

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



ANNUAL COMPREHENSIVE FINANCIAL REPORT
BRADLEY COUNTY, TENNESSEE
FOR THE YEAR ENDED JUNE 30, 2021

RENA' SAMPLES, CCFO
Director of Finance
Bradley County, Tennessee

D. GARY DAVIS
County Mayor
Bradley County, Tennessee

Independent Audit Performed by:

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

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

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

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

BRADLEY COUNTY, TENNESSEE

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Summary of Audit Findings

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

Scope

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

Results

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

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

Findings

The following are summaries of the audit findings:

OFFICE OF COUNTY MAYOR

- ◆ The parks and recreation department did not deposit some funds within three days of collection.

OFFICE OF CLERK AND MASTER

- ◆ Excess fees were not reported and paid to the county in compliance with state statute.
- ◆ Unclaimed funds were not reported and paid to the state.
- ◆ Investment transactions were not posted to the general ledger.
- ◆ Execution docket trial balances did not reconcile with general ledger accounts.
- ◆ Duties were not segregated adequately.
- ◆ The office did not review a list of voided transactions.

OTHER FINDING

- ◆ A county commissioner violated the conflict of interest statute by indirectly benefiting from a county contract.

INTRODUCTORY SECTION

Office of the
Bradley County Mayor
D. Gary Davis

Phone 423-728-7141
Facsimile 423-476-0696

P. O. Box 1167
Cleveland, TN 37364

December 16, 2021

To the Members of the County Commission and
the Citizens of Bradley County, Tennessee

To obtain a Certificate of Achievement for Excellence in Financial Reporting, the Government Finance Officers Association requires that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of Bradley County, Tennessee, for the fiscal year ended June 30, 2021.

This report consists of management's representations concerning the finances of Bradley County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, the management of Bradley County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Bradley County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, Bradley County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Bradley County's financial statements have been audited by the State of Tennessee, Comptroller of the Treasury, Division of Local Government Audit. The goal of the independent audit was to provide reasonable assurance that the financial statements of Bradley County for the fiscal year ended June 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an Unmodified opinion that Bradley County's financial statements for the fiscal year ended June 30, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Bradley County was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Single Audit section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Bradley County’s MD&A can be found immediately following the report of the independent auditors.

Tennessee Code Annotated, Section 9-21-408 was amended by 2016 Public Chapter 832 specifically authorizing Bradley County to make interfund loans from the county’s endowment fund derived from the sale of Bradley Memorial Hospital. This law became effective on July 1, 2016. In accordance with this law, Bradley County during fiscal year 2016-2017 borrowed from the endowment for construction of the workhouse.

Governmental Accounting Standards 34 or GASB 34 requires interfund loans to be reported in the county’s Financial Statements by lowering the fund balance of the fund that will be paying for the loan. However, the balance of the Budget document does not show the fund balance lowered. The fund balance in the 2020-2021 in the finance statements of the audit is lowered by the interfund loan. But the beginning balance in the 2021-2022 budget does not show the fund balance lowered since the interfund loan is from the reserved endowment fund. This difference is based on the GASB 34 statement requirement, and the fund balance reported in the budget accurately reflects the beginning fund balance in the fund paying back the loan.

PROFILE OF THE GOVERNMENT

Bradley County, incorporated in 1836, is located in the southeast portion of the State of Tennessee. The county lies in a valley between the Cumberland and Great Smoky Mountains and has an approximate land area of 216,230 acres or 338 square miles and serves a population of approximately 108,620. Bradley County is empowered to levy a property tax on both real and personal properties located within its boundaries.

Bradley County’s form of government is one with a popularly elected county mayor who is the administrative head of the county and a popularly elected board of county commissioners, which is the legislative branch of the county. Bradley County’s legislative body is composed of 14 members with two members being elected from each of the county’s seven districts. The county legislative body assembled in session is authorized to act for the county, including election of officials or confirmation of appointees, fixing salaries, and appropriating money and any other business coming before the body. All funds to be used in the operation of the county must be appropriated for that use by the county legislative body, which can appropriate money only for expenditures sanctioned by state law. It is the duty of the county legislative body to adopt a budget and to appropriate funds for the ensuing fiscal year for all county departments and agencies.

Bradley County provides a full range of services, including police and fire protection; schools; the construction and maintenance of highways, streets, and other infrastructure; and recreational activities and cultural events.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Bradley County operates.

Local economy. Bradley County is a growing area of Tennessee. Businesses as well as individuals recognize the tremendous value the county enjoys in its quality of life as demonstrated in our strong position financially, and our future is bright due to the sound management practices that have enabled the county to maintain solid fund balances. Bradley County is known for its productive agriculture and for its stable diversified industry. Approximately 80 percent of the county's land area is devoted to farming, with income derived primarily from dairy, cotton raising, poultry, tobacco, beef, and various fruits and vegetables. The county has four industrial parks. Northeast Industrial Park is fully developed, and Cleveland-Bradley County Industrial Park has only 30 of its total 330 acres remaining for development. The Hiwassee River Industrial Park has approximately 15 of its total 121 acres available for development. There are approximately 147 industrial concerns in the county. Property for a new industrial park Springbranch, was purchased by Bradley County Government and the City of Cleveland, and development of the park was recently completed, and now has its first tenant. Major industries with headquarters or divisions located within the government's boundaries or in close proximity include household cooking equipment, newspaper and pulp plant, distribution centers, alkaline batteries, hosiery, candy, cakes, cookies, dairy products, photo finishing, clothing manufacturing, and Polysilicone.

A diverse manufacturing and industrial base adds to the relative stability of the employment rate. Bradley County has an employed labor force of approximately 48,960. There are many exciting projects underway for the county. Some of which are as follows:

- Whirlpool Corp. is one of Bradley County's largest taxpayers and employers with approximately 1,500 employees. Whirlpool Corp. has completed its new 1.4 million square-foot facility. This has allowed Bradley County to retain its current jobs, while adding an additional 130 positions.
- Volkswagen has completed its commitment to invest over \$1 billion for a manufacturing plant in nearby Hamilton County and is currently shipping Chattanooga-built Passats around the country. Bradley County, as well as other counties in the area, is benefiting from the over 2,000 jobs created by direct employment at the Volkswagen facility, as well as the estimated additional 9,500 jobs that have been and will continue to be created in the region through construction and supplier activity. They recently announced an expansion to add a SUV production line, which will add another 2,000 jobs.
- Wacker Chemie AG, a Munich, Germany-based Company, has completed construction of a new facility in Bradley County with an estimated capital investment of \$2.4 billion and initial employment of approximately 650 highly skilled workers. The new facility

produces hyper pure polycrystalline silicon, a key component in photovoltaic for solar energy and semiconductors for the electronics industry. Wacker has completed its first expansion. A \$150 million project, adding another 50 jobs.

- Amazon distribution center is open in Bradley County and at peak times of the year, Amazon employs more than 1,000 people with a permanent workforce of approximately 400 employees.
- The Industrial Development Board continues to recruit new industries as well as to promote job growth within existing industries.

Several major tourist attractions are located in the county: Red Clay State Historical Area, primitive Indian settlements, Church of God of Prophecy World Headquarters, and the Church of God general offices, which house one of the largest mosaic murals in the southern United States. The Cherokee National Forest and Ocoee River whitewater rafting facilities are located within a few minutes drive.

FINANCIAL POLICIES

Accounting system and internal control. The county's accounting system is organized on a "fund" basis. Each fund is a distinct self-balancing accounting entity. The county's day-to-day accounting records are maintained on a cash basis. For financial reporting purposes, the accounting records are converted to the modified and full accrual basis for all applicable funds. On the modified accrual basis, revenues are recognized when measurable and available, and expenditures are recognized when goods or services are received. On the accrual basis, revenues are recognized when earned; expenses are recognized when incurred.

In developing the county's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that (1) the cost of control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budget control policy. The annual budget serves as the foundation for Bradley County's financial planning and control. All departments of the county are required to submit requests for appropriation to the county mayor in April of each year. The county mayor then presents the budget requests to the full county commission for review. The county mayor uses these requests as the starting point for developing a proposed budget. The Finance Committee may hold public hearings on the budget requests. The county commission adopts a final budget by late June or early July each year. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Transfers of appropriations require special approval of the county commission. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General, Special Purpose Fire Tax, and Highway/Public Works funds, these comparisons are presented as part of basic financial statements. For other governmental funds with appropriated annual budgets, this comparison is presented in the combining and individual fund financial statements and schedules section of this report.

Minimum fund balance policy. It is the objective of the county commission to maintain a managed budgeted fund balance in the various operating funds at a level sufficient for temporary financing of unforeseen emergency needs and to permit orderly adjustment to changes resulting from termination of revenue sources through actions of other governmental bodies. Sufficient levels of fund balances can ensure continued orderly operations and tax structure stability. The percentage is calculated by taking unassigned fund balance or working capital as a percent of expenditures or operating expenses and transfers to other funds. These fund balances are reviewed annually by the county mayor, director of finance, school board, and road superintendent.

Revenue policy. The county will charge fees for services where such an approach is permissible by state and federal law and where a group of beneficiaries who can pay such fees is identifiable. New and expanded unrestricted revenue sources should be applied first to support existing programs prior to funding new programs. The county will pursue federal, state, and private grants but will strictly limit financial support of these programs to avoid commitments that continue beyond available funding. The county will continuously seek new revenues and pursue a diverse revenue base to limit the dependence on one or only a few revenue sources. This revenue diversity will shelter the county from short-time fluctuations in any one revenue source.

CAPITAL IMPROVEMENT AND LONG-TERM PLANNING

The purpose of the capital improvements plan is to systematically plan, schedule, and finance capital projects to ensure cost-effectiveness as well as conformance with established policies. Proposed capital projects will be reviewed regarding accurate costing and overall consistency with the county's goals and objectives. Financing sources will then be identified for the highest ranking projects.

Bradley County has several long-term goals. Some of those include:

- Continuing to replace some of the older bridges in the county through the road department bridge program
- Continuing better working relationships with city government
- Reducing debt for the county
- Addressing school needs for both buildings and programs
- Developing a five-year plan for schools, other agencies, and county funds
- Continuing to improve efficiency in county departments
- Recruiting businesses and industries
- Extending water lines in the rural areas of the county

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Bradley County for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2020, this is the sixteenth year that Bradley County has received this prestigious award.

In addition, the county also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the last thirteen years. In order to qualify for the

Distinguished Budget Presentation Award, the county's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, and operations guide, and a communications device.

The financial information is designed to provide a general overview of the county's finances for all those with an interest in the government's finances. The person primarily responsible for preparing this document is Rena' Samples, Finance Director for Bradley County. Especially important is to recognize the people of the Finance Department and Human Resources Department who helped make this report possible: Angie Kaylor, Tracy Cook, and Callie Kent. Each contributed to the many daily efforts required to operate our office. For questions concerning any of the information provided, please contact the Finance Office at 155 Broad Street, Cleveland, Tennessee 37311.

Respectfully submitted,

A handwritten signature in cursive script that reads "Rena' Samples".

Rena' Samples
Finance Director

A handwritten signature in cursive script that reads "D. Gary Davis".

D. Gary Davis
County Mayor



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

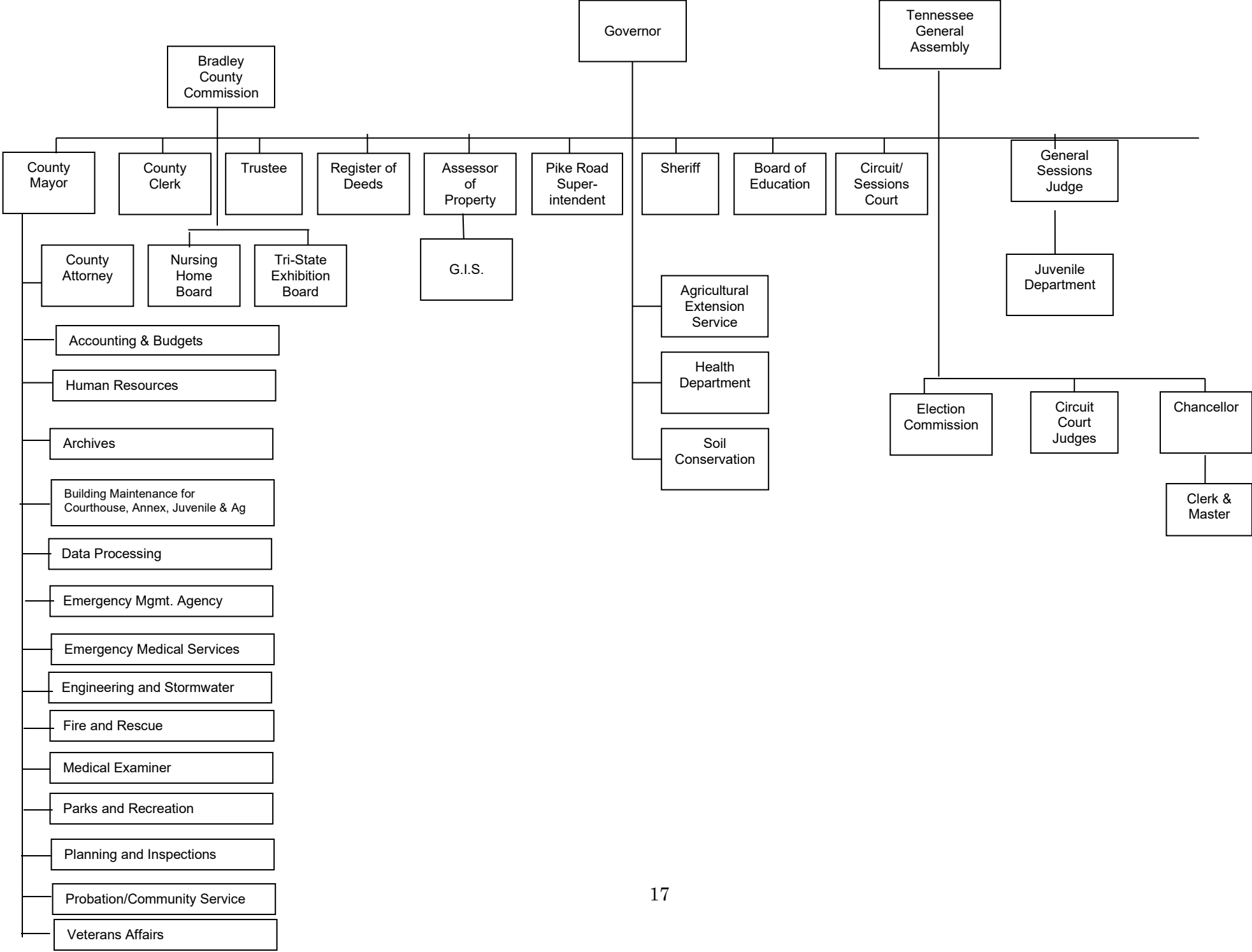
**Bradley County
Tennessee**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO



Bradley County Officials

June 30, 2021

Officials

County Mayor
Road Superintendent
Director of Schools
Trustee
Assessor of Property
County Clerk
Circuit and General Sessions Courts Clerk
Clerk and Master
Register of Deeds
Sheriff
Finance Director
Agricultural Extension Director
Building Inspection
County Attorney
Emergency Management
Engineering and Planning
Fire Chief and Ambulance Service Director
GIS
Health Department
Human Resources Administrator
Juvenile Services
Parks and Recreation Director
Probation Services/Courts Community Service
Veterans Affairs

D. Gary Davis
Sandra Knight
Dr. Linda Cash
Mike Smith
Stanley Thompson
Donna Alley Simpson
Gayla Miller
Holly Thompson
Dina Swafford
Steve Lawson
Rena Samples
Justin Thomas
Ronald Wilson
Crystal Freiberg
Troy Spence
Bentley Thomas
Shawn Fairbanks
Wayne Owenby
Brittany Hopkins
Tracy Cook
Vickie Towne
Andy Lockhart
Rich Kienlen
Brian Heusterberg

Board of County Commissioners

District 1	Dennis Epperson
District 1	Mike Hughes
District 2	Louie Alford
District 2	Thomas Crye
District 3	Milan Blake
District 3	Johnny Mull, Chairman
District 4	Howard Thompson
District 4	Charlotte Peak
District 5	Bobby Goins
District 5	Cindy Slater

Bradley County Officials (Cont.)

Board of County Commissioners (Cont.)

District 6	Tim Mason
District 6	Erica Davis
District 7	Kevin Raper
District 7	Bill Winters

Audit Committee

Louie Alford, Chairman	Kevin Raper
Milan Blake	Alan Smith
Thomas Crye	William Stuart
Erica Davis	Dr. Dewayne Thompson

Board of Education

Vicki Beaty	Amanda Lee
Ted Bryson	Jeff Lovingood
Nancy Casson	Troy Weathers, Chairman
Rodney Dillard	

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Bradley Healthcare and Rehabilitation Center, which represent 3.23 percent, 3.97 percent, and 9.68 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. We also did not audit the financial statements of the Internal School Fund of the Bradley County School Department (a discretely presented component unit), which represents 1.37 percent, 1.98 percent, and 4.44 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented school department component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Bradley Healthcare and Rehabilitation Center and the Internal School Fund of the Bradley County School Department is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial

audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Change in Accounting Principle

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

Emphasis of Matter

We draw attention to Note I.D.10., to the financial statements which describes a prior period adjustment to the beginning fund balance of the General Debt Service Fund in order to report a long-term note receivable from the Hiwassee Utilities District in the amount of \$5,040,000. Our opinion is not modified with respect to this matter.

We draw attention to Note D.11. to the financial statements, which describes a restatement to the beginning Custodial Funds net position totaling \$9,260,211 on the Statement of

Changes in Net Position – Fiduciary Funds and a restatement to the discretely presented Bradley County School Department’s net position totaling \$1,761,620 on the Government-wide Statement of Activities. These restatements were necessary because of the transitional requirements of GASB Statement No. 84, Fiduciary Activities. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and by other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Bradley County School Department (a discretely presented component unit), schedule of expenditures of federal awards, and miscellaneous schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2021, on our consideration of Bradley 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 Bradley 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 Bradley County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

December 16, 2021

JEM/sl

Management's Discussion and Analysis

As management of Bradley County, we offer readers of the Bradley County financial statements this narrative overview and analysis of the financial activities of the county for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- The assets and deferred outflows of resources of Bradley County's Primary Governmental Activities exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$42,446,462 (net position).
- As of the close of the current fiscal year, Bradley County's governmental funds reported combined ending fund balances of \$47,832,540. Of this amount, \$16,250,525 is set aside for endowments, \$4,750,000 is set aside as a long-term receivable, \$6,251,094 is restricted funds with externally enforceable limitations on use, \$12,480,646 is committed by the county's legislative body to a specific fund or use, and \$3,122,619 is assigned by its intended use.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$6,962,016 or 17 percent of total General Fund expenditures while total fund balance of \$11,877,005 represents 28 percent of that same amount. The reserve policy of the county requires a minimum unassigned fund balance of at least ten percent, which is within the boundaries of our policy.
- Bradley County's total long-term debt increased by \$7,714,401 during the current fiscal year. Scheduled annual and refunding debt payments lowered the previous debt by \$12,327,739, while the issuance of new debt in the amount of \$20,042,140 makes up the difference in the increase.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Bradley County's basic financial statements. The county's basic financial statements comprise four components: 1) government-wide financial statements, 2) fund financial statements, 3) major special revenue funds budgetary statements, and 4) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of Bradley County's finances, in a manner similar to a private-sector business.

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

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

Both of the government-wide financial statements distinguish functions of the county that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the county include general government, public safety, highways and streets, sanitation, economic development, and culture and recreation. The county has no business-type activities to report.

The government-wide financial statements include not only Bradley County itself (known as the primary government), but also a legally separate school district and a nursing home for which Bradley County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

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

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

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

Bradley County maintains a multitude of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Special Purpose Fire Tax, Highway/Public Works, General Debt Service, Education Capital Projects, and the Endowment funds, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund

data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Bradley County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Proprietary funds. Bradley County and the Bradley County School Department do not have any proprietary funds. The discretely presented Bradley Healthcare and Rehabilitation Center uses an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

Fiduciary funds. Fiduciary funds are used to account for revenues held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Bradley County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds (economic resources measurement).

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Bradley County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$42,446,462 at the close of the most recent fiscal year.

The Constitution for the State of Tennessee only allows the local legislative body authorization to issue debt. Therefore, whenever the Bradley County Board of Education requires additional money to fund school construction and equipment, the related debt must be issued by Bradley County Government.

As of June 30, 2021, Bradley County had outstanding debt totaling \$68,909,262 for capital purposes of education (\$50,709,872 for county schools and \$18,199,390 for city schools). The capital assets are reported in the financial statements of the Bradley County Board of Education and the Board of Education of the City of Cleveland, respectively. Bradley County has incurred the related liability, significantly decreasing its unrestricted net position without a corresponding increase in the county's capital assets.

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

Table 1a

BRADLEY COUNTY'S NET POSITION

	Bradley County Government		Bradley County School Department	
	2021	2020	2021	2020
Current and Other Assets	\$ 98,973,580	\$ 87,136,543	\$ 54,537,423	\$ 49,422,287
Capital Assets	63,415,481	65,169,078	93,318,515	85,308,963
Total Assets	<u>\$ 162,389,061</u>	<u>\$ 152,305,621</u>	<u>\$ 147,855,938</u>	<u>\$ 134,731,250</u>
Deferred Outflows of Resources	\$ 5,314,075	\$ 5,771,224	\$ 13,029,279	\$ 11,132,233
Long-term Liabilities	\$ 84,329,273	\$ 77,360,187	\$ 22,998,584	\$ 17,499,509
Other Liabilities	8,757,831	2,124,061	19,165,007	23,645,703
Total Liabilities	<u>\$ 93,087,104</u>	<u>\$ 79,484,248</u>	<u>\$ 42,163,591</u>	<u>\$ 41,145,212</u>
Deferred Inflows of Resources	<u>\$ 32,169,570</u>	<u>\$ 28,796,042</u>	<u>\$ 17,156,882</u>	<u>\$ 23,618,648</u>
Net Position:				
Net Investment in				
Capital Assets	\$ 50,725,996	\$ 71,076,421	\$ 93,318,515	\$ 85,308,963
Restricted	27,378,929	27,225,228	19,945,452	16,840,010
Unrestricted	(35,658,463)	(48,505,094)	(11,699,223)	(21,049,350)
Total Net Position	<u><u>\$ 42,446,462</u></u>	<u><u>\$ 49,796,555</u></u>	<u><u>\$ 101,564,744</u></u>	<u><u>\$ 81,099,623</u></u>

Table 1b

BRADLEY COUNTY'S NET POSITION

	Bradley Healthcare and Rehabilitation	
	2021	2020
Current and Other Assets	\$ 3,760,878	\$ 4,246,440
Capital Assets	1,170,079	1,327,337
Total Assets	<u>\$ 4,930,957</u>	<u>\$ 5,573,777</u>
Long-term Liabilities	\$	\$
Other Liabilities	728,891	1,617,857
Total Liabilities	<u>\$ 728,891</u>	<u>\$ 1,617,857</u>
Net Position:		
Net Investment in Capital Assets	\$ 1,170,079	\$ 1,327,337
Restricted	363,677	359,859
Unrestricted	2,668,310	2,268,724
Total Net Position	<u><u>\$ 4,202,066</u></u>	<u><u>\$ 3,955,920</u></u>

An additional portion of Bradley County's governmental activities assets (\$27,378,929) represents resources that are subject to external restrictions on how they may be used.

At the end of the current fiscal year, Bradley County is able to report positive balances in net position in the primary government and the discretely presented component units - the school department and the Bradley Healthcare and Rehabilitation Center.

Table 2a

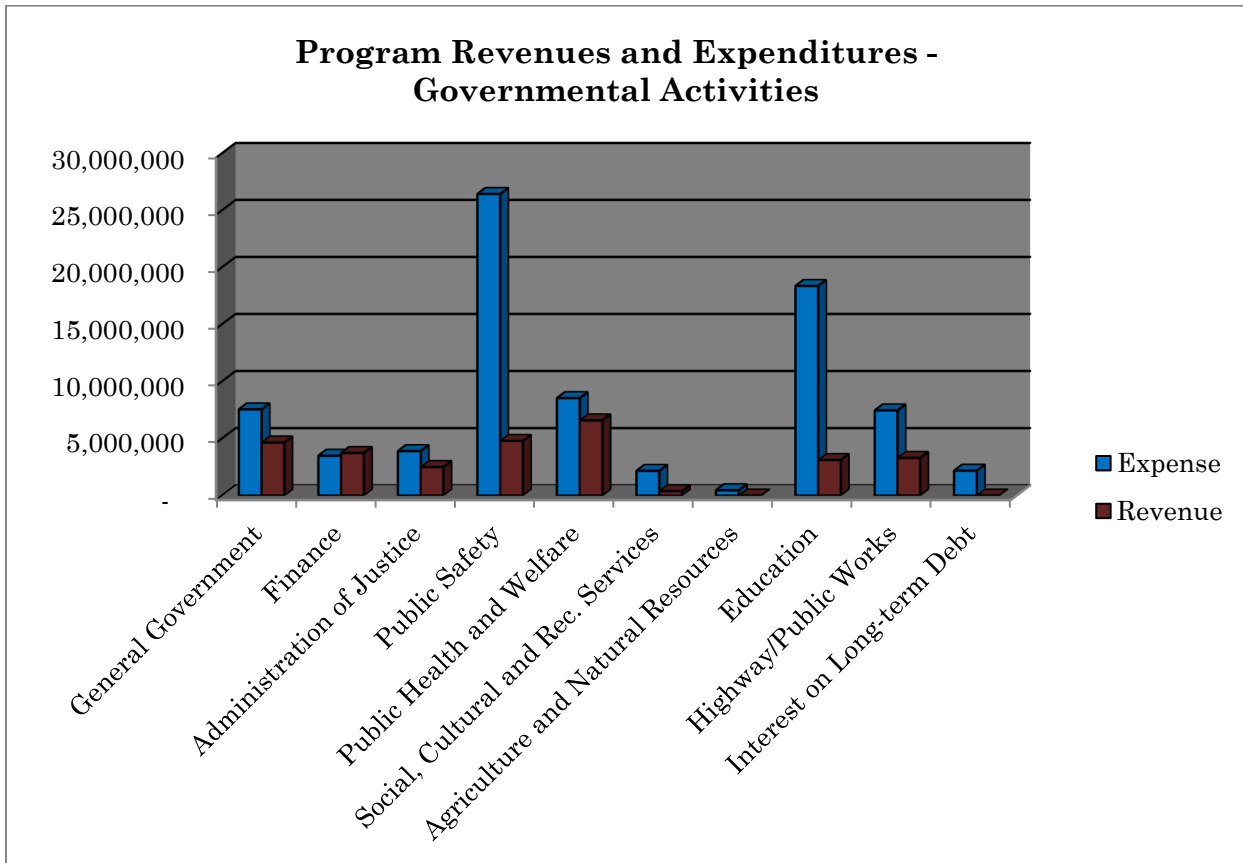
BRADLEY COUNTY'S CHANGES IN NET POSITION

	Bradley County Government		Bradley County School Department	
	2021	2020	2021	2020
Revenues				
Program Revenues:				
Charges for Services	\$ 15,029,284	\$ 14,260,759	\$ 643,494	\$ 1,453,137
Operating Grants and Contributions	7,492,019	7,515,084	23,160,394	10,907,929
Capital Grants and Contributions	3,599,600	278,713	13,838,058	1,200,592
General Revenues:				
Property Taxes	29,448,577	29,159,368	12,871,609	13,018,828
Other Taxes	11,695,681	10,631,684	15,179,181	14,910,611
Grants and Contributions not Restricted to Specific Programs	3,895,977	3,589,549	53,941,806	53,121,115
Other	1,915,180	1,807,843	314,958	134,553
Total Revenues	<u>\$ 73,076,318</u>	<u>\$ 67,243,000</u>	<u>\$ 119,949,500</u>	<u>\$ 94,746,765</u>
Expenses				
General Government	\$ 7,544,926	\$ 4,947,563	\$ 0	\$ 0
Finance	3,483,241	3,522,609	0	0
Administration of Justice	3,887,233	4,112,074	0	0
Public Safety	26,432,107	27,488,895	0	0
Public Health and Welfare	8,529,117	8,811,972	0	0
Social, Cultural, and Rec. Services	2,159,474	2,054,407	0	0
Agriculture and Natural Resources	460,489	486,566	0	0
Highways/Public Works	7,453,988	6,166,321	0	0
Education	18,358,084	1,180,187	101,245,999	90,863,094
Interest on Long-term Debt	2,117,752	2,179,238	0	0
Total Expenses	<u>\$ 80,426,411</u>	<u>\$ 60,949,832</u>	<u>\$ 101,245,999</u>	<u>\$ 90,863,094</u>
Increase (Decrease) in Net Position	\$ (7,350,093)	\$ 6,293,168	\$ 18,703,501	\$ 3,886,077
Net Position, July 1	49,796,555	43,503,387	81,099,623	77,213,546
Restatement	0	0	1,761,620	0
Net Position, June 30	<u>\$ 42,446,462</u>	<u>\$ 49,796,555</u>	<u>\$ 101,564,744</u>	<u>\$ 81,099,623</u>

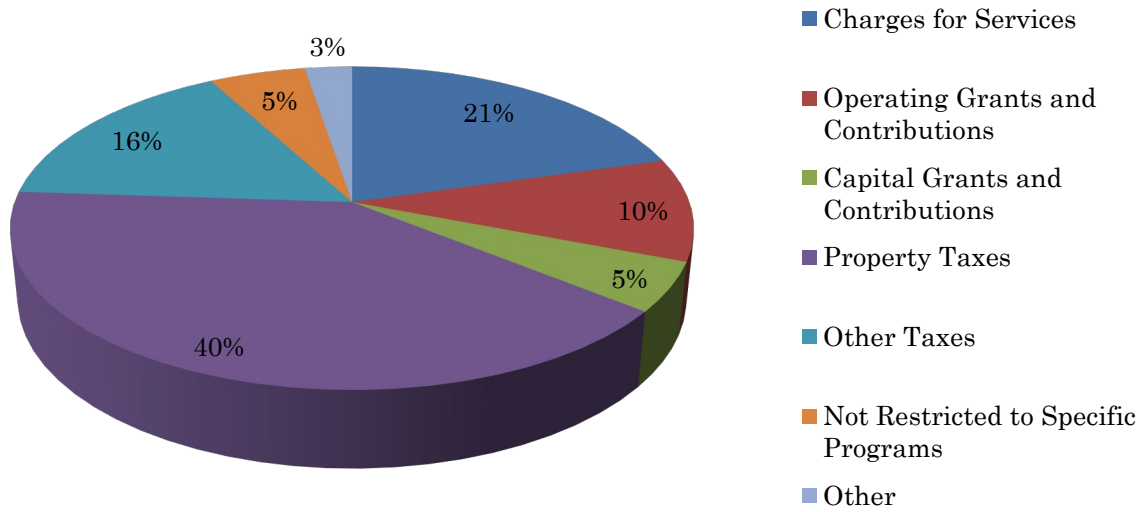
Table 2b

BRADLEY COUNTY'S CHANGES IN NET POSITION

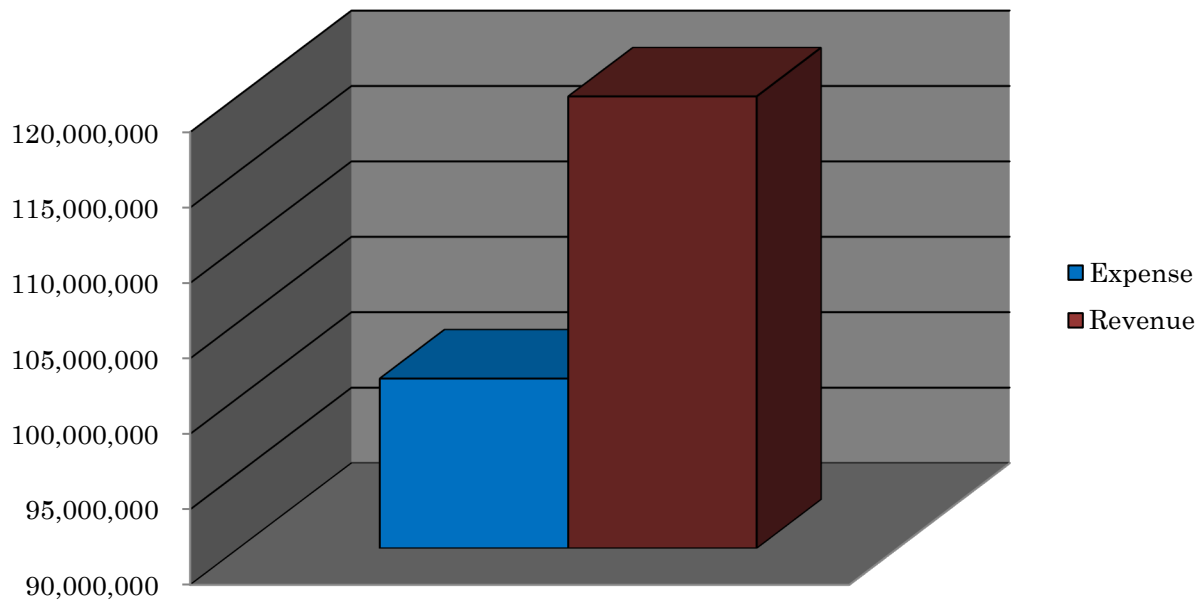
	Bradley Healthcare and Rehabilitation Center	
	2021	2020
Revenues		
Program Revenues:		
Charges for Services	\$ 10,715,327	\$ 11,916,364
Grants and Contributions	2,142,296	478,622
General Revenues:		
Other	5,195	10,928
Total Revenues	<u>\$ 12,862,818</u>	<u>\$ 12,405,914</u>
Expenses		
Other Enterprise	\$ 12,616,672	\$ 12,857,655
Total Expenses	<u>\$ 12,616,672</u>	<u>\$ 12,857,655</u>
Increase (Decrease) in Net Position	\$ 246,146	\$ (451,741)
Net Position, July 1	<u>3,955,920</u>	<u>4,407,661</u>
Net Position, June 30	<u>\$ 4,202,066</u>	<u>\$ 3,955,920</u>

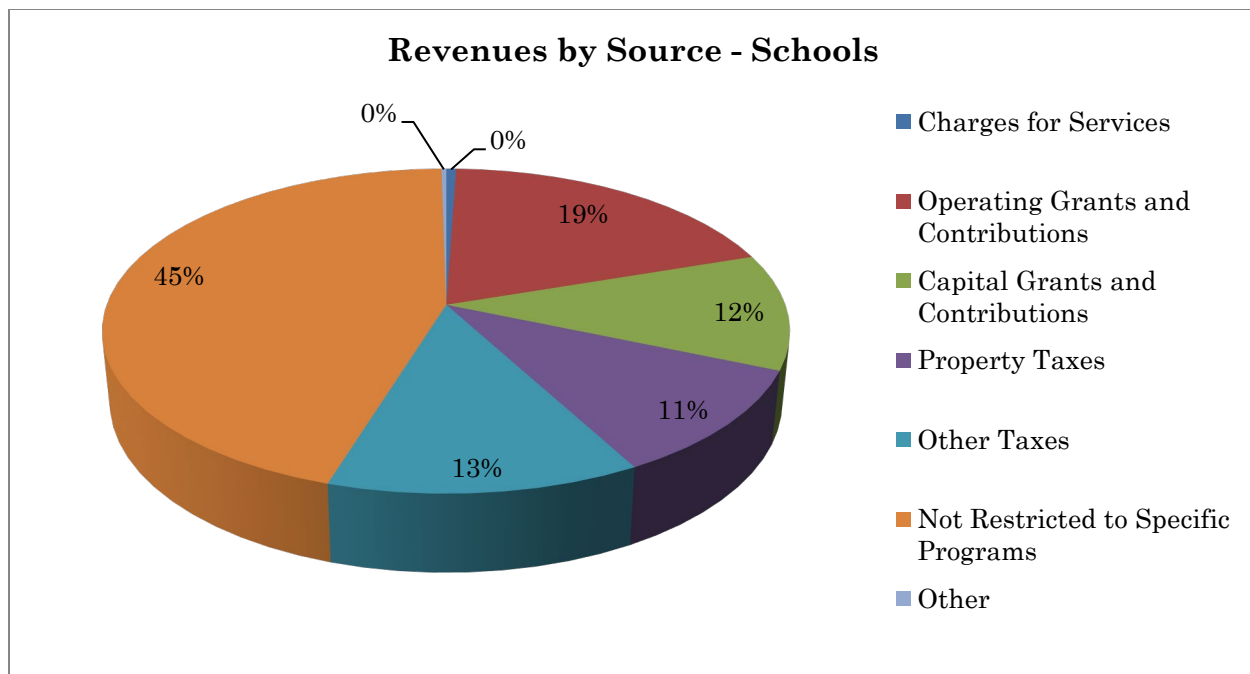


Revenues by Source - Governmental Activities



Program Revenues and Expenses - Schools





Financial Analysis of the Government's Funds

As noted earlier, Bradley County uses fund accounting to ensure and demonstrate compliance with finance-relegated legal requirements.

