u> |

Total Education Capital Projects Fund 4,222,851

(Continued)

Exhibit J-7

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

| | | |
|---|------------|----------------------|
| <u>Other Capital Projects Fund</u> | | |
| <u>General Government</u> | | |
| <u>Other General Administration</u> | | |
| Trustee's Commission | \$ 12,506 | |
| Total Other General Administration | | \$ 12,506 |
| <u>Capital Projects</u> | | |
| <u>Other General Government Projects</u> | | |
| Motor Vehicles | \$ 485,339 | |
| Total Other General Government Projects | | <u>485,339</u> |
| Total Other Capital Projects Fund | | \$ 497,845 |
| <u>Other Capital Projects (Jail) Fund</u> | | |
| <u>General Government</u> | | |
| <u>Other General Administration</u> | | |
| Trustee's Commission | \$ 31,999 | |
| Total Other General Administration | | \$ 31,999 |
| <u>Capital Projects</u> | | |
| <u>Public Safety Projects</u> | | |
| Legal Services | \$ 8,380 | |
| Site Development | 1,807,207 | |
| Total Public Safety Projects | | <u>1,815,587</u> |
| Total Other Capital Projects (Jail) Fund | | <u>1,847,586</u> |
| Total Governmental Funds - Primary Government | | <u>\$ 44,899,666</u> |

Exhibit J-8

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

General Purpose School Fund

Instruction

Regular Instruction Program

| | | |
|--------------------------------------|---------------|---------------|
| Teachers | \$ 16,338,496 | |
| Career Ladder Program | 30,800 | |
| Educational Assistants | 833,552 | |
| Social Security | 1,000,430 | |
| Pensions | 1,456,852 | |
| Life Insurance | 7,344 | |
| Medical Insurance | 2,174,648 | |
| Dental Insurance | 68,307 | |
| Disability Insurance | 54,348 | |
| Employer Medicare | 234,893 | |
| Other Fringe Benefits | 14,929 | |
| Tuition | 694 | |
| Other Contracted Services | 397,509 | |
| Instructional Supplies and Materials | 153,732 | |
| Textbooks - Bound | 6,136 | |
| Software | 2,700 | |
| Other Supplies and Materials | 17,120 | |
| Fee Waivers | 73,810 | |
| Other Charges | 1,796 | |
| Regular Instruction Equipment | 60,670 | |
| Total Regular Instruction Program | | \$ 22,928,766 |

Special Education Program

| | | |
|--------------------------------------|--------------|-----------|
| Teachers | \$ 2,114,502 | |
| Career Ladder Program | 3,000 | |
| Educational Assistants | 536,273 | |
| Speech Pathologist | 581,651 | |
| Social Security | 190,546 | |
| Pensions | 247,207 | |
| Medical Insurance | 487,989 | |
| Dental Insurance | 10,555 | |
| Employer Medicare | 44,564 | |
| Other Fringe Benefits | 2,408 | |
| Licenses | 1,800 | |
| Other Contracted Services | 110 | |
| Instructional Supplies and Materials | 97,536 | |
| Other Supplies and Materials | 875 | |
| Special Education Equipment | 395 | |
| Total Special Education Program | | 4,319,411 |

Career and Technical Education Program

| | | |
|-------------------|------------|--|
| Teachers | \$ 801,223 | |
| Social Security | 45,580 | |
| Pensions | 69,198 | |
| Medical Insurance | 86,016 | |
| Dental Insurance | 2,273 | |

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Career and Technical Education Program (Cont.)

| | | | |
|--|----|--------|--------------|
| Employer Medicare | \$ | 10,660 | |
| Other Fringe Benefits | | 365 | |
| Instructional Supplies and Materials | | 2,827 | |
| Other Supplies and Materials | | 467 | |
| Total Career and Technical Education Program | | | \$ 1,018,609 |

Support Services

Attendance

| | | | |
|------------------------------|----|--------|--------|
| Supervisor/Director | \$ | 20,839 | |
| Social Security | | 1,292 | |
| Pensions | | 1,461 | |
| Dental Insurance | | 156 | |
| Employer Medicare | | 302 | |
| Other Fringe Benefits | | 45 | |
| In Service/Staff Development | | 612 | |
| Total Attendance | | | 24,707 |

Health Services

| | | | |
|------------------------------|----|---------|---------|
| Supervisor/Director | \$ | 67,523 | |
| Medical Personnel | | 253,876 | |
| Social Security | | 19,018 | |
| Pensions | | 49,341 | |
| Medical Insurance | | 30,972 | |
| Dental Insurance | | 3,371 | |
| Employer Medicare | | 4,448 | |
| Other Fringe Benefits | | 792 | |
| Communication | | 600 | |
| Travel | | 2,441 | |
| Other Contracted Services | | 17,100 | |
| Drugs and Medical Supplies | | 3,118 | |
| Other Supplies and Materials | | 29,620 | |
| In Service/Staff Development | | 255 | |
| Health Equipment | | 27,169 | |
| Total Health Services | | | 509,644 |

Other Student Support

| | | | |
|------------------------------|----|---------|--|
| Career Ladder Program | \$ | 4,000 | |
| Guidance Personnel | | 916,818 | |
| Social Security | | 53,788 | |
| Pensions | | 84,073 | |
| Medical Insurance | | 109,037 | |
| Dental Insurance | | 2,814 | |
| Employer Medicare | | 12,579 | |
| Other Fringe Benefits | | 623 | |
| Other Contracted Services | | 30,052 | |
| Other Supplies and Materials | | 55,952 | |

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

| | | | |
|------------------------------|----|--------|--------------|
| In Service/Staff Development | \$ | 15,457 | |
| Other Charges | | 1,649 | |
| Total Other Student Support | | | \$ 1,286,842 |

Regular Instruction Program

| | | | |
|-----------------------------------|----|---------|-----------|
| Supervisor/Director | \$ | 146,820 | |
| Career Ladder Program | | 3,000 | |
| Librarians | | 643,050 | |
| Materials Supervisor | | 22,513 | |
| Secretary(ies) | | 136,263 | |
| Other Salaries and Wages | | 232,713 | |
| Social Security | | 68,456 | |
| Pensions | | 101,232 | |
| Medical Insurance | | 118,746 | |
| Dental Insurance | | 4,262 | |
| Employer Medicare | | 16,366 | |
| Other Fringe Benefits | | 849 | |
| Communication | | 1,200 | |
| Travel | | 55,452 | |
| Other Contracted Services | | 5,000 | |
| Library Books/Media | | 14,502 | |
| Software | | 100 | |
| Other Supplies and Materials | | 21,359 | |
| In Service/Staff Development | | 9,797 | |
| Other Charges | | 3,934 | |
| Other Equipment | | 500 | |
| Total Regular Instruction Program | | | 1,606,114 |

Special Education Program

| | | | |
|---------------------------------|----|---------|---------|
| Supervisor/Director | \$ | 74,212 | |
| Psychological Personnel | | 228,659 | |
| Other Salaries and Wages | | 53,960 | |
| Social Security | | 20,625 | |
| Pensions | | 33,066 | |
| Medical Insurance | | 37,410 | |
| Employer Medicare | | 4,824 | |
| Travel | | 209 | |
| Other Contracted Services | | 29,715 | |
| Other Supplies and Materials | | 40,729 | |
| In Service/Staff Development | | 5,759 | |
| Special Education Equipment | | 14,045 | |
| Other Equipment | | 2,082 | |
| Total Special Education Program | | | 545,295 |

Career and Technical Education Program

| | | | |
|---------------------|----|--------|--|
| Supervisor/Director | \$ | 34,860 | |
|---------------------|----|--------|--|

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program (Cont.)

| | | | |
|--|----|-------|-----------|
| Social Security | \$ | 2,161 | |
| Pensions | | 3,591 | |
| Medical Insurance | | 2,177 | |
| Employer Medicare | | 505 | |
| Total Career and Technical Education Program | | | \$ 43,294 |

Technology

| | | | |
|------------------------------|----|---------|---------|
| Supervisor/Director | \$ | 64,776 | |
| Other Salaries and Wages | | 190,699 | |
| Social Security | | 14,804 | |
| Pensions | | 11,452 | |
| Medical Insurance | | 28,509 | |
| Dental Insurance | | 2,492 | |
| Employer Medicare | | 3,477 | |
| Other Fringe Benefits | | 532 | |
| Licenses | | 10,680 | |
| Internet Connectivity | | 171,371 | |
| Other Contracted Services | | 193,718 | |
| Software | | 129,542 | |
| Other Supplies and Materials | | 17,131 | |
| In Service/Staff Development | | 475 | |
| Other Equipment | | 78,627 | |
| Total Technology | | | 918,285 |

Other Programs

| | | | |
|----------------------------|----|---------|---------|
| On-behalf Payments to OPEB | \$ | 102,367 | |
| Total Other Programs | | | 102,367 |

Board of Education

| | | | |
|--|----|---------|---------|
| Board and Committee Members Fees | \$ | 16,200 | |
| Social Security | | 1,004 | |
| Employer Medicare | | 235 | |
| Audit Services | | 11,000 | |
| Dues and Memberships | | 7,209 | |
| Legal Services | | 43,676 | |
| Other Contracted Services | | 4,400 | |
| Other Supplies and Materials | | 423 | |
| Liability Insurance | | 134,846 | |
| Trustee's Commission | | 275,752 | |
| Workers' Compensation Insurance | | 112,504 | |
| In Service/Staff Development | | 759 | |
| Criminal Investigation of Applicants - TBI | | 2,434 | |
| Other Charges | | 7,834 | |
| Total Board of Education | | | 618,276 |

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools

| | | | |
|--|----|---------|------------|
| County Official/Administrative Officer | \$ | 141,125 | |
| Secretary(ies) | | 47,736 | |
| Social Security | | 11,499 | |
| Pensions | | 12,041 | |
| Medical Insurance | | 15,029 | |
| Dental Insurance | | 348 | |
| Employer Medicare | | 2,716 | |
| Other Fringe Benefits | | 99 | |
| Communication | | 10,318 | |
| Dues and Memberships | | 3,126 | |
| Postal Charges | | 4,916 | |
| Travel | | 7,643 | |
| Other Contracted Services | | 11,363 | |
| Food Supplies | | 2,515 | |
| Office Supplies | | 7,678 | |
| Other Supplies and Materials | | 3,387 | |
| Refunds | | 3,000 | |
| In Service/Staff Development | | 1,784 | |
| Other Charges | | 1,606 | |
| Administration Equipment | | 3,000 | |
| Total Director of Schools | | | \$ 290,929 |

Office of the Principal

| | | | |
|-------------------------------|----|-----------|-----------|
| Principals | \$ | 1,017,939 | |
| Career Ladder Program | | 3,000 | |
| Assistant Principals | | 421,228 | |
| Secretary(ies) | | 706,445 | |
| Social Security | | 124,350 | |
| Pensions | | 173,637 | |
| Medical Insurance | | 316,295 | |
| Dental Insurance | | 2,796 | |
| Employer Medicare | | 29,082 | |
| Other Fringe Benefits | | 1,246 | |
| Communication | | 65,173 | |
| Travel | | 3,253 | |
| Office Supplies | | 7,880 | |
| Software | | 7,113 | |
| Other Supplies and Materials | | 2,533 | |
| Other Charges | | 12,267 | |
| Administration Equipment | | 6,808 | |
| Total Office of the Principal | | | 2,901,045 |

Fiscal Services

| | | | |
|-------------------------|----|---------|--|
| Supervisor/Director | \$ | 80,972 | |
| Accountants/Bookkeepers | | 253,022 | |
| Social Security | | 19,911 | |

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Fiscal Services (Cont.)

| | | | |
|------------------------------|----|--------|------------|
| Pensions | \$ | 19,726 | |
| Medical Insurance | | 39,105 | |
| Dental Insurance | | 1,246 | |
| Employer Medicare | | 4,657 | |
| Other Fringe Benefits | | 266 | |
| Data Processing Services | | 5,624 | |
| Travel | | 139 | |
| Data Processing Supplies | | 1,835 | |
| In Service/Staff Development | | 4,440 | |
| Total Fiscal Services | | | \$ 430,943 |

Human Services/Personnel

| | | | |
|--------------------------------|----|--------|---------|
| Supervisor/Director | \$ | 46,049 | |
| Secretary(ies) | | 41,531 | |
| Social Security | | 4,788 | |
| Pensions | | 6,612 | |
| Medical Insurance | | 11,586 | |
| Employer Medicare | | 1,120 | |
| Other Contracted Services | | 7,491 | |
| Other Supplies and Materials | | 90 | |
| In Service/Staff Development | | 381 | |
| Total Human Services/Personnel | | | 119,648 |

Operation of Plant

| | | | |
|---------------------------------|----|-----------|-----------|
| Janitorial Services | \$ | 1,076,425 | |
| Disposal Fees | | 130,886 | |
| Other Contracted Services | | 1,122 | |
| Electricity | | 1,130,298 | |
| Natural Gas | | 98,952 | |
| Water and Sewer | | 213,128 | |
| Other Supplies and Materials | | 247 | |
| Building and Contents Insurance | | 310,253 | |
| Total Operation of Plant | | | 2,961,311 |

Maintenance of Plant

| | | | |
|---|----|---------|--|
| Supervisor/Director | \$ | 65,282 | |
| Clerical Personnel | | 38,417 | |
| Social Security | | 6,216 | |
| Pensions | | 4,688 | |
| Medical Insurance | | 10,921 | |
| Employer Medicare | | 1,454 | |
| Communication | | 880 | |
| Licenses | | 37,961 | |
| Maintenance and Repair Services - Buildings | | 212,775 | |
| Pest Control | | 19,420 | |
| Permits | | 2,085 | |