Governmental funds. The focus of Bradley County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Bradley County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Bradley County has maintained a stabilized financial position.

As of the close of the current fiscal year, Bradley County's governmental funds reported combined ending fund balances of \$47,832,540. Of this amount, \$16,250,525 is set aside for endowments, and \$4,750,000 is set aside as a long-term receivable, \$6,251,094 is restricted funds with externally enforceable limitations on use, \$12,480,646 is committed by the county's legislative body to a specific fund or use, and \$3,122,619 is assigned by its intended use.

The General Fund is the chief operating fund of Bradley County. At the end of the current fiscal year, unassigned fund balance for the General Fund was \$6,962,016 or 17 percent of total General Fund expenditures while total fund balance of \$11,877,005 represents 28 percent of that same amount. The minimum fund balance policy of the county requires a minimum unassigned fund balance of at least ten percent, which is within the boundaries of our policy. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures.

During the current fiscal year, the fund balance of Bradley County's General Fund increased by \$2,738,721. The key factor was an increase in revenue collections over the prior year.

During the current fiscal year, the fund balances of the Highway/Public Works Fund increased by \$347,469. This was mainly due to increased revenue collections over the prior year.

The General Debt Service Fund has a total fund balance of \$13,979,968 all of which is allocated for the payment of debt service. The \$5,610,206 net increase in fund balance during the current year in the General Debt Service Fund was due to the establishment of a receivable from a utility for debt issued on their behalf in a prior year.

General Fund Budgetary Highlights

The difference between the original budget expenditures and the final amended budget expenditures in the General Fund was \$3,875,950 (increase in appropriations) and can be briefly summarized as follows:

- Increases allocated to General Government - \$84,111
- Increases allocated to Finance - \$267,139
- Increases allocated to Administration of Justice - \$223,264
- Increases allocated to Public Safety - \$1,166,200
- Increases allocated to Public Health and Welfare - \$141,099
- Increases allocated to Social, Cultural, and Recreational - \$19,365
- Increases allocated to Agriculture and Natural Resources - \$0
- Increases allocated to Other Operations - \$1,725,572
- Increase allocated to Capital Projects - \$249,200

This increase was funded out of miscellaneous increases in various charges for services, grant proceeds, insurance recovery and COVID-19 grants.

The General Purpose School Fund had an increase in allocations totaling \$7,438,007, which consisted mostly of additional revenue received from the State of Tennessee and Federal Government.

Capital Assets and Debt Administration

Capital assets. The investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, roads, highways, and bridges. Bradley County's net investment in capital assets for its governmental activities as of June 30, 2021, totals \$50,725,996 (net of accumulated depreciation and related debt). The Bradley County School Department's investment in capital assets for its governmental activities totals \$93,318,515 (net of accumulated depreciation). Related debt for schools is carried in the primary governmental activities.

Major capital assets events during the current fiscal year included the following:

- Purchase of two hundred eighty-seven radios – Sheriff, EMA, EMS, Fire at \$1,325,646
- Re-chassis of one ambulance - EMS at \$88,029
- Purchase of eighty-three body cameras – Sheriff Department at \$83,000
- Purchase of seven vehicles - Sheriff Department at \$81,715.44
- Purchase of one Knuckle boom - Road Department at \$159,900
- Construction for Covid Compliant - Health Department at \$190,000
- Purchase of two vehicles - EMA at \$84,632
- Purchase of sixty-four bunker coats - Fire Department at \$73,280
- Purchase of twelve air-units - Jail at \$184,999
- Purchase of twelve water heaters - Jail at \$43,671

For more detailed information on capital assets activity, please see the relevant disclosures in the notes to the financial statements, Note IV.D.

Long-term Debt and Other Obligations

BRADLEY COUNTY

Issued For	General County	County Schools	City Schools	Total Governmental Activity
Bonds	\$ 6,300,000	\$ 20,385,520	\$ 10,349,480	\$ 37,035,000
Other Loans	5,247,179	16,723,291	7,849,910	29,820,380
Capital Leases	926,142	13,601,061	0	14,527,203
Total Bonds, Other Loans, and Capital Leases	\$ 12,473,321	\$ 50,709,872	\$ 18,199,390	\$ 81,382,583
Compensated Absences	1,965,042	0	0	1,965,042
Other Postemployment Benefits	5,377,165	19,165,007	0	24,542,172
Total Long-term Debt and Other Obligations	<u>\$ 19,815,528</u>	<u>\$ 69,874,879</u>	<u>\$ 18,199,390</u>	<u>\$ 107,889,797</u>

At the end of the current fiscal year, Bradley County had total bonds, notes, other loans, and capital leases outstanding of \$81,382,583. This amount does not include unamortized premium on debt of \$2,743,072. This amount comprises debt backed by the full faith and credit of the government. This debt increased by a net amount of \$7,714,401 during the current fiscal year due to scheduled debt payments and the issue of two new bonds for education.

For more detailed information on long-term debt activity, please see the relevant disclosures in the notes to the financial statements. Note IV.G. of this report provides additional information regarding capital leases, and Note IV.H. provides additional information regarding general obligation bonds and other loans.

Bradley County maintains an Aa2 rating from Moody's and AA from Standard and Poor's for general obligation debt.

Economic Factors and Next Year's Budgets and Rates

The unemployment rate for the county as of June 30, 2021, is 5.6 percent, the decrease came with the county and state reopening after the COVID-19 shutdown. The state's average unemployment rate is 4.9 percent and the national average is 5.9 percent. Inflationary trends in the region compare favorably to national indices. All of these factors were considered in preparing the county's budget for the 2020-2021 fiscal year.

A projection of Bradley County's governmental funds reports combined ending fund balances of \$47,832,540. Of this amount, \$16,250,525 is set aside for endowments, \$4,750,000 is set aside for a long-term receivable, \$6,251,094 is restricted funds with externally enforceable limitations on use, \$12,480,646 is committed by the county's legislative body to a specific fund or use, and \$3,122,619 is assigned by its intended use. Unassigned fund balance for the General Fund is \$6,962,016 or 17 percent of total General Fund expenditures while total fund balance of \$11,877,005 represents 28 percent of projected expenditures. The minimum fund balance policy of the county requires a fund balance of at least ten percent, which is within the boundaries of our policy.

Request for Information

This financial report is designed to provide a general overview of the county's finances for all those with an interest in the government's finances. For questions concerning any of the information provided in this report, please contact the Finance Office at 155 Broad Street, Cleveland, Tennessee 37311.

BASIC FINANCIAL STATEMENTS

Exhibit A

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

	Primary Government Governmental Activities	Component Units	
		Bradley County School Department	Bradley Healthcare and Rehabilitation Center
<u>ASSETS</u>			
Cash	\$ 738,641	\$ 2,082,452	\$ 2,455,856
Equity in Pooled Cash and Investments	39,287,985	28,449,664	0
Inventories	0	0	50,336
Accounts Receivable	20,054,836	21,249	841,684
Allowance for Uncollectibles	(17,860,567)	0	0
Due from Other Governments	2,631,177	3,380,857	0
Due from Component Unit	13,601,061	0	0
Property Taxes Receivable	32,683,175	11,017,210	0
Allowance for Uncollectible Property Taxes	(1,010,096)	(165,075)	0
Prepaid Items	0	0	2,694
Net Pension Asset - Public Employee Retirement Plan	50,884	11,185	0
Net Pension Asset - Public Employee Legacy Pension Plan	3,404,081	957,889	0
Net Pension Asset - Teacher Retirement Plan	0	447,015	0
Net Pension Asset - Teacher Legacy Pension Plan	0	7,533,219	0
Restricted Assets:			
Amounts Accumulated for Pension Benefits	609,272	801,758	0
Other Restricted Assets	0	0	410,308
Notes Receivable - Long-term	4,783,131	0	0
Capital Assets:			
Assets Not Depreciated:			
Land	5,796,855	1,699,307	1,250
Construction in Progress	0	11,312,323	107,571
Assets Net of Accumulated Depreciation:			
Buildings and Improvements	27,061,431	77,660,020	772,631
Infrastructure	23,529,836	0	0
Other Capital Assets	7,027,359	2,646,865	288,627
Total Assets	\$ 162,389,061	\$ 147,855,938	\$ 4,930,957
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Accumulated Decrease in Fair Value of Hedging Derivatives	\$ 1,291,508	\$ 0	\$ 0
Pension Changes in Experience	590,603	451,850	0
Pension Changes in Assumptions	597,691	866,561	0
Pension Changes in Investment Earnings	683,598	1,910,350	0
Pension Changes in Proportionate Share	0	80,533	0
Pension Contributions After Measurement Date	2,150,675	4,191,155	0
OPEB Changes in Experience	0	1,317,809	0
OPEB Changes in Assumptions	0	2,123,842	0
OPEB Changes in Proportionate Share	0	1,326,616	0
OPEB Contributions After Measurement Date	0	760,563	0
Total Deferred Outflows of Resources	\$ 5,314,075	\$ 13,029,279	\$ 0
<u>LIABILITIES</u>			
Accounts Payable	\$ 89,340	\$ 309,553	\$ 154,272
Accrued Payroll	0	7,738,559	479,320
Payroll Deductions Payable	7,489	1,349,411	0
Accrued Interest Payable	230,856	0	0
Due to Primary Government	0	13,601,061	0
Derivative - Interest Rate Swap	1,291,508	0	0
Other Current Liabilities	49	0	48,668
Other Long-term Liabilities	0	0	46,631
Noncurrent Liabilities:			
Due Within One Year - Debt	7,040,337	0	0
Due Within One Year - Other	98,252	0	0
Due in More Than One Year - Debt	77,085,318	0	0
Due in More Than One Year - Other	7,243,955	19,165,007	0
Total Liabilities	\$ 93,087,104	\$ 42,163,591	\$ 728,891

(Continued)

Exhibit A

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

	Primary Governmental Activities	Component Units	
		Bradley County School Department	Bradley Healthcare and Rehabilitation Center
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 31,228,643	\$ 10,555,675	\$ 0
Pension Changes in Experience	896,375	3,986,094	0
Pension Changes in Proportionate Share	0	97,077	0
OPEB Changes in Experience	43,759	723,307	0
OPEB Changes in Assumptions	793	1,424,419	0
OPEB Changes in Proportionate Share	0	370,310	0
Total Deferred Inflows of Resources	<u>\$ 32,169,570</u>	<u>\$ 17,156,882</u>	<u>\$ 0</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	\$ 50,725,996	\$ 93,318,515	\$ 1,170,079
Restricted for:			
General Government	370,811	0	0
Finance	531,956	0	0
Administration of Justice	262,041	0	0
Public Safety	2,007,395	0	0
Social, Cultural, and Recreational Services	148,642	0	0
Highways/Public Works	2,542,433	0	0
Capital Projects	51,333	0	0
Education	0	10,194,386	0
Pensions	4,064,237	9,751,066	0
Permanent Endowment:			
Nonexpendable	16,250,525	0	337,222
Expendable	1,149,556	0	26,455
Unrestricted	<u>(35,658,463)</u>	<u>(11,699,223)</u>	<u>2,668,310</u>
Total Net Position	<u>\$ 42,446,462</u>	<u>\$ 101,564,744</u>	<u>\$ 4,202,066</u>

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

Exhibit B

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

						Net (Expense) Revenue and Changes in Net Position		
						Primary Government	Component Units	
						Total Governmental Activities	Bradley County School Department	Bradley Healthcare and Rehabilitation Center
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions				
Primary Government:								
Governmental Activities:								
General Government	\$ 7,544,926	\$ 1,346,428	\$ 1,633,563	\$ 1,664,886	\$ (2,900,049)	\$ 0	\$ 0	
Finance	3,483,241	3,716,328	0	9,240	242,327	0	0	
Administration of Justice	3,887,233	2,399,539	94,888	0	(1,392,806)	0	0	
Public Safety	26,432,107	2,431,096	500,944	1,848,216	(21,651,851)	0	0	
Public Health and Welfare	8,529,117	4,835,890	1,742,813	0	(1,950,414)	0	0	
Social, Cultural, and Recreational Services	2,159,474	300,003	0	77,258	(1,782,213)	0	0	
Agriculture and Natural Resources	460,489	0	0	0	(460,489)	0	0	
Highways/Public Works	7,453,988	0	3,111,947	0	(4,342,041)	0	0	
Education	18,358,084	0	407,864	0	(17,950,220)	0	0	
Interest on Long-term Debt	2,117,752	0	0	0	(2,117,752)	0	0	
Total Governmental Activities	\$ 80,426,411	\$ 15,029,284	\$ 7,492,019	\$ 3,599,600	\$ (54,305,508)	\$ 0	\$ 0	
Total Primary Government	\$ 80,426,411	\$ 15,029,284	\$ 7,492,019	\$ 3,599,600	\$ (54,305,508)	\$ 0	\$ 0	
Component Units:								
Bradley County School Department	\$ 101,245,999	\$ 643,494	\$ 23,160,394	\$ 13,838,058	\$ 0	\$ (63,604,053)	\$ 0	
Bradley Healthcare and Rehabilitation Center	12,616,672	10,715,327	0	0	0	0	(1,901,345)	
Total Component Units	\$ 113,862,671	\$ 11,358,821	\$ 23,160,394	\$ 13,838,058	\$ 0	\$ (63,604,053)	\$ (1,901,345)	

(Continued)

Exhibit B

Bradley 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 Government	Component Units	
					Total Governmental Activities	Bradley County School Department	Bradley Healthcare and Rehabilitation Center
General Revenues:							
Taxes:							
Property Taxes Levied for General Purposes					\$ 28,088,352	\$ 12,871,609	\$ 0
Property Taxes Levied for Debt Service					1,360,225	0	0
Local Option Sales Taxes					7,995,831	15,177,874	0
Hotel/Motel Tax					1,348,916	0	0
Litigation Tax					330,441	0	0
Business Tax					1,695,062	0	0
Wholesale Beer Tax					321,600	0	0
Other Local Taxes					3,831	1,307	0
Grants and Contributions Not Restricted to Specific Programs					3,895,977	53,941,806	2,142,296
Unrestricted Investment Income					639,792	147,448	1,377
Gain on Investments					99,326	129,184	0
Sale of Equipment					41,450	0	0
Miscellaneous					1,124,788	38,326	3,818
Total General Revenues					\$ 46,945,591	\$ 82,307,554	\$ 2,147,491
Insurance Recovery					\$ 9,824	\$ 0	\$ 0
Change in Net Position					\$ (7,350,093)	\$ 18,703,501	\$ 246,146
Net Position, July 1, 2020					49,796,555	81,099,623	3,955,920
Restatement - See Note I.D.11.					0	1,761,620	0
Net Position, June 30, 2021					\$ 42,446,462	\$ 101,564,744	\$ 4,202,066

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

Exhibit C-1

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

	Major Funds				
	General	Special Purpose Fire Tax	Highway / Public Works	General Debt Service	Endowment
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Equity in Pooled Cash and Investments	11,212,348	1,523,260	2,160,801	12,246,801	10,242,931
Accounts Receivable	20,029,352	5,370	11,639	0	23
Allowance for Uncollectibles	(17,860,567)	0	0	0	0
Due from Other Governments	1,967,049	0	583,904	65,532	0
Due from Other Funds	7,450	0	0	0	7,157,127
Property Taxes Receivable	13,500,866	5,930,692	3,046,356	8,391,892	0
Allowance for Uncollectible Property Taxes	(340,716)	(326,653)	(77,104)	(214,339)	0
Restricted Assets	576,606	0	32,666	0	0
Notes Receivable - Long-term	0	0	0	4,750,000	0
Total Assets	<u>\$ 29,092,388</u>	<u>\$ 7,132,669</u>	<u>\$ 5,758,262</u>	<u>\$ 25,239,886</u>	<u>\$ 17,400,081</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 66,728	\$ 0	\$ 22,612	\$ 0	\$ 0
Payroll Deductions Payable	7,489	0	0	0	0
Due to Other Funds	1,881,905	0	0	3,097,988	0
Unearned/Unavailable Revenue	49	0	0	0	0
Total Liabilities	<u>\$ 1,956,171</u>	<u>\$ 0</u>	<u>\$ 22,612</u>	<u>\$ 3,097,988</u>	<u>\$ 0</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 13,046,679	\$ 5,404,049	\$ 2,943,458	\$ 8,104,852	\$ 0
Deferred Delinquent Property Taxes	89,089	157,015	20,251	57,078	0
Other Deferred/Unavailable Revenue	2,123,444	0	283,828	0	0
Total Deferred Inflows of Resources	<u>\$ 15,259,212</u>	<u>\$ 5,561,064</u>	<u>\$ 3,247,537</u>	<u>\$ 8,161,930</u>	<u>\$ 0</u>

(Continued)

Exhibit C-1

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

FUND BALANCES	Major Funds				
	General	Special Purpose Fire Tax	Highway / Public Works	General Debt Service	Endowment
Nonspendable:					
Endowments	\$ 0	\$ 0	\$ 0	\$ 0	\$ 16,250,525
Long-term Notes Receivable	0	0	0	4,750,000	0
Restricted:					
Restricted for General Government	370,811	0	0	0	0
Restricted for Finance	531,956	0	0	0	0
Restricted for Administration of Justice	225,200	0	0	0	0
Restricted for Public Safety	62,844	1,571,605	0	0	0
Restricted for Social, Cultural, and Recreational Services	0	0	0	0	0
Restricted for Highways/Public Works	0	0	2,455,447	0	0
Restricted for Capital Outlay	0	0	0	0	0
Restricted for Hybrid Retirement Stabilization Funds	576,606	0	32,666	0	0
Committed:					
Committed for General Government	0	0	0	0	0
Committed for Finance	0	0	0	0	0
Committed for Administration of Justice	2,089	0	0	0	0
Committed for Public Health and Welfare	0	0	0	0	1,149,556
Committed for Social, Cultural, and Recreational Services	0	0	0	0	0
Committed for Other Operations	22,864	0	0	0	0
Committed for Capital Outlay	0	0	0	0	0
Committed for Debt Service	0	0	0	9,229,968	0
Assigned:					
Assigned for General Government	152,985	0	0	0	0
Assigned for Finance	229,947	0	0	0	0
Assigned for Administration of Justice	50,831	0	0	0	0
Assigned for Public Safety	1,898,998	0	0	0	0

(Continued)

Exhibit C-1

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

	Major Funds				
	General	Special Purpose Fire Tax	Highway / Public Works	General Debt Service	Endowment
<u>FUND BALANCES (Cont.)</u>					
Assigned (Cont.):					
Assigned for Public Health and Welfare	\$ 133,791	\$ 0	\$ 0	\$ 0	\$ 0
Assigned for Social, Cultural, and Recreational Services	111,614	0	0	0	0
Assigned for Agriculture and Natural Resources	36,642	0	0	0	0
Assigned for Other Operations	507,811	0	0	0	0
Unassigned	6,962,016	0	0	0	0
Total Fund Balances	<u>\$ 11,877,005</u>	<u>\$ 1,571,605</u>	<u>\$ 2,488,113</u>	<u>\$ 13,979,968</u>	<u>\$ 17,400,081</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 29,092,388</u>	<u>\$ 7,132,669</u>	<u>\$ 5,758,262</u>	<u>\$ 25,239,886</u>	<u>\$ 17,400,081</u>

(Continued)

Exhibit C-1

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

	Nonmajor Funds	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>			
Cash	\$ 738,641	\$	738,641
Equity in Pooled Cash and Investments	1,901,844		39,287,985
Accounts Receivable	8,452		20,054,836
Allowance for Uncollectibles	0		(17,860,567)
Due from Other Governments	14,692		2,631,177
Due from Other Funds	5,000		7,169,577
Property Taxes Receivable	1,813,369		32,683,175
Allowance for Uncollectible Property Taxes	(51,284)		(1,010,096)
Restricted Assets	0		609,272
Notes Receivable - Long-term	33,131		4,783,131
Total Assets	<u>\$ 4,463,845</u>	<u>\$</u>	<u>89,087,131</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 0	\$	89,340
Payroll Deductions Payable	0		7,489
Due to Other Funds	2,189,684		7,169,577
Unearned/Unavailable Revenue	0		49
Total Liabilities	<u>\$ 2,189,684</u>	<u>\$</u>	<u>7,266,455</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 1,729,605	\$	31,228,643
Deferred Delinquent Property Taxes	28,788		352,221
Other Deferred/Unavailable Revenue	0		2,407,272
Total Deferred Inflows of Resources	<u>\$ 1,758,393</u>	<u>\$</u>	<u>33,988,136</u>

(Continued)

Exhibit C-1

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

	Nonmajor Funds	Other Govern- mental Funds	Total Governmental Funds
<u>FUND BALANCES</u>			
Nonspendable:			
Endowments	\$ 0	\$ 16,250,525	
Long-term Notes Receivable	0	4,750,000	
Restricted:			
Restricted for General Government	0	370,811	
Restricted for Finance	0	531,956	
Restricted for Administration of Justice	36,841	262,041	
Restricted for Public Safety	215,931	1,850,380	
Restricted for Social, Cultural, and Recreational Services	138,056	138,056	
Restricted for Highways/Public Works	0	2,455,447	
Restricted for Capital Outlay	33,131	33,131	
Restricted for Hybrid Retirement Stabilization Funds	0	609,272	
Committed:			
Committed for General Government	96,752	96,752	
Committed for Finance	484,579	484,579	
Committed for Administration of Justice	160,104	162,193	
Committed for Public Health and Welfare	670,178	1,819,734	
Committed for Social, Cultural, and Recreational Services	85,880	85,880	
Committed for Other Operations	0	22,864	
Committed for Capital Outlay	578,676	578,676	
Committed for Debt Service	0	9,229,968	
Assigned:			
Assigned for General Government	0	152,985	
Assigned for Finance	0	229,947	
Assigned for Administration of Justice	0	50,831	
Assigned for Public Safety	0	1,898,998	

(Continued)

Exhibit C-1

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

	Nonmajor Funds		Total Governmental Funds
	Other Govern- mental Funds		
<u>FUND BALANCES (Cont.)</u>			
Assigned (Cont.):			
Assigned for Public Health and Welfare	\$ 0	\$	133,791
Assigned for Social, Cultural, and Recreational Services	0		111,614
Assigned for Agriculture and Natural Resources	0		36,642
Assigned for Other Operations	0		507,811
Unassigned	(1,984,360)		4,977,656
Total Fund Balances	<u>\$ 515,768</u>	<u>\$</u>	<u>47,832,540</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 4,463,845</u>	<u>\$</u>	<u>89,087,131</u>

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

Exhibit C-2

Bradley County, Tennessee

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

June 30, 2021

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

Total fund balances - balance sheet - governmental funds (Exhibit C-1)		\$	47,832,540
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	5,796,855	
Add: buildings and improvements net of accumulated depreciation		27,061,431	
Add: infrastructure net of accumulated depreciation		23,529,836	
Add: other capital assets net of accumulated depreciation		<u>7,027,359</u>	63,415,481
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: bonds payable	\$	(37,035,000)	
Less: other loans payable		(29,820,380)	
Less: capital leases payable		(14,527,203)	
Add: debt to be contributed by the school department		13,601,061	
Less: unamortized premium on debt		(2,743,072)	
Less: interest accrued on bonds, other loans, and capital leases		(230,856)	
Less: OPEB liability		(5,377,165)	
Less: compensated absences payable		<u>(1,965,042)</u>	(78,097,657)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$	4,022,567	
Less: deferred inflows of resources related to pensions		(896,375)	
Less: deferred inflows of resources related to OPEB		<u>(44,552)</u>	3,081,640
(4) Net pension assets of the agent plans are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - public employee retirement plan	\$	50,884	
Add: net pension asset - public employee legacy pension plan		<u>3,404,081</u>	3,454,965
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>2,759,493</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>42,446,462</u></u>

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

Exhibit C-3

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

	Major Funds					
	General	Special Purpose Fire Tax	Highway / Public Works	General Debt Service	Education Capital Projects	Endowment
<u>Revenues</u>						
Local Taxes	\$ 24,326,611	\$ 5,696,714	\$ 3,013,692	\$ 8,493,432	\$ 0	\$ 0
Licenses and Permits	541,131	0	0	0	0	0
Fines, Forfeitures, and Penalties	545,968	0	0	0	0	0
Charges for Current Services	5,519,030	15	0	0	0	0
Other Local Revenues	1,317,466	844	188,694	150,306	0	293,150
Fees Received From County Officials	2,869,958	0	0	0	0	0
State of Tennessee	5,586,652	54,400	3,125,031	275,093	0	0
Federal Government	1,945,001	0	0	0	0	0
Other Governments and Citizens Groups	1,536,939	25,450	0	1,059,921	0	0
Total Revenues	\$ 44,188,756	\$ 5,777,423	\$ 6,327,417	\$ 9,978,752	\$ 0	\$ 293,150
<u>Expenditures</u>						
Current:						
General Government	\$ 2,485,459	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Finance	1,884,875	0	0	0	0	0
Administration of Justice	3,615,909	0	0	0	0	0
Public Safety	20,369,560	5,501,799	0	0	0	0
Public Health and Welfare	8,244,154	0	0	0	0	67,868
Social, Cultural, and Recreational Services	1,097,620	0	0	0	0	0
Agriculture and Natural Resources	461,197	0	0	0	0	0
Other Operations	2,890,236	114,487	0	171,766	0	0
Highways	0	0	5,555,970	0	0	0
Debt Service:						
Principal on Debt	0	0	0	7,078,557	0	0
Interest on Debt	0	0	0	2,059,732	0	0
Other Debt Service	0	0	0	296,207	276,635	0

(Continued)

Exhibit C-3

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

	Major Funds					
	General	Special Purpose Fire Tax	Highway / Public Works	General Debt Service	Education Capital Projects	Endowment
<u>Expenditures (Cont.)</u>						
Capital Projects	\$ 1,007,093	\$ 0	\$ 428,434	\$ 0	\$ 0	\$ 0
Capital Projects - Donated	0	0	0	0	15,520,026	0
Total Expenditures	\$ 42,056,103	\$ 5,616,286	\$ 5,984,404	\$ 9,606,262	\$ 15,796,661	\$ 67,868
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,132,653	\$ 161,137	\$ 343,013	\$ 372,490	\$ (15,796,661)	\$ 225,282
<u>Other Financing Sources (Uses)</u>						
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 14,665,000	\$ 0
Capital Leases Issued	627,140	0	0	0	0	0
Refunding Debt Issued	0	0	0	4,750,000	0	0
Premiums on Debt Sold	0	0	0	217,203	1,131,661	0
Proceeds from Sale of Capital Assets	0	30,605	0	0	0	0
Insurance Recovery	0	5,368	4,456	0	0	0
Transfers In	0	0	0	210,513	0	0
Transfers Out	(21,072)	(210,513)	0	0	0	0
Payments to Refunded Debt Escrow Agent	0	0	0	(4,865,000)	0	0
Total Other Financing Sources (Uses)	\$ 606,068	\$ (174,540)	\$ 4,456	\$ 312,716	\$ 15,796,661	\$ 0
<u>Special Item</u>						
Reduction in Note Receivable Due to Refunding - See Note I.D.12.	\$ 0	\$ 0	\$ 0	\$ (115,000)	\$ 0	\$ 0
Net Change in Fund Balances	\$ 2,738,721	\$ (13,403)	\$ 347,469	\$ 570,206	\$ 0	\$ 225,282
Prior-period Adjustment - See Note I.D.10.	0	0	0	5,040,000	0	0
Fund Balance, July 1, 2020	9,138,284	1,585,008	2,140,644	8,369,762	0	17,174,799
Fund Balance, June 30, 2021	\$ 11,877,005	\$ 1,571,605	\$ 2,488,113	\$ 13,979,968	\$ 0	\$ 17,400,081

(Continued)

Exhibit C-3

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

	Nonmajor Funds	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>			
Local Taxes	\$ 2,558,089	\$	44,088,538
Licenses and Permits	0		541,131
Fines, Forfeitures, and Penalties	120,430		666,398
Charges for Current Services	2,537,460		8,056,505
Other Local Revenues	1,407,988		3,358,448
Fees Received From County Officials	0		2,869,958
State of Tennessee	170,491		9,211,667
Federal Government	0		1,945,001
Other Governments and Citizens Groups	10,000		2,632,310
Total Revenues	<u>\$ 6,804,458</u>	<u>\$</u>	<u>73,369,956</u>
<u>Expenditures</u>			
Current:			
General Government	\$ 394,086	\$	2,879,545
Finance	1,614,207		3,499,082
Administration of Justice	250,400		3,866,309
Public Safety	168,920		26,040,279
Public Health and Welfare	194,927		8,506,949
Social, Cultural, and Recreational Services	930,434		2,028,054
Agriculture and Natural Resources	0		461,197
Other Operations	191,089		3,367,578
Highways	0		5,555,970
Debt Service:			
Principal on Debt	0		7,078,557
Interest on Debt	31,855		2,091,587
Other Debt Service	0		572,842

(Continued)