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

| | | | |
|---------------------------------|----|---------|--------------|
| Other Contracted Services | \$ | 851,647 | |
| Other Supplies and Materials | | 5,720 | |
| Vehicle and Equipment Insurance | | 7,704 | |
| Other Charges | | 87,553 | |
| Administration Equipment | | 61,973 | |
| Total Maintenance of Plant | | | \$ 1,414,696 |

Transportation

| | | | |
|--|----|-----------|-----------|
| Supervisor/Director | \$ | 65,281 | |
| Mechanic(s) | | 105,334 | |
| Bus Drivers | | 1,060,422 | |
| Guards | | 35,110 | |
| Clerical Personnel | | 38,417 | |
| Bonus Payments | | 40,600 | |
| Other Salaries and Wages | | 122,560 | |
| In-service Training | | 3,900 | |
| Social Security | | 86,527 | |
| Pensions | | 68,598 | |
| Medical Insurance | | 124,376 | |
| Dental Insurance | | 4,530 | |
| Employer Medicare | | 20,539 | |
| Other Fringe Benefits | | 1,069 | |
| Communication | | 3,662 | |
| Maintenance and Repair Services - Vehicles | | 38,334 | |
| Medical and Dental Services | | 3,675 | |
| Other Contracted Services | | 30,429 | |
| Diesel Fuel | | 242,396 | |
| Gasoline | | 51,104 | |
| Lubricants | | 4,025 | |
| Tires and Tubes | | 29,741 | |
| Vehicle Parts | | 66,285 | |
| Software | | 770 | |
| Other Supplies and Materials | | 7,506 | |
| Vehicle and Equipment Insurance | | 77,563 | |
| In Service/Staff Development | | 1,842 | |
| Other Charges | | 3,866 | |
| Administration Equipment | | 73,843 | |
| Total Transportation | | | 2,412,304 |

Operation of Non-Instructional Services

Food Service

| | | | |
|---------------------|----|--------|--------|
| Cafeteria Personnel | \$ | 36,278 | |
| Social Security | | 2,249 | |
| Pensions | | 1,646 | |
| Employer Medicare | | 526 | |
| Total Food Service | | | 40,699 |

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education

| | | | |
|--------------------------------------|----|---------|------------|
| Supervisor/Director | \$ | 18,875 | |
| Teachers | | 243,710 | |
| Educational Assistants | | 78,024 | |
| Social Security | | 19,497 | |
| Pensions | | 26,493 | |
| Medical Insurance | | 60,553 | |
| Dental Insurance | | 2,470 | |
| Employer Medicare | | 4,560 | |
| Other Fringe Benefits | | 526 | |
| Food Supplies | | 5,356 | |
| Instructional Supplies and Materials | | 63 | |
| Other Supplies and Materials | | 1,673 | |
| In Service/Staff Development | | 425 | |
| Other Charges | | 1,185 | |
| Total Early Childhood Education | | | \$ 463,410 |

Total General Purpose School Fund

\$ 44,956,595

School Federal Projects Fund

Instruction

Regular Instruction Program

| | | | |
|--------------------------------------|----|---------|--------------|
| Teachers | \$ | 415,083 | |
| Educational Assistants | | 144,997 | |
| Bonus Payments | | 289,500 | |
| Other Salaries and Wages | | 35,961 | |
| Social Security | | 53,171 | |
| Pensions | | 62,867 | |
| Medical Insurance | | 59,167 | |
| Dental Insurance | | 1,417 | |
| Employer Medicare | | 12,448 | |
| Other Fringe Benefits | | 405 | |
| Other Contracted Services | | 1,359 | |
| Instructional Supplies and Materials | | 203,265 | |
| Software | | 366,019 | |
| Other Supplies and Materials | | 2,089 | |
| Regular Instruction Equipment | | 210,221 | |
| Total Regular Instruction Program | | | \$ 1,857,969 |

Special Education Program

| | | | |
|--------------------------|----|---------|--|
| Teachers | \$ | 8,130 | |
| Educational Assistants | | 708,660 | |
| Speech Pathologist | | 7,927 | |
| Bonus Payments | | 94,500 | |
| Other Salaries and Wages | | 500 | |
| Social Security | | 47,685 | |
| Pensions | | 38,530 | |

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

| | | | |
|--------------------------------------|----|---------|--------------|
| Medical Insurance | \$ | 234,318 | |
| Dental Insurance | | 5,601 | |
| Employer Medicare | | 11,153 | |
| Other Fringe Benefits | | 1,302 | |
| Instructional Supplies and Materials | | 32,784 | |
| Special Education Equipment | | 23,340 | |
| Total Special Education Program | | | \$ 1,214,430 |

Career and Technical Education Program

| | | | |
|--|----|---------|---------|
| Educational Assistants | \$ | 8,424 | |
| Bonus Payments | | 12,750 | |
| Other Salaries and Wages | | 62,641 | |
| Social Security | | 4,999 | |
| Pensions | | 7,666 | |
| Medical Insurance | | 4,365 | |
| Dental Insurance | | 1,136 | |
| Employer Medicare | | 1,169 | |
| Other Fringe Benefits | | 242 | |
| Maintenance and Repair Services - Equipment | | 7,816 | |
| Other Contracted Services | | 25,000 | |
| Instructional Supplies and Materials | | 9,648 | |
| Other Supplies and Materials | | 20,358 | |
| Vocational Instruction Equipment | | 145,274 | |
| Total Career and Technical Education Program | | | 311,488 |

Support Services

Attendance

| | | | |
|-------------------|----|-----|-----|
| Bonus Payments | \$ | 188 | |
| Social Security | | 12 | |
| Pensions | | 13 | |
| Employer Medicare | | 3 | |
| Total Attendance | | | 216 |

Health Services

| | | | |
|-----------------------|----|---------|---------|
| Medical Personnel | \$ | 102,837 | |
| Bonus Payments | | 6,750 | |
| Social Security | | 6,545 | |
| Pensions | | 7,875 | |
| Medical Insurance | | 16,938 | |
| Dental Insurance | | 904 | |
| Employer Medicare | | 1,531 | |
| Other Fringe Benefits | | 191 | |
| Total Health Services | | | 143,571 |

Other Student Support

| | | | |
|----------------|----|--------|--|
| Bonus Payments | \$ | 15,000 | |
|----------------|----|--------|--|

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

| | | | |
|------------------------------|----|---------|------------|
| Other Salaries and Wages | \$ | 146,972 | |
| Social Security | | 9,247 | |
| Pensions | | 15,046 | |
| Medical Insurance | | 23,972 | |
| Employer Medicare | | 2,163 | |
| Communication | | 600 | |
| Travel | | 5,593 | |
| Other Contracted Services | | 10,960 | |
| Other Supplies and Materials | | 20,199 | |
| In Service/Staff Development | | 10,115 | |
| Other Charges | | 23 | |
| Total Other Student Support | | | \$ 259,890 |