Exhibit C-3

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

	Nonmajor Funds	Other Govern- mental Funds	Total Governmental Funds
<hr/>			
<u>Expenditures (Cont.)</u>			
Capital Projects	\$ 3,072,269		\$ 4,507,796
Capital Projects - Donated	0		15,520,026
Total Expenditures	<u>\$ 6,848,187</u>		<u>\$ 85,975,771</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (43,729)</u>		<u>\$ (12,605,815)</u>
<u>Other Financing Sources (Uses)</u>			
Bonds Issued	\$ 0		\$ 14,665,000
Capital Leases Issued	0		627,140
Refunding Debt Issued	0		4,750,000
Premiums on Debt Sold	0		1,348,864
Proceeds from Sale of Capital Assets	0		30,605
Insurance Recovery	0		9,824
Transfers In	21,072		231,585
Transfers Out	0		(231,585)
Payments to Refunded Debt Escrow Agent	0		(4,865,000)
Total Other Financing Sources (Uses)	<u>\$ 21,072</u>		<u>\$ 16,566,433</u>
<u>Special Item</u>			
Reduction in Note Receivable Due to Refunding - See Note I.D.12.	<u>\$ 0</u>		<u>\$ (115,000)</u>
Net Change in Fund Balances	\$ (22,657)		\$ 3,845,618
Prior-period Adjustment - See Note I.D.10.	0		5,040,000
Fund Balance, July 1, 2020	<u>538,425</u>		<u>38,946,922</u>
Fund Balance, June 30, 2021	<u>\$ 515,768</u>		<u>\$ 47,832,540</u>

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

Exhibit C-4

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

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

Net change in fund balances - total governmental funds (Exhibit C-3)		\$ 3,845,618
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 2,464,289	
Less: current-year depreciation expense	<u>(4,144,328)</u>	(1,680,039)
(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		(73,558)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2021	\$ 2,759,493	
Less: deferred delinquent property taxes and other deferred June 30, 2020	<u>(2,579,573)</u>	179,920
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Less: bond proceeds	\$ (19,415,000)	
Less: capital lease proceeds	(627,140)	
Add: debt refunded	4,865,000	
Add: principal payments on bonds	3,385,000	
Add: principal payments on other loans	2,980,000	
Add: principal payments on capital leases	1,097,739	
Less: change in premiums on debt issuances	(1,142,449)	
Less: contributions from the school department for debt	<u>(713,557)</u>	(9,570,407)
(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	\$ (26,165)	
Change in compensated absences payable	45,063	
Change in net pension asset - public employee retirement plan	(15,385)	
Change in net pension asset - public employee legacy pension plan	(1,073,566)	
Change in deferred outflows related to pensions	152,553	
Change in deferred inflows related to pensions	1,165,401	
Change in OPEB liability	(255,888)	
Change in deferred inflows related to OPEB	<u>(43,640)</u>	<u>(51,627)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ (7,350,093)</u>

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

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2020	Add: Encumbrances 6/30/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 24,326,611	\$ 0	\$ 0	\$ 24,326,611	\$ 22,393,387	\$ 23,402,018	\$ 924,593
Licenses and Permits	541,131	0	0	541,131	480,500	531,263	9,868
Fines, Forfeitures, and Penalties	545,968	0	0	545,968	529,720	498,083	47,885
Charges for Current Services	5,519,030	0	0	5,519,030	5,854,950	5,484,896	34,134
Other Local Revenues	1,317,466	0	0	1,317,466	836,785	905,164	412,302
Fees Received From County Officials	2,869,958	0	0	2,869,958	2,847,000	2,483,039	386,919
State of Tennessee	5,586,652	0	0	5,586,652	6,707,406	5,969,415	(382,763)
Federal Government	1,945,001	0	0	1,945,001	181,077	2,003,915	(58,914)
Other Governments and Citizens Groups	1,536,939	0	0	1,536,939	1,733,343	1,599,114	(62,175)
Total Revenues	\$ 44,188,756	\$ 0	\$ 0	\$ 44,188,756	\$ 41,564,168	\$ 42,876,907	\$ 1,311,849
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 525,292	\$ (470)	\$ 429	\$ 525,251	\$ 516,413	\$ 530,102	\$ 4,851
Board of Equalization	0	0	0	0	2,365	2,365	2,365
Beer Board	1,453	0	0	1,453	3,197	3,197	1,744
Other Boards and Committees	45,213	(35,913)	29,017	38,317	38,822	38,822	505
County Mayor/Executive	285,914	(637)	1,471	286,748	293,778	293,778	7,030
Personnel Office	179,223	(31,843)	31,577	178,957	176,587	182,373	3,416
County Attorney	220,767	0	745	221,512	222,212	222,212	700
Election Commission	318,016	(8,494)	9,419	318,941	354,550	354,550	35,609
Register of Deeds	94,824	(4,126)	7,065	97,763	86,969	151,605	53,842
Planning	222,401	(4,888)	7,923	225,436	266,338	266,338	40,902
Geographical Information Systems	199,132	(22,926)	33,855	210,061	210,155	210,155	94
County Buildings	391,996	(24,687)	31,082	398,391	418,217	418,217	19,826
Other Facilities	1,228	0	401	1,629	12,000	12,000	10,371
<u>Finance</u>							
Accounting and Budgeting	211,429	(8,653)	8,213	210,989	214,124	214,714	3,725
Property Assessor's Office	833,931	(14,207)	26,327	846,051	873,662	873,662	27,611
Reappraisal Program	150,436	(115,444)	140,218	175,210	205,000	205,000	29,790

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2020	Add: Encumbrances 6/30/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Finance (Cont.)</u>							
County Trustee's Office	\$ 165,350	\$ (118)	\$ 475	\$ 165,707	\$ 169,989	\$ 169,989	\$ 4,282
County Clerk's Office	403,868	(10,382)	24,680	418,166	243,244	509,793	91,627
Data Processing	119,861	(19,276)	30,034	130,619	135,450	135,450	4,831
<u>Administration of Justice</u>							
Circuit Court	94,336	0	0	94,336	0	94,336	0
Circuit Court Clerk	1,416,899	(1,037)	3,097	1,418,959	1,587,503	1,589,535	170,576
General Sessions Judge	268,387	(67)	619	268,939	269,113	269,112	173
Drug Court	223,022	(63)	1,449	224,408	130,000	229,747	5,339
Chancery Court	66,105	(8,389)	6,538	64,254	68,263	68,263	4,009
Juvenile Court	670,931	(12,918)	16,086	674,099	738,177	738,177	64,078
Juvenile Court Judge	291,589	(723)	2,767	293,633	331,325	331,325	37,692
District Attorney General	54,306	(1,141)	1,628	54,793	60,000	60,500	5,707
Office of Public Defender	30,655	(3,463)	5,192	32,384	39,770	39,232	6,848
Judicial Commissioners	13,332	0	71	13,403	35,000	35,000	21,597
Other Administration of Justice	114,639	(3,231)	3,611	115,019	135,442	151,895	36,876
Probation Services	367,241	(8,401)	9,772	368,612	373,670	379,405	10,793
Courtroom Security	4,467	0	0	4,467	0	5,000	533
<u>Public Safety</u>							
Sheriff's Department	9,351,580	(476,360)	892,412	9,767,632	8,895,159	9,950,507	182,875
Special Patrols	56,016	0	0	56,016	0	73,047	17,031
Traffic Control	21,332	(5,000)	0	16,332	33,600	33,600	17,268
Jail	7,151,051	(255,009)	851,448	7,747,490	8,187,967	8,236,161	488,671
Workhouse	579,854	(19,322)	34,881	595,413	826,336	783,336	187,923
Correctional Incentive Program Improvements	1,262,807	(24,759)	30,871	1,268,919	1,403,247	1,410,643	141,724
Juvenile Services	46,851	0	0	46,851	66,581	66,581	19,730
Work Release Program	310,192	(1,409)	11,740	320,523	348,460	359,711	39,188
Civil Defense	517,613	(26,772)	30,403	521,244	516,996	524,232	2,988
Other Emergency Management	52,077	0	0	52,077	52,077	52,077	0
Inspection and Regulation	130,369	0	39,561	169,930	169,973	169,973	43

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2020	Add: Encumbrances 6/30/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Public Safety (Cont.)</u>							
County Coroner/Medical Examiner	\$ 231,022	\$ (31,169)	\$ 7,683	\$ 207,536	\$ 202,439	\$ 209,167	\$ 1,631
Public Safety Grants Program	8,796	0	0	8,796	9,000	9,000	204
Other Public Safety	650,000	0	0	650,000	650,000	650,000	0
<u>Public Health and Welfare</u>							
Local Health Center	431,089	(3,522)	10,216	437,783	388,437	488,437	50,654
Rabies and Animal Control	199,000	0	0	199,000	199,000	199,000	0
Ambulance/Emergency Medical Services	6,189,776	(116,757)	117,122	6,190,141	6,264,561	6,278,255	88,114
Alcohol and Drug Programs	10,537	0	4	10,541	50,000	12,504	1,963
Other Local Health Services	1,255,996	(3,438)	5,656	1,258,214	1,573,897	1,573,898	315,684
General Welfare Assistance	26,004	(3,270)	303	23,037	30,300	30,300	7,263
Other Local Welfare Services	100,804	0	0	100,804	100,804	100,804	0
Other Waste Disposal	26,849	(80)	490	27,259	0	64,900	37,641
Other Public Health and Welfare	4,099	(1,401)	0	2,698	10,000	10,000	7,302
<u>Social, Cultural, and Recreational Services</u>							
Adult Activities	8,000	0	0	8,000	8,000	8,000	0
Senior Citizens Assistance	103,000	0	0	103,000	103,000	103,000	0
Parks and Fair Boards	6,336	0	2,072	8,408	22,549	22,661	14,253
Other Social, Cultural, and Recreational	980,284	(67,496)	109,543	1,022,331	1,063,602	1,082,855	60,524
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	311,299	(2,739)	3,383	311,943	344,268	344,268	32,325
Soil Conservation	52,895	0	0	52,895	53,992	53,992	1,097
Storm Water Management	97,003	(12,086)	33,259	118,176	132,470	132,470	14,294
<u>Other Operations</u>							
Tourism	264,388	0	0	264,388	285,000	285,000	20,612
Industrial Development	264,388	0	0	264,388	285,000	285,000	20,612
Other Economic and Community Development	871	0	0	871	10,000	871	0
Public Transportation	42,000	0	0	42,000	42,000	42,000	0
Veterans' Services	131,011	(5,406)	13,302	138,907	142,720	142,720	3,813
Other Charges	467,474	0	0	467,474	465,000	474,129	6,655

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2020	Add: Encumbrances 6/30/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Other Operations (Cont.)</u>							
Contributions to Other Agencies	\$ 66,315	\$ 0	\$ 0	\$ 66,315	\$ 87,192	\$ 87,192	\$ 20,877
COVID-19 Grant #1	0	0	41,405	41,405	0	41,405	0
COVID-19 Grant #2	67,972	0	0	67,972	0	71,472	3,500
COVID-19 Grant #3	1,584,335	0	0	1,584,335	0	1,606,909	22,574
COVID-19 Grant #4	1,482	0	4,304	5,786	0	5,786	0
<u>Capital Projects</u>							
Other General Government Projects	1,007,093	0	448,800	1,455,893	1,327,645	1,576,845	120,952
Total Expenditures	\$ 42,056,103	\$ (1,397,492)	\$ 3,122,619	\$ 43,781,230	\$ 42,562,607	\$ 46,438,557	\$ 2,657,327
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,132,653	\$ 1,397,492	\$ (3,122,619)	\$ 407,526	\$ (998,439)	\$ (3,561,650)	\$ 3,969,176
<u>Other Financing Sources (Uses)</u>							
Capital Leases Issued	\$ 627,140	\$ 0	\$ 0	\$ 627,140	\$ 0	\$ 627,140	\$ 0
Special Items (Revenues)	0	0	0	0	207,000	0	0
Extraordinary Items (Revenues)	0	0	0	0	155,999	0	0
Transfers Out	(21,072)	0	0	(21,072)	0	(21,072)	0
Total Other Financing Sources	\$ 606,068	\$ 0	\$ 0	\$ 606,068	\$ 362,999	\$ 606,068	\$ 0
Net Change in Fund Balance	\$ 2,738,721	\$ 1,397,492	\$ (3,122,619)	\$ 1,013,594	\$ (635,440)	\$ (2,955,582)	\$ 3,969,176
Fund Balance, July 1, 2020	9,138,284	(1,397,492)	0	7,740,792	8,903,327	8,903,327	(1,162,535)
Fund Balance, June 30, 2021	\$ 11,877,005	\$ 0	\$ (3,122,619)	\$ 8,754,386	\$ 8,267,887	\$ 5,947,745	\$ 2,806,641

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

Exhibit C-6

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2020	Add: Encumbrances 6/30/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 5,696,714	\$ 0	\$ 0	\$ 5,696,714	\$ 5,870,539	\$ 5,661,669	\$ 35,045
Charges for Current Services	15	0	0	15	0	15	0
Other Local Revenues	844	0	0	844	0	645	199
State of Tennessee	54,400	0	0	54,400	0	54,400	0
Other Governments and Citizens Groups	25,450	0	0	25,450	25,000	25,450	0
Total Revenues	\$ 5,777,423	\$ 0	\$ 0	\$ 5,777,423	\$ 5,895,539	\$ 5,742,179	\$ 35,244
<u>Expenditures</u>							
<u>Public Safety</u>							
Fire Prevention and Control	\$ 5,501,799	\$ (199,944)	\$ 130,560	\$ 5,432,415	\$ 5,440,235	\$ 5,802,236	\$ 369,821
<u>Other Operations</u>							
Other Charges	114,487	0	0	114,487	110,000	121,805	7,318
Total Expenditures	\$ 5,616,286	\$ (199,944)	\$ 130,560	\$ 5,546,902	\$ 5,550,235	\$ 5,924,041	\$ 377,139
Excess (Deficiency) of Revenues Over Expenditures	\$ 161,137	\$ 199,944	\$ (130,560)	\$ 230,521	\$ 345,304	\$ (181,862)	\$ 412,383
<u>Other Financing Sources (Uses)</u>							
Proceeds from Sale of Capital Assets	\$ 30,605	\$ 0	\$ 0	\$ 30,605	\$ 0	\$ 30,605	\$ 0
Insurance Recovery	5,368	0	0	5,368	0	34,433	(29,065)
Transfers Out	(210,513)	0	0	(210,513)	(210,513)	(210,513)	0
Total Other Financing Sources	\$ (174,540)	\$ 0	\$ 0	\$ (174,540)	\$ (210,513)	\$ (145,475)	\$ (29,065)
Net Change in Fund Balance	\$ (13,403)	\$ 199,944	\$ (130,560)	\$ 55,981	\$ 134,791	\$ (327,337)	\$ 383,318
Fund Balance, July 1, 2020	1,585,008	(199,944)	0	1,385,064	1,094,563	1,094,563	290,501
Fund Balance, June 30, 2021	\$ 1,571,605	\$ 0	\$ (130,560)	\$ 1,441,045	\$ 1,229,354	\$ 767,226	\$ 673,819

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

Exhibit C-7

Bradley County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Highway/Public Works Fund
For the Year Ended June 30, 2021

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 3,013,692	\$ 0	\$ 3,013,692	\$ 2,936,568	\$ 2,986,883	\$ 26,809
Other Local Revenues	188,694	0	188,694	21,500	178,760	9,934
State of Tennessee	3,125,031	0	3,125,031	3,809,364	3,249,649	(124,618)
Total Revenues	<u>\$ 6,327,417</u>	<u>\$ 0</u>	<u>\$ 6,327,417</u>	<u>\$ 6,767,432</u>	<u>\$ 6,415,292</u>	<u>\$ (87,875)</u>
<u>Expenditures</u>						
<u>Highways</u>						
Administration	\$ 760,933	\$ 0	\$ 760,933	\$ 788,996	\$ 773,796	\$ 12,863
Highway and Bridge Maintenance	2,434,645	0	2,434,645	2,362,630	2,700,998	266,353
Operation and Maintenance of Equipment	599,078	0	599,078	622,675	667,425	68,347
Quarry Operations	0	0	0	2,000	0	0
Other Charges	212,987	0	212,987	201,000	216,500	3,513
Employee Benefits	1,008,446	0	1,008,446	1,087,656	1,043,656	35,210
Capital Outlay	539,881	(309,611)	230,270	1,756,708	806,769	576,499
<u>Capital Projects</u>						
Highway and Street Capital Projects	428,434	0	428,434	532,102	513,252	84,818
Total Expenditures	<u>\$ 5,984,404</u>	<u>\$ (309,611)</u>	<u>\$ 5,674,793</u>	<u>\$ 7,353,767</u>	<u>\$ 6,722,396</u>	<u>\$ 1,047,603</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 343,013</u>	<u>\$ 309,611</u>	<u>\$ 652,624</u>	<u>\$ (586,335)</u>	<u>\$ (307,104)</u>	<u>\$ 959,728</u>
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 4,456	\$ 0	\$ 4,456	\$ 0	\$ 0	\$ 4,456
Total Other Financing Sources	<u>\$ 4,456</u>	<u>\$ 0</u>	<u>\$ 4,456</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,456</u>
Net Change in Fund Balance	\$ 347,469	\$ 309,611	\$ 657,080	\$ (586,335)	\$ (307,104)	\$ 964,184
Fund Balance, July 1, 2020	<u>2,140,644</u>	<u>(309,611)</u>	<u>1,831,033</u>	<u>1,104,944</u>	<u>1,104,944</u>	<u>726,089</u>
Fund Balance, June 30, 2021	<u>\$ 2,488,113</u>	<u>\$ 0</u>	<u>\$ 2,488,113</u>	<u>\$ 518,609</u>	<u>\$ 797,840</u>	<u>\$ 1,690,273</u>

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

Exhibit D-1

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

	<u>Custodial Funds</u>
<u>ASSETS</u>	
Cash	\$ 9,600,832
Equity in Pooled Cash and Investments	35,526
Accounts Receivable	7,944
Due from Other Governments	4,535,962
Property Taxes Receivable	7,483,941
Allowance for Uncollectible Taxes	<u>(188,447)</u>
Total Assets	<u>\$ 21,475,758</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	<u>\$ 4,610,157</u>
Total Liabilities	<u>\$ 4,610,157</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred Current Property Taxes	<u>\$ 7,232,952</u>
Total Deferred Outflows of Resources	<u>7,232,952</u>
<u>NET POSITION</u>	
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 9,632,649</u>
Total Net Position	<u><u>\$ 9,632,649</u></u>

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

Exhibit D-2

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

	<u>Custodial Funds</u>
<u>ADDITIONS</u>	
Sales Tax Collections for Other Governments	\$ 16,254,353
Property Tax Collections for Other Governments	67,641
ADA - Educational Funds Collected for Cities	21,956,026
Fines/Fees and Other Collections	28,534,351
Miscellaneous	989
Total Additions	<u>\$ 66,813,360</u>
<u>DEDUCTIONS</u>	
Payment of Sales Tax Collections to Other Governments	\$ 16,254,353
Payment of Property Tax Collections to Other Governments	67,641
Payments to City School Systems	21,956,026
Payments to State	13,280,739
Payments to County/City	7,527,761
Payments to Individuals and Others	7,354,402
Total Deductions	<u>\$ 66,440,922</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ 372,438
Net Position, July 1, 2020	0
Restatement - See Note I.D.11	<u>9,260,211</u>
Net Position, June 30, 2021	<u><u>\$ 9,632,649</u></u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Bradley 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 Bradley County:

A. Reporting Entity

Bradley County is a public municipal corporation governed by an elected 14-member board. As required by GAAP, these financial statements present Bradley County (the primary government) and its component units. 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 Bradley County School Department operates the public school system in the county, and the voters of Bradley 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 Bradley Healthcare and Rehabilitation Center provides resident healthcare to the citizens of Bradley County, and the county commission appoints its governing body. The county commission must approve all long-term debt of the Bradley Healthcare and Rehabilitation Center. Bradley County is responsible for this debt in case of default by the Bradley Healthcare and Rehabilitation Center.

The Bradley 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 Bradley Healthcare and Rehabilitation Center can be obtained from its administrative office at the following address:

Administrative Office:

Bradley Healthcare and Rehabilitation Center
2910 Peerless Road Northwest
Cleveland, TN 37312

B. Government-wide and Fund Financial Statements

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

Bradley County issues all debt for the discretely presented Bradley County School Department. Net debt issues totaling \$14,665,000 were contributed by the county to the school department during the year ended June 30, 2021.

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

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

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

Fund financial statements of Bradley 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. Bradley County has no proprietary funds to report.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Bradley County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

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

Fiduciary fund 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.

Bradley 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.

Special Purpose Fire Tax Fund – This special revenue fund is used to account for transactions of the county’s fire department. A property tax rate is assessed on citizens living in Bradley County but outside of the cities of Cleveland and Charleston. Proceeds of the tax must be expended on fire protection for those citizens.

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

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

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

Endowment Fund – This fund accounts for proceeds from the sale of the Bradley County Memorial Hospital. The county received \$15,000,000 from the sale of the hospital and invested these proceeds. The county can spend 85 percent of investment income for the health, wellness, and quality of life for its citizens. The other 15 percent of investment income, as well as the original principal (\$15,000,000), cannot be spent.

Additionally, Bradley County reports the following fund type:

Custodial Funds – These funds account for amounts collected in a custodial capacity by the constitutional officers, mixed drink tax held in litigation, property taxes levied on residents of the city of Charleston, local sales taxes received by the state to be forwarded to the various cities in Bradley County, and the city school system’s share of educational revenues.

The discretely presented Bradley 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.

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

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

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

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The current year (FY21) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior year balances (FY20) are presented in this report. We do not believe using the prior year balances will affect the independent auditor’s opinion on the Aggregate Discretely Presented Component Units. A more detailed reporting of the fund activities at each individual school may be found at <https://www.comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>.

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

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 Bradley County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General and General Debt Service funds. In addition, investments are held separately by the Endowment Fund. Bradley 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. Bradley County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value. No investments required to be reported at fair value were held at the balance sheet date.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either due to/from other funds (i.e., the current portion of interfund loans) or advances to/from other funds (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as due to/from other funds.

All ambulance service and property taxes receivables are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to 1.53 percent of total taxes levied.

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

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current fiscal year. These property taxes receivable are presented on the balance sheet as a deferred inflow of resources to reflect amounts not available as of June 30. Property taxes collected within 30 days of year-end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount of the receivable that will be filed in court for collection. Delinquent taxes filed in court

for collection are not included in taxes receivable since they are neither measurable nor available.

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

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

3. Restricted Assets

Restricted assets consist of amounts held in two separate pension stabilization trusts by the Tennessee Consolidated Retirement System (TCRS) for the benefit of Bradley County's Public Employee Retirement Plan and the discretely presented Bradley County School Department's Teacher Retirement Plan. The purpose of these trusts is to accumulate funds to provide stabilization (smoothing) of retirement costs to the county and 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 Bradley County and the Bradley County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, Bradley County and the Bradley County School Department have 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 Bradley County or the Bradley County 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; for buildings and infrastructure with an initial cost of \$50,000 or more and an estimated useful life of more than three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	25 - 40
Infrastructure:	
Roads	20 - 40
Bridges	40
Other Capital Assets	5 - 30

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 position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position. These items are for the accumulated decrease in fair value of hedging derivatives as discussed in Note IV.C.; pension changes in experience, assumptions, investment earnings, and proportionate share of contributions; other postemployment benefits (OPEB) changes in experience, assumptions, and proportionate share of contributions; 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 position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet. These items are from the following sources: current and delinquent property taxes; pension changes in experience and proportionate share of contributions; other postemployment benefits (OPEB) changes in experience, assumptions, and proportionate share of contributions; and various receivables for revenues, which do not meet the availability criteria in governmental funds. These amounts are deferred and

recognized as an inflow of resources in the period that the amounts become available.

6. Compensated Absences

It is the policy of the general government and highway department to permit employees to accumulate up to 30 days of earned but unused vacation leave that will be paid upon retirement, resignation, or termination. Any accumulated unused vacation leave exceeding 30 days is transferred to the employee's sick leave balance. All vacation leave is accrued when incurred in the government-wide statements for the general government and highway department. A liability for vacation leave is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements. The granting of sick leave has no guaranteed payment attached and therefore is not required to be accrued or recorded.

It is the policy of the discretely presented Bradley County School Department to permit its 12-month employees to accumulate up to ten days earned but unused vacation leave, and its ten month employees to accumulate up to two days earned but unused leave, which will be paid upon retirement, resignation, or termination. However, the policy of the school department does not allow for 12-month or ten-month employees to accumulate vacation days beyond June 30. The granting of sick leave has no guaranteed payment attached and therefore is not required to be accrued or recorded.

7. Long-term Debt and Long-term Obligations

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

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

the actual debt proceeds received, are reported as debt service expenditures.

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

8. Net Position and Fund Balance

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

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of restricted or net investment in capital assets.

As of June 30, 2021, Bradley County had \$68,909,262 in outstanding debt for capital purposes for the discretely presented Bradley County School Department. In accordance with state statutes, certain county school debt proceeds must be shared with other public school systems in the county (City of Cleveland School System) based on an average daily attendance proration. This debt is a liability of Bradley County, but the capital assets acquired are reported in the financial statements of the school department and the City of Cleveland School System. Therefore, Bradley 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 designated the Budget/Finance Committee as the authorized body to make assignments for the county. The Board of Education makes assignments for the school department.

Unassigned Fund Balance – the residual classification of the General and General Purpose School funds and for negative fund balances in the other governmental 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. In the other governmental funds, funds expended that exceed the amounts that are restricted, committed, and assigned are reported as negative unassigned fund balance.

Endowment

On October 14, 2005, the Bradley Memorial Hospital, a county owned hospital, was sold to a private entity. In accordance with the terms of the hospital's Declaration of Trust between the purchaser and the county, restricted assets of \$15,000,000 were transferred to the county. The county can spend 85 percent of the investment income for the health, wellness, and quality of life for its citizens. The other 15 percent of investment income, as well as the original principal (\$15,000,000), cannot be spent. All funds are invested by the county trustee or loaned to other county funds through agreements authorized by the county commission.

A total of \$1,149,556 in earnings from investing the endowment principal is available for appropriation by the county commission at June 30, 2021. Earnings may be appropriated for any health, wellness, and quality of life for its citizens purpose in accordance with the county commission's annual appropriation resolution or subsequent budget amendments. This amount is reported as expendable restricted net position on the statement of net position. The nonspendable portion of the endowment was \$16,250,525 at June 30, 2021. This amount is reported as nonspendable restricted net position on the statement of net position.

9. Minimum Fund Balance Policy

Primary Government

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

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

Special Purpose Fire Tax Fund – Eight percent of current-year expenditures and transfers to other funds.

Highway/Public Works Fund – Seven percent of current-year expenditures and transfers to other funds.

Agriculture Center funds – Five percent of current-year expenditures and transfers to other funds.

Debt Service Funds – Typically the county will have at least 13 months of future principal and interest payments as fund balance.

Discretely Presented Bradley County School Department

General Purpose and Central Cafeteria Funds – Five percent of current-year expenditures and transfers to other funds.

10. Prior-period Adjustment

Fund balance of the primary government's General Debt Service Fund as of July 1, 2020, was adjusted by \$5,040,000 to record a note receivable from the Hiwassee Utilities Commission. The note represents the commitment from Hiwassee Utilities Commission to pay debt requirements of Bradley County General Obligation Refunding Bonds which were issued on behalf of the commission.

11. Restatements

Due to the implementation of GASB Statement 84, a special revenue fund (Internal School Fund) is reflected in the financial statements of the discretely presented Bradley County School Department. A restatement of \$1,761,620 has been presented to reflect the beginning balance of this fund.

In prior years, the custodial funds had no measurement focus. However, due to the implementation of GASB Statement 84, the beginning balance of these funds has been restated by \$9,260,211 using the economic measurement focus and the accrual basis of accounting.

12. Special Item

A special item is presented on the financial statements of the General Debt Service Fund to report the reduction (\$115,000) of a note receivable due from the Hiwassee Utilities Commission. The note receivable represents the commission's commitment to retire general obligation bonds issued by Bradley County on behalf of the commission, and the reduction resulted from refunding those general obligation bonds during the year.

E. Pension Plans

Primary Government

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Bradley County's participation in the Public Employee Retirement Plan and Public Employee Legacy Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Bradley County's fiduciary net position have been determined on the same basis as they are reported by the

TCRS for the Public Employee Retirement Plan and Public Employee Legacy 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 Retirement Plan and the Public Employee Legacy Pension Plan of TCRS. Investments are reported at fair value.

Discretely Presented Bradley 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

Bradley County provides OPEB benefits to their retirees through a single commercial insurance plan administered by Cigna Insurance Company. 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). 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 Bradley County. For this purpose, Bradley County recognizes benefit payments when due and payable in accordance with benefit terms. Bradley County's OPEB plan is not administered through a trust.

Discretely Presented Bradley County School Department

The discretely presented Bradley County School Department provides OPEB benefits to its retirees through a 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. 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 Bradley 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 Bradley 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 Bradley 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 funds (special revenue funds) and the Endowment Fund (permanent fund), which are not budgeted; and the capital projects funds (except for the Community Development/Industrial Development Capital Projects and Other Capital Projects

Funds), which adopt project length budgets. All annual appropriations lapse at fiscal year-end.

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

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

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

At June 30, 2021, Bradley County and the Bradley County School Department reported the following encumbrances:

Funds	Amount
Primary Government:	
Major Funds:	
General	\$ 3,122,619
Special Purpose/Fire Tax	130,560
Nonmajor Funds:	
Solid Waste/Sanitation	21,601
Drug Control	26,830
Other Capital Projects	29
School Department:	
Major Funds:	
General Purpose School	27,249
Education Capital Projects	16,724
Nonmajor Fund:	
School Federal Projects	66,287

B. Fund Deficit

The Community Development/Industrial Park Fund (capital projects fund) had a deficit unassigned fund balance of \$1,984,360 at June 30, 2021. This deficit unassigned fund balance was a result of the recognition of the outstanding balance of an interfund loan of \$2,186,984 at year-end in accordance with Government Accounting Standards Board Statement No. 34 (GASB 34). GASB 34 requires that a payable be reflected at year-end for the outstanding balance of an interfund loan in the financial statements of the borrowing fund. This deficit will be liquidated by making annual payments to the county's Endowment Fund from the collection of Hotel/Motel Tax revenue in the Community Development/Industrial Park Fund. No finding was reflected for this deficit in the Findings and Questioned Costs section of this report because the deficit was a direct result of internal financing (see Note IV. K.). Without the recognition of the outstanding interfund loan balance, the Community Development/Industrial Park Fund would have reflected fund equity of \$202,624.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

Legal Provisions. All deposits with financial institutions must be secured by one of three methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. Participating banks determine the aggregate balance of their public fund accounts for the State of Tennessee and its political subdivisions. The amount of collateral required to secure these public deposits must equal at least 105 percent of the average daily balance of public deposits held. Collateral securities required to be pledged by the participating banks to protect their public fund accounts are pledged to the state treasurer on behalf of the bank collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

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

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

Investments

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

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

Investment Balances. As of June 30, 2021, Bradley County had the following investments carried at amortized cost using a Stable Net Asset Value established by generally accepted accounting principles. All investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Bradley County and the discretely presented Bradley County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity (days)	Maturity	Amortized Cost
State Treasurer's Investment Pool	1 to 68	N/A	\$ 2,169

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. Bradley 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. Bradley County has no investment policy that would further limit its investment choices. As of June 30, 2021, Bradley County's investment in the State Treasurer's Investment Pool was unrated.

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

TCRS Stabilization Trust

Legal Provisions. Bradley County and the discretely presented Bradley County School Department are members of the Tennessee Consolidated Retirement System (TCRS) Stabilization Reserve Trust. Both the county and the school department have 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 county or the school department.

The trust is authorized to make investments as directed by the TCRS Board of Trustees. Bradley County and the discretely presented Bradley 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, 2021, the county and Bradley County School Department had the following investments held by the trust on its behalf. These funds are recognized as restricted assets in the General and Highway/Public Works Funds of the county and the General Purpose School Fund of the school department.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value	
			Primary Government	School Department
Investments at Fair Value:				
U.S. Equity	N/A	N/A	\$ 188,875	\$ 248,546
Developed Market International Equity	N/A	N/A	85,298	112,246
Emerging Market International Equity	N/A	N/A	24,371	32,070
U.S. Fixed Income	N/A	N/A	121,854	160,351
Real Estate	N/A	N/A	60,927	80,176
Short-term Securities	N/A	N/A	6,093	8,018
NAV - Private Equity and Strategic Lending	N/A	N/A	121,854	160,351
Total			\$ 609,272	\$ 801,758

For further information concerning the legal provisions, investment policies, investment types, and credit risks of the county and Bradley County School

Department's investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at <https://comptroller.tn.gov/content/dam/cot/sa/advanced-search/disclaimer/2020/ag20045.pdf>.

B. Notes Receivable

Notes receivable in the HUD Capital Projects Fund resulted from idle federal funds being used to finance various low/no-interest loans for housing assistance to low-income individuals. The amount of the notes that is not expected to be collected within one year is \$33,131 and is included in the restricted fund balance account.

Hiwassee Utilities Commission has executed a note in favor of Bradley County committing to pay the principal and interest requirements on general obligation refunding bonds that were issued by the county on behalf of the commission. The balance of the note at June 30, 2021, was \$4,750,000 and the amount not expected to be received within one year was \$4,525,000.