Regular Instruction Program

| | | | |
|-----------------------------------|----|---------|---------|
| Supervisor/Director | \$ | 90,639 | |
| Secretary(ies) | | 40,483 | |
| Bonus Payments | | 19,875 | |
| Other Salaries and Wages | | 275,742 | |
| In-service Training | | 6,562 | |
| Social Security | | 25,341 | |
| Pensions | | 40,584 | |
| Medical Insurance | | 39,270 | |
| Employer Medicare | | 5,927 | |
| Travel | | 2,300 | |
| Other Contracted Services | | 39,993 | |
| Other Supplies and Materials | | 955 | |
| In Service/Staff Development | | 76,410 | |
| Other Equipment | | 3,865 | |
| Total Regular Instruction Program | | | 667,946 |

Special Education Program

| | | | |
|---------------------------------|----|---------|---------|
| Medical Personnel | \$ | 83,418 | |
| Bonus Payments | | 8,250 | |
| Other Salaries and Wages | | 169,035 | |
| Social Security | | 15,225 | |
| Pensions | | 22,634 | |
| Medical Insurance | | 26,889 | |
| Employer Medicare | | 3,561 | |
| Other Supplies and Materials | | 4,724 | |
| In Service/Staff Development | | 425 | |
| Total Special Education Program | | | 334,161 |

Career and Technical Education Program

| | | | |
|---------------------|----|-------|--|
| Supervisor/Director | \$ | 2,000 | |
| Bonus Payments | | 225 | |
| Social Security | | 138 | |

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program (Cont.)

| | | | |
|--|----|-----|----------|
| Pensions | \$ | 113 | |
| Employer Medicare | | 32 | |
| In Service/Staff Development | | 166 | |
| Total Career and Technical Education Program | | | \$ 2,674 |

Technology

| | | | |
|----------------------------------|----|--------|--------|
| Instructional Computer Personnel | \$ | 61,652 | |
| Bonus Payments | | 6,000 | |
| Social Security | | 4,180 | |
| Pensions | | 1,531 | |
| Medical Insurance | | 13,318 | |
| Employer Medicare | | 978 | |
| Total Technology | | | 87,659 |

Director of Schools

| | | | |
|---------------------------|----|-------|-------|
| Bonus Payments | \$ | 1,500 | |
| Social Security | | 93 | |
| Pensions | | 86 | |
| Employer Medicare | | 22 | |
| Total Director of Schools | | | 1,701 |

Office of the Principal

| | | | |
|-------------------------------|----|--------|---------|
| Assistant Principals | \$ | 56,029 | |
| Bonus Payments | | 39,188 | |
| Social Security | | 5,829 | |
| Pensions | | 8,270 | |
| Medical Insurance | | 7,358 | |
| Employer Medicare | | 1,355 | |
| Total Office of the Principal | | | 118,029 |

Fiscal Services

| | | | |
|-----------------------|----|-------|-------|
| Bonus Payments | \$ | 4,275 | |
| Social Security | | 265 | |
| Pensions | | 223 | |
| Employer Medicare | | 62 | |
| Total Fiscal Services | | | 4,825 |

Human Services/Personnel

| | | | |
|--------------------------------|----|-------|-------|
| Bonus Payments | \$ | 1,125 | |
| Social Security | | 70 | |
| Pensions | | 72 | |
| Employer Medicare | | 16 | |
| Total Human Services/Personnel | | | 1,283 |

Maintenance of Plant

| | | | |
|----------------|----|-------|--|
| Bonus Payments | \$ | 1,500 | |
|----------------|----|-------|--|

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

| | | | |
|------------------------------|----|-------|----------|
| Social Security | \$ | 93 | |
| Pensions | | 68 | |
| Employer Medicare | | 22 | |
| Other Supplies and Materials | | 2,615 | |
| Total Maintenance of Plant | | | \$ 4,298 |

Transportation

| | | | |
|----------------------|----|--------|--------|
| Bus Drivers | \$ | 9,471 | |
| Bonus Payments | | 23,250 | |
| Social Security | | 2,005 | |
| Pensions | | 1,364 | |
| Employer Medicare | | 475 | |
| Diesel Fuel | | 3,712 | |
| Total Transportation | | | 40,277 |

Operation of Non-Instructional Services

Food Service

| | | | |
|---------------------|----|--------|--------|
| Cafeteria Personnel | \$ | 18,945 | |
| Bonus Payments | | 37,125 | |
| Social Security | | 3,453 | |
| Pensions | | 1,380 | |
| Employer Medicare | | 813 | |
| Food Supplies | | 78 | |
| Total Food Service | | | 61,794 |

Community Services

| | | | |
|--------------------------------------|----|--------|---------|
| Supervisor/Director | \$ | 6,738 | |
| Teachers | | 46,008 | |
| Bonus Payments | | 19,688 | |
| Other Salaries and Wages | | 10,480 | |
| Social Security | | 5,137 | |
| Pensions | | 5,761 | |
| Employer Medicare | | 1,202 | |
| Travel | | 697 | |
| Food Supplies | | 4,710 | |
| Instructional Supplies and Materials | | 1,050 | |
| Other Supplies and Materials | | 2,801 | |
| Other Charges | | 3,987 | |
| Total Community Services | | | 108,259 |

Early Childhood Education

| | | | |
|---------------------------------|----|-------|-------|
| Bonus Payments | \$ | 7,688 | |
| Social Security | | 477 | |
| Pensions | | 500 | |
| Employer Medicare | | 112 | |
| Total Early Childhood Education | | | 8,777 |

Total School Federal Projects Fund \$ 5,229,247

(Continued)

Exhibit J-8

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

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

| | | | |
|---|----|-----------|--------------|
| Supervisor/Director | \$ | 60,368 | |
| Clerical Personnel | | 85,232 | |
| Cafeteria Personnel | | 1,033,082 | |
| Bonus Payments | | 39,241 | |
| Social Security | | 70,639 | |
| Pensions | | 31,738 | |
| Life Insurance | | 759 | |
| Medical Insurance | | 147,608 | |
| Dental Insurance | | 6,098 | |
| Disability Insurance | | 1,274 | |
| Employer Medicare | | 16,720 | |
| Other Fringe Benefits | | 1,350 | |
| Communication | | 964 | |
| Maintenance and Repair Services - Equipment | | 68,368 | |
| Travel | | 1,154 | |
| Other Contracted Services | | 25,487 | |
| Food Preparation Supplies | | 124,610 | |
| Food Supplies | | 1,329,067 | |
| Office Supplies | | 5,405 | |
| USDA - Commodities | | 189,238 | |
| Other Supplies and Materials | | 4,327 | |
| Refunds | | 304 | |
| In Service/Staff Development | | 1,887 | |
| Other Charges | | 1,546 | |
| Food Service Equipment | | 69,208 | |
| Total Food Service | | | \$ 3,315,674 |

Total Central Cafeteria Fund

\$ 3,315,674

Extended School Program Fund

Support Services

Board of Education

| | | | |
|--------------------------|----|-------|----------|
| Trustee's Commission | \$ | 9,490 | |
| Total Board of Education | | | \$ 9,490 |

Operation of Non-Instructional Services

Community Services

| | | |
|-----------------------------------|----|---------|
| Supervisor/Director | \$ | 61,579 |
| Clerical Personnel | | 40,226 |
| Other Salaries and Wages | | 577,237 |
| Social Security | | 38,926 |
| Pensions | | 25,832 |
| Medical Insurance | | 113,635 |
| Dental Insurance | | 3,497 |
| Employer Medicare | | 9,104 |
| Retirement - Hybrid Stabilization | | 6 |

(Continued)

Exhibit J-8

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

Extended School Program Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services (Cont.)

| | | | |
|------------------------------|----|--------|------------|
| Other Fringe Benefits | \$ | 752 | |
| Communication | | 600 | |
| Travel | | 1,724 | |
| Permits | | 50 | |
| Other Contracted Services | | 6,469 | |
| Food Supplies | | 32,219 | |
| Software | | 6,750 | |
| Other Supplies and Materials | | 10,259 | |
| Refunds | | 2,877 | |
| In Service/Staff Development | | 2,213 | |
| Other Charges | | 272 | |
| Other Equipment | | 22,070 | |
| Total Community Services | | | \$ 956,297 |

Total Extended School Program Fund \$ 965,787

Internal School Fund

Operation of Non-Instructional Services

Community Services

| | | | |
|--------------------------|----|-----------|--------------|
| Other Charges | \$ | 1,938,859 | |
| Total Community Services | | | \$ 1,938,859 |

Total Internal School Fund 1,938,859

Education Capital Projects Fund

Capital Projects

Education Capital Projects

| | | | |
|----------------------------------|----|-----------|--------------|
| Other Contracted Services | \$ | 582,026 | |
| Building Improvements | | 66,040 | |
| Other Capital Outlay | | 5,707,316 | |
| Total Education Capital Projects | | | \$ 6,355,382 |

Total Education Capital Projects Fund 6,355,382

Total Governmental Funds - Cheatham County School Department \$ 62,761,544

Exhibit J-9

Cheatham County, Tennessee
Schedule of Detailed Additions, Deductions,
and Changes in Net Position - City Custodial Fund
For the Year Ended June 30, 2022

| | Cities - Sales Tax Fund |
|---|-------------------------------|
| <hr/> | |
| <u>Additions</u> | |
| Local Option Sales Tax | \$ 5,545,021 |
| Total Additions | <u>\$ 5,545,021</u> |
| <u>Deductions</u> | |
| Remittance of Revenues Collected | <u>\$ 5,545,021</u> |
| Total Deductions | <u>\$ 5,545,021</u> |
| Excess of Additions Over (Under) Deductions | \$ 0 |
| Net Position, July 1, 2021 | <u>0</u> |
| Net Position, June 30, 2022 | <u><u>\$ 0</u></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

Cheatham County Mayor and
Board of County Commissioners
Cheatham 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 Cheatham County, Tennessee, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Cheatham County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated December 5, 2022. Our report includes a reference to other auditors who audited the Internal School Fund of Cheatham County School Department (a discretely presented component unit), as described in our report on Cheatham County's financial statements. This report includes our consideration of the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the report of the other auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Cheatham County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Cheatham County's internal control. Accordingly, we do not express an opinion on the effectiveness of Cheatham County internal control.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs to be a material weakness: 2022-006.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies, described in the accompanying Schedule of Findings and Questioned Costs, to be significant deficiencies: 2022-002, 2022-005, and 2022-007.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cheatham County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2022-001, 2022-003, and 2022-004.

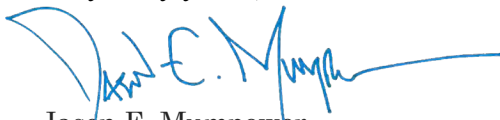
Cheatham County's Responses to Findings

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

Purpose of this Report

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

December 5, 2022

JEM/gc



JASON E. MUMPOWER
Comptroller

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

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Cheatham 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 Cheatham County's major federal programs for the year ended June 30, 2022. Cheatham County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Cheatham County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Cheatham County, Tennessee, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to

provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Cheatham County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Cheatham County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Cheatham County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Cheatham County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Cheatham County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Cheatham County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cheatham County, Tennessee, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Cheatham County's basic financial statements. We issued our report thereon dated December 5, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility

of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

December 5, 2022

JEM/gc

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

| Federal/Pass-through Agency/State Grantor Program Title | Federal Assistance Listing Number | Pass-through Entity Identifying Number | Expenditures |
|---|--|---|---------------------|
| U.S. Department of Agriculture: | | | |
| Passed-through State Department of Agriculture: | | | |
| Child Nutrition Cluster: (5) | | | |
| National School Lunch Program (Commodities - Noncash Assistance) | 10.555 | (4) | \$ 138,224 (6) |
| Passed-through State Department of Education: | | | |
| Child Nutrition Cluster: (5) | | | |
| School Breakfast Program | 10.553 | (4) | 964,213 |
| National School Lunch Program | 10.555 | (4) | 3,098,380 (6) |
| Child Nutrition Discretionary Grants Limited Availability | 10.579 | (4) | 64,870 |
| COVID 19 - Pandemic EBT Administrative Costs | 10.649 | (4) | 3,063 |
| Total U.S. Department of Agriculture | | | <u>\$ 4,268,750</u> |
| U.S. Department of the Interior: | | | |
| Direct Program: | | | |
| Payments in-Lieu-of Taxes | 15.226 | N/A | \$ 11,751 |
| Total U.S. Department of the Interior | | | <u>\$ 11,751</u> |
| U.S. Department of Justice: | | | |
| Passed-through State Commission on Children and Youth: | | | |
| Juvenile Justice and Delinquency Prevention | 16.540 | (4) | \$ 720 |
| Passed-through State Department of Finance and Administration: | | | |
| COVID 19 - Coronavirus Emergency Supplemental Funding Program | 16.034 | (4) | 100,000 |
| Crime Victim Assistance | 16.575 | (4) | 50,786 |
| Total U.S. Department of Justice | | | <u>\$ 151,506</u> |
| U.S. Department of Transportation: | | | |
| Passed-through State Department of Safety and Homeland Security: | | | |
| Highway Safety Cluster: (5) | | | |
| State and Community Highway Safety | 20.600 | (4) | \$ 28,039 |
| Alcohol Open Container Requirements | 20.607 | (4) | 5,853 |
| Total U.S. Department of Transportation | | | <u>\$ 33,892</u> |
| U.S. Department of Treasury: | | | |
| Direct Program: | | | |
| COVID 19 - Coronavirus State and Local Fiscal Recovery Funds | 21.027 | N/A | \$ 9,922 |
| Total U.S. Department of Treasury | | | <u>\$ 9,922</u> |
| U.S. Institute of Museum and Library Services: | | | |
| Passed-through State Department of Library and Archives: | | | |
| Grants to States | 45.310 | (4) | \$ 2,924 |
| Total U.S. Institute of Museum and Library Services | | | <u>\$ 2,924</u> |
| U.S. Department of Education: | | | |
| Passed-through State Department of Education: | | | |
| Title I Grants to Local Educational Agencies | 84.010 | (4) | \$ 655,721 |
| Special Education Cluster: (5) | | | |
| Special Education - Grants to States | 84.027 | (4) | 1,455,409 (6) |
| COVID 19 - Special Education - Grants to States - ARP | 84.027 | (4) | 68,233 (6) |
| Special Education - Preschool Grants | 84.173 | (4) | 33,796 (6) |
| COVID 19 - Special Education - Preschool Grants - ARP | 84.173 | (4) | 756 (6) |
| Career and Technical Education - Basic Grants to States | 84.048 | (4) | 76,468 |
| Twenty-first Century Community Learning Centers | 84.287 | (4) | 89,656 |
| English Language Acquisition State Grants | 84.365 | (4) | 11,641 |
| Supporting Effective Instruction State Grants | 84.367 | (4) | 169,918 |
| Student Support and Academic Enrichment Program | 84.424 | (4) | 58,705 |
| COVID 19 - Education Stabilization Fund - Elementary and Secondary School Emergency Relief Fund (ESSER I) | 84.425D | (4) | 299,761 (6) |
| COVID 19 - Education Stabilization Fund - Elementary and Secondary School Emergency Relief Fund (ESSER II) | 84.425D | (4) | 778,340 (6) |
| COVID 19 - American Rescue Plan - Education Stabilization Fund - Elementary and Secondary School Emergency Relief Fund (ESSER ARP) | 84.425U | (4) | 1,972,206 (6) |
| Total U.S. Department of Education | | | <u>\$ 5,670,610</u> |