C. Derivative Instrument

At June 30, 2021, Bradley County had the following derivative instrument outstanding:

Instrument	Type	Objective	Original Notional Amount	Effective Date	Maturity Date	Terms
\$10M Swap Series IV-G-1	Pay fixed interest rate swap	Variable to synthetic fixed rate swap	\$ 10,000,000	12-1-06	6-1-26	Pay 4.45% receive 63.5% of LIBOR

The fair value balance and notional amount of the derivative instrument outstanding at June 30, 2021, classified by type, and the changes in fair value using a pay fixed, receive a percentage of LIBOR pricing model (Level 2 inputs of the GAAP fair value hierarchy) of the derivative instrument for the year then ended as reported in the 2021 financial statements are as follows:

Type	<u>Changes in Fair Value</u>		<u>Fair Value at June 30, 2021</u>		6-30-21
	Classification	Amount	Classification	Amount	Notional Amount
Governmental Activities					
Cash Flow Hedges:					
Pay-fixed interest rate swaps:					
\$10M Swap - Series IV-G-1	Deferred Outflow	\$ 609,702	Debt	\$ (1,291,508)	\$ 10,000,000
Total		<u>\$ 609,702</u>		<u>\$ (1,291,508)</u>	<u>\$ 10,000,000</u>

Derivative Instrument Swap Agreement Detail

\$10M Series IV-G-1 Swap:

The Public Building Authority of Sevier County, Tennessee, at the request of the county, has entered into an interest rate swap agreement under its Series IV-G-1 Loan Agreement.

Objective of the interest rate swap. To protect against the potential of rising interest rates and to balance its mixture of variable and fixed rate debt, the county requested the authority, on its behalf, to enter into an interest rate derivative instrument contract in connection with its \$10 million Series IV-G-1 variable-rate bonds. The intention of the derivative instrument contract was to effectively change the county's variable interest rate on the bonds to a synthetic fixed rate. The Series IV-G-1 bonds have since been refunded with a portion of the proceeds of the Series E-6-A bonds and the interest rate swap is now associated with the Series E-6-A bonds.

Terms. Under the derivative instrument contract, the authority pays the counterparty a fixed payment of 4.45 percent and receives a variable payment computed as 63.5 percent of the five-year London Interbank Offered Rate (LIBOR). The derivative instrument contract has a notional amount of \$10 million and the associated variable-rate bond has a \$10 million principal amount. At no time will the notional amount on the interest rate swap agreement exceed the outstanding principal of the Series E-6-A Bonds. The bonds' variable-rates have historically approximated the Securities Industry and Financial Markets Association Index™ (the "SIFMA"). The derivative instrument contract matures on June 1, 2026. As of June 30, 2021, rates were as follows:

	<u>Terms</u>	<u>Rate</u>
Interest rate swap:		
Fixed payment to counterparty	Fixed	4.450 %
Variable payment from counterparty	% of LIBOR	<u>(0.411)</u>
Net interest rate swap payments		4.039 %
Variable-rate bond coupon payments		<u>0.110</u>
Synthetic interest rate on bonds		<u>4.149 %</u>

Fair value. As of June 30, 2021, the derivative instrument contract had a negative fair value of \$1,291,508. The negative fair value of the derivative instrument contract may be countered by reductions in total interest payments required under the variable-rate bond, creating lower synthetic rates. Because the rates on the government's variable-rate bonds adjust to changing interest rates, the bonds do not have a corresponding fair value increase. The fair value model calculates future cash flows by projecting forward rates, and then discounts those cash flows at their present value.

Credit risk. As of June 30, 2021, the county was not exposed to credit risk because the derivative instrument contract had a negative fair value. However, should interest rates change and the fair value of the swap becomes positive, the county would be exposed to credit risk in the amount of the derivative instrument contract's fair value. As of June 30, 2021, the derivative instrument contract counterparty, Deutsche Bank, was rated A3/BBB+/BBB+ by Moody's, Standard & Poor's, and Fitch, respectively.

Basis risk. As noted above, the derivative instrument contract exposes the county to basis risk should BMA increase to above 63.5 percent of LIBOR, thus increasing the synthetic rate on the bonds. If a change occurs that results in the BMA to be below 63.5 percent of LIBOR, then the synthetic rate on the bonds would decrease.

Termination risk. The derivative instrument contract uses the International Swap Dealers Association Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. The Schedule to the Master Agreement includes an "additional termination provision." The authority or the counterparty may terminate the derivative instrument contract if the other party fails to perform under the terms of the contract. If the derivative instrument contract is terminated, the variable-rate bond would no longer carry a synthetic interest rate. Also, if at the time of termination, the derivative instrument contract has a negative fair value, the authority would be liable to the counterparty for a payment equal to the derivative instrument contract's fair value. Likewise, if the derivative instrument contract has a positive fair value at termination, the counterparty would be liable to the authority for a payment equal to the derivative instrument contract's fair value.

Derivative instrument contract payments and associated debt. As of June 30, 2021, debt service requirements of the variable-rate debt and net swap payments, assuming current interest rates remain the same, for their term were as follows. As rates vary, variable-rate bond interest payments and net derivative instrument contract payments will vary.

Year	Variable Rate Bonds		Net Interest	
Ending			Rate Swap	
June 30	Principal	Interest	Payment	Total
2022	\$ 0	\$ 11,000	\$ 403,928	\$ 414,928
2023	1,870,000	11,000	403,928	2,284,928
2024	1,980,000	8,943	328,394	2,317,337
2025	2,090,000	6,765	248,416	2,345,181
2026	4,060,000	4,466	163,995	4,228,461
Total	<u>\$ 10,000,000</u>	<u>\$ 42,174</u>	<u>\$ 1,548,661</u>	<u>\$ 11,590,835</u>

D. Capital Assets

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

**Primary Government
Governmental Activities:**

	Balance 7-1-20	Increases	Decreases	Balance 6-30-21
Capital Assets Not Depreciated:				
Land	\$ 5,796,855	\$ 5,315	\$ (5,315)	\$ 5,796,855
Construction in Progress	90,336	0	(90,336)	0
Total Capital Assets Not Depreciated	<u>\$ 5,887,191</u>	<u>\$ 5,315</u>	<u>\$ (95,651)</u>	<u>\$ 5,796,855</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 48,028,505	\$ 859,032	\$ (110,029)	\$ 48,777,508
Infrastructure	45,000,740	65,000	0	45,065,740
Other Capital Assets	20,274,753	1,625,278	(521,119)	21,378,912
Total Capital Assets Depreciated	<u>\$ 113,303,998</u>	<u>\$ 2,549,310</u>	<u>\$ (631,148)</u>	<u>\$ 115,222,160</u>
Less Accumulated Depreciated For:				
Buildings and Improvements	\$ 20,494,686	\$ 1,297,505	\$ (76,114)	\$ 21,716,077
Infrastructure	20,119,076	1,416,828	0	21,535,904
Other Capital Assets	13,408,349	1,429,995	(486,791)	14,351,553
Total Accumulated Depreciation	<u>\$ 54,022,111</u>	<u>\$ 4,144,328</u>	<u>\$ (562,905)</u>	<u>\$ 57,603,534</u>
Total Capital Assets Depreciated, Net	<u>\$ 59,281,887</u>	<u>\$ (1,595,018)</u>	<u>\$ (68,243)</u>	<u>\$ 57,618,626</u>
Governmental Activities Capital Assets, Net	<u>\$ 65,169,078</u>	<u>\$ (1,589,703)</u>	<u>\$ (163,894)</u>	<u>\$ 63,415,481</u>

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

Governmental Activities:

General Government	\$ 359,731
Finance	22,431
Administration of Justice	11,052
Public Safety	1,570,824
Public Health and Welfare	227,586
Social, Cultural, and Recreational Services	121,967
Highways/Public Works	<u>1,830,737</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 4,144,328</u>

Discretely Presented Bradley County School Department

Governmental Activities:

	Balance 7-1-20	Increases	Decreases	Balance 6-30-21
Capital Assets Not Depreciated:				
Land	\$ 1,699,307	\$ 0	\$ 0	\$ 1,699,307
Construction in Progress	2,353,180	10,472,710	(1,513,567)	11,312,323
Total Capital Assets				
Not Depreciated	\$ 4,052,487	\$ 10,472,710	\$ (1,513,567)	\$ 13,011,630
Capital Assets Depreciated:				
Buildings and Improvements	\$ 133,870,321	\$ 2,785,410	\$ 0	\$ 136,655,731
Other Capital Assets	5,119,416	248,009	(12,000)	5,355,425
Total Capital Assets Depreciated	\$ 138,989,737	\$ 3,033,419	\$ (12,000)	\$ 142,011,156
Less Accumulated Depreciated For:				
Buildings and Improvements	\$ 55,410,200	\$ 3,585,511	\$ 0	\$ 58,995,711
Other Capital Assets	2,323,061	397,499	(12,000)	2,708,560
Total Accumulated Depreciation	\$ 57,733,261	\$ 3,983,010	\$ (12,000)	\$ 61,704,271
Total Capital Assets Depreciated, Net	\$ 81,256,476	\$ (949,591)	\$ 0	\$ 80,306,885
Governmental Activities Capital Assets, Net	\$ 85,308,963	\$ 9,523,119	\$ (1,513,567)	\$ 93,318,515

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

Governmental Activities:

Instruction	\$ 3,757,238
Support Services	54,509
Operation of Non-instructional Services	171,263
Total Depreciation Expense - Governmental Activities	<u>\$ 3,983,010</u>

E. Construction Commitments

At June 30, 2021, the school department had uncompleted construction contracts of approximately \$8,876,304 for the construction of the PIE Center. Funding for these future expenditures is expected to be received from federal grants and part of the funding has been received for these future expenditures.

F. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
Endowment	General	\$ 1,881,905
"	General Debt Service	3,088,238
"	Nonmajor governmental	2,186,984
Nonmajor governmental	General Debt Service	5,000
General	"	4,750
"	Nonmajor governmental	2,700
Discretely Presented School Department:		
General Purpose School	Nonmajor governmental	3,272
Education Capital Projects	"	88,800

The balances due to the Endowment Fund are the result of internal financing. The payable funds borrowed from the Endowment Fund to fund various projects in Bradley County. The amounts shown are the outstanding balances of these loans at June 30, 2021.

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

Due to/from Primary Government and Component Unit:

Receivable Fund	Payable Fund	Amount
Primary Government:		
Governmental Activities	Component Unit: School Department: Governmental Activities	\$ 13,601,061

The Due to Primary Government (\$13,601,061) represents the balance of capital leases issued by the county for the school department. The school

department has agreed to contribute the funds annually to retire these leases. This long-term obligation is reflected in the governmental activities on the Statement of Net Position.

Interfund Transfers:

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

Primary Government

Transfer Out	Transfer In		Purpose
	General Debt Service Fund	Nonmajor Governmental Fund	
General Fund	\$ 0	\$ 21,072	Operations
Special Purpose Fire Tax	210,513	0	Debt Payments

Discretely Presented Bradley County School Department

Transfers Out	Transfers In			Purpose
	General Purpose School Fund	Nonmajor Governmental Fund	Education Capital Projects Fund	
Nonmajor Governmental	\$ 64,308	\$ 0	\$ 0	Indirect Costs
"	0	0	163,212	Building Project
General Purpose School	0	300,000	0	Cash Flow
"	0	0	261,300	Building Project

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.

G. Capital Leases

On August 19, 2016, Bradley County entered into a twenty-year lease-purchase agreement for energy saving equipment and upgrades for the school department. The terms of the agreement require total lease payments of \$16,188,500 plus interest of 2.45 percent. Title to the energy saving equipment transferred to the school department immediately upon acceptance of each item of energy saving equipment. The General Purpose School Fund is contributing the lease payments to the primary government. In the government-wide financial statements, if the various upgrades and equipment

meet criteria of the county's capitalization policy then these items are capitalized. Various other upgrades and equipment are expensed in the year of acquisition if those items do not meet criteria of the county's capitalization policy.

On September 17, 2018, Bradley County entered into a five-year lease-purchase agreement for self-containing breathing apparatuses for the county's fire department. The terms of the agreement require total lease payments of \$498,882 plus interest of 3.89 percent. Title to the equipment transferred to the county immediately upon acceptance of each item of equipment. The Special Purpose Fire Tax Fund is making the lease payments.

On April 1, 2019, Bradley County entered into a five-year lease-purchase agreement for turnout gear for the county's fire department. The terms of the agreement require total lease payments of \$192,710 plus interest of 3.794 percent. Title to the turnout gear transferred to the county immediately upon acceptance of each item of equipment. The Special Purpose Fire Tax Fund is making the lease payments.

On May 10, 2020, Bradley County entered into a four-year lease-purchase agreement for vehicles for the county's sheriff department. The terms of the agreement require total lease payments of \$305,304 plus interest of 1.5 percent. Title to the vehicles transferred to the county immediately upon acceptance of each vehicle. In the government-wide financial statements, if the vehicles meet criteria of the county's capitalization policy, then these items are capitalized. The General Fund is making the lease payments.

On September 10, 2020, Bradley County entered into a four-year lease-purchase agreement for vehicles for the county's sheriff department. The terms of the agreement require total lease payments of \$267,140 plus interest of 1.5 percent. Title to the vehicles transferred to the county immediately upon acceptance of each vehicle. In the government-wide financial statements, if the vehicles meet criteria of the county's capitalization policy, then these items are capitalized. The General Fund is making the lease payments.

On November 5, 2020, Bradley County entered into a five-year lease-purchase agreement for body cameras for the county's sheriff department. The terms of the agreement require total lease payments of \$360,000. Title to the body cameras transferred to the county immediately upon acceptance of each item of equipment. The General Fund is making the lease payments.

The assets acquired through capital leases are as follows:

<u>Asset</u>	<u>Governmental Activities</u>
Machinery and Equipment	\$ 8,563,598
Less: Accumulated Depreciation	<u>(2,015,709)</u>
Total Book Value	<u>\$ 6,547,889</u>

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

<u>Year Ending June 30</u>	<u>Governmental Funds</u>
2022	\$ 1,428,454
2023	1,428,454
2024	1,237,205
2025	1,122,853
2026	1,059,921
2027-2031	5,299,605
2032-2036	5,299,605
2037	<u>529,959</u>
Total Minimum Lease Payments	\$ 17,406,056
Less: Amount Representing Interest	<u>(2,878,853)</u>
Present Value of Minimum Lease Payments	<u>\$ 14,527,203</u>

H. Long-term Debt

Primary Government

General Obligation Bonds and Other Loans

General Obligation Bonds - Bradley County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other general obligation bonds and to provide refinancing for utility improvements of the Hiwassee Utilities Commission. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 21 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2021, will be retired from the General Debt Service Fund; however, the general obligation bond Series 2021B with an outstanding balance of \$4,750,000 at June 30, 2021, will

be reimbursed by the Hiwassee Utilities Commission under a note receivable discussed in Note IV.B.

Direct Borrowing and Direct Placements - Bradley County issues other loans to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. Notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Notes and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Other loans outstanding were issued for original terms of up to 20 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All other loans included in long-term debt as of June 30, 2021, will be retired from the General Debt Service Fund.

General obligation bonds, other loans, and capital leases outstanding as of June 30, 2021, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-21
General Obligation Bonds	1.14 to 2.125 %	6-1-40	\$ 17,535,000	\$ 16,215,000
General Obligation Bonds - Refunding	1.5 to 3	5-1-42	24,710,000	20,820,000
Direct Borrowing and Direct Placement:				
Other Loans - Variable Rate	Variable	6-1-37	53,760,380	29,820,380
Capital Leases	0 to 3.89	8-15-36	17,812,536	14,527,203

In prior years, Bradley County entered into various loan agreements with the Sevier County Public Building Authority (PBA) to finance various capital projects for the county and the discretely presented Bradley County School Department. Under the loan agreements, the PBA issued revenue bonds and made the proceeds available for loan to Bradley County. In addition to repaying the loans, the county pays various other fees (trustee, debt remarketing, etc.).

The following table summarizes loan agreements outstanding at June 30, 2021:

Description		Original Amount of Loan Agreement	Outstanding Principal 6-30-21	Interest Type	Interest Rates as of 6-30-21		Fee Rates as of 6-30-21	
Refunding:								
Series E-6-A:	\$	28,210,000	\$ 6,190,000	Variable	0.11	%	.776	%
Series IV-G-1		10,000,000	10,000,000	Synthetic Fixed by Swap	0.11		.776	
PIB:								
Series VII-P-1		15,550,380	<u>13,630,380</u>	Variable	0.54		.250	
Total			<u>\$ 29,820,380</u>					

The annual requirements to amortize all general obligation bonds and other loans outstanding as of June 30, 2021, including interest payments and other loan fees are presented in the following tables:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2022	\$ 2,870,000	\$ 1,181,129	\$ 4,051,129
2023	2,995,000	1,008,705	4,003,705
2024	3,125,000	873,205	3,998,205
2025	3,245,000	731,305	3,976,305
2026	1,050,000	583,505	1,633,505
2027-2031	14,480,000	1,541,225	16,021,225
2032-2036	4,900,000	530,953	5,430,953
2037-2041	4,145,000	193,613	4,338,613
2042	225,000	4,162	229,162
Total	<u>\$ 37,035,000</u>	<u>\$ 6,647,802</u>	<u>\$ 43,682,802</u>

Year Ending June 30	Other Loans - Direct Placement			
	Principal	Interest	Other Fees	Total
2022	\$ 3,100,000	\$ 91,413	\$ 140,931	\$ 3,332,344
2023	3,245,000	85,079	139,231	3,469,310
2024	3,400,000	78,500	117,732	3,596,232
2025	3,530,000	71,664	95,135	3,696,799
2026	6,520,000	64,599	75,035	6,659,634
2027-2031	4,175,000	226,945	105,067	4,507,012
2032-2036	4,840,000	107,227	53,042	5,000,269
2037	1,010,380	5,455	2,527	1,018,362
Total	\$ 29,820,380	\$ 730,882	\$ 728,700	\$ 31,279,962

There is \$9,229,968 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$341, based on the 2020 federal census. Total debt per capita, including bonds, other loans, capital leases, and unamortized premium on debt, totaled \$775, based on the 2020 federal census.

The school department is currently contributing funds to service some of the debt issued on its behalf by the primary government as noted in the table below. This debt is reflected in the government-wide financial statements as Due to the Primary Government in the financial statements of the school department and as Due from Component Units in the financial statements of the primary government.

Description of Debt	Outstanding 6-30-21
<u>Capital Leases - Direct Placement</u>	
<u>Contributions from the General Purpose School Fund</u>	
Energy Upgrades	\$ 13,601,061

Changes in Long-term Debt

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

Governmental Activities:

	Bonds (1)	Other Loans - Direct Placement	Capital Leases - Direct Placement
Balance, July 1, 2020	\$ 25,870,000	\$ 32,800,380	\$ 14,997,802
Additions	19,415,000	0	627,140
Reductions	(8,250,000)	(2,980,000)	(1,097,739)
Balance, June 30, 2021	<u>\$ 37,035,000</u>	<u>\$ 29,820,380</u>	<u>\$ 14,527,203</u>
Balance Due Within One Year	<u>\$ 2,870,000</u>	<u>\$ 3,100,000</u>	<u>\$ 1,070,337</u>

(1) The beginning balance of general obligation bonds includes \$5,040,000 that was previously reported as a contingent liability of the county rather than as debt of the county.

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2021	\$ 81,382,583
Less: Balance Due Within One Year - Debt	(7,040,337)
Add: Unamortized Premium on Debt	<u>2,743,072</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 77,085,318</u>

I. Long-term Obligations

Changes in Long-term Obligations

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

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2020	\$ 2,010,105	\$ 5,121,277
Additions	1,643,283	472,768
Reductions	(1,688,346)	(216,880)
Balance, June 30, 2021	<u>\$ 1,965,042</u>	<u>\$ 5,377,165</u>
Balance Due Within One Year	<u>\$ 98,252</u>	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2021	\$ 7,342,207
Less: Balances Due Within One Year - Other	<u>(98,252)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 7,243,955</u>

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

Discretely Presented Bradley County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	Other Postemployment Benefits
Balance, July 1, 2020	\$ 17,499,509
Additions	3,394,132
Reductions	<u>(1,728,634)</u>
Balance, June 30, 2021	<u>\$ 19,165,007</u>
Balance Due Within One Year	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2021	\$ 19,165,007
Less: Balances Due Within One Year - Other	<u>0</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 19,165,007</u>

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

J. On-Behalf Payments – Discretely Presented Bradley County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Bradley County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both plans are administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan for the year ended June 30, 2021, were \$279,288 and \$100,213, respectively. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

K. Internal Financing

In-lieu-of issuing debt with financial institutions, Bradley County has chosen to internally finance several capital projects with idle county funds in the county's Endowment Fund, commonly referred to as the Health, Wellness, and Quality of Life Fund. These debt issues were transferred from the Endowment Fund to the Other Capital Projects – Workhouse Fund (\$2,200,000 for workhouse construction to be repaid from the General Fund), to the Community Development/Industrial Park Fund (\$3,000,000 for the Spring Branch Industrial Park), to the Energy Upgrade Projects Fund (\$3,597,799 for courthouse energy efficiency projects to be repaid from the General Debt Service Fund), and to the General Fund (\$209,601 for softball lighting).

Governmental Accounting Standards Board Statement No. 34 requires such interfund borrowing to be reflected as a receivable in the lending fund and as a payable in the borrowing fund; therefore, in each fund that is repaying interfund loans, the outstanding amount of loan principal is reflected as Due to Other Funds, and the same amount is reflected as Due from Other Funds in the Endowment Fund. Payments on these interfund loans in subsequent periods will be budgeted annually as if they were being made to an external lender; however, the principal will not be reflected as expenditures in the borrowing funds but will be reflected as a reduction in the Due to Other Funds account until the debt is repaid. Interest rates are negotiated annually.

Internal loans receivable at June 30, 2021, are reflected as follows:

Receivable Fund/Description	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date
Endowment Fund:				
Workhouse	\$ 2,200,000	0.875 %	11-21-16	11-21-36
Industrial Park	3,000,000	0.745	7-18-17	7-1-32
Energy Upgrades	3,597,799	0.875	12-12-17	7-1-38
Softball Lighting	209,601	0.875	12-12-17	7-1-26
			Paid and/or	
	Outstanding	Issued	Matured	Outstanding
	7-1-20	During	During	6-30-21
		Period	Period	
Endowment Fund:				
Workhouse	\$ 1,863,910	\$ 0	\$ (117,382)	\$ 1,746,528
Industrial Park	2,386,984	0	(200,000)	2,186,984
Energy Upgrades	3,254,676	0	(166,438)	3,088,238
Softball Lighting	159,309	0	(23,932)	135,377
Total	\$ 7,664,879	\$ 0	\$ (507,752)	\$ 7,157,127

V. OTHER INFORMATION

A. Risk Management

Primary Government

Bradley County's risks of loss relating to general liability, property, casualty, and workers' compensation are covered by participation in a public entity risk pool. The county is a member of 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.

Bradley County participates in a commercial health insurance plan for its employees. Bradley County's plan was administered by Cigna. Settled claims have not exceeded commercial coverage over the past three fiscal years.

Discretely Presented Bradley County School Department

The school department's risks of loss relating to general liability, property, casualty, and workers' compensation are covered by participation in a public

entity risk pool. The school department is a member of the Tennessee Risk Management Trust (TN-RMT), which is a public entity risk pool created under the auspices of the Tennessee Governmental Tort Liability Act to provide governmental insurance coverage. The school department pays annual premiums 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 Annual Comprehensive Financial Report of the State of Tennessee, but the state does not retain any risk for losses by this fund. Section 8-27-303, *TCA*, provides for the LEGIF to be self-sustaining through member premiums.

B. Accounting Changes

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

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

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

C. Contingent Liabilities

The county has received various federal and state grants and other assistance for specific purposes that are subject to review and audit by grantor agencies. Such audits could result in reimbursements to the grantor agencies for expenditures disallowed under the terms of the grants. County management

is not aware of any potential disallowances and believes that reimbursements, if any, would not be material.

The county has been named in a lawsuit in which former and current Bradley County jail inmates are seeking class certification based on allegations of Eighth Amendment violations by Bradley County, Bradley County Sheriff (current and former), and other Bradley County officials. The alleged constitutional violation related to claims of denied medical treatment. There are also claims for injunctive relief as it related to the operation and budgeting for maintenance of the jail. Attorneys for the county cannot estimate the potential liability, however there is a possibility of loss if class certification is granted in the case.

The county is also involved in several other pending lawsuits. Attorneys for the county estimate that the potential claims against the county not covered by insurance resulting from such litigation would not materially affect the financial statements of the county.

D. Landfill Closure/Postclosure Care Costs

Bradley County has active permits on file with the state Department of Environment and Conservation for a sanitary landfill and a demolition 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 the county to place a final cover on its landfill sanitary site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Closure costs generally are paid near the date that the landfill stops accepting waste and postclosure care costs are paid during the 30-year period following closure. Bradley County has contracted with Santek Environmental, Inc., of Bradley County, a private company, to operate the county's landfill. This contract was amended on December 1, 1999, and again on September 23, 2005, and requires Santek to be responsible for all closure and postclosure care costs of the county's landfill during the term of the contract. The term of the 2005 amendment to the contract is the estimated life of the landfill – approximately 23 years based on current usage – and the life of additional cells that might be opened in the future. The \$2,465,928 estimated closure and postclosure costs of the landfill at June 30, 2021, were not included in the county's long-term debt due to the uncertainty of what amount, if any, will be paid by the county. This amount is based on estimates of what it would cost to perform all closure and postclosure care in 2021. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. In May 2021, Santek Environmental was purchased by Republic Services. This transaction has not changed the terms of the original agreement as of the date of this report.

E. Joint Ventures

The Bradley County Emergency Communications District (also known as the Cleveland/Bradley Communications Center) is a joint venture in which the county and the cities of Cleveland and Charleston participate. The district provides a simplified means of securing emergency services through a uniform emergency number for the residents of Bradley County. The governing body of the district includes three members appointed by the county mayor, subject to confirmation by the Bradley County Commission, the Cleveland City Council, and eight ex-officio members, who are employees of the cities of Cleveland and Charleston involved in emergency response management. Before the issuance of most debt instruments, the district must obtain the approval of the Bradley County Commission and the Cleveland City Council. The center is funded through a service charge levied on telephone services and appropriations from the cities and county. During the year ended June 30, 2021, the county appropriated an operating subsidy of \$650,000 to the district.

Bradley County is a participant in a joint venture with McMinn County in the operation of the Hiwassee Utilities Commission (the “commission”). The commission was established in 1972 under the Inter-local Cooperation Act to provide service as an urban public utility. The commission became operational in 1982. Each of the participants appoints three members of the Board to oversee the operations. Bradley County has issued its general obligation debt to provide financing of capital purchases for the utility. Hiwassee Utilities Commission has issued a note to Bradley County to document its commitment to pay the principal and interest requirements on the debt. See notes IV.B. and IV.H. for further discussion of the note receivable and the bonds payable.

The Bradley County Industrial Development Board (also known as the Bradley/Cleveland Industrial Development Board) is a joint venture in which the county and the city of Cleveland participate. The industrial board promotes jobs creation and economic development for Bradley County. The industrial board is governed by a seven-member board including two members appointed by the Bradley County Commission, two members appointed by the Cleveland City Council, the County Mayor, the City Mayor, and the chairman of the Economic Development Council. Before the issuance of most debt instruments, the district must obtain the approval of the Bradley County Commission and the Cleveland City Council. Bradley County made no contributions to the industrial board for the year ended June 30, 2021.

The Tenth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Tenth Judicial District and the municipalities within the district. The district is composed of Bradley, McMinn, Monroe, and Polk 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 that includes the district attorney general, sheriffs, and police chiefs of the participating law enforcement agencies within the judicial district. Bradley County made no contributions to the DTF for the year ended June 30, 2021.

Bradley County does not have equity interests in any of the above-noted joint ventures. Complete financial statements for the Bradley County Emergency Communications District, the Hiwassee Utilities Commission, the Bradley County Industrial Development Board, and the Tenth Judicial District Drug Task Force can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Bradley County Emergency Communications District
1555 Guthrie Drive Northwest
Cleveland, TN 37311

Hiwassee Utilities Commission
3973 Chatata Valley Road Northeast
Charleston, TN 37310

Bradley County Industrial Development Board
PO Box 2275
225 Keith Street Southwest
Cleveland, TN 37320

District Attorney General
Tenth Judicial District
P.O. Box 647
Athens, Tennessee 37371-0647

F. Jointly Governed Organization

Bradley County, in conjunction with McMinn, Monroe, and Polk counties, participates in the Southeast Tennessee Community Corrections Program. The program's 20-member board comprises the county mayor/executive and the sheriff of each of the four counties, the district attorney general, and one member from a nonprofit organization. The remaining ten members are appointed by the board from the private sector. The program provides alternative sentencing for selected nonviolent offenders and receives funding from the Tennessee Department of Correction. The counties that participate in the program do not have any ongoing financial interest or responsibility for the program.

G. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

Bradley County Public Employee Retirement Plan

General Information About the Pension Plan

Plan Description – Bradley County Public Employee Retirement Plan. Employees of Bradley County and non-certified employees of the discretely presented Bradley County School Department hired on or after October 1, 2016, are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 81.98 percent and the non-certified employees of the discretely presented school department comprise 18.02 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. A reduced early retirement benefit is available to vested members at age 55. Members vest with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous

year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions plus any accumulated interest. Under the Retirement Plan, benefit terms and conditions, including COLA, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Employees Covered by Benefit Terms. At the measurement date of June 30, 2020, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	1
Inactive Employees Entitled to But Not Yet Receiving Benefits	209
Active Employees	<u>305</u>
Total	<u><u>515</u></u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees are non-contributory. Bradley County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation and statutory provisions. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of Bradley County if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2021, to the Retirement Plan were \$180,643, which is 1.76 percent of covered payroll. In addition, employer contributions of \$217,789, which is 2.24 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). Bradley County's net pension liability (asset) was measured at June 30, 2020, and the total pension liability used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

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

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

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

The actuarial assumptions used in the June 30, 2020, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016, actuarial experience study. A blend of future capital market projections and 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 2.5 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity Developed Market	5.69 %	31 %
International Equity Emerging Market	5.29	14
International Equity Private Equity and Strategic Lending	6.36	4
U.S. Fixed Income	5.79	20
Real Estate	2.01	20
Short-term Securities	4.32	10
	0.00	1
Total		100 %

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

Discount Rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Bradley County will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2019	\$ 735,006	\$ 815,080	\$ (80,074)
Changes for the Year:			
Service Cost	\$ 383,243	\$ 0	\$ 383,243
Interest	79,923	0	79,923
Differences Between Expected and Actual Experience	152,279	0	152,279
Contributions-Employer	0	146,552	(146,552)
Contributions-Employee	0	423,304	(423,304)
Net Investment Income	0	53,139	(53,139)
Benefit Payments, Including Refunds of Employee Contributions	(31,738)	(31,738)	0
Administrative Expense	0	(25,555)	25,555
Net Changes	\$ 583,707	\$ 565,702	\$ 18,005
Balance, June 30, 2020	\$ 1,318,713	\$ 1,380,782	\$ (62,069)

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

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government 81.98%	\$ 1,081,081	\$ 1,131,965	\$ (50,884)
School Department 18.02%	237,632	248,817	(11,185)
Total	\$ 1,318,713	\$ 1,380,782	\$ (62,069)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Bradley County calculated using the discount rate of 7.25 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1%	Current Discount Rate	1%
Net Pension Liability (Asset)	Decrease 6.25%		Increase 8.25%
Bradley County	\$ 243,108	\$ (50,884)	\$ (267,328)
School Department	53,438	(11,185)	(58,761)
Total	<u>\$ 296,546</u>	<u>\$ (62,069)</u>	<u>\$ (326,089)</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions

Pension Expense. For the year ended June 30, 2021, the plan recognized pension expense of \$45,700.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2021, the plan 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	\$ 343,233	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	17,694	0
Contributions Subsequent to the Measurement Date of June 30, 2020 (1)	<u>180,643</u>	<u>N/A</u>
Total	<u>\$ 541,570</u>	<u>\$ 0</u>

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 444,133	\$ 0
School Department	97,437	0
Total	<u>\$ 541,570</u>	<u>\$ 0</u>

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

Year Ending June 30	Amount
2022	\$ 57,957
2023	58,219
2024	58,708
2025	58,940
2026	54,033
Thereafter	73,068

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

Payable to the Retirement Plan

At June 30, 2021, the Bradley County School Department reported a payable of \$18,542 for the outstanding amount of contributions to the retirement plan required at the year end.

Primary Government

Bradley County Legacy Pension Plan

General Information About the Pension Plan

Plan Description - Bradley County Legacy Pension Plan. Employees of Bradley County and non-certified employees of the discretely presented Bradley County School Department with membership in the TCRS

before October 1, 2016, are provided a defined benefit pension plan through the Public Employee Legacy Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The Bradley County Legacy Pension Plan is closed to new membership. The primary government employees comprise 78.04 percent and the non-certified employees of the discretely presented school department comprised 21.96 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 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. Reduced benefits for early retirement are available to vested members at age 60 or pursuant to the rule of 80 in which the member's age and service credits total 80. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

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

Employees Covered by Benefit Terms. At the measurement date of June 30, 2020, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	555
Inactive Employees Entitled to But Not Yet Receiving Benefits	763
Active Employees	<u>626</u>
Total	<u><u>1,944</u></u>

Bradley County withdrew from the TCRS Bradley County Legacy Pension Plan effective September 30, 2016. Employees hired after the date of withdrawal are not eligible to participate in the Bradley County Legacy Pension Plan. Employees active as of the withdrawal date will continue to accrue salary and services credit in TCRS. The employer remains responsible for the pension liability for employees and retirees that were active as of the withdrawal date.

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Bradley County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation and statutory provisions. For the year ended June 30, 2021, the employer contribution for Bradley County was \$2,595,274 which is 10.62 percent of covered payroll. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Retirement Plan are required to be paid. The TCRS may intercept Bradley 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)

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

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

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4.00%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.25%

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

The actuarial assumptions used in the June 30, 2020, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016, actuarial experience study. A blend of future capital market projections and 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 2.5 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity Developed Market	5.69	%	31	%
International Equity Emerging Market	5.29		14	
International Equity Private Equity and Strategic Lending	6.36		4	
U.S. Fixed Income	5.79		20	
Real Estate	2.01		20	
Short-term Securities	4.32		10	
	0.00		1	
Total			100	%

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

Discount Rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Bradley County will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2019	\$ 107,640,473	\$ 113,406,921	\$ (5,766,448)
Changes for the Year:			
Service Cost	\$ 2,141,184	\$ 0	\$ 2,141,184
Interest	7,807,276	0	7,807,276
Differences Between Expected and Actual Experience	(255,577)	0	(255,577)
Contributions-Employer	0	2,718,446	(2,718,446)
Contributions-Employees	0	38,397	(38,397)
Net Investment Income	0	5,588,135	(5,588,135)
Benefit Payments, Including Refunds of Employee Contributions	(4,190,183)	(4,190,183)	0
Administrative Expense	0	(56,573)	56,573
Net Changes	\$ 5,502,700	\$ 4,098,222	\$ 1,404,478
Balance, June 30, 2020	\$ 113,143,173	\$ 117,505,143	\$ (4,361,970)

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

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government 78.04%	\$ 88,296,932	\$ 91,701,014	\$ (3,404,081)
School Department 21.96%	24,846,241	25,804,129	(957,889)
Total	\$ 113,143,173	\$ 117,505,143	\$ (4,361,970)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Bradley County calculated using the discount rate of 7.25 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1%	Current Discount Rate	1%
Net Pension Liability (Asset)	Decrease 6.25%	7.25%	Increase 8.25%
Bradley County	\$ 8,360,448	\$ (3,404,081)	\$ (13,184,281)
School Department	2,352,581	(957,889)	(3,709,980)
Total	<u>\$ 10,713,029</u>	<u>\$ (4,361,970)</u>	<u>\$ (16,894,261)</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions

Pension Expense. For the year ended June 30, 2021, the plan recognized pension expense of \$2,396,767.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2021, Bradley 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	\$ 396,234	\$ 1,148,610
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	857,371	0
Changes in Assumptions	765,877	
Contributions Subsequent to the Measurement Date of June 30, 2020 (1)	<u>2,595,274</u>	<u>N/A</u>
Total	<u>\$ 4,614,756</u>	<u>\$ 1,148,610</u>

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 3,578,435	\$ 896,375
School Department	1,036,321	252,235
Total	<u>\$ 4,614,756</u>	<u>\$ 1,148,610</u>

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

Year Ending June 30	Amount
2022	\$ (237,462)
2023	356,630
2024	286,857
2025	464,856
2026	0
Thereafter	0

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

Payable to the Pension Plan

At June 30, 2021, the Bradley County School Department reported a payable of \$53,701 for the outstanding amount of contributions to the pension plan required at the year end.

Discretely Presented Bradley County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, Employees of Bradley County and non-certified employees of the discretely presented Bradley County School Department with

membership in the TCRS before October 1, 2016, are provided a defined benefit pension plan through the Public Employee Legacy Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The Public Employee Legacy Pension Plan is closed to new membership. Employees of Bradley County and non-certified employees of the discretely presented Bradley County School Department with membership in the TCRS after October 1, 2016, are provided with pensions through a legally separate plan, referred to as the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 81.98 percent and the non-certified employees of the discretely presented school department comprised 18.02 percent of the Public Employee Retirement Plan based on contribution data. The primary government employees comprise 78.04 percent and the non-certified employees of the discretely presented school department comprised 21.96 percent of the Public Employee Legacy Pension Plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

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

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average

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

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2021, to the Teacher Retirement Plan were \$235,903, which is 2.02 percent of covered payroll. In addition, employer contributions of \$229,250, which is 1.98 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, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Liabilities (Assets). At June 30, 2021, the school department reported a liability (asset) of (\$447,015) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2020, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2020, the school department's proportion was .786110 percent. The proportion as of June 30, 2019, was .728683 percent.

Pension Expense. For the year ended June 30, 2021, the school department recognized pension expense of \$174,938.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 16,607	\$ 112,021
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	36,415	0
Changes in Assumptions	14,016	0
Changes in Proportion of Net Pension Liability (Asset)	0	62,729
LEA's Contributions Subsequent to the Measurement Date of June 30, 2020	235,903	N/A
Total	\$ 302,941	\$ 174,750

The school department's employer contributions of \$235,903, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase of net pension liability (asset) in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2022	\$ (9,472)
2023	(4,209)
2024	(1,526)
2025	(762)
2026	(13,096)
Thereafter	(78,646)

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

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

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

The actuarial assumptions used in the June 30, 2020, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016, actuarial experience study. A blend of future capital market projections and 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 2.5 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity Developed Market	5.69 %	31 %
International Equity Emerging Market	5.29	14
International Equity Private Equity and Strategic Lending	6.36	4
U.S. Fixed Income	5.79	20
Real Estate	2.01	20
Short-term Securities	4.32	10
	0.00	1
Total		100 %

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

Discount Rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the school department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
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Net Pension Liability (Asset) \$ 347,703 \$ (447,015) \$ (1,032,821)

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

Payable to the Retirement Plan

At June 30, 2021, the Bradley County School Department reported a payable of \$175,929 for the outstanding amount of contributions due to the retirement plan at year end.

Teacher Legacy Pension Plan

General Information About the Pension Plan

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

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early

retirement benefit is available to vested members at age 55. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Bradley County School Department for the year ended June 30, 2021, to the Teacher Legacy Pension Plan were \$3,330,011, which is 10.27 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liability (Assets). At June 30, 2021, the school department reported a liability (asset) of (\$7,533,219) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's long-term share of contributions to the pension plan relative to the

contributions of all participating LEAs. At the measurement date of June 30, 2020, the school department's proportion was 0.987868 percent. The proportion measured at June 30, 2019, was 1.016354 percent.

Pension Expense (negative pension expense). For the year ended June 30, 2021, the school department recognized pension expenses (negative pension expense) of (\$49,842).

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 286,380	\$ 3,621,838
Changes in Assumptions	684,358	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,682,468	0
Changes in Proportion of Net Pension Liability (Asset)	80,533	34,348
LEA's Contributions Subsequent to the Measurement Date of June 30, 2020	3,330,011	N/A
Total	<u>\$ 6,063,750</u>	<u>\$ 3,656,186</u>

The school department's employer contributions of \$3,330,011 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a decrease in net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2022	\$ (1,863,481)
2023	(251,031)
2024	77,550
2025	1,114,514
2026	0
Thereafter	0

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

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

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

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

The actuarial assumptions used in the June 30, 2020, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016, actuarial experience study. A blend of future capital market projections and 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 2.5 percent. The best estimates of geometric real rates of return and the TCRS

investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity	5.69	31
Developed Market		
International Equity	5.29	14
Emerging Market		
International Equity	6.36	4
Private Equity and		
Strategic Lending	5.79	20
U.S. Fixed Income	2.01	20
Real Estate	4.32	10
Short-term Securities	0.00	1
Total		100

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

Discount Rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the school department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one

percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

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

Net Pension Liability (Asset) \$ 23,428,144 \$ (7,533,219) \$ (33,207,461)

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

Payable to the Pension Plan

At June 30, 2021, the Bradley County School Department reported a payable of \$494,877 for the outstanding amount of contributions due to the pension plan at year end.

2. Deferred Compensation

Primary Government and Discretely Presented Bradley County School Department

Employees of the primary government and certain non-certified employees of the discretely presented school department hired after October 1, 2016, are required to participate in a hybrid pension plan administered by the Tennessee Consolidated Retirement System. The county and school department contribute five percent of employee salaries into deferred compensation accounts managed by the hybrid plans pursuant to IRC Section 401(k). Additional contributions by employees are optional. These Section 401(k) plan assets remain the property of the participating employees and are not presented in the accompanying financial statements. IRC Section 401(k), establishes participation, contribution, and withdrawal provisions for the plans. During the year, the primary government contributed \$421,308 and the school department contributed \$75,579 to this deferred compensation pension plan.

Primary Government

Bradley County offers its employees a deferred compensation plan established pursuant to IRC Section 457. All costs of administering and funding this program is the responsibility of plan participants. The Section 457 plan assets remain the property of the contributing employees and are not presented in the accompanying financial

statements. IRC Section 457 established participation, contribution, and withdrawal provisions for the plans.

Discretely Presented Bradley County School Department

The 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 Section 401(k) and Section 403(b) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 401(k) and 403(b) establish participation, contribution, and withdrawal provisions for the plans.

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute 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 \$75,579 and teachers contributed \$43,692 to this deferred compensation pension plan.

H. Other Postemployment Benefits (OPEB)

Bradley County provides OPEB benefits to its employees through a commercial insurance plan.

Commercial Postemployment Benefits Plan

Plan Description. The county participates in a commercial postemployment benefits plan administered by Cigna for its retirees and their covered dependents until they reach Medicare eligibility. Employees are eligible for OPEB benefits if they retire at any age with at least 30 years of service or if they are over the age 60 and have at least 5 years of service. For accounting purposes, the plan is a single-employer defined benefit OPEB plan. Benefits are established and amended by the county commission. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement 75.

Benefits Provided. The benefit terms provide for the county to pay a percentage of the retirees healthcare costs depending on years of service with Bradley County. The county pays 100 percent of the individual premium of an employee

who retires with at least 30 years of service and 50 percent of the individual premium for an employee who retires with 25 to 30 years of service. Employees retiring with less than 25 years of service pay 100 percent of the premium.

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	18
Active Employees	<u>635</u>
Total	<u><u>653</u></u>

Total OPEB Liability

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

Inflation	3%
Discount Rate	2.21%
Healthcare Cost Trend Rates	4.50%
Retirees share of Benefit-related Cost	0% to 100% depending on years of service and employee classification

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

Mortality rates were based on RHP-2014 Total Table with Projection MP-2019.

The actuarial assumptions used in the June 30, 2021, valuation were based on plan data and costs presented by the county with concurrence by the actuary and certain actuarial assumptions from the 2017 Tennessee Consolidated Retirement Plan valuation report.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance July 1, 2020	\$ 5,121,277
Changes for the Year:	
Service Cost	\$ 353,624
Interest	119,144
Difference between expected and actual experience	(49,383)
Benefit Payments	<u>(167,497)</u>
Net Changes	<u>\$ 255,888</u>
Balance June 30, 2021	<u><u>\$ 5,377,165</u></u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2021, the county recognized OPEB expense of \$467,025. At June 30, 2021, the county reported deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 43,759
Changes of Assumptions/Inputs	<u>793</u>
Total	<u><u>\$ 44,552</u></u>

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

Year Ending June 30	County
2022	\$ (5,743)
2023	(5,743)
2024	(5,743)
2025	(5,743)
2026	(5,743)
Thereafter	(15,837)

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

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the county calculated using the discount rate of 2.21 percent, as well as what the OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (1.21%) or one percentage point higher (3.21%) than the current rate:

<u>Discount Rate</u>	1% Decrease 1.21%	Current Discount Rate 2.21%	1% Increase 3.21%
Total OPEB Liability	\$ 6,055,632	\$ 5,377,165	\$ 4,773,219

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the total OPEB liability of the county calculated using the healthcare cost trend rate of 4.50 percent, as well as what the OPEB liability would be if it was calculated using a trend rate that is one percentage point lower (3.50%) or one percentage point higher (5.50%) than the current rate:

<u>Healthcare Cost Trend Rate</u>	1% Decrease 3.50%	Current Trend Rate 4.50%	1% Increase 5.50%
Total OPEB Liability	\$ 4,582,287	\$ 5,377,165	\$ 6,363,970

Discretely Presented Bradley County School Department

The Bradley County School Department provides healthcare benefits to its certified retirees under the Local Education Plan (LEP) until they reach Medicare eligibility. The certified retirees of Bradley County School Department may then join the Tennessee Plan – Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare.

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

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

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

The discount rate was 2.21%, based on the daily rate of Bond Buyer's 20-year Municipal GO AA index closest to but not later than the measurement date.

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

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

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

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

Plan Description. Employees of the Bradley 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 Bradley 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. Bradley County does not provide a direct subsidy and is only subject to the implicit subsidy. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	77
Active Employees	<u>746</u>
Total	<u><u>823</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 \$760,563 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		
	Bradley County School Department 75.35%	State of TN 24.65%	Total OPEB Liability
Balance July 1, 2019	\$ 17,499,509	\$ 5,395,809	\$ 22,895,318
Changes for the Year:			
Service Cost	\$ 919,473	\$ 300,859	\$ 1,220,332
Interest	624,822	204,447	829,269
Difference between Expected and Actuarial Experience	(735,398)	(240,629)	(976,027)
Changes in Assumption and Other Inputs	1,849,837	605,283	2,455,120
Change in Proportion	(248,781)	248,781	
Benefit Payments	(744,455)	(243,592)	(988,047)
Net Changes	<u>\$ 1,665,498</u>	<u>\$ 875,149</u>	<u>\$ 2,540,647</u>
Balance June 30, 2020	<u>\$ 19,165,007</u>	<u>\$ 6,270,958</u>	<u>\$ 25,435,965</u>

The Bradley 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 Bradley 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 \$428,381 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Bradley County School Department's proportionate share of the collective OPEB liability was 75.35 percent and the State of Tennessee's share was 24.65 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2021, the school department recognized OPEB expense of \$2,247,210, including the state's share of the expense. At June 30, 2021, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,317,809	\$ 723,307
Changes of Assumptions/Inputs	2,123,842	1,424,419
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	1,326,616	370,310
Benefits Paid After the Measurement Date of June 30, 2020	760,563	0
Total	<u>\$ 5,528,830</u>	<u>\$ 2,518,036</u>

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

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

Year Ending June 30	School Department
2022	\$ 274,534
2023	274,534
2024	274,534
2025	274,534
2026	274,534
Thereafter	877,561

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>		Current	
	1%	Discount	1%
	Decrease	Rate	Increase
	1.21%	2.21%	3.21%

Proportionate Share of the Collective Total OPEB Liability	\$ 20,589,341	\$ 19,165,007	\$ 17,793,127
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Sensitivity of Proportionate Share of the Collective total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

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

Proportionate Share of the Collective Total OPEB Liability	\$ 16,946,724	\$ 19,165,007	\$ 21,793,474
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I. Termination Benefits

The discretely presented Bradley County School Department offers a retirement incentive to employees who retire with at least five years of service with the school department and 28 years of service with the Tennessee Consolidated Retirement System (TCRS). In accordance with contract provisions, eligible retirees can choose either the retirement incentive or the postemployment health insurance benefits noted above. The retirement incentive consists of a one-time cash payment between \$4,000 and \$10,000 depending on the employee's creditable service with TCRS. These payments are made only when employees choose to accept the incentive. During the year

ended June 30, 2021, no school department employees chose to accept the retirement incentive. Certified employees who retire are paid for accrued sick leave at the rate of \$10 per day up to a maximum of two-hundred days. During the year ended June 30, 2021, 21 certified school department employees, at retirement, received the \$10 per day payout of unused sick leave for a cash payment of \$25,435.

J. Purchasing Laws

Office of County Mayor

Purchasing procedures for the County Mayor's Office are governed by provisions of Chapter 313, Private Acts of 1951, as amended. This statute provides for the county mayor to serve as purchasing agent and for all purchases exceeding \$10,000 to be made only after competitive bids have been received from two or more suppliers.

Office of Road Superintendent

Purchasing procedures for the highway department are governed by provisions of Chapter 354, Private Acts of 1947, and the Uniform Road Law, Section 54-7-113, *Tennessee Code Annotated (TCA)*, which provide for the Road Superintendent to make all purchases and for all purchases exceeding \$10,000 to be made after public advertisement and solicitation of competitive bids.

Office of Director of Schools

Purchasing procedures for the discretely presented Bradley County School Department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, *TCA*, which provides for the county Board of Education, through its executive committee (director of schools and the chairman of the Board of Education), to make all purchases. This statute also requires that competitive bids be solicited through newspaper advertisement on all purchases exceeding \$10,000.

K. Subsequent Event

On September 15, 2021, Bradley County issued a capital lease for \$502,500 for 125 tasers and accessories.

VI. OTHER NOTES – DISCRETELY PRESENTED BRADLEY HEALTHCARE AND REHABILITATION CENTER

A. General

Bradley Healthcare and Rehabilitation Center (the "nursing center") is a component unit of Bradley County, Tennessee. The nursing center's Board of Trustees is appointed by the Bradley County Board of Commissioners. Capital

projects are funded primarily from general obligation bonds of the county. Because of the relationship between the nursing center and the county, the nursing center is a discretely presented component unit of the county.

The nursing center is principally engaged in providing long-term medical and therapeutic care to elderly residents of Bradley County and the surrounding area.

B. Summary of Significant Accounting Policies

Basis of Presentation

The nursing center's financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The nursing center's financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Use of Estimates

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

The most critical estimates relate to revenue recognition, the collectability of accounts receivable and related reserves, third-party settlements, and obligations under insurance programs, which include worker's compensation, professional liability, property and general liability and employee health and welfare insurance programs.

Budgetary Information

The nursing center is required by statute of the State of Tennessee, to prepare a non-appropriated annual budget. The budget is not subject to appropriation and is therefore not required to be presented as supplementary information.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the nursing center considers all highly-liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Limited use assets include cash held for patients, which are not considered cash equivalents for purposes of the statements of cash flows as they are not the property of the nursing center and

can only be used at the direction of the patient. The nursing center also holds limited use assets that are restricted by donors for specific purposes until the specifications are met. These items are not considered cash equivalents until they are transferred to unrestricted net position.

Custodial credit risk is the risk that in the event of a bank failure, the nursing center's deposits may not be returned to it. The nursing center's deposits are made to a local bank that participates in the Tennessee Bank Collateral Pool, a multi-entity risk pool that assumes the burden of collateralizing public funds on deposit with local banks. The Treasury Department of the State of Tennessee administers the pool. The Treasury Department, using uniform procedures, centralizes the collateralization of public funds. The funds in the pool are collateralized at 105 percent of the face amount of the deposits uninsured by the Federal Deposit Insurance Corporation (FDIC). As required by state statute, all deposits are either insured by the FDIC or through the pool resulting in no custodial credit risk.

Patient Accounts Receivable and Provision for Bad Debts

Patient accounts receivable are reported net of an estimated allowance for uncollectible accounts. Receivables are generally uncollateralized but credit risk relating to accounts receivable is limited to some extent by the diversity and number of patients and payors. The nursing center routinely accepts assignment of, or is otherwise entitled to receive, patient benefits payable under health insurance programs, plans or policies. Late fees and interest charges, if any, are recognized when received.

The bad debt allowance is estimated based upon the age of the account, prior experience and any unusual circumstances which affect the collectability including trends in federal and state governmental health care coverage and other collection indicators.

Inventories

Inventories, consisting primarily of medical, dietary, and general supplies, are stated at the lower of cost, (first-in, first-out) or net realizable value.

Prepaid Expenses

Prepaid expenses are amortized over the estimated period of future benefit, generally on a straight-line basis.

Property and Equipment

Property and equipment are recorded at cost. Donated assets are recorded at their estimated fair value in the statements of revenue, expenses, and changes in net position in the period donated. Depreciation is provided over the

estimated useful lives of the depreciable assets, ranging from four to fifty years, using the straight-line method.

Compensated Absences

Accumulated paid time off is accrued when earned.

Net Position

The net position of the nursing center is broken down into three categories: (1) net investment in property and equipment, (2) restricted net position and (3) unrestricted net position.

1. Net investment in property and equipment consists of property and equipment, net of accumulated depreciation, and reduced by any outstanding borrowings used to finance the purchase or construction of those assets. There was no outstanding debt for property and equipment as of June 30, 2021.
2. Restricted net position is made up of expendable and nonexpendable restricted net position. Expendable restricted net position is subject to donor-imposed restrictions that may or will be met, whether by action of the nursing center or the passage of time. Nonexpendable restricted net position is subject to donor-imposed stipulations that are required to be maintained permanently by the nursing center. Generally, the donors of nonexpendable restricted net position permit the nursing center to use all or part of the income earned on any related investment for general or specific purposes.
3. Unrestricted net position is the remaining net position that does not meet the definition of investment in capital assets or restricted net position.

Net Patient Service Revenue

The nursing center has agreements with third-party payers that provide for payments to the nursing center at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments. Patient service revenue is reported at the estimated net realizable amounts from patients, third party payers, and others for services rendered including estimated retroactive adjustments under reimbursement agreements with third-party payers. Retroactive adjustments are considered in the recognition and accrual of revenue on an estimated basis in the period the related services are rendered and adjusted in future periods, as final settlements are determined.

The primary third-party programs include Medicare and Medicaid, which account for a significant portion of the nursing center's revenues. The laws and regulations under which Medicare and Medicaid programs operate are extremely complex and subject to interpretation and frequent changes. As part of operating under these programs, there is a possibility that government authorities may review the nursing center's compliance with these laws and regulations. Such review may result in adjustments to program reimbursement previously received and subject the nursing center to fines and penalties. Although no assurance can be given, management believes it has complied with the requirements of these programs.

Third-party settlements reflected on the statements of net position represent management's estimate of final settlement under these third-party payer arrangements.

Grants

Grant income represents amounts received from governmental agencies that have conditional terms to the uses of those funds (conditional grants), which generally the nursing center must attest to those terms and conditions. When the terms and conditions have reasonably been met during a reporting period, the nursing center recognizes grant income as a non-operating gain on the statements of revenues, expenses. And changes in net position. The portion of conditional grants that have not reasonably been met at the end of a reporting period are shown as refundable advances on the statements of net position. See note VI.G.

Income Taxes

The Internal Revenue Service has ruled that the nursing center, as a component unit of Bradley County, is an exempt organization as described in Section 501(a) of the Internal Revenue Code; therefore, no provision for income taxes is provided in the financial statements.

Operating and Non-Operating Revenues

The nursing center defines operating revenue as any revenue derived from the provision of services to patients or ancillary thereto. Any revenue earned that is not related to the provision of patient care services is considered non-operating.

Restricted Resources

The nursing center's restricted resources can be used only for the specific purpose that they were given and are not normally used for nursing center operations.

Recent Authoritative Accounting Guidance

In January 2017, GASB issued Statement No. 87, *Leases*, (GASB 87) which establishes a single model for lease accounting based on the foundational principles that leases are financing and require lessee to recognize a lease liability and intangible right-to-use asset. The provisions in GASB 87 are effective for reporting periods beginning after June 15, 2021, in fiscal year 2022 for the nursing center. The nursing center is evaluating the effects of adoption of GASB 87 on its financial statements.

The GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. The requirements of this Statement are effective immediately.

Events Occurring after Report Date

The nursing center has evaluated events and transactions that occurred between June 30, 2021, and the date the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

C. Patient Accounts Receivable

Net patient accounts receivable reported as current assets by the nursing center consisted of the following at June 30, 2021:

Gross patient accounts receivable	\$ 1,327,825
Less: Allowance for bad debts	<u>(486,141)</u>
Total	<u><u>\$ 841,684</u></u>

The nursing center's primary concentration of credit risk is patient accounts receivable, which consist of amounts owed by various governmental agencies, insurance companies, and patients. The nursing center manages the receivables by regularly reviewing its accounts and contracts and by providing appropriate allowances for uncollectible amounts. The mix of receivables from patient and third-party payors as of June 30, 2021, was as follows:

Medicare	6 %
Medicaid/TennCare	42
Other Third Party Payors	31
Self-pay	<u>21</u>
Total	<u><u>100 %</u></u>

D. Inventories

Inventories consisted of the following at June 30, 2021:

General Stores	\$	37,141
Foods and Dietary		12,657
Enteral Feeding Supplies		538
Total	\$	50,336

E. Property and Equipment

Property and equipment for the year ended June 30, 2021, is as follows:

	Balance 7-1-20	Increases	Balance 6-30-21
Land *	\$ 1,250	\$ 0	\$ 1,250
Construction in Progress *	107,571	0	107,571
Land Improvements	379,814	0	379,814
Buildings	5,697,081	3,025	5,700,106
Fixed Equipment	1,148,187	8,381	1,156,568
Major Movable	1,971,020	21,459	1,992,479
Computer Software	50,195	0	50,195
Computer Hardware	150,686	16,665	167,351
Vehicles	212,348	0	212,348
Total	\$ 9,718,152	\$ 49,530	\$ 9,767,682
Less: Accumulated Depreciation:			
Land Improvements	\$ 361,504	\$ 5,129	\$ 366,633
Buildings	4,816,992	123,664	4,940,656
Fixed Equipment	974,091	25,780	999,871
Major Movable	1,868,034	30,786	1,898,820
Computer Software	48,391	1,806	50,197
Computer Hardware	147,419	6,396	153,815
Vehicles	174,384	13,227	187,611
Total	\$ 8,390,815	\$ 206,788	\$ 8,597,603
Property and Equipment, Net	\$ 1,327,337	\$ (157,258)	\$ 1,170,079

* - Assets not depreciated

Construction-in-progress at June 30, 2021, related to renovations of wing two of the nursing center. Estimated costs to complete the projects are approximately \$107,000 at June 30, 2021, and is anticipated to be completed during the year ended June 30, 2022.

F. Accrued Leave

The nursing center has an all-purpose paid time off (PTO) policy. Employees who work 30 hours or more per week are eligible to earn and use PTO. PTO is accrued using a formula based on length of employment at the nursing center. Accrued but unpaid PTO benefits at June 30, 2021, were \$251,715, and are included in accrued payroll on the statements of net position.

G. Refundable Advances

Refundable advances on the statement of financial position represent conditional grants that have been received, however the funds have not been expended in accordance with the required terms and conditions as of June 30, 2021. Refundable advances consist of the following at June 30, 2021:

Grantor Agency	Beginning Refundable Advances	Grant Received	Grant Expended	Ending Refundable Advances
Department of Health and Human Services (HHS)				
Provider Relief Funds	\$ 353,122	\$ 518,345	\$ 871,467	\$ 0
Third-party payors - COVID relief payments	309,822	961,007	1,270,829	0
Total	<u>\$ 662,944</u>	<u>\$ 1,479,352</u>	<u>\$ 2,142,296</u>	<u>\$ 0</u>

Subsequent to June 30, 2021, the nursing center has received an additional \$153,285 of funds from third-party payor COVID relief programs.

H. Restricted Net Position

Restricted net position was as follows at June 30, 2021:

Enabled restricted net position:

Activities Fund	\$ 11,136
Scholarship Fund - investment earnings	185
Country Store Fund	1,705
Citizens' Endowment Fund - investment earnings	<u>13,429</u>
Total Enabled Restricted Net Position	<u>\$ 26,455</u>

Nonexpendable restricted net position:

Scholarship Fund - principal	\$ 12,000
Citizens' Endowment Fund - principal	<u>325,222</u>
Total Nonexpendable Restricted Net Position	<u>\$ 337,222</u>

Total	<u><u>\$ 363,677</u></u>
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These assets represent cash and certificates of deposit with a local financial institution. The patient trust funds are patients' personal assets and are reflected in the financial statements as both an asset and a liability. The activities, country store, Citizens' Endowment, and scholarship funds represent restricted cash and are shown on the balance sheet as both restricted cash and cash equivalents and restricted net position.

Citizens' Endowment Fund

On December 27, 2005, the trustees of the nursing center took over control of the Bradley Memorial Hospital Citizens' Endowment Fund (the "fund"). The fund was originally established at the bequest of a private citizen to provide a source of income for the Bradley Memorial Hospital (the "hospital"). On October 14, 2005, the hospital was sold to a private entity and in accordance with the terms of the hospital's Declaration of Trust, the assets of the fund were required to be transferred to another county-owned entity. The trustees of the nursing center took over management of the fund by executing a separate Declaration of Trust dated December 27, 2005. Should the nursing center be sold to a private entity, these funds are to be transferred to the Cleveland Public Library.

Donations may be made to the fund and be designated as restricted or unrestricted. No part of the original principal of the fund shall be expended; it should be invested and reinvested by the nursing center's trustees at a financial institution in Bradley County, Tennessee, and be fully insured by a federal agency. All income of the fund must be used for exempt purposes under federal tax laws and regulations applicable to the fund.

A total of \$13,429 in earnings on the endowment investment are available for authorization for expenditure by the board and is reported on the statement of net position as part of expendable restricted net position.

Scholarship Fund

The Scholarship Fund was established by a former medical director of the nursing center as a memorial to his sister. The corpus of the fund is to be held in a certificate of deposit with the earnings to be used to fund scholarships for nursing center employees who desire to pursue a career in nursing. The fund is administered by the trustees through the nursing center's management.

I. Net Patient Service Revenue

Medicare

The nursing center is paid for Medicare patients under a prospective payment system that bases payment on categories that are indicative of the amount of resources used to treat the specific patient. The category is determined based on periodic clinical assessments of the patient's functional ability.

Medicaid/TennCare

Services rendered to TennCare recipients are reimbursed at per day rates determined by the Tennessee Comptroller's Office. The rates are subject to ceilings for both skilled and intermediate care. The per-diem rate is established prospectively, based on the prior-year's cost report.

Other third-party payors

The nursing center has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the nursing center under these agreements includes prospectively determined rates and discounts from established charges.

A summary of gross and net patient revenues for the year ended June 30, 2021, follows:

Medicare	\$ 4,043,564
TennCare	6,100,660
Other	<u>1,413,316</u>
Gross Patient Service Revenues	\$ 11,557,540
Contractual Adjustments and Uncollectible Accounts	<u>(857,907)</u>
Net Patient Service Revenue	<u><u>\$ 10,699,633</u></u>

J. Defined Contribution Plans

The nursing center sponsored a 403(b) salary deferral plan for the benefit of its employees which was administered by Ascensus. Under the plan, employees were allowed to defer a portion of their earnings up to certain maximum amounts. The nursing center matched the employee contributions at the amount deferred up to 4%. During the year ended June 30, 2020, it was determined that the nursing center was no longer eligible to participate in a 403(b) section deferral plan, and accordingly, on March 31, 2020, the nursing center's plan was frozen, and no further contributions were allowed into the plan. Current participants became 100% vested in their account balances.

Effective May 1, 2020, the nursing center became a participating employer of and adopted the State of Tennessee's 401(a)/401(k) defined contribution plan. All full-time employees of the nursing center that satisfy the eligibility requirements are allowed to participate in the plan and can defer a portion of their earnings up to certain maximum amounts. The nursing center may make a discretionary match of participant elective deferrals for each respective plan year. Employees vest in the employer matching and nonelective contributions ratably over five years, resulting in 100% vesting after five years of credited service.

Any amounts forfeited will be used first to reduce the employer's matching contributions, then to reduce the non-matching contributions, if any, and then to offset any plan expenses.

The total employer match for both plans was \$130,001 for the year ended June 30, 2021. There was an unpaid liability of \$0 at June 30, 2021, and is included within accrued expenses on the statements of net position.

K. Commitments and Contingencies

Operating Leases

Leases that do not meet the criteria for capitalization are classified as operating leases with the related rentals charged to operations as incurred. Total rental expense for all operating leases was \$23,320 for 2021 and is included in the administrative services expense classification.

Healthcare Industry

The delivery of personal and health care services entails an inherent risk of liability. Participants in the health care services industry have become subject to an increasing number of lawsuits alleging negligence or related legal theories, many of which involve large claims and result in the incurrence of significant exposure and defense costs. The nursing center is insured with respect to medical malpractice risk on a claims-made basis. The nursing center maintains insurance for general liability and property. Certain policies are subject to deductibles. Management is not aware of any claims against it or its subsidiaries which would have a material financial impact.

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Recently, government activity has increased with respect to investigations and/or regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as repayments for patient services previously billed. Management believes that the nursing center is currently in compliance with fraud and abuse statutes, as well as other applicable government laws and regulations.

COVID-19

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a “Public Health Emergency of International Concern” and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the nursing center operates. While it is unknown how long these conditions will last and what the complete financial effect will be to the nursing center the nursing center is maintaining close contact with their management teams to evaluate the evolving situation and will implement appropriate counter measures as needed.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law. The CARES Act provides an economic relief package to many businesses in the US as a direct response to the adverse impacts of COVID-19. Additionally, the CARES Act provided for HHS to distribute funds from the Public Health and Social Services Emergency Fund (Provider Relief Fund) to healthcare providers that billed Medicare in 2019 and provided treatment to individuals with possible or actual cases of COVID-19 during 2020, amongst other various certifications required in the Act. The funds are distributed in multiple stages and are grant funds, not loans, to healthcare providers, and may not need to be repaid. Within 30 days of receiving the payment, providers must sign an attestation confirming receipt of the funds and agreeing to the terms and conditions of payment. The terms and conditions governing the Provider Relief Funds are complex and subject to interpretation and change. If the nursing center is unable to attest to or comply with current or future terms and conditions, the nursing center’s ability to retain some or all of the distributions received may be affected. Provider Relief Fund payments are subject to government oversight, including potential audits. See note VI.B.