(Continued)

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

| Federal/Pass-through Agency/State Grantor Program Title | Federal Assistance Listing Number | Pass-through Entity Identifying Number | Expenditures |
|---|--|---|----------------------|
| U.S. Election Assistance Commission: | | | |
| Passed-through State Department, Division of Elections: | | | |
| Help America Vote Act Requirements Payments | 90.401 | (4) | \$ 2,535 |
| Total U.S. Election Assistance Commission | | | <u>\$ 2,535</u> |
| U.S. Department of Health and Human Services: | | | |
| Passed-through State Department of Education: | | | |
| COVID-19 - Temporary Assistance for Needy Families | 93.558 | (4) | \$ 219,172 |
| Total U.S. Department of Health and Human Services | | | <u>\$ 219,172</u> |
| U.S. Department of Homeland Security: | | | |
| Passed-through State Department of Military: | | | |
| Disaster Grants - Public Assistance (Presidentially Declared Disasters) | 97.036 | (4) | \$ 50,082 |
| Emergency Management Performance Grants | 97.042 | (4) | 33,055 |
| Homeland Security Grant Program | 97.067 | (4) | 19,930 |
| Total U.S. Department of Homeland Security | | | <u>\$ 103,067</u> |
| Total Expenditure of Federal Awards | | | <u>\$ 10,474,129</u> |

| State Grants | Contract Number | Expenditures |
|---|--------------------|---------------------|
| Early Childhood Education - State Department of Education | N/A | (4) \$ 484,966 |
| Safe Schools Act - State Department of Education | N/A | (4) 107,482 |
| Coordinated School Health - State Department of Health | N/A | (4) 105,000 |
| Litter Program - State Department of Transportation | N/A | (4) 75,642 |
| Juvenile Justice State Supplement Funds - State Commission on Children and Youth | N/A | (4) 9,000 |
| Student Ticket Subsidy - TN Arts Commission | N/A | (4) 9,104 |
| Certificate Program - State Department of Health and Safety | N/A | (4) 4,074 |
| Rural Local Health Services - State Department of Health | N/A | (4) 8,724 |
| Governor's Early Literacy Foundation - State Department of Education | N/A | (4) 11,120 |
| Learning Camps - Summer Learning Camp - State Department of Education | N/A | (4) 536,178 |
| Learning Camps - Bridge Camp - State Department of Education | N/A | (4) 234,500 |
| Learning Camps - Stream Mini Camp - State Department of Education | N/A | (4) 85,293 |
| Learning Camps - Literacy Transportation - State Department of Education | N/A | (4) 172,261 |
| State Direct Appropriations Grant FY 2021 - State Department of Finance and Administration | N/A | (4) 436,096 |
| Total State Grants | | <u>\$ 2,279,440</u> |

FAL = Federal Assistance Listing
N/A = Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Cheatham County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) No amounts (\$0) were passed-through to subrecipients.
- (4) Information not available.
- (5) Child Nutrition Cluster total \$4,200,817; Highway Safety Cluster total \$28,039; and Special Education Cluster total \$1,558,194.
- (6) Total FAL No. 10.555 is \$3,236,604; Total FAL No. 84.027 is \$1,523,642; Total FAL No. 84.173 is \$34,552;
Total FAL No. 84.425 is \$3,050,307.

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

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

Prior-year Financial Statement Findings

| Fiscal Year | Page Number | Finding Number | Title of Finding | FAL Number | Current Status |
|-------------|-------------|----------------|------------------|------------|----------------|
|-------------|-------------|----------------|------------------|------------|----------------|

OFFICE OF GENERAL SESSIONS COURT CLERK

| | | | | | |
|------|-----|----------|---|-----|-----------|
| 2021 | 207 | 2021-001 | A cash shortage of \$100 existed in the Office of General Sessions Court Clerk. | N/A | Corrected |
|------|-----|----------|---|-----|-----------|

Prior-year Federal Awards Findings

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

CHEATHAM COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2022

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

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

Federal Awards:

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

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

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

OFFICE OF COUNTY MAYOR

FINDING 2022-001 **OFFICIAL PRENUMBERED RECEIPTS WERE NOT ISSUED FOR ALL COLLECTIONS AT THE AMBULANCE SERVICE**
(Noncompliance Under *Government Auditing Standards*)

While performing a receipt to deposit test at the ambulance service on March 10, 2022, we noted that the ambulance service had issued only two official prenumbered receipts between July 1, 2021, and March 10, 2022. Section 9-2-103, *Tennessee Code Annotated (TCA)*, requires official prenumbered receipts for all collections. During this period, the ambulance service deposited \$1,595 with the county trustee; however, since receipts were not issued, we could not determine if all collections had been accounted for properly. In addition, we were unable to determine if the office had complied with Section 5-8-207, *TCA*, which requires officials to deposit all collections within three days of receipt. The failure to properly issue receipts at the time of collection and the failure to deposit funds promptly increases the risks of fraud and abuse. This deficiency is due to a lack of management oversight.

RECOMMENDATION

Official prenumbered receipts should be issued for all collections when received, and all collections should be deposited within three days of receipt as required by state statutes.