L. Risk Financing and Related Insurance Issues

The nursing center is insured for professional liability under a claims-made policy with an independent insurance carrier. The policy covers all claims reported to the carrier for incidents that occur during the coverage period. The coverage period coincides with the nursing center's fiscal year. Coverage was renewed under a binder of coverage at June 30, 2021, rendering the need for tail coverage unnecessary. Premiums are determined by a variety of factors related to the nursing center.

The nursing center is subject to the risks of torts by its employees; theft, destruction, or damage to its fixed assets; business interruptions; errors or omissions; injury or illness of employees while in the course of their employment and acts of God, such as fires, floods, and earthquakes. The nursing center insures itself against losses due to these exposures through the purchase of commercial liability and workers' compensation insurance from reputable insurers. There have been no substantial losses incurred in prior years, and the amount of coverage purchased has not been reduced. Management is unaware of any potential claims that would result in reductions to or cancellation of coverage by the insurer.

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit E-1

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

	2017	2018	2019	2020
Total Pension Liability				
Service Cost	\$ 0	\$ 92,534	\$ 256,526	\$ 383,243
Interest	0	10,167	40,812	79,923
Differences Between Actual and Expected Experience	49,439	162,236	135,775	152,279
Benefit Payments, Including Refunds of Employee Contributions	0	(3,467)	(9,016)	(31,738)
Net Change in Total Pension Liability	\$ 49,439	\$ 261,470	\$ 424,097	\$ 583,707
Total Pension Liability, Beginning	0	49,439	310,909	735,006
Total Pension Liability, Ending (a)	\$ 49,439	\$ 310,909	\$ 735,006	\$ 1,318,713
Plan Fiduciary Net Position				
Contributions - Employer	\$ 32,216	\$ 150,393	\$ 74,995	\$ 146,552
Contributions - Employee	40,270	187,991	312,472	423,304
Net Investment Income	3,874	19,314	44,060	53,139
Benefit Payments, Including Refunds of Employee Contributions	0	(3,467)	(9,016)	(31,738)
Administrative Expense	(4,122)	(14,026)	(19,874)	(25,555)
Net Change in Plan Fiduciary Net Position	\$ 72,238	\$ 340,205	\$ 402,637	\$ 565,702
Plan Fiduciary Net Position, Beginning	0	72,238	412,443	815,080
Plan Fiduciary Net Position, Ending (b)	\$ 72,238	\$ 412,443	\$ 815,080	\$ 1,380,782
Net Pension Liability (Asset), Ending (a - b)	\$ (22,799)	\$ (101,534)	\$ (80,074)	\$ (62,069)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	146.12%	132.66%	110.89%	104.71%
Covered Payroll	\$ 805,407	\$ 3,759,807	\$ 6,249,433	\$ 8,487,749
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(2.83%)	(2.70%)	(1.28%)	(0.73%)

Note 1: Ten-year information will be presented when available.

Note 2: The agent plan is a single plan that is participated in by the primary government and non-certified employees of the discretely presented school department.

Exhibit E-2

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

	2014	2015	2016	2017	2018	2019	2020
Total Pension Liability							
Service Cost	\$ 2,108,007	\$ 2,139,815	\$ 2,192,879	\$ 2,356,853	\$ 2,443,619	\$ 2,225,332	\$ 2,141,184
Interest	5,697,980	5,880,785	6,276,937	6,721,598	7,149,251	7,458,106	7,807,276
Differences Between Actual and Expected Experience	(2,817,672)	91,321	461,181	958,121	(1,336,334)	(682,691)	(255,577)
Change of Assumptions	0	0	0	2,297,633	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(2,413,625)	(2,751,817)	(3,014,105)	(3,318,209)	(3,545,612)	(4,010,750)	(4,190,183)
Net Change in Total Pension Liability	\$ 2,574,690	\$ 5,360,104	\$ 5,916,892	\$ 9,015,996	\$ 4,710,924	\$ 4,989,997	\$ 5,502,700
Total Pension Liability, Beginning	75,071,870	77,646,560	83,006,664	88,923,556	97,939,552	102,650,476	107,640,473
Total Pension Liability, Ending (a)	\$ 77,646,560	\$ 83,006,664	\$ 88,923,556	\$ 97,939,552	\$ 102,650,476	\$ 107,640,473	\$ 113,143,173
Plan Fiduciary Net Position							
Contributions - Employer	\$ 3,729,911	\$ 3,608,613	\$ 3,837,680	\$ 3,989,996	\$ 3,776,242	\$ 3,557,390	\$ 2,718,446
Contributions - Employee	0	0	0	0	0	0	38,397
Net Investment Income	11,411,807	2,504,725	2,244,514	9,920,516	8,121,581	7,876,878	5,588,135
Benefit Payments, Including Refunds of Employee Contributions	(2,413,625)	(2,751,817)	(3,014,105)	(3,318,209)	(3,545,612)	(4,010,750)	(4,190,183)
Administrative Expense	(34,067)	(40,743)	(62,919)	(70,885)	(71,948)	(60,956)	(56,573)
Net Change in Plan Fiduciary Net Position	\$ 12,694,026	\$ 3,320,778	\$ 3,005,170	\$ 10,521,418	\$ 8,280,263	\$ 7,362,562	\$ 4,098,222
Plan Fiduciary Net Position, Beginning	68,222,704	80,916,730	84,237,508	87,242,678	97,764,096	106,044,359	113,406,921
Plan Fiduciary Net Position, Ending (b)	\$ 80,916,730	\$ 84,237,508	\$ 87,242,678	\$ 97,764,096	\$ 106,044,359	\$ 113,406,921	\$ 117,505,143
Net Pension Liability (Asset), Ending (a - b)	\$ (3,270,170)	\$ (1,230,844)	\$ 1,680,878	\$ 175,456	\$ (3,393,883)	\$ (5,766,448)	\$ (4,361,970)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	104.21%	101.48%	98.11%	99.82%	103.31%	105.36%	103.86%
Covered Payroll	\$ 26,910,220	\$ 26,488,324	\$ 28,180,107	\$ 29,296,165	\$ 27,725,705	\$ 26,199,992	\$ 25,575,697
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(12.15%)	(4.65%)	5.96%	0.60%	(12.24%)	(22.01%)	(17.06%)

Note 1: Ten-year information will be presented when available.

Note 2: The agent plan is a single plan that is participated in by the primary government and non-certified employees of the discretely presented school department.

Exhibit E-3

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

	2017	2018	2019	2020	2021
Actuarial Determined Contribution	\$ 32,216	\$ 150,393	\$ 74,995	\$ 146,552	\$ 180,643
Less Contributions in Relation to the Actuarial Determined Contribution	(32,216)	(150,393)	(74,995)	(146,552)	(180,643)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 805,407	\$ 3,759,807	\$ 6,249,433	\$ 8,487,749	\$ 10,267,014
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	1.20%	1.73%	1.76%

Note 1: Ten-year information will be presented when available.

Note 2: The agent plan is a single plan that is participated in by the primary government and non-certified employees of the discretely presented school department.

Exhibit E-4

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

	2014	2015	2016	2017	2018	2019	2020	2021
Actuarially Determined Contribution	\$ 3,729,911	\$ 3,608,613	\$ 3,837,680	\$ 3,989,996	\$ 3,776,242	\$ 3,557,390	\$ 2,718,446	\$ 2,595,274
Less Contributions in Relation to the Actuarially Determined Contribution	(3,729,911)	(3,608,613)	(3,837,680)	(3,989,996)	(3,776,242)	(3,557,390)	(2,718,446)	(2,595,274)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 26,910,220	\$ 26,488,324	\$ 28,180,107	\$ 29,296,165	\$ 27,725,705	\$ 26,199,992	\$ 25,575,697	\$ 24,438,639
Contributions as a Percentage of Covered Payroll	13.86%	13.62%	13.62%	13.62%	13.62%	13.58%	10.63%	10.62%

Note 1: Ten-year information will be presented when available.

Note 2: The agent plan is a single plan that is participated in by the primary government and non-certified employees of the discretely presented school department.

Exhibit E-5

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

	2015	2016	2017	2018	2019	2020	2021
Contractually Required Contribution	\$ 51,319	\$ 106,452	\$ 166,245	\$ 225,377	\$ 149,592	\$ 201,378	\$ 235,903
Less Contributions in Relation to the Contractually Required Contribution	(51,319)	(106,452)	(166,245)	(225,377)	(149,592)	(201,378)	(235,903)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 1,282,963	\$ 2,661,298	\$ 4,156,134	\$ 5,651,267	\$ 7,710,993	\$ 9,920,056	\$ 11,678,324
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	3.99%	1.94%	2.03%	2.02%

Note 1: Ten-year information will be presented when available.

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

Exhibit E-6

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

	2014	2015	2016	2017	2018	2019	2020	2021
Contractually Required Contribution	\$ 3,451,104	\$ 3,406,765	\$ 3,322,756	\$ 3,225,667	\$ 3,175,879	\$ 3,564,747	\$ 3,495,015	\$ 3,330,011
Less Contributions in Relation to the Contractually Required Contribution	(3,451,104)	(3,406,765)	(3,322,756)	(3,225,667)	(3,175,879)	(3,564,747)	(3,495,015)	(3,330,011)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 38,863,787	\$ 37,685,370	\$ 36,756,144	\$ 35,682,113	\$ 34,951,473	\$ 33,996,935	\$ 32,878,803	\$ 32,423,638
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.09%	10.49%	10.63%	10.27%

Note: Ten-year information will be presented when available.

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

	2015	2016	2017	2018	2019	2020
School Department's Proportion of the Net Pension Liability (Asset)	0.604746%	0.604835%	0.633229%	0.644761%	0.728683%	0.786110%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (24,841)	\$ (62,965)	\$ (167,067)	\$ (292,417)	\$ (411,331)	\$ (447,015)
Covered Payroll	\$ 1,282,963	\$ 2,661,298	\$ 4,156,134	\$ 5,651,267	\$ 7,710,993	\$ 9,920,056
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.91%)	(2.37%)	(4.02%)	(5.17%)	(5.33%)	(4.51%)
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%

Note: Ten-year information will be presented when available.

Exhibit E-8

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

	2013	2014	2015	2016	2017	2018	2019	2020
School Department's Proportion of the Net Pension Liability (Asset)	0.990162%	0.990162%	1.006690%	1.018233%	1.009410%	0.998855%	1.016354%	0.987868%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ 160,897	\$ (160,897)	\$ 412,375	\$ 6,363,389	\$ (330,262)	\$ (3,514,885)	\$ (10,449,947)	\$ (7,533,219)
Covered Payroll	\$ 38,863,861	\$ 38,863,787	\$ 37,685,370	\$ 36,756,144	\$ 35,682,113	\$ 34,951,473	\$ 33,996,935	\$ 32,878,803
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0.41%	(0.41%)	1.09%	17.31%	(0.93%)	(10.06%)	(30.74%)	(22.91%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	100.08%	100.08%	99.81%	97.14%	100.14%	101.49%	104.28%	103.09%

Note: Ten-year information will be presented when available.

Exhibit E-9

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

Commercial Plan

Total OPEB Liability	2018	2019	2020	2021
Service Cost	\$ 260,439	\$ 270,544	\$ 270,544	\$ 353,624
Interest	171,332	183,346	194,790	119,144
Changes in Assumptions or Other Inputs	0	0	(1,031)	0
Differences Between Actual and Expected Experience	0	0	0	(49,383)
Benefit Payments	(132,230)	(132,230)	(185,680)	(167,497)
Net Change in Total OPEB Liability	\$ 299,541	\$ 321,660	\$ 278,623	\$ 255,888
Total OPEB Liability, Beginning	4,221,453	4,520,994	4,842,654	5,121,277
Total OPEB Liability, Ending	\$ 4,520,994	\$ 4,842,654	\$ 5,121,277	\$ 5,377,165
Covered Employee Payroll	\$ 22,907,010	\$ 25,541,623	\$ 26,908,887	\$ 27,278,337
Total OPEB Liability as a percentage of covered employee payroll	19.74%	18.96%	19.03%	19.71%

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

Note 2: Changes in assumptions. Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2019	3.88%
2020	2.21%
2021	2.21%

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

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

	2017	2018	2019	2020
Total OPEB Liability				
Service Cost	\$ 1,225,979	\$ 1,136,417	\$ 1,457,115	\$ 1,220,332
Interest	585,950	716,572	876,098	829,269
Changes in Benefit Terms	0	(604,653)	0	0
Differences Between Actual and Expected Experience	0	2,430,440	(113,717)	(976,027)
Changes in Assumptions or Other Inputs	(942,298)	875,777	(1,644,502)	2,455,120
Benefit Payments	(666,125)	(770,720)	(840,870)	(988,047)
Net Change in Total OPEB Liability	\$ 203,506	\$ 3,783,833	\$ (265,876)	\$ 2,540,647
Total OPEB Liability, Beginning	19,173,855	19,377,361	23,161,194	22,895,318
Total OPEB Liability, Ending	<u>\$ 19,377,361</u>	<u>\$ 23,161,194</u>	<u>\$ 22,895,318</u>	<u>\$ 25,435,965</u>
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 6,178,685	\$ 5,252,959	\$ 5,395,809	\$ 6,270,958
Employer Proportionate Share of the Total OPEB Liability	13,198,676	17,908,235	17,499,509	19,165,007
Covered Employee Payroll	\$ 47,115,568	\$ 48,609,449	\$ 50,011,007	\$ 51,527,277
Net OPEB Liability as a Percentage of Covered Employee Payroll	41.13%	47.65%	45.78%	49.36%

Notes:

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

Note 2: Changes in assumptions.

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

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

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

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%

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

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

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Bradley County Retirement Plan and Bradley County Legacy Pension Plan:

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

Methods and assumptions used to determine contribution rates:

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

Changes of Assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.0 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 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.

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

Public Library Fund – The Public Library Fund is used to account for transactions for the Bradley County/Cleveland Public Library, which is jointly funded by Bradley County and the city of Cleveland.

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions relating to Bradley County trash collection and waste disposal.

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

Agriculture Center Fund – The Agriculture Center Fund is used to account for revenues and expenditures associated with the Agri-Business Center's operations.

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

Capital Projects Funds

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

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

HUD Grant Projects Fund – The HUD Grant Projects Fund is used to account for Housing and Urban Development projects.

Other Capital Projects Fund – The Other Capital Projects Fund is used to account for financial resources that are to be used for by the county for various capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Exhibit F-1

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

Special Revenue Funds					
	Law Library	Public Library	Solid Waste / Sanitation	Drug Control	Agriculture Center
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Equity in Pooled Cash and Investments	36,841	130,960	670,178	215,931	85,880
Accounts Receivable	0	0	0	0	0
Due from Other Governments	0	5,738	0	0	0
Due from Other Funds	0	0	0	0	0
Property Taxes Receivable	0	666,821	0	0	0
Allowance for Uncollectible Property Taxes	0	(18,858)	0	0	0
Notes Receivable - Long-term	0	0	0	0	0
Total Assets	<u>\$ 36,841</u>	<u>\$ 784,661</u>	<u>\$ 670,178</u>	<u>\$ 215,931</u>	<u>\$ 85,880</u>
<u>LIABILITIES</u>					
Due to Other Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 0	\$ 636,019	\$ 0	\$ 0	\$ 0
Deferred Delinquent Property Taxes	0	10,586	0	0	0
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 646,605</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

(Continued)

Exhibit F-1

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

	Special Revenue Funds				
	Law Library	Public Library	Solid Waste / Sanitation	Drug Control	Agriculture Center
<u>FUND BALANCES</u>					
Restricted:					
Restricted for Administration of Justice	\$ 36,841	\$ 0	\$ 0	\$ 0	\$ 0
Restricted for Public Safety	0	0	0	215,931	0
Restricted for Social, Cultural, and Recreational Services	0	138,056	0	0	0
Restricted for Capital Outlay	0	0	0	0	0
Committed:					
Committed for General Government	0	0	0	0	0
Committed for Finance	0	0	0	0	0
Committed for Administration of Justice	0	0	0	0	0
Committed for Public Health and Welfare	0	0	670,178	0	0
Committed for Social, Cultural, and Recreational Services	0	0	0	0	85,880
Committed for Capital Outlay	0	0	0	0	0
Unassigned	0	0	0	0	0
Total Fund Balances	<u>\$ 36,841</u>	<u>\$ 138,056</u>	<u>\$ 670,178</u>	<u>\$ 215,931</u>	<u>\$ 85,880</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 36,841</u>	<u>\$ 784,661</u>	<u>\$ 670,178</u>	<u>\$ 215,931</u>	<u>\$ 85,880</u>

(Continued)

Exhibit F-1

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Capital Projects Funds</u>	
	Constitu - tional Officers - Fees	Total	Community Development/ Industrial Park	HUD Grant Projects
<u>ASSETS</u>				
Cash	\$ 738,641	\$ 738,641	\$ 0	\$ 0
Equity in Pooled Cash and Investments	0	1,139,790	197,624	141,434
Accounts Receivable	5,494	5,494	0	15
Due from Other Governments	0	5,738	0	0
Due from Other Funds	0	0	5,000	0
Property Taxes Receivable	0	666,821	0	0
Allowance for Uncollectible Property Taxes	0	(18,858)	0	0
Notes Receivable - Long-term	0	0	0	33,131
Total Assets	<u>\$ 744,135</u>	<u>\$ 2,537,626</u>	<u>\$ 202,624</u>	<u>\$ 174,580</u>
<u>LIABILITIES</u>				
Due to Other Funds	\$ 2,700	\$ 2,700	\$ 2,186,984	\$ 0
Total Liabilities	<u>\$ 2,700</u>	<u>\$ 2,700</u>	<u>\$ 2,186,984</u>	<u>\$ 0</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 0	\$ 636,019	\$ 0	\$ 0
Deferred Delinquent Property Taxes	0	10,586	0	0
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 646,605</u>	<u>\$ 0</u>	<u>\$ 0</u>

(Continued)

Exhibit F-1

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Capital Projects Funds</u>	
	Constitu - tional Officers - Fees	Total	Community Development/ Industrial Park	HUD Grant Projects
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Administration of Justice	\$ 0	\$ 36,841	\$ 0	\$ 0
Restricted for Public Safety	0	215,931	0	0
Restricted for Social, Cultural, and Recreational Services	0	138,056	0	0
Restricted for Capital Outlay	0	0	0	33,131
Committed:				
Committed for General Government	96,752	96,752	0	0
Committed for Finance	484,579	484,579	0	0
Committed for Administration of Justice	160,104	160,104	0	0
Committed for Public Health and Welfare	0	670,178	0	0
Committed for Social, Cultural, and Recreational Services	0	85,880	0	0
Committed for Capital Outlay	0	0	0	141,449
Unassigned	0	0	(1,984,360)	0
Total Fund Balances	\$ 741,435	\$ 1,888,321	\$ (1,984,360)	\$ 174,580
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 744,135	\$ 2,537,626	\$ 202,624	\$ 174,580

(Continued)

Exhibit F-1

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

	<u>Capital Projects Funds (Cont.)</u>		
	Other Capital Projects	Total	Total Nonmajor Governmental Funds
<u>ASSETS</u>			
Cash	\$ 0	\$ 0	\$ 738,641
Equity in Pooled Cash and Investments	422,996	762,054	1,901,844
Accounts Receivable	2,943	2,958	8,452
Due from Other Governments	8,954	8,954	14,692
Due from Other Funds	0	5,000	5,000
Property Taxes Receivable	1,146,548	1,146,548	1,813,369
Allowance for Uncollectible Property Taxes	(32,426)	(32,426)	(51,284)
Notes Receivable - Long-term	0	33,131	33,131
Total Assets	<u>\$ 1,549,015</u>	<u>\$ 1,926,219</u>	<u>\$ 4,463,845</u>
<u>LIABILITIES</u>			
Due to Other Funds	\$ 0	\$ 2,186,984	\$ 2,189,684
Total Liabilities	<u>\$ 0</u>	<u>\$ 2,186,984</u>	<u>\$ 2,189,684</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 1,093,586	\$ 1,093,586	\$ 1,729,605
Deferred Delinquent Property Taxes	18,202	18,202	28,788
Total Deferred Inflows of Resources	<u>\$ 1,111,788</u>	<u>\$ 1,111,788</u>	<u>\$ 1,758,393</u>

(Continued)

Exhibit F-1

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

	<u>Capital Projects Funds (Cont.)</u>		Total Nonmajor Governmental Funds
	Other Capital Projects	Total	
<u>FUND BALANCES</u>			
Restricted:			
Restricted for Administration of Justice	\$ 0	\$ 0	\$ 36,841
Restricted for Public Safety	0	0	215,931
Restricted for Social, Cultural, and Recreational Services	0	0	138,056
Restricted for Capital Outlay	0	33,131	33,131
Committed:			
Committed for General Government	0	0	96,752
Committed for Finance	0	0	484,579
Committed for Administration of Justice	0	0	160,104
Committed for Public Health and Welfare	0	0	670,178
Committed for Social, Cultural, and Recreational Services	0	0	85,880
Committed for Capital Outlay	437,227	578,676	578,676
Unassigned	0	(1,984,360)	(1,984,360)
Total Fund Balances	<u>\$ 437,227</u>	<u>\$ (1,372,553)</u>	<u>\$ 515,768</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,549,015</u>	<u>\$ 1,926,219</u>	<u>\$ 4,463,845</u>

Exhibit F-2

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

	Special Revenue Funds				
	Law Library	Public Library	Solid Waste / Sanitation	Drug Control	Agriculture Center
<u>Revenues</u>					
Local Taxes	\$ 675	\$ 738,132	\$ 0	\$ 0	\$ 241,456
Fines, Forfeitures, and Penalties	895	0	0	119,535	0
Charges for Current Services	8,175	0	0	0	0
Other Local Revenues	0	0	0	0	0
State of Tennessee	0	23,949	106,275	0	0
Other Governments and Citizens Groups	0	0	10,000	0	0
Total Revenues	\$ 9,745	\$ 762,081	\$ 116,275	\$ 119,535	\$ 241,456
<u>Expenditures</u>					
Current:					
General Government	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Finance	0	0	0	0	0
Administration of Justice	0	0	0	0	0
Public Safety	0	0	102,635	66,137	0
Public Health and Welfare	0	0	189,108	5,819	0
Social, Cultural, and Recreational Services	11,474	673,599	0	0	245,361
Other Operations	98	14,921	28,000	1,191	2,231
Debt Service:					
Interest on Debt	0	0	0	0	0
Capital Projects	0	0	0	0	0
Total Expenditures	\$ 11,572	\$ 688,520	\$ 319,743	\$ 73,147	\$ 247,592

(Continued)

Exhibit F-2

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

	Special Revenue Funds				
	Law Library	Public Library	Solid Waste / Sanitation	Drug Control	Agriculture Center
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,827)	\$ 73,561	\$ (203,468)	\$ 46,388	\$ (6,136)
<u>Other Financing Sources (Uses)</u>					
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net Change in Fund Balances	\$ (1,827)	\$ 73,561	\$ (203,468)	\$ 46,388	\$ (6,136)
Fund Balance, July 1, 2020	38,668	64,495	873,646	169,543	92,016
Fund Balance, June 30, 2021	\$ 36,841	\$ 138,056	\$ 670,178	\$ 215,931	\$ 85,880

(Continued)

Exhibit F-2

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Capital Projects Funds</u>	
	Constitu - tional Officers - Fees	Total	Community Development/ Industrial Park	HUD Grant Projects
<u>Revenues</u>				
Local Taxes	\$ 0	\$ 980,263	\$ 308,902	\$ 0
Fines, Forfeitures, and Penalties	0	120,430	0	0
Charges for Current Services	2,529,285	2,537,460	0	0
Other Local Revenues	0	0	0	188
State of Tennessee	0	130,224	0	0
Other Governments and Citizens Groups	0	10,000	0	0
Total Revenues	\$ 2,529,285	\$ 3,778,377	\$ 308,902	\$ 188
<u>Expenditures</u>				
Current:				
General Government	\$ 394,086	\$ 394,086	\$ 0	\$ 0
Finance	1,614,207	1,614,207	0	0
Administration of Justice	250,400	250,400	0	0
Public Safety	148	168,920	0	0
Public Health and Welfare	0	194,927	0	0
Social, Cultural, and Recreational Services	0	930,434	0	0
Other Operations	0	46,441	117,855	2
Debt Service:				
Interest on Debt	0	0	31,855	0
Capital Projects	0	0	0	0
Total Expenditures	\$ 2,258,841	\$ 3,599,415	\$ 149,710	\$ 2

(Continued)

Exhibit F-2

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Capital Projects Funds</u>	
	Constitu - tional Officers - Fees	Total	Community Development/ Industrial Park	HUD Grant Projects
Excess (Deficiency) of Revenues Over Expenditures	\$ 270,444	\$ 178,962	\$ 159,192	\$ 186
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 0
Net Change in Fund Balances	\$ 270,444	\$ 178,962	\$ 159,192	\$ 186
Fund Balance, July 1, 2020	470,991	1,709,359	(2,143,552)	174,394
Fund Balance, June 30, 2021	\$ 741,435	\$ 1,888,321	\$ (1,984,360)	\$ 174,580

(Continued)

Exhibit F-2

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

	<u>Capital Projects Funds (Cont.)</u>		Total Nonmajor Governmental Funds
	Other Capital Projects	Total	
<u>Revenues</u>			
Local Taxes	\$ 1,268,924	\$ 1,577,826	\$ 2,558,089
Fines, Forfeitures, and Penalties	0	0	120,430
Charges for Current Services	0	0	2,537,460
Other Local Revenues	1,407,800	1,407,988	1,407,988
State of Tennessee	40,267	40,267	170,491
Other Governments and Citizens Groups	0	0	10,000
Total Revenues	<u>\$ 2,716,991</u>	<u>\$ 3,026,081</u>	<u>\$ 6,804,458</u>
<u>Expenditures</u>			
Current:			
General Government	\$ 0	\$ 0	\$ 394,086
Finance	0	0	1,614,207
Administration of Justice	0	0	250,400
Public Safety	0	0	168,920
Public Health and Welfare	0	0	194,927
Social, Cultural, and Recreational Services	0	0	930,434
Other Operations	26,791	144,648	191,089
Debt Service:			
Interest on Debt	0	31,855	31,855
Capital Projects	3,072,269	3,072,269	3,072,269
Total Expenditures	<u>\$ 3,099,060</u>	<u>\$ 3,248,772</u>	<u>\$ 6,848,187</u>

(Continued)

Exhibit F-2

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

	<u>Capital Projects Funds (Cont.)</u>		Total Nonmajor Governmental Funds
	Other Capital Projects	Total	
Excess (Deficiency) of Revenues Over Expenditures	\$ (382,069)	\$ (222,691)	\$ (43,729)
<u>Other Financing Sources (Uses)</u>			
Transfers In	\$ 21,072	\$ 21,072	\$ 21,072
Total Other Financing Sources (Uses)	\$ 21,072	\$ 21,072	\$ 21,072
Net Change in Fund Balances	\$ (360,997)	\$ (201,619)	\$ (22,657)
Fund Balance, July 1, 2020	798,224	(1,170,934)	538,425
Fund Balance, June 30, 2021	\$ 437,227	\$ (1,372,553)	\$ 515,768

Exhibit F-3

Bradley County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Law Library Fund
For the Year Ended June 30, 2021

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 675	\$ 500	\$ 600	\$ 75
Fines, Forfeitures, and Penalties	895	900	900	(5)
Charges for Current Services	8,175	11,000	8,200	(25)
Total Revenues	<u>\$ 9,745</u>	<u>\$ 12,400</u>	<u>\$ 9,700</u>	<u>\$ 45</u>
<u>Expenditures</u>				
<u>Social, Cultural, and Recreational Services</u>				
Libraries	\$ 11,474	\$ 13,600	\$ 13,600	\$ 2,126
<u>Other Operations</u>				
Other Charges	98	150	150	52
Total Expenditures	<u>\$ 11,572</u>	<u>\$ 13,750</u>	<u>\$ 13,750</u>	<u>\$ 2,178</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (1,827)</u>	<u>\$ (1,350)</u>	<u>\$ (4,050)</u>	<u>\$ 2,223</u>
Net Change in Fund Balance	\$ (1,827)	\$ (1,350)	\$ (4,050)	2,223
Fund Balance, July 1, 2020	<u>38,668</u>	<u>36,855</u>	<u>36,855</u>	<u>1,813</u>
Fund Balance, June 30, 2021	<u><u>\$ 36,841</u></u>	<u><u>\$ 35,505</u></u>	<u><u>\$ 32,805</u></u>	<u><u>\$ 4,036</u></u>

Exhibit F-4

Bradley County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Public Library Fund
For the Year Ended June 30, 2021

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 738,132	\$ 721,341	\$ 733,574	\$ 4,558
State of Tennessee	23,949	13,622	16,056	7,893
Total Revenues	<u>\$ 762,081</u>	<u>\$ 734,963</u>	<u>\$ 749,630</u>	<u>\$ 12,451</u>
<u>Expenditures</u>				
<u>Social, Cultural, and Recreational Services</u>				
Libraries	\$ 673,599	\$ 677,390	\$ 673,600	\$ 1
<u>Other Operations</u>				
Other Charges	14,921	15,500	15,500	579
Total Expenditures	<u>\$ 688,520</u>	<u>\$ 692,890</u>	<u>\$ 689,100</u>	<u>\$ 580</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 73,561</u>	<u>\$ 42,073</u>	<u>\$ 60,530</u>	<u>\$ 13,031</u>
Net Change in Fund Balance	\$ 73,561	\$ 42,073	\$ 60,530	\$ 13,031
Fund Balance, July 1, 2020	<u>64,495</u>	<u>57,629</u>	<u>57,629</u>	<u>6,866</u>
Fund Balance, June 30, 2021	<u><u>\$ 138,056</u></u>	<u><u>\$ 99,702</u></u>	<u><u>\$ 118,159</u></u>	<u><u>\$ 19,897</u></u>

Exhibit F-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2020	Add: Encumbrances 6/30/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
State of Tennessee	\$ 106,275	\$ 0	\$ 0	\$ 106,275	\$ 65,000	\$ 106,275	\$ 0
Other Governments and Citizens Groups	10,000	0	0	10,000	10,000	10,000	0
Total Revenues	\$ 116,275	\$ 0	\$ 0	\$ 116,275	\$ 75,000	\$ 116,275	\$ 0
<u>Expenditures</u>							
<u>Public Safety</u>							
Disaster Relief	\$ 102,635	\$ 0	\$ 0	\$ 102,635	\$ 0	\$ 102,635	\$ 0
<u>Public Health and Welfare</u>							
Other Waste Collection	65,000	0	0	65,000	65,000	65,000	0
Recycling Center	124,108	(35,519)	21,601	110,190	113,014	113,014	2,824
<u>Other Operations</u>							
Other Charges	0	0	0	0	700	1,400	1,400
Contributions to Other Agencies	28,000	0	0	28,000	28,000	28,000	0
Total Expenditures	\$ 319,743	\$ (35,519)	\$ 21,601	\$ 305,825	\$ 206,714	\$ 310,049	\$ 4,224
Excess (Deficiency) of Revenues Over Expenditures	\$ (203,468)	\$ 35,519	\$ (21,601)	\$ (189,550)	\$ (131,714)	\$ (193,774)	\$ 4,224
Net Change in Fund Balance	\$ (203,468)	\$ 35,519	\$ (21,601)	\$ (189,550)	\$ (131,714)	\$ (193,774)	\$ 4,224
Fund Balance, July 1, 2020	873,646	(35,519)	0	838,127	817,051	817,051	21,076
Fund Balance, June 30, 2021	\$ 670,178	\$ 0	\$ (21,601)	\$ 648,577	\$ 685,337	\$ 623,277	\$ 25,300

Exhibit F-6

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2020	Add: Encumbrances 6/30/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Fines, Forfeitures, and Penalties	\$ 119,535	\$ 0	\$ 0	\$ 119,535	\$ 67,240	\$ 117,046	\$ 2,489
Total Revenues	\$ 119,535	\$ 0	\$ 0	\$ 119,535	\$ 67,240	\$ 117,046	\$ 2,489
<u>Expenditures</u>							
<u>Public Safety</u>							
Sheriff's Department	\$ 8,198	\$ (3,028)	\$ 25,830	\$ 31,000	\$ 18,000	\$ 41,000	\$ 10,000
Drug Enforcement	57,939	(3,187)	1,000	55,752	63,500	63,500	7,748
<u>Public Health and Welfare</u>							
Alcohol and Drug Programs	5,819	0	0	5,819	6,100	6,100	281
<u>Other Operations</u>							
Other Charges	1,191	0	0	1,191	1,500	1,500	309
Total Expenditures	\$ 73,147	\$ (6,215)	\$ 26,830	\$ 93,762	\$ 89,100	\$ 112,100	\$ 18,338
Excess (Deficiency) of Revenues Over Expenditures	\$ 46,388	\$ 6,215	\$ (26,830)	\$ 25,773	\$ (21,860)	\$ 4,946	\$ 20,827
Net Change in Fund Balance	\$ 46,388	\$ 6,215	\$ (26,830)	\$ 25,773	\$ (21,860)	\$ 4,946	\$ 20,827
Fund Balance, July 1, 2020	169,543	(6,215)	0	163,328	121,349	121,349	41,979
Fund Balance, June 30, 2021	\$ 215,931	\$ 0	\$ (26,830)	\$ 189,101	\$ 99,489	\$ 126,295	\$ 62,806

Exhibit F-7

Bradley County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Agriculture Center Fund
For the Year Ended June 30, 2021

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 241,456	\$ 280,000	\$ 235,000	\$ 6,456
Total Revenues	<u>\$ 241,456</u>	<u>\$ 280,000</u>	<u>\$ 235,000</u>	<u>\$ 6,456</u>
<u>Expenditures</u>				
<u>Social, Cultural, and Recreational Services</u>				
Other Social, Cultural, and Recreational	\$ 245,361	\$ 266,147	\$ 266,147	\$ 20,786
<u>Other Operations</u>				
Other Charges	2,231	2,800	2,800	569
Total Expenditures	<u>\$ 247,592</u>	<u>\$ 268,947</u>	<u>\$ 268,947</u>	<u>\$ 21,355</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (6,136)</u>	<u>\$ 11,053</u>	<u>\$ (33,947)</u>	<u>\$ 27,811</u>
Net Change in Fund Balance	\$ (6,136)	\$ 11,053	\$ (33,947)	\$ 27,811
Fund Balance, July 1, 2020	92,016	72,033	72,033	19,983
Fund Balance, June 30, 2021	<u>\$ 85,880</u>	<u>\$ 83,086</u>	<u>\$ 38,086</u>	<u>\$ 47,794</u>

Exhibit F-8

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 308,902	\$ 328,755	\$ 304,539	\$ 4,363
Total Revenues	<u>\$ 308,902</u>	<u>\$ 328,755</u>	<u>\$ 304,539</u>	<u>\$ 4,363</u>
<u>Expenditures</u>				
<u>Other Operations</u>				
Industrial Development	\$ 115,000	\$ 353,632	\$ 140,000	\$ 25,000
Other Charges	2,855	4,000	4,000	1,145
<u>Interest on Debt</u>				
General Government	31,855	0	31,855	0
Total Expenditures	<u>\$ 149,710</u>	<u>\$ 357,632</u>	<u>\$ 175,855</u>	<u>\$ 26,145</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 159,192</u>	<u>\$ (28,877)</u>	<u>\$ 128,684</u>	<u>\$ 30,508</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ 0	\$ (250,000)	\$ (218,145)	\$ 218,145
Total Other Financing Sources	<u>\$ 0</u>	<u>\$ (250,000)</u>	<u>\$ (218,145)</u>	<u>\$ 218,145</u>
Net Change in Fund Balance	\$ 159,192	\$ (278,877)	\$ (89,461)	\$ 248,653
Fund Balance, July 1, 2020	<u>(2,143,552)</u>	<u>279,374</u>	<u>279,374</u>	<u>(2,422,926)</u>
Fund Balance, June 30, 2021	<u>\$ (1,984,360)</u>	<u>\$ 497</u>	<u>\$ 189,913</u>	<u>\$ (2,174,273)</u>

Exhibit F-9

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2020	Add: Encumbrances 6/30/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 1,268,924	\$ 0	\$ 0	\$ 1,268,924	\$ 1,218,031	\$ 1,261,190	\$ 7,734
Other Local Revenues	1,407,800	0	0	1,407,800	1,300,000	1,404,857	2,943
State of Tennessee	40,267	0	0	40,267	15,000	24,049	16,218
Total Revenues	\$ 2,716,991	\$ 0	\$ 0	\$ 2,716,991	\$ 2,533,031	\$ 2,690,096	\$ 26,895
<u>Expenditures</u>							
<u>Other Operations</u>							
Other Charges	\$ 26,791	\$ 0	\$ 0	\$ 26,791	\$ 35,000	\$ 34,982	\$ 8,191
<u>Capital Projects</u>							
Other General Government Projects	234,211	(1,221)	29	233,019	243,000	243,018	9,999
Education Capital Projects	2,838,058	0	0	2,838,058	2,438,058	2,838,058	0
Total Expenditures	\$ 3,099,060	\$ (1,221)	\$ 29	\$ 3,097,868	\$ 2,716,058	\$ 3,116,058	\$ 18,190
Excess (Deficiency) of Revenues Over Expenditures	\$ (382,069)	\$ 1,221	\$ (29)	\$ (380,877)	\$ (183,027)	\$ (425,962)	\$ 45,085
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 21,072	\$ 0	\$ 0	\$ 21,072	\$ 0	\$ 0	\$ 21,072
Total Other Financing Sources	\$ 21,072	\$ 0	\$ 0	\$ 21,072	\$ 0	\$ 0	\$ 21,072
Net Change in Fund Balance	\$ (360,997)	\$ 1,221	\$ (29)	\$ (359,805)	\$ (183,027)	\$ (425,962)	\$ 66,157
Fund Balance, July 1, 2020	798,224	(1,221)	0	797,003	1,107,101	1,107,101	(310,098)
Fund Balance, June 30, 2021	\$ 437,227	\$ 0	\$ (29)	\$ 437,198	\$ 924,074	\$ 681,139	\$ (243,941)

Major Governmental Fund

General Debt Service Fund

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

Exhibit G

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 8,493,432	\$ 8,487,256	\$ 8,465,616	\$ 27,816
Other Local Revenues	150,306	2,000	150,306	0
State of Tennessee	275,093	180,000	195,090	80,003
Other Governments and Citizens Groups	1,059,921	0	1,059,921	0
Total Revenues	\$ 9,978,752	\$ 8,669,256	\$ 9,870,933	\$ 107,819
<u>Expenditures</u>				
<u>Other Operations</u>				
Other Charges	\$ 171,766	\$ 177,500	\$ 197,500	\$ 25,734
<u>Principal on Debt</u>				
General Government	1,090,150	1,095,040	1,270,040	179,890
Education	5,988,407	5,274,850	5,988,407	0
<u>Interest on Debt</u>				
General Government	423,629	380,405	595,863	172,234
Education	1,636,103	1,935,174	2,335,511	699,408
<u>Other Debt Service</u>				
General Government	152,659	275,000	357,203	204,544
Education	143,548	350,000	350,000	206,452
Total Expenditures	\$ 9,606,262	\$ 9,487,969	\$ 11,094,524	\$ 1,488,262
Excess (Deficiency) of Revenues Over Expenditures	\$ 372,490	\$ (818,713)	\$ (1,223,591)	\$ 1,596,081
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 4,750,000	\$ 0	\$ 4,750,000	\$ 0
Premiums on Debt Sold	217,203	0	217,203	0
Transfers In	210,513	210,513	210,513	0
Payments to Refunded Debt Escrow Agent	(4,865,000)	0	(4,865,000)	0
Total Other Financing Sources	\$ 312,716	\$ 210,513	\$ 312,716	\$ 0
<u>Special Item</u>				
Reduction in Note Receivable Due to Refunding - See Note I.D.12.	\$ (115,000)	\$ 0	\$ (115,000)	\$ 0
Net Change in Fund Balance	\$ 570,206	\$ (608,200)	\$ (1,025,875)	\$ 1,596,081
Prior-period Adjustment - See Note I.D.10.	5,040,000	0	0	5,040,000
Fund Balance, July 1, 2020	8,369,762	10,891,518	10,891,518	(2,521,756)
Fund Balance, June 30, 2021	\$ 13,979,968	\$ 10,283,318	\$ 9,865,643	\$ 4,114,325

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 sales tax revenues collected inside incorporated cities of the county. These revenues are received by the county from the state of Tennessee and forwarded to the various cities on a monthly basis.

City School ADA - Cleveland Fund – The City School ADA - Cleveland Fund is used to account for the city school system's share of education revenues collected by the county that must be apportioned between the various school systems on an average daily attendance basis. These collections are remitted to the city school system on a monthly basis.

Cities - Mixed Drink Tax in Litigation Fund – The Cities - Mixed Drink Tax in Litigation Fund is used to account for mixed drink tax proceeds received subsequent to March 2014. The city of Cleveland had asked for a ruling from the court as to how the proceeds are to be prorated between Bradley County and the cities. The county trustee is holding these proceeds until a ruling is made.

City of Charleston Property Tax Fund – The City of Charleston Property Tax Fund is used to account for property taxes collected by the county trustee on behalf of the city of Charleston. These collections are remitted to the city on a monthly basis.

Constitutional Officers - Custodial Fund – The Constitutional Officers - Custodial Fund is used to account for amounts collected in an agency 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

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

	Custodial Funds				
	Cities - Sales Tax	City School ADA - Cleveland	Cities - Mixed Drink Tax In Litigation	Constitu - tional Officers - Custodial	Total
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 0	\$ 9,600,832	\$ 9,600,832
Equity in Pooled Cash and Investments	0	11,772	23,754	0	35,526
Accounts Receivable	0	0	0	7,944	7,944
Due from Other Governments	2,912,029	1,623,814	119	0	4,535,962
Property Taxes Receivable	0	7,483,941	0	0	7,483,941
Allowance for Uncollectible Property Taxes	0	(188,447)	0	0	(188,447)
Total Assets	\$ 2,912,029	\$ 8,931,080	\$ 23,873	\$ 9,608,776	\$ 21,475,758
<u>LIABILITIES</u>					
Due to Other Taxing Units	\$ 2,912,029	\$ 1,698,128	\$ 0	\$ 0	\$ 4,610,157
Total Liabilities	\$ 2,912,029	\$ 1,698,128	\$ 0	\$ 0	\$ 4,610,157
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 0	\$ 7,232,952	\$ 0	\$ 0	\$ 7,232,952
Total Deferred Inflows of Resources	\$ 0	\$ 7,232,952	\$ 0	\$ 0	\$ 7,232,952
<u>NET POSITION</u>					
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 0	\$ 23,873	\$ 9,608,776	\$ 9,632,649
Total Net Position	\$ 0	\$ 0	\$ 23,873	\$ 9,608,776	\$ 9,632,649

Exhibit H-2

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

	Custodial Funds					
	Cities - Sales Tax	City School ADA - Cleveland	Cities - Mixed Drink Tax In Litigation	City of Charleston Property Tax	Constitu - tional Officers - Custodial	Total
<u>Additions</u>						
Sales Tax Collections for Other Governments	\$ 16,254,353	\$ 0	\$ 0	\$ 0	\$ 0	\$ 16,254,353
Property Tax Collections for Other Governments	0	0	0	67,641	0	67,641
ADA - Educational Funds Collected for Cities	0	21,956,026	0	0	0	21,956,026
Miscellaneous	0	0	989	0	0	989
Fines/Fees and Other Collections	0	0	0	0	28,534,351	28,534,351
Total Additions	\$ 16,254,353	\$ 21,956,026	\$ 989	\$ 67,641	\$ 28,534,351	\$ 66,813,360
<u>Deductions</u>						
Payment of Sales Tax Collections for Other Governments	\$ 16,254,353	\$ 0	\$ 0	\$ 0	\$ 0	\$ 16,254,353
Payment of Property Tax Collections for Other Governments	0	0	0	67,641	0	67,641
Payments to City School Systems	0	21,956,026	0	0	0	21,956,026
Payments to State	0	0	0	0	13,280,739	13,280,739
Payments to County/City	0	0	0	0	7,527,761	7,527,761
Payments to Individuals and Others	0	0	0	0	7,354,402	7,354,402
Total Deductions	\$ 16,254,353	\$ 21,956,026	\$ 0	\$ 67,641	\$ 28,162,902	\$ 66,440,922
Change in Net Position	\$ 0	\$ 0	\$ 989	\$ 0	\$ 371,449	\$ 372,438
Net Position July 1, 2020	0	0	0	0	0	0
Restatement - See Note I.D.11	0	0	22,884	0	9,237,327	9,260,211
Net Position June 30, 2021	\$ 0	\$ 0	\$ 23,873	\$ 0	\$ 9,608,776	\$ 9,632,649

Bradley County School Department

This section presents combining and individual fund financial statements for the Bradley County School Department, a discretely presented component unit. The school department uses a General Fund, three 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.

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 funds contributed from Bradley County for building construction and renovations of the school department.

Exhibit I-1

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
					Total Governmental Activities
Governmental Activities:					
Instruction	\$ 59,901,871	\$ 38,662	\$ 6,580,553	\$ 13,838,058	\$ (39,444,598)
Support Services	28,471,060	0	9,742,765	0	(18,728,295)
Operation of Non-instructional Services	12,873,068	604,832	6,837,076	0	(5,431,160)
Total Governmental Activities	\$ 101,245,999	\$ 643,494	\$ 23,160,394	\$ 13,838,058	\$ (63,604,053)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 12,871,609
Local Option Sales Taxes					15,177,874
Other Local Taxes					1,307
Grants and Contributions Not Restricted to Specific Programs					53,941,806
Unrestricted Investment Earnings					147,448
Gain on Investments					129,184
Miscellaneous					38,326
Total General Revenues					\$ 82,307,554
Change in Net Position					\$ 18,703,501
Net Position, July 1, 2020					81,099,623
Restatement - See Note I.D.11.					1,761,620
Net Position, June 30, 2021					\$ 101,564,744

Exhibit I-2

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

	Major Funds		Nonmajor Funds	
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	Total Governmen- tal Funds
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 2,082,452	\$ 2,082,452
Equity in Pooled Cash and Investments	19,740,722	4,937,847	3,771,095	28,449,664
Accounts Receivable	73	21,176	0	21,249
Due from Other Governments	2,990,515	0	390,342	3,380,857
Due from Other Funds	3,272	88,800	0	92,072
Property Taxes Receivable	11,017,210	0	0	11,017,210
Allowance for Uncollectible Property Taxes	(165,075)	0	0	(165,075)
Restricted Assets	801,758	0	0	801,758
Total Assets	\$ 34,388,475	\$ 5,047,823	\$ 6,243,889	\$ 45,680,187
<u>LIABILITIES</u>				
Accounts Payable	\$ 261,834	\$ 40,244	\$ 7,475	\$ 309,553
Accrued Payroll	7,151,048	0	587,511	7,738,559
Payroll Deductions Payable	1,218,243	0	131,168	1,349,411
Due to Other Funds	0	0	92,072	92,072
Total Liabilities	\$ 8,631,125	\$ 40,244	\$ 818,226	\$ 9,489,595
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 10,555,675	\$ 0	\$ 0	\$ 10,555,675
Deferred Delinquent Property Taxes	256,071	0	0	256,071
Other Deferred/Unavailable Revenue	1,148,620	0	0	1,148,620
Total Deferred Inflows of Resources	\$ 11,960,366	\$ 0	\$ 0	\$ 11,960,366

Exhibit I-2

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

	<u>Major Funds</u>		<u>Nonmajor Funds</u>	
	<u>General Purpose School</u>	<u>Education Capital Projects</u>	<u>Other Govern- mental Funds</u>	<u>Total Governmental Funds</u>
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Education	\$ 361,144	\$ 0	\$ 4,825,663	\$ 5,186,807
Restricted for Capital Projects	0	5,007,579	0	5,007,579
Restricted for Hybrid Retirement Stabilization Funds	801,758	0	0	801,758
Committed:				
Committed for Education	0	0	600,000	600,000
Assigned:				
Assigned for Education	27,249	0	0	27,249
Unassigned	12,606,833	0	0	12,606,833
Total Fund Balances	<u>\$ 13,796,984</u>	<u>\$ 5,007,579</u>	<u>\$ 5,425,663</u>	<u>\$ 24,230,226</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 34,388,475</u>	<u>\$ 5,047,823</u>	<u>\$ 6,243,889</u>	<u>\$ 45,680,187</u>

Exhibit I-3

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

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

Total fund balances - balance sheet - governmental funds (Exhibit I-2)		\$	24,230,226
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	1,699,307	
Add: construction in progress		11,312,323	
Add: buildings and improvements net of accumulated depreciation		77,660,020	
Add: other capital assets net of accumulated depreciation		<u>2,646,865</u>	93,318,515
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: contributions due on primary government debt for capital leases	\$	(13,601,061)	
Less: other postemployment benefits liability		<u>(19,165,007)</u>	(32,766,068)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$	7,500,449	
Less: deferred inflows of resources related to pensions		(4,083,171)	
Add: deferred outflows of resources related to OPEB		5,528,830	
Less: deferred inflows of resources related to OPEB		<u>(2,518,036)</u>	6,428,072
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - public employee retirement plan	\$	11,185	
Add: net pension asset - public employee legacy pension plan		957,889	
Add: net pension asset - teacher retirement plan		447,015	
Add: net pension asset - teacher legacy pension plan		<u>7,533,219</u>	8,949,308
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>1,404,691</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>101,564,744</u></u>

Exhibit I-4

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

	Major Funds		Nonmajor Funds	
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>				
Local Taxes	\$ 28,394,743	\$ 0	\$ 0	\$ 28,394,743
Licenses and Permits	5,975	0	0	5,975
Charges for Current Services	2,531	0	605,113	607,644
Other Local Revenues	320,008	13,905,084	5,330,628	19,555,720
State of Tennessee	55,076,034	0	0	55,076,034
Federal Government	1,565,999	0	14,911,713	16,477,712
Other Governments and Citizens Groups	50,200	0	0	50,200
Total Revenues	\$ 85,415,490	\$ 13,905,084	\$ 20,847,454	\$ 120,168,028
<u>Expenditures</u>				
Current:				
Instruction	\$ 52,646,166	\$ 0	\$ 6,027,159	\$ 58,673,325
Support Services	26,155,462	0	2,437,222	28,592,684
Operation of Non-Instructional Services	1,879,370	0	10,822,435	12,701,805
Capital Outlay	819,406	0	0	819,406
Capital Projects	0	11,584,676	0	11,584,676
Total Expenditures	\$ 81,500,404	\$ 11,584,676	\$ 19,286,816	\$ 112,371,896
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,915,086	\$ 2,320,408	\$ 1,560,638	\$ 7,796,132
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 64,308	\$ 424,512	\$ 300,000	\$ 788,820
Transfers Out	(561,300)	0	(227,520)	(788,820)
Total Other Financing Sources (Uses)	\$ (496,992)	\$ 424,512	\$ 72,480	\$ 0

(Continued)

Exhibit I-4

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

	Major Funds		Nonmajor Funds	
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	Total Governmental Funds
Net Change in Fund Balances	\$ 3,418,094	\$ 2,744,920	\$ 1,633,118	\$ 7,796,132
Restatement - See Note I.D.11.	0	0	1,761,620	1,761,620
Fund Balance, July 1, 2020	10,378,890	2,262,659	2,030,925	14,672,474
Fund Balance, June 30, 2021	<u>\$ 13,796,984</u>	<u>\$ 5,007,579</u>	<u>\$ 5,425,663</u>	<u>\$ 24,230,226</u>

Exhibit I-5

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

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

Net change in fund balances - total governmental funds (Exhibit I-4)		\$	7,796,132
(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	\$	11,992,562	
Less: current-year depreciation expense		<u>(3,983,010)</u>	8,009,552
(2) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.			
Add: deferred delinquent property taxes and other deferred June 30, 2021	\$	1,404,691	
Less: deferred delinquent property taxes and other deferred June 30, 2020		<u>(1,672,099)</u>	(267,408)
(3) The contributions of long-term debt (e.g., notes, bonds, leases) by the primary government provide current financial resources to governmental funds, while the contributions by the school department of the principal of long-term debt consume the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.			
Add: principal contributions on capital leases to primary government			713,557
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in net pension asset - public employee retirement plan	\$	(2,620)	
Change in net pension asset - public employee legacy pension plan		(2,916,728)	
Change in net pension asset - teacher retirement plan		35,684	
Change in net pension asset - teacher legacy pension plan		(330,912)	
Change in deferred outflows related to pensions		659,902	
Change in deferred inflows related to pensions		6,064,608	
Change in OPEB liability		(1,665,498)	
Change in deferred outflows related to OPEB		1,237,144	
Change in deferred inflows related to OPEB		<u>(629,912)</u>	2,451,668
Change in net position of governmental activities (Exhibit B)			<u>\$ 18,703,501</u>

Exhibit I-6

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

	Special Revenue Funds			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Internal School	
<u>ASSETS</u>				
Cash	\$ 0	\$ 61,199	\$ 2,021,253	\$ 2,082,452
Equity in Pooled Cash and Investments	972,408	2,798,687	0	3,771,095
Due from Other Governments	390,342	0	0	390,342
Total Assets	<u>\$ 1,362,750</u>	<u>\$ 2,859,886</u>	<u>\$ 2,021,253</u>	<u>\$ 6,243,889</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 0	\$ 0	\$ 7,475	\$ 7,475
Accrued Payroll	587,511	0	0	587,511
Payroll Deductions Payable	84,714	46,454	0	131,168
Due to Other Funds	88,800	3,272	0	92,072
Total Liabilities	<u>\$ 761,025</u>	<u>\$ 49,726</u>	<u>\$ 7,475</u>	<u>\$ 818,226</u>
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Education	\$ 1,725	\$ 2,810,160	\$ 2,013,778	\$ 4,825,663
Committed:				
Committed for Education	600,000	0	0	600,000
Total Fund Balances	<u>\$ 601,725</u>	<u>\$ 2,810,160</u>	<u>\$ 2,013,778</u>	<u>\$ 5,425,663</u>
Total Liabilities and Fund Balances	<u>\$ 1,362,750</u>	<u>\$ 2,859,886</u>	<u>\$ 2,021,253</u>	<u>\$ 6,243,889</u>

Exhibit I-7

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

	Special Revenue Funds			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Internal School	
<u>Revenues</u>				
Charges for Current Services	\$ 0	\$ 605,113	\$ 0	\$ 605,113
Other Local Revenues	0	9,914	5,320,714	5,330,628
Federal Government	8,718,048	6,193,665	0	14,911,713
Total Revenues	<u>\$ 8,718,048</u>	<u>\$ 6,808,692</u>	<u>\$ 5,320,714</u>	<u>\$ 20,847,454</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 6,027,159	\$ 0	\$ 0	\$ 6,027,159
Support Services	2,437,222	0	0	2,437,222
Operation of Non-Instructional Services	24,422	5,729,457	5,068,556	10,822,435
Total Expenditures	<u>\$ 8,488,803</u>	<u>\$ 5,729,457</u>	<u>\$ 5,068,556</u>	<u>\$ 19,286,816</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 229,245</u>	<u>\$ 1,079,235</u>	<u>\$ 252,158</u>	<u>\$ 1,560,638</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 300,000	\$ 0	\$ 0	\$ 300,000
Transfers Out	(227,520)	0	0	(227,520)
Total Other Financing Sources (Uses)	<u>\$ 72,480</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 72,480</u>
Net Change in Fund Balances	\$ 301,725	\$ 1,079,235	\$ 252,158	\$ 1,633,118
Restatement - See Note I.D.11.	0	0	1,761,620	1,761,620
Fund Balance, July 1, 2020	300,000	1,730,925	0	2,030,925
Fund Balance, June 30, 2021	<u>\$ 601,725</u>	<u>\$ 2,810,160</u>	<u>\$ 2,013,778</u>	<u>\$ 5,425,663</u>

Exhibit I-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2020	Add: Encumbrances 6/30/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 28,394,743	\$ 0	\$ 0	\$ 28,394,743	\$ 25,925,338	\$ 25,925,338	\$ 2,469,405
Licenses and Permits	5,975	0	0	5,975	5,515	5,515	460
Charges for Current Services	2,531	0	0	2,531	3,275	3,275	(744)
Other Local Revenues	320,008	0	0	320,008	110,000	240,844	79,164
State of Tennessee	55,076,034	0	0	55,076,034	52,095,282	55,434,253	(358,219)
Federal Government	1,565,999	0	0	1,565,999	104,985	2,212,734	(646,735)
Other Governments and Citizens Groups	50,200	0	0	50,200	50,200	50,200	0
Total Revenues	\$ 85,415,490	\$ 0	\$ 0	\$ 85,415,490	\$ 78,294,595	\$ 83,872,159	\$ 1,543,331
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 44,122,924	\$ 0	\$ 0	\$ 44,122,924	\$ 42,902,471	\$ 45,800,605	\$ 1,677,681
Special Education Program	5,062,767	0	0	5,062,767	5,143,636	5,304,061	241,294
Career and Technical Education Program	3,460,475	0	0	3,460,475	3,451,544	3,585,584	125,109
<u>Support Services</u>							
Attendance	217,602	0	0	217,602	219,600	222,195	4,593
Health Services	1,019,685	0	0	1,019,685	890,664	1,062,207	42,522
Other Student Support	3,824,265	0	0	3,824,265	3,931,965	4,014,245	189,980
Regular Instruction Program	2,369,855	0	0	2,369,855	2,502,951	2,543,423	173,568
Special Education Program	933,628	0	0	933,628	960,701	1,031,996	98,368
Career and Technical Education Program	338,873	0	0	338,873	346,954	354,161	15,288
Technology	852,859	0	7,482	860,341	1,013,672	985,978	125,637
Other Programs	379,501	0	0	379,501	0	379,501	0
Board of Education	883,120	0	0	883,120	970,816	950,080	66,960
Director of Schools	333,080	0	0	333,080	344,224	368,600	35,520
Office of the Principal	4,456,928	0	0	4,456,928	4,466,446	4,566,213	109,285
Fiscal Services	310,557	0	0	310,557	331,540	336,665	26,108
Human Services/Personnel	293,854	0	0	293,854	302,576	306,590	12,736
Operation of Plant	5,992,325	0	0	5,992,325	5,849,794	6,853,476	861,151

(Continued)

Exhibit I-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2020	Add: Encumbrances 6/30/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Maintenance of Plant	\$ 1,317,543	\$ 0	\$ 0	\$ 1,317,543	\$ 1,322,315	\$ 1,479,451	\$ 161,908
Transportation	2,631,787	0	0	2,631,787	2,604,050	2,798,254	166,467
<u>Operation of Non-Instructional Services</u>							
Food Service	109,307	0	0	109,307	110,575	111,618	2,311
Community Services	585,819	0	0	585,819	0	689,903	104,084
Early Childhood Education	1,184,244	0	0	1,184,244	0	1,184,244	0
<u>Capital Outlay</u>							
Regular Capital Outlay	819,406	(22,763)	19,767	816,410	675,000	850,451	34,041
Total Expenditures	<u>\$ 81,500,404</u>	<u>\$ (22,763)</u>	<u>\$ 27,249</u>	<u>\$ 81,504,890</u>	<u>\$ 78,341,494</u>	<u>\$ 85,779,501</u>	<u>\$ 4,274,611</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,915,086	\$ 22,763	\$ (27,249)	\$ 3,910,600	\$ (46,899)	\$ (1,907,342)	\$ 5,817,942
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 64,308	\$ 0	\$ 0	\$ 64,308	\$ 46,900	\$ 46,900	\$ 17,408
Transfers Out	(561,300)	0	0	(561,300)	0	(561,300)	0
Total Other Financing Sources	<u>\$ (496,992)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (496,992)</u>	<u>\$ 46,900</u>	<u>\$ (514,400)</u>	<u>\$ 17,408</u>
Net Change in Fund Balance	\$ 3,418,094	\$ 22,763	\$ (27,249)	\$ 3,413,608	\$ 1	\$ (2,421,742)	\$ 5,835,350
Fund Balance, July 1, 2020	10,378,890	(22,763)	0	10,356,127	6,788,555	6,788,555	3,567,572
Fund Balance, June 30, 2021	<u>\$ 13,796,984</u>	<u>\$ 0</u>	<u>\$ (27,249)</u>	<u>\$ 13,769,735</u>	<u>\$ 6,788,556</u>	<u>\$ 4,366,813</u>	<u>\$ 9,402,922</u>

Exhibit I-9

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

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Federal Government	\$ 8,718,048	\$ 0	\$ 8,718,048	\$ 5,079,588	\$ 17,553,536	\$ (8,835,488)
Total Revenues	\$ 8,718,048	\$ 0	\$ 8,718,048	\$ 5,079,588	\$ 17,553,536	\$ (8,835,488)
<u>Expenditures</u>						
<u>Instruction</u>						
Regular Instruction Program	\$ 4,276,169	\$ 1,449	\$ 4,277,618	\$ 1,406,021	\$ 4,832,371	\$ 554,753
Special Education Program	1,463,281	0	1,463,281	1,146,381	1,844,890	381,609
Career and Technical Education Program	287,709	0	287,709	8,757	1,629,912	1,342,203
<u>Support Services</u>						
Other Student Support	845,736	0	845,736	580,557	1,401,914	556,178
Regular Instruction Program	468,030	0	468,030	858,613	1,107,984	639,954
Special Education Program	665,423	0	665,423	745,360	845,417	179,994
Career and Technical Education Program	0	0	0	0	7,000	7,000
Operation of Plant	245,101	0	245,101	0	260,792	15,691
Transportation	212,932	64,838	277,770	270,000	380,150	102,380
<u>Operation of Non-Instructional Services</u>						
Food Service	24,422	0	24,422	0	90,000	65,578
<u>Capital Outlay</u>						
Regular Capital Outlay	0	0	0	0	4,925,588	4,925,588
Total Expenditures	\$ 8,488,803	\$ 66,287	\$ 8,555,090	\$ 5,015,689	\$ 17,326,018	\$ 8,770,928
Excess (Deficiency) of Revenues Over Expenditures	\$ 229,245	\$ (66,287)	\$ 162,958	\$ 63,899	\$ 227,518	\$ (64,560)

(Continued)

Exhibit I-9

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

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 300,000	\$ 0	\$ 300,000	\$ 0	\$ 300,000	\$ 0
Transfers Out	(227,520)	0	(227,520)	(63,900)	(227,520)	0
Total Other Financing Sources	<u>\$ 72,480</u>	<u>\$ 0</u>	<u>\$ 72,480</u>	<u>\$ (63,900)</u>	<u>\$ 72,480</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 301,725	\$ (66,287)	\$ 235,438	\$ (1)	\$ 299,998	\$ (64,560)
Fund Balance, July 1, 2020	<u>300,000</u>	<u>0</u>	<u>300,000</u>	<u>0</u>	<u>0</u>	<u>300,000</u>
Fund Balance, June 30, 2021	<u><u>\$ 601,725</u></u>	<u><u>\$ (66,287)</u></u>	<u><u>\$ 535,438</u></u>	<u><u>\$ (1)</u></u>	<u><u>\$ 299,998</u></u>	<u><u>\$ 235,440</u></u>

Exhibit I-10

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 605,113	\$ 1,870,500	\$ 1,870,500	\$ (1,265,387)
Other Local Revenues	9,914	38,500	38,500	(28,586)
Federal Government	6,193,665	4,540,000	4,540,000	1,653,665
Total Revenues	<u>\$ 6,808,692</u>	<u>\$ 6,449,000</u>	<u>\$ 6,449,000</u>	<u>\$ 359,692</u>
<u>Expenditures</u>				
<u>Operation of Non-Instructional Services</u>				
Food Service	\$ 5,729,457	\$ 6,449,000	\$ 6,449,000	\$ 719,543
Total Expenditures	<u>\$ 5,729,457</u>	<u>\$ 6,449,000</u>	<u>\$ 6,449,000</u>	<u>\$ 719,543</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,079,235</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,079,235</u>
Net Change in Fund Balance	\$ 1,079,235	\$ 0	\$ 0	\$ 1,079,235
Fund Balance, July 1, 2020	<u>1,730,925</u>	<u>1,670,732</u>	<u>1,670,732</u>	<u>60,193</u>
Fund Balance, June 30, 2021	<u>\$ 2,810,160</u>	<u>\$ 1,670,732</u>	<u>\$ 1,670,732</u>	<u>\$ 1,139,428</u>

Exhibit I-11

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

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2021	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Other Local Revenues	\$ 13,905,084	\$ 0	\$ 13,905,084	\$ 1,063,658	\$ 13,883,908	\$ 21,176
Total Revenues	\$ 13,905,084	\$ 0	\$ 13,905,084	\$ 1,063,658	\$ 13,883,908	\$ 21,176
<u>Expenditures</u>						
<u>Capital Projects</u>						
Education Capital Projects	\$ 11,584,676	\$ 16,724	\$ 11,601,400	\$ 13,063,658	\$ 21,495,867	\$ 9,894,467
Total Expenditures	\$ 11,584,676	\$ 16,724	\$ 11,601,400	\$ 13,063,658	\$ 21,495,867	\$ 9,894,467
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,320,408	\$ (16,724)	\$ 2,303,684	\$ (12,000,000)	\$ (7,611,959)	\$ 9,915,643
<u>Other Financing Sources (Uses)</u>						
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 12,000,000	\$ 0	\$ 0
Transfers In	424,512	0	424,512	0	5,349,300	(4,924,788)
Total Other Financing Sources	\$ 424,512	\$ 0	\$ 424,512	\$ 12,000,000	\$ 5,349,300	\$ (4,924,788)
Net Change in Fund Balance	\$ 2,744,920	\$ (16,724)	\$ 2,728,196	\$ 0	\$ (2,262,659)	\$ 4,990,855
Fund Balance, July 1, 2020	2,262,659	0	2,262,659	2,262,659	2,262,659	0
Fund Balance, June 30, 2021	\$ 5,007,579	\$ (16,724)	\$ 4,990,855	\$ 2,262,659	\$ 0	\$ 4,990,855

MISCELLANEOUS SCHEDULES

Exhibit J-1

Bradley County, Tennessee
Schedule of Changes in Long-term Bonds, Other Loans, and Capital Leases
For the Year Ended June 30, 2021

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-20	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-21
BONDS PAYABLE									
<u>Payable through General Debt Service Fund</u>									
General Obligation Series 2013	\$ 2,870,000	2 to 2.125 %	3-15-13	6-1-29	\$ 1,725,000	\$ 0	\$ 175,000	\$ 0	\$ 1,550,000
General Obligation Refunding Bonds, Series 2019	19,960,000	2.14	5-31-19	6-1-29	19,105,000	0	3,035,000	0	16,070,000
General Obligation Refunding, Series 2015 (Hiwassee Utilities Commission)	5,580,000	2 to 3.5	12-15-15	5-25-21	5,040,000 (1)		175,000	4,865,000	0
General Obligation Refunding, Series 2021B (Hiwassee Utilities Commission)	4,750,000	1.5 to 3	5-25-21	5-1-42	0	4,750,000	0	0	4,750,000
General Obligation School Bonds, Series 2020	7,860,000	1.16	12-18-20	6-1-40	0	7,860,000	0	0	7,860,000
General Obligation School Bonds, Series 2021	6,805,000	1.14	2-26-21	6-1-40	0	6,805,000	0	0	6,805,000
Total Bonds Payable					<u>\$ 25,870,000</u>	<u>\$ 19,415,000</u>	<u>\$ 3,385,000</u>	<u>\$ 4,865,000</u>	<u>\$ 37,035,000</u>
OTHER LOANS PAYABLE									
<u>Payable through General Debt Service Fund</u>									
Refunding Loan Series E-6-A	38,210,000 (2)	Variable	6-4-08	6-1-26	\$ 18,510,000	\$ 0	\$ 2,320,000	\$ 0	\$ 16,190,000
PIB - Series VII-P-1 (Lake Forest Middle School)	15,550,380	Variable	10-20-17	6-1-37	14,290,380	0	660,000	0	13,630,380
Total Other Loans Payable					<u>\$ 32,800,380</u>	<u>\$ 0</u>	<u>\$ 2,980,000</u>	<u>\$ 0</u>	<u>\$ 29,820,380</u>
CAPITAL LEASES PAYABLE									
<u>Contributions Due by the School Department from the General Purpose School Fund to the General Debt Service Fund</u>									
Energy Upgrades	16,188,500	2.45	8-19-16	8-15-36	\$ 14,314,618	\$ 0	\$ 713,557	\$ 0	\$ 13,601,061
Total Contributions Due by the School Department from the General Purpose School Fund to the General Debt Service Fund					<u>\$ 14,314,618</u>	<u>\$ 0</u>	<u>\$ 713,557</u>	<u>\$ 0</u>	<u>\$ 13,601,061</u>
<u>Payable through General Fund</u>									
Sheriff Dept. - 8 Vehicles	305,304	1.5	5-10-20	5-1-24	\$ 224,224	\$ 0	\$ 71,129	\$ 0	\$ 153,095
Sheriff Dept. - 7 Vehicles	267,140	1.5	9-10-20	9-1-24	0	267,140	70,944	0	196,196
Sheriff Dept. - Body Cameras	360,000	0	11-5-20	11-5-25	0	360,000	108,032	0	251,968
Total Payable through General Fund					<u>\$ 224,224</u>	<u>\$ 627,140</u>	<u>\$ 250,105</u>	<u>\$ 0</u>	<u>\$ 601,259</u>
<u>Payable through Special Purpose Fire Tax Fund</u>									
Fire Dept. - Self Containing Breathing Apparatuses	498,882	3.89	9-17-18	2-12-23	\$ 303,825	\$ 0	\$ 97,432	\$ 0	\$ 206,393
Fire Dept. - Turnout Gear	192,710	3.794	4-1-19	12-1-23	155,135	0	36,645	0	118,490
Total Payable through Special Purpose Fire Tax Fund					<u>\$ 458,960</u>	<u>\$ 0</u>	<u>\$ 134,077</u>	<u>\$ 0</u>	<u>\$ 324,883</u>
Total Capital Leases Payable					<u>\$ 14,997,802</u>	<u>\$ 627,140</u>	<u>\$ 1,097,739</u>	<u>\$ 0</u>	<u>\$ 14,527,203</u>

- (1) This general obligation bond had not been included in the prior year financial statements but was reported as a contingent liability of the county.
(2) The loan agreements refunded by a portion of this issue were swapped from variable to a synthetic fixed rate by execution of swap agreements.