MANAGEMENT'S RESPONSE – COUNTY MAYOR

No formal management's response was submitted. However, explanation to the finding is included in the Corrective Action Plan.

FINDING 2022-002 **DUTIES WERE NOT SEGREGATED ADEQUATELY**
(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

Duties were not segregated adequately among the employees at the ambulance service. Employees responsible for maintaining the accounting records in the office were also involved in receipting, depositing, and/or disbursing funds. Sound business practices dictate that management is responsible for designing internal controls to give reasonable assurance of the reliability of financial reporting and of the effectiveness and efficiency of operations. This

lack of segregation of duties is the result of management's decisions based on the availability of financial resources and is a significant deficiency in internal controls that increases the risk of unauthorized transactions.

RECOMMENDATION

The ambulance service should segregate duties to the extent possible using available resources.

MANAGEMENT'S RESPONSE – COUNTY MAYOR

No formal management's response was submitted. However, explanation to the finding is included in the Corrective Action Plan.

OFFICE OF BUILDING AND CODES

FINDING 2022-003

THE OFFICE HAD DEFICIENCIES IN COMPUTER SYSTEM BACKUP PROCEDURES

(Noncompliance Under *Government Auditing Standards*)

System backups were performed semiweekly instead of daily. Section 10-7-121, *Tennessee Code Annotated*, provides that records required to be retained by any government official may be maintained on a computer or removable storage media as long as certain standards are met. One of these standards requires that all data generated and stored within the computer system should be copied to storage media daily, and media more than one week old should be stored at an off-site location. This deficiency is the result of management's failure to implement adequate disaster recovery planning procedures. In the event of a disaster, all data would not be available, resulting in costly delays in generating and recording information accounted for through the automated process.

RECOMMENDATION

Management should ensure that computer system backups are performed on a daily basis.

MANAGEMENT'S RESPONSE – BUILDING AND CODES DIRECTOR

We concur with the finding and are working with the vendor to get it corrected.

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 2022-004

THE DIRECTOR OF SCHOOLS RECEIVED ADDITIONAL COMPENSATION NOT APPROVED BY THE BOARD OF EDUCATION

(Noncompliance Under *Government Auditing Standards*)

The director of schools entered into employment contracts with the board of education detailing job responsibilities, compensation, and fringe benefits for the term of each contract period. During the audit period, the director was paid \$9,000 from federal grant funds (ESSER 2.0) that was not part of a contractual agreement or formally approved by the board of education. This unauthorized compensation resulted from the failure to follow the terms of the contract.

RECOMMENDATION

The board of education should determine the propriety of the payments to the director of schools.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

No formal management's response was submitted. However, explanation to the finding is included in the Corrective Action Plan.

FINDING 2022-005

THE SCHOOL DEPARTMENT DID NOT HAVE ADEQUATE POLICIES AND PROCEDURES TO ACCOUNT FOR FUEL CARD PURCHASES RESULTING IN A NET LOSS OF \$29,774.

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

In March 2021, the transportation director was notified of issues with fuel cards used by the school department. The transportation director completed an Unauthorized Use Affidavit and sent it to Wex Fleet Fraud Services. The transportation director was notified of more discrepancies in October 2021 and submitted another affidavit. During January 2022, the transportation director contacted the Wex Regional Director about the discrepancies, submitted a fraud reporting form to the Comptroller's Office, and filed a police report. Wex has a 60-day reimbursement policy once fraud is reported. As of January 14, 2022, the board of education experienced a net loss of \$29,774 (\$59,788.95 fraudulent charges reported less a credit of \$30,015.42). The school department did not have written policies and procedures regarding the use of fuel cards. The lack of formal policies and procedures over fuel cards resulted in unauthorized purchases.

RECOMMENDATION

The school department should establish written policies and procedures for the use of fuel cards. These policies should include, but not be limited to, a record of each card, who has

possession of the card, a usage log for each card, and a reconciliation of individual receipts with monthly statements and usage.

MANAGEMENT’S RESPONSE – DIRECTOR OF SCHOOLS

No formal management’s response was submitted. However, explanation to the finding is included in the Corrective Action Plan.

FINDING 2022-006

MATERIAL AUDIT ADJUSTMENTS WERE REQUIRED FOR PROPER FINANCIAL STATEMENT PRESENTATION

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

At June 30, 2022, certain general ledger account balances in the General Purpose School Fund were not materially correct, and audit adjustments totaling \$8,091,154, related to overstated property tax receivables were required for the financial statements to be materially correct at year-end. Generally accepted accounting principles require the school department to have adequate internal controls over the maintenance of its accounting records. Material audit adjustments were required because the department’s financial reporting system did not prevent, detect, or correct potential misstatements in the accounting records. It is a strong indicator of a material weakness in internal controls if the school department has ineffective controls over the maintenance of its accounting records, which are used to prepare the financial statements, including the related notes to the financial statements. We presented audit adjustments to management that they approved and posted to properly present the financial statements in this report. This deficiency is the result of a lack of management oversight.

RECOMMENDATION

The school department should have appropriate processes in place to ensure its general ledgers are materially correct.

MANAGEMENT’S RESPONSE – DIRECTOR OF SCHOOLS

No formal management’s response was submitted. However, explanation to the finding is included in the Corrective Action Plan.

FINDING 2022-007

THE SCHOOL DEPARTMENT DID NOT MAINTAIN ADEQUATE CONTROLS OVER ITS CAPITAL ASSETS RECORDS

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

Various purchases were not recorded correctly on the school department’s capital assets records. This resulted in capital assets and current-year depreciation expense being understated by \$967,063 and \$70,914, respectively. Generally accepted accounting principles

require accountability for all assets owned by the school department, such as equipment, vehicles, buildings, and infrastructure. These deficiencies can be attributed to a lack of management oversight. We provided management with audit adjustments, which they accepted to properly present capital assets in the financial statements of this report. Without accurate capital assets records, the school department cannot adequately control its assets.

RECOMMENDATION

The school department should maintain accurate capital assets records for all school-owned assets as required by generally accepted accounting principles.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

No formal management's response was submitted. However, explanation to the finding is included in the Corrective Action Plan.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2022.

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

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

| Finding Number | Title of Finding | Corrective Action Plan Page Number |
|----------------|------------------|------------------------------------|
|----------------|------------------|------------------------------------|

OFFICE OF COUNTY MAYOR

| | | |
|----------|---|-----|
| 2022-001 | Official prenumbered receipts were not issued for all collections at the ambulance service. | 214 |
| 2022-002 | Duties were not segregated adequately. | 214 |

OFFICE OF BUILDING AND CODES

| | | |
|----------|---|-----|
| 2022-003 | The office had deficiencies in computer system backup procedures. | 220 |
|----------|---|-----|

OFFICE OF DIRECTOR OF SCHOOLS

| | | |
|----------|---|-----|
| 2022-004 | The Director of Schools received additional compensation not approved by the Board of Education. | 216 |
| 2022-005 | The school department did not have adequate policies and procedures to account for fuel card purchases resulting in a net loss of \$29,774. | 217 |
| 2022-006 | Material audit adjustments were required for proper financial statement presentation. | 218 |
| 2022-007 | The school department did not maintain adequate controls over its capital assets records. | 219 |



Corrective Action Plan

FINDING 2022-001: OFFICIAL PRENUMBERED RECEIPTS WERE NOT ISSUED FOR ALL COLLECTIONS AT THE AMBULANCE SERVICE

Response and Corrective Action Plan Prepared by:
Sandrine Batts, Director of Accounts and Budgets

Person Responsible for Implementing the Corrective Action:
BJ Hudspeth, Director/Chief of EMS

Anticipated Completion Date of Corrective Action:
June 9, 2022 (already corrected)

Repeat Finding:
No

Planned Corrective Action:

Upon notification of the error by the state auditor on June 9, 2022, Director BJ Hudspeth immediately met with his office clerk, LaWanda Jordan, to explain and resolve the issue. Effective that same day, a deposit was logged into the pre-numbered receipt book by Mrs. Jordan, the amount was verified and initialed in the receipt book by Director Hudspeth, and the deposit was taken to the County Trustee for deposit by Director Hudspeth. The receipt was then initialed by Director Hudspeth and a copy given to the Accounting Office. This was set as the new procedure for all deposits from that date forward.

FINDING 2022-002: DUTIES WERE NOT SEGREGATED ADEQUATELY

Response and Corrective Action Plan Prepared by:
Sandrine Batts, Director of Accounts and Budgets

Person Responsible for Implementing the Corrective Action:
BJ Hudspeth, Director/Chief of EMS

Anticipated Completion Date of Corrective Action:

June 9, 2022 (already corrected)

Repeat Finding:

No

Planned Corrective Action:

Upon notification of the error by the state auditor on June 9, 2022, Director BJ Hudspeth immediately met with his office clerk, LaWanda Jordan, to explain and resolve the issue. Effective that same day, a deposit was logged into the pre-numbered receipt book by Mrs. Jordan, the amount was verified and initialed in the receipt book by Director Hudspeth, and the deposit was taken to the County Trustee for deposit by Director Hudspeth. The receipt was then initialed by Director Hudspeth and a copy given to the Accounting Office. This was set as the new procedure for all deposits from that date forward.

Signature:



Date: 12/7/22



CHEATHAM COUNTY SCHOOL DISTRICT

Achieving Excellence Together

Director of Schools - Cathy Beck, Ed.D

102 Elizabeth Street • Ashland City, TN 37015 • Phone: 615.792.5664 • Fax: 615.792.2551

Communication • Consistency • Relationships • Service

Corrective Action Plan

**FINDING 2022-004: THE DIRECTOR OF SCHOOLS RECEIVED
ADDITIONAL COMPENSATION NOT APPROVED BY
THE BOARD OF EDUCATION**

Response and Corrective Action Plan Prepared by:

Tara Watson, Chief Operations Officer

Person Responsible for Implementing the Corrective Action:

Tara Watson, Chief Operations Officer

Anticipated Completion Date of Corrective Action:

12/5/2022

Repeat Finding:

No

Planned Corrective Action:

The Board of Education will be approve any additional supplement the Director of Schools will receive.



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FINDING 2022-005: THE SCHOOL DEPARTMENT DID NOT HAVE ADEQUATE POLICIES AND PROCEDURES TO ACCOUNT FOR FUEL CARD PURCHASES RESULTING IN A LOSS OF \$29,773.53.

Response and Corrective Action Plan Prepared by:
Tara Watson, Chief Operations Officer

Person Responsible for Implementing the Corrective Action:
Tara Watson, Chief Operations Officer

Anticipated Completion Date of Corrective Action:
12/5/2022

Repeat Finding:
No

Planned Corrective Action:
Fuel Card administrative procedure was developed and implemented by the Director of Transportation and the Chief Operations Officer. Fuel card usage accuracy will be verified and any fraud will be reported immediately.



CHEATHAM COUNTY SCHOOL DISTRICT

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FINDING 2022-006: MATERIAL AUDIT ADJUSTMENTS WERE REQUIRED FOR PROPER FINANCIAL STATEMENT PRESENTATION

Response and Corrective Action Plan Prepared by:
Tara Watson, Chief Operations Officer

Person Responsible for Implementing the Corrective Action:
Tara Watson, Chief Operations Officer

Anticipated Completion Date of Corrective Action:
12/5/2022

Repeat Finding:
No

Planned Corrective Action:
The Accounts Payable Associate will enter property tax receivable into the accounting software. The Chief Operations Officer will verify the entry for accuracy.



CHEATHAM COUNTY SCHOOL DISTRICT

Achieving Excellence Together

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FINDING 2022-007:

**THE SCHOOL DEPARTMENT DID NOT MAINTAIN
ADEQUATE CONTROLS OVER ITS CAPITAL ASSETS
RECORDS**

Response and Corrective Action Plan Prepared by:

Tara Watson, Chief Operations Officer

Person Responsible for Implementing the Corrective Action:

Tara Watson, Chief Operations Officer

Anticipated Completion Date of Corrective Action:


12/5/2022

Repeat Finding:

No

Planned Corrective Action:

The Accounts Payable Associate will run a monthly account analysis for any items, which exceeds the capital assets threshold. The Chief Operations Officer will review the monthly analysis to identify all capital assets. Assets, which qualify as capital assets, will be entered into the districts accounting software.

Signature:  **Date:** 12/5/22



Corrective Action Plan

FINDING: THE OFFICE HAD DEFICIENCIES IN COMPUTER SYSTEM BACKUP PROCEDURES

Response and Corrective Action Plan Prepared by:

Franklin Wilkinson, Building Commissioner and Director

Person Responsible for Implementing the Corrective Action:

Franklin Wilkinson, Building Commissioner and Director, Vendor and county IT resource.

Anticipated Completion Date of Corrective Action:

July 31st, 2023

Repeat Finding:

No

Planned Corrective Action:

Contact vendor and determine options to bring data backup in compliance with state guidelines.

Signature:

BEST PRACTICE

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

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

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

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

APPENDIX D

Form of Continuing Disclosure Agreement

CHEATHAM COUNTY, TENNESSEE

\$43,700,000* GENERAL OBLIGATION BONDS, SERIES 2023

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this “Disclosure Agreement”) is executed and delivered this ___ day of _____, 2023 by Cheatham County, Tennessee (the “Issuer”) in connection with the issuance of its \$43,700,000* General Obligation Bonds, Series 2023 (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 _____, 2023, 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 October 16, 2023.

“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, 2023, 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) To the extent not included in the audited financial statements, 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:

1. Manufacturing and Commerce
2. Employment Information
3. Assessed Values

(b) *Audited Financial Statements*. For Fiscal Years ending on or after June 30, 2023, 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.

CHEATHAM COUNTY, TENNESSEE

By: _____
County Mayor