Exhibit J-2

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2022	\$ 2,870,000	\$ 1,181,129	\$ 4,051,129
2023	2,995,000	1,008,705	4,003,705
2024	3,125,000	873,205	3,998,205
2025	3,245,000	731,305	3,976,305
2026	1,050,000	583,505	1,633,505
2027	4,060,000	544,961	4,604,961
2028	4,195,000	417,411	4,612,411
2029	4,260,000	285,805	4,545,805
2030	985,000	152,293	1,137,293
2031	980,000	140,755	1,120,755
2032	980,000	129,268	1,109,268
2033	980,000	118,343	1,098,343
2034	980,000	106,870	1,086,870
2035	980,000	94,643	1,074,643
2036	980,000	81,829	1,061,829
2037	980,000	68,208	1,048,208
2038	980,000	54,000	1,034,000
2039	980,000	39,190	1,019,190
2040	980,000	24,003	1,004,003
2041	225,000	8,212	233,212
2042	225,000	4,162	229,162
Total	\$ 37,035,000	\$ 6,647,802	\$ 43,682,802

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2022	\$ 3,100,000	\$ 91,413	\$ 3,332,344
2023	3,245,000	85,079	3,469,310
2024	3,400,000	78,500	3,596,232
2025	3,530,000	71,664	3,696,799
2026	6,520,000	64,599	6,659,634
2027	785,000	54,137	864,200
2028	810,000	49,898	882,999
2029	835,000	45,524	901,600
2030	860,000	41,015	920,003
2031	885,000	36,371	938,210
2032	910,000	31,592	956,218
2033	940,000	26,678	979,029
2034	970,000	21,602	1,005,003
2035	995,000	16,364	1,018,940
2036	1,025,000	10,991	1,041,079
2037	1,010,380	5,455	1,018,362
Total	\$ 29,820,380	\$ 730,882	\$ 31,279,962

(Continued)

Exhibit J-2

Bradley County, TennesseeSchedule of Long-term Debt Requirements by Year (Cont.)

Year Ending June 30	Capital Leases		
	Principal	Interest	Total
2022	\$ 1,070,337	\$ 358,117	\$ 1,428,454
2023	1,100,586	327,868	1,428,454
2024	940,238	296,967	1,237,205
2025	849,490	273,363	1,122,853
2026	805,947	253,974	1,059,921
2027	825,813	234,108	1,059,921
2028	846,170	213,751	1,059,921
2029	867,028	192,893	1,059,921
2030	888,400	171,521	1,059,921
2031	910,299	149,622	1,059,921
2032	932,738	127,183	1,059,921
2033	955,730	104,191	1,059,921
2034	979,289	80,632	1,059,921
2035	1,003,429	56,492	1,059,921
2036	1,028,163	31,758	1,059,921
2037	523,546	6,413	529,959
Total	\$ 14,527,203	\$ 2,878,853	\$ 17,406,056

Exhibit J-3

Bradley County, Tennessee
Schedule of Notes Receivable
June 30, 2021

Description	Debtor	Original Amount of Note	Date of Issue	Date of Maturity	Interest Rate	Balance 6-30-21
<u>General Debt Service Fund</u>						
Intergovernmental Revenue Note	Hiwassee Utility Commission	\$ 4,750,000	5-25-21	5-1-42	1.5 to 3 %	<u>\$ 4,750,000</u>
Total						<u><u>\$ 4,750,000</u></u>
<u>HUD Grant Projects Fund</u>						
H.O.U.S.E. Down Payment Assistance	Hugh Wilson	\$ 4,000	12-2-1992	12-2-22	0 %	\$ 3,311
"	Paula Payne	5,000	5-5-1993	5-5-23	0	3,023
"	Timmie Varner	3,500	10-5-1993	10-5-23	0	885
"	Rebecca Young	2,200	4-27-1994	4-27-24	0	1,626
"	Beryl Paul, Jr.	3,600	5-25-1994	5-25-24	0	2,540
"	Donna Yarber	1,800	10-4-1994	10-4-24	0	1,055
"	Robin Sharp	14,700	10-24-1994	10-24-24	0	11,637
"	Patricia Kendrick	2,300	1-17-1995	1-17-25	0	1,770
"	Angela Thornton	1,300	3-2-1995	3-2-25	0	475
"	Kim Swafford	5,000	5-12-1995	5-12-25	0	3,583
"	Yolandia Thomas	2,100	5-22-1995	5-22-25	0	1,826
"	Christine Scott	1,500	5-20-1995	5-20-25	0	<u>1,400</u>
Total						<u><u>\$ 33,131</u></u>

Exhibit J-4

Bradley County, Tennessee
Schedule of Transfers
Primary Government and Discretely Presented Bradley County School Department
For the Year Ended June 30, 2021

From Fund	To Fund	Purpose	Amount
<u>PRIMARY GOVERNMENT</u>			
General	Other Capital Projects	Operations	\$ 21,072
Special Purpose Fire Tax	General Debt Service	Debt Payments	<u>210,513</u>
Total Transfers Primary Government			<u>\$ 231,585</u>
<u>DISCRETELY PRESENTED BRADLEY COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect Costs	\$ 64,308
School Federal Projects	Education Capital Projects	Building Project	163,212
General Purpose School	School Federal Projects	Cash Flow	300,000
General Purpose School	Education Capital Projects	Building Project	<u>261,300</u>
Total Transfers Discretely Presented Bradley County School Department			<u>\$ 788,820</u>

Exhibit J-5

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <i>TCA</i> , and county commission	\$ 112,025 (1)	(4)	
Road Superintendent	Section 8-24-102, <i>TCA</i>	103,770	(4)	
Director of Schools	State Board of Education and Bradley County Board of Education	163,863 (2)	(4)	
Trustee	Section 8-24-102, <i>TCA</i>	94,336	\$ 4,248,373	Cincinnati Insurance Company
Assessor of Property	Section 8-24-102, <i>TCA</i>	94,336	(4)	
County Clerk	Section 8-24-102, <i>TCA</i>	94,336	(4)	
Circuit and General Sessions Courts Clerk	Section 8-24-102, <i>TCA</i>	94,336	(4)	
Clerk and Master	Section 8-24-102, <i>TCA</i>	94,336	(4)	
Register of Deeds	Section 8-24-102, <i>TCA</i>	94,336	(4)	
Sheriff	Section 8-24-102, <i>TCA</i>	103,770 (3)	(4)	
Employee Blanket Bonds:				
Employee Fidelity - County Departments			400,000	Local Government Property and Casualty Fund
Employee Fidelity - School Department			400,000	Tennessee Risk Management Trust

(1) Includes compensation of \$3,067 for serving as county purchasing agent.

(2) Does not include a chief executive officer training supplement of \$1,000, retirement reimbursement of \$7,662, and other fringe benefits of \$15,499 allowed by director's contract.

(3) Does not include a law enforcement training supplement of \$800.

(4) Covered under the applicable Public Employee Blanket Bond.

Exhibit J-6

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

	Special Revenue Funds				
	General	Law Library	Public Library	Solid Waste / Sanitation	Special Purpose Fire Tax
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 11,654,602	\$ 0	\$ 650,285	\$ 0	\$ 4,824,599
Trustee's Collections - Prior Year	341,809	0	17,674	0	83,600
Circuit Clerk/Clerk and Master Collections - Prior Years	185,710	0	10,313	0	159,220
Interest and Penalty	60,936	0	3,396	0	24,720
Payments in-Lieu-of Taxes - T.V.A.	6,782	0	378	0	5,976
Payments in-Lieu-of Taxes - Local Utilities	4,236	0	236	0	3,733
Payments in-Lieu-of Taxes - Other	936,135	0	52,122	0	594,866
<u>County Local Option Taxes</u>					
Local Option Sales Tax	7,920,621	0	0	0	0
Hotel/Motel Tax	798,558	0	0	0	0
Local Amusement Tax	1,219	0	0	0	0
Litigation Tax - General	233,167	0	0	0	0
Litigation Tax - Special Purpose	48,703	675	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	47,896	0	0	0	0
Business Tax	1,695,062	0	0	0	0
Mixed Drink Tax	2,612	0	0	0	0
<u>Statutory Local Taxes</u>					
Bank Excise Tax	66,963	0	3,728	0	0
Wholesale Beer Tax	321,600	0	0	0	0
Total Local Taxes	\$ 24,326,611	\$ 675	\$ 738,132	\$ 0	\$ 5,696,714
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Cable TV Franchise	\$ 340,458	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit J-6

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

	Special Revenue Funds				
	General	Law Library	Public Library	Solid Waste / Sanitation	Special Purpose Fire Tax
<u>Licenses and Permits (Cont.)</u>					
<u>Permits</u>					
Beer Permits	\$ 3,713	\$ 0	\$ 0	\$ 0	0
Building Permits	196,960	0	0	0	0
Total Licenses and Permits	\$ 541,131	\$ 0	\$ 0	\$ 0	0
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	\$ 10,968	\$ 0	\$ 0	\$ 0	0
Officers Costs	27,354	0	0	0	0
Drug Control Fines	19,114	0	0	0	0
Data Entry Fee - Circuit Court	25,660	0	0	0	0
Courtroom Security Fee	1,348	0	0	0	0
<u>Criminal Court</u>					
Fines	164,710	895	0	0	0
Officers Costs	92,029	0	0	0	0
Drug Control Fines	15,266	0	0	0	0
Jail Fees	51,735	0	0	0	0
DUI Treatment Fines	20,024	0	0	0	0
Data Entry Fee - Criminal Court	4,121	0	0	0	0
Courtroom Security Fee	7,330	0	0	0	0
<u>General Sessions Court</u>					
Fines for Littering	380	0	0	0	0
Game and Fish Fines	446	0	0	0	0
Jail Fees	2,666	0	0	0	0
Data Entry Fee - General Sessions Court	18,695	0	0	0	0

(Continued)

Exhibit J-6

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

	Special Revenue Funds				
	General	Law Library	Public Library	Solid Waste / Sanitation	Special Purpose Fire Tax
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>Juvenile Court</u>					
Fines	\$ 1,244	\$ 0	\$ 0	\$ 0	0
Victims Assistance Assessments	20,650	0	0	0	0
<u>Chancery Court</u>					
Courtroom Security Fee	8	0	0	0	0
<u>Other Courts - In-county</u>					
Fines	9,306	0	0	0	0
Drug Court Fees	45,875	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>					
Proceeds from Confiscated Property	0	0	0	0	0
Other Fines, Forfeitures, and Penalties	7,039	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 545,968	\$ 895	\$ 0	\$ 0	0
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Water Treatment Charges	\$ 2,275	\$ 0	\$ 0	\$ 0	0
Patient Charges	4,377,567	0	0	0	0
Zoning Studies	50	0	0	0	0
Work Release Charges for Board	20,666	0	0	0	0
Service Charges	165,105	0	0	0	0
<u>Fees</u>					
Recreation Fees	63,287	0	0	0	0
Copy Fees	2,115	0	0	0	15
Library Fees	228,541	8,175	0	0	0
Archives and Records Management Fee	47,900	0	0	0	0
Telephone Commissions	112,826	0	0	0	0

(Continued)

Exhibit J-6

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

	Special Revenue Funds				
	General	Law Library	Public Library	Solid Waste / Sanitation	Special Purpose Fire Tax
<u>Charges for Current Services (Cont.)</u>					
<u>Fees (Cont.)</u>					
Electronic Citation Fee	\$ 15,462	\$ 0	\$ 0	\$ 0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0
Data Processing Fee - Register	43,528	0	0	0	0
Probation Fees	344,840	0	0	0	0
Data Processing Fee - Sheriff	1,688	0	0	0	0
Sexual Offender Registration Fee - Sheriff	9,000	0	0	0	0
Data Processing Fee - County Clerk	15,456	0	0	0	0
Vehicle Registration Reinstatement Fees	10,225	0	0	0	0
<u>Education Charges</u>					
Community Service Fees - Adults	47,224	0	0	0	0
Other Charges for Services	11,275	0	0	0	0
Total Charges for Current Services	\$ 5,519,030	\$ 8,175	\$ 0	\$ 0	15
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 195,107	\$ 0	\$ 0	\$ 0	0
Lease/Rentals	194,603	0	0	0	1
Sale of Materials and Supplies	710	0	0	0	30
Commissary Sales	83,890	0	0	0	0
Sale of Gasoline	69,389	0	0	0	0
Sale of Maps	2,588	0	0	0	0
Sale of Recycled Materials	7,693	0	0	0	0
Miscellaneous Refunds	26,675	0	0	0	213
Expenditure Credits	266,144	0	0	0	0

(Continued)

Exhibit J-6

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

	Special Revenue Funds				
	General	Law Library	Public Library	Solid Waste / Sanitation	Special Purpose Fire Tax
<u>Other Local Revenues (Cont.)</u>					
<u>Nonrecurring Items</u>					
Sale of Equipment	\$ 17,690	\$ 0	\$ 0	\$ 0	0
Contributions and Gifts	6,000	0	0	0	600
<u>Other Local Revenues</u>					
Other Local Revenues	446,977	0	0	0	0
Total Other Local Revenues	\$ 1,317,466	\$ 0	\$ 0	\$ 0	844
<u>Fees Received From County Officials</u>					
<u>Excess Fees</u>					
County Clerk	\$ 126,500	\$ 0	\$ 0	\$ 0	0
Clerk and Master	178,158	0	0	0	0
Register	315,758	0	0	0	0
Trustee	986,962	0	0	0	0
<u>Fees In-Lieu-of Salary</u>					
Circuit Court Clerk	309,362	0	0	0	0
Criminal Court Clerk	463,271	0	0	0	0
General Sessions Court Clerk	460,609	0	0	0	0
Sheriff	29,338	0	0	0	0
Total Fees Received From County Officials	\$ 2,869,958	\$ 0	\$ 0	\$ 0	0
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 54,150	\$ 0	\$ 0	\$ 0	0
Other General Government Grants	1,664,886	0	0	0	0
<u>Public Safety Grants</u>					
Drug Control Grants	195,010	0	0	0	0
Other Public Safety Grants	2,423	0	0	0	0

(Continued)

Exhibit J-6

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

	Special Revenue Funds				
	General	Law Library	Public Library	Solid Waste / Sanitation	Special Purpose Fire Tax
<u>State of Tennessee (Cont.)</u>					
<u>Health and Welfare Grants</u>					
Health Department Programs	\$ 1,426,841	\$ 0	\$ 0	\$ 0	0
<u>Public Works Grants</u>					
Litter Program	64,561	0	0	0	0
<u>Other State Revenues</u>					
Income Tax	129,043	0	7,049	0	0
Beer Tax	18,369	0	0	0	0
Vehicle Certificate of Title Fees	19,197	0	0	0	0
Alcoholic Beverage Tax	192,378	0	0	0	0
State Revenue Sharing - T.V.A.	303,529	0	16,900	0	0
State Revenue Sharing - Telecommunications	107,995	0	0	0	0
State Shared Sports Gaming Privilege Tax	21,072	0	0	0	0
Contracted Prisoner Boarding	955,618	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0
State Shared Sales Tax - Cities	14,295	0	0	0	0
Other State Grants	301,946	0	0	0	0
Other State Revenues	100,175	0	0	106,275	54,400
Total State of Tennessee	\$ 5,586,652	\$ 0	\$ 23,949	\$ 106,275	\$ 54,400
<u>Federal Government</u>					
<u>Federal Through State</u>					
Civil Defense Reimbursement	\$ 56,000	\$ 0	\$ 0	\$ 0	0
Homeland Security Grants	52,077	0	0	0	0
Medicaid	97,220	0	0	0	0

(Continued)

Exhibit J-6

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

	Special Revenue Funds				
	General	Law Library	Public Library	Solid Waste / Sanitation	Special Purpose Fire Tax
<u>Federal Government (Cont.)</u>					
<u>Federal Through State (Cont.)</u>					
Law Enforcement Grants	\$ 20,136	\$ 0	\$ 0	\$ 0	\$ 0
COVID-19 Grant #1	41,405	0	0	0	0
COVID-19 Grant #2	71,472	0	0	0	0
COVID-19 Grant #3	1,600,905	0	0	0	0
COVID-19 Grant #4	5,786	0	0	0	0
Total Federal Government	<u>\$ 1,945,001</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Prisoner Board	\$ 1,118,310	\$ 0	\$ 0	\$ 0	\$ 0
Contributions	61,500	0	0	0	0
Contracted Services	344,819	0	0	10,000	25,000
<u>Citizens Groups</u>					
Donations	4,950	0	0	0	450
<u>Other</u>					
Other	7,360	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 1,536,939</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,000</u>	<u>\$ 25,450</u>
Total	<u>\$ 44,188,756</u>	<u>\$ 9,745</u>	<u>\$ 762,081</u>	<u>\$ 116,275</u>	<u>\$ 5,777,423</u>

(Continued)

Exhibit J-6

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	Drug Control	Agriculture Center	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	Community Development/ Industrial Park
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 0	\$ 0	\$ 0	\$ 2,654,857	\$ 7,498,312	\$ 0
Trustee's Collections - Prior Year	0	0	0	72,116	187,752	0
Circuit Clerk/Clerk and Master Collections - Prior Years	0	0	0	42,178	118,582	0
Interest and Penalty	0	0	0	13,884	39,045	0
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	1,671	4,345	0
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	963	2,714	0
Payments in-Lieu-of Taxes - Other	0	0	0	212,801	599,779	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	0	0	0	0	0
Hotel/Motel Tax	0	241,456	0	0	0	308,902
Local Amusement Tax	0	0	0	0	0	0
Litigation Tax - General	0	0	0	0	0	0
Litigation Tax - Special Purpose	0	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	0
Business Tax	0	0	0	0	0	0
Mixed Drink Tax	0	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	0	0	15,222	42,903	0
Wholesale Beer Tax	0	0	0	0	0	0
Total Local Taxes	\$ 0	\$ 241,456	\$ 0	\$ 3,013,692	\$ 8,493,432	\$ 308,902
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit J-6

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	Drug Control	Agriculture Center	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	Community Development/ Industrial Park
<u>Licenses and Permits (Cont.)</u>						
<u>Permits</u>						
Beer Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Building Permits	0	0	0	0	0	0
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	0	0	0	0	0	0
Drug Control Fines	20,805	0	0	0	0	0
Data Entry Fee - Circuit Court	0	0	0	0	0	0
Courtroom Security Fee	0	0	0	0	0	0
<u>Criminal Court</u>						
Fines	0	0	0	0	0	0
Officers Costs	0	0	0	0	0	0
Drug Control Fines	14,432	0	0	0	0	0
Jail Fees	0	0	0	0	0	0
DUI Treatment Fines	0	0	0	0	0	0
Data Entry Fee - Criminal Court	0	0	0	0	0	0
Courtroom Security Fee	0	0	0	0	0	0
<u>General Sessions Court</u>						
Fines for Littering	0	0	0	0	0	0
Game and Fish Fines	0	0	0	0	0	0
Jail Fees	0	0	0	0	0	0
Data Entry Fee - General Sessions Court	0	0	0	0	0	0

(Continued)

Exhibit J-6

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	Drug Control	Agriculture Center	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	Community Development/ Industrial Park
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>Juvenile Court</u>						
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Victims Assistance Assessments	0	0	0	0	0	0
<u>Chancery Court</u>						
Courtroom Security Fee	0	0	0	0	0	0
<u>Other Courts - In-county</u>						
Fines	0	0	0	0	0	0
Drug Court Fees	0	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	84,298	0	0	0	0	0
Other Fines, Forfeitures, and Penalties	0	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 119,535	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Water Treatment Charges	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Patient Charges	0	0	0	0	0	0
Zoning Studies	0	0	0	0	0	0
Work Release Charges for Board	0	0	0	0	0	0
Service Charges	0	0	0	0	0	0
<u>Fees</u>						
Recreation Fees	0	0	0	0	0	0
Copy Fees	0	0	0	0	0	0
Library Fees	0	0	0	0	0	0
Archives and Records Management Fee	0	0	0	0	0	0
Telephone Commissions	0	0	0	0	0	0

(Continued)

Exhibit J-6

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	Drug Control	Agriculture Center	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	Community Development/ Industrial Park
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Electronic Citation Fee	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Constitutional Officers' Fees and Commissions	0	0	2,529,285	0	0	0
Data Processing Fee - Register	0	0	0	0	0	0
Probation Fees	0	0	0	0	0	0
Data Processing Fee - Sheriff	0	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0	0
Data Processing Fee - County Clerk	0	0	0	0	0	0
Vehicle Registration Reinstatement Fees	0	0	0	0	0	0
<u>Education Charges</u>						
Community Service Fees - Adults	0	0	0	0	0	0
Other Charges for Services	0	0	0	0	0	0
Total Charges for Current Services	\$ 0	\$ 0	\$ 2,529,285	\$ 0	\$ 0	\$ 0
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 0	\$ 0	\$ 0	\$ 6,285	\$ 150,306	\$ 0
Lease/Rentals	0	0	0	0	0	0
Sale of Materials and Supplies	0	0	0	11,405	0	0
Commissary Sales	0	0	0	0	0	0
Sale of Gasoline	0	0	0	0	0	0
Sale of Maps	0	0	0	0	0	0
Sale of Recycled Materials	0	0	0	0	0	0
Miscellaneous Refunds	0	0	0	164,506	0	0
Expenditure Credits	0	0	0	0	0	0

(Continued)

Exhibit J-6

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	Drug Control	Agriculture Center	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	Community Development/ Industrial Park
<u>Other Local Revenues (Cont.)</u>						
<u>Nonrecurring Items</u>						
Sale of Equipment	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions and Gifts	0	0	0	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	0	0	0	6,498	0	0
Total Other Local Revenues	\$ 0	\$ 0	\$ 0	\$ 188,694	\$ 150,306	\$ 0
<u>Fees Received From County Officials</u>						
<u>Excess Fees</u>						
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Clerk and Master	0	0	0	0	0	0
Register	0	0	0	0	0	0
Trustee	0	0	0	0	0	0
<u>Fees In-Lieu-of Salary</u>						
Circuit Court Clerk	0	0	0	0	0	0
Criminal Court Clerk	0	0	0	0	0	0
General Sessions Court Clerk	0	0	0	0	0	0
Sheriff	0	0	0	0	0	0
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other General Government Grants	0	0	0	0	0	0
<u>Public Safety Grants</u>						
Drug Control Grants	0	0	0	0	0	0
Other Public Safety Grants	0	0	0	0	0	0

(Continued)

Exhibit J-6

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	Drug Control	Agriculture Center	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	Community Development/ Industrial Park
<u>State of Tennessee (Cont.)</u>						
<u>Health and Welfare Grants</u>						
Health Department Programs	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Public Works Grants</u>						
Litter Program	0	0	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	0	0	0	29,153	80,623	0
Beer Tax	0	0	0	0	0	0
Vehicle Certificate of Title Fees	0	0	0	0	0	0
Alcoholic Beverage Tax	0	0	0	0	0	0
State Revenue Sharing - T.V.A.	0	0	0	68,998	194,470	0
State Revenue Sharing - Telecommunications	0	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	0	0	0	0	0	0
Contracted Prisoner Boarding	0	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	2,955,474	0	0
Petroleum Special Tax	0	0	0	71,406	0	0
Registrar's Salary Supplement	0	0	0	0	0	0
State Shared Sales Tax - Cities	0	0	0	0	0	0
Other State Grants	0	0	0	0	0	0
Other State Revenues	0	0	0	0	0	0
Total State of Tennessee	\$ 0	\$ 0	\$ 0	\$ 3,125,031	\$ 275,093	\$ 0
<u>Federal Government</u>						
<u>Federal Through State</u>						
Civil Defense Reimbursement	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Homeland Security Grants	0	0	0	0	0	0
Medicaid	0	0	0	0	0	0

(Continued)

Exhibit J-6

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	Drug Control	Agriculture Center	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	Community Development/ Industrial Park
<u>Federal Government (Cont.)</u>						
<u>Federal Through State (Cont.)</u>						
Law Enforcement Grants	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
COVID-19 Grant #1	0	0	0	0	0	0
COVID-19 Grant #2	0	0	0	0	0	0
COVID-19 Grant #3	0	0	0	0	0	0
COVID-19 Grant #4	0	0	0	0	0	0
Total Federal Government	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions	0	0	0	0	1,059,921	0
Contracted Services	0	0	0	0	0	0
<u>Citizens Groups</u>						
Donations	0	0	0	0	0	0
<u>Other</u>						
Other	0	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,059,921</u>	<u>\$ 0</u>
Total	<u>\$ 119,535</u>	<u>\$ 241,456</u>	<u>\$ 2,529,285</u>	<u>\$ 6,327,417</u>	<u>\$ 9,978,752</u>	<u>\$ 308,902</u>

(Continued)

Exhibit J-6

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

	<u>Capital Projects Funds</u>		<u>Permanent Fund</u>	
	<u>HUD Grant Projects</u>	<u>Other Capital Projects</u>	<u>Endowment</u>	<u>Total</u>
<u>Local Taxes</u>				
<u>County Property Taxes</u>				
Current Property Tax	\$ 0	\$ 1,118,062	\$ 0	\$ 28,400,717
Trustee's Collections - Prior Year	0	30,388	0	733,339
Circuit Clerk/Clerk and Master Collections - Prior Years	0	17,555	0	533,558
Interest and Penalty	0	5,833	0	147,814
Payments in-Lieu-of Taxes - T.V.A.	0	649	0	19,801
Payments in-Lieu-of Taxes - Local Utilities	0	406	0	12,288
Payments in-Lieu-of Taxes - Other	0	89,620	0	2,485,323
<u>County Local Option Taxes</u>				
Local Option Sales Tax	0	0	0	7,920,621
Hotel/Motel Tax	0	0	0	1,348,916
Local Amusement Tax	0	0	0	1,219
Litigation Tax - General	0	0	0	233,167
Litigation Tax - Special Purpose	0	0	0	49,378
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	47,896
Business Tax	0	0	0	1,695,062
Mixed Drink Tax	0	0	0	2,612
<u>Statutory Local Taxes</u>				
Bank Excise Tax	0	6,411	0	135,227
Wholesale Beer Tax	0	0	0	321,600
Total Local Taxes	\$ 0	\$ 1,268,924	\$ 0	\$ 44,088,538
<u>Licenses and Permits</u>				
<u>Licenses</u>				
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 340,458

(Continued)

Exhibit J-6

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

	<u>Capital Projects Funds</u>		<u>Permanent Fund</u>	
	<u>HUD Grant Projects</u>	<u>Other Capital Projects</u>	<u>Endowment</u>	<u>Total</u>
<u>Licenses and Permits (Cont.)</u>				
<u>Permits</u>				
Beer Permits	\$ 0	\$ 0	\$ 0	3,713
Building Permits	0	0	0	196,960
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	541,131
<u>Fines, Forfeitures, and Penalties</u>				
<u>Circuit Court</u>				
Fines	\$ 0	\$ 0	\$ 0	10,968
Officers Costs	0	0	0	27,354
Drug Control Fines	0	0	0	39,919
Data Entry Fee - Circuit Court	0	0	0	25,660
Courtroom Security Fee	0	0	0	1,348
<u>Criminal Court</u>				
Fines	0	0	0	165,605
Officers Costs	0	0	0	92,029
Drug Control Fines	0	0	0	29,698
Jail Fees	0	0	0	51,735
DUI Treatment Fines	0	0	0	20,024
Data Entry Fee - Criminal Court	0	0	0	4,121
Courtroom Security Fee	0	0	0	7,330
<u>General Sessions Court</u>				
Fines for Littering	0	0	0	380
Game and Fish Fines	0	0	0	446
Jail Fees	0	0	0	2,666
Data Entry Fee - General Sessions Court	0	0	0	18,695

(Continued)

Exhibit J-6

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

	Capital Projects Funds		Permanent Fund	
	HUD Grant Projects	Other Capital Projects	Endowment	Total
<u>Fines, Forfeitures, and Penalties (Cont.)</u>				
<u>Juvenile Court</u>				
Fines	\$ 0	\$ 0	\$ 0	\$ 1,244
Victims Assistance Assessments	0	0	0	20,650
<u>Chancery Court</u>				
Courtroom Security Fee	0	0	0	8
<u>Other Courts - In-county</u>				
Fines	0	0	0	9,306
Drug Court Fees	0	0	0	45,875
<u>Other Fines, Forfeitures, and Penalties</u>				
Proceeds from Confiscated Property	0	0	0	84,298
Other Fines, Forfeitures, and Penalties	0	0	0	7,039
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 666,398
<u>Charges for Current Services</u>				
<u>General Service Charges</u>				
Water Treatment Charges	\$ 0	\$ 0	\$ 0	\$ 2,275
Patient Charges	0	0	0	4,377,567
Zoning Studies	0	0	0	50
Work Release Charges for Board	0	0	0	20,666
Service Charges	0	0	0	165,105
<u>Fees</u>				
Recreation Fees	0	0	0	63,287
Copy Fees	0	0	0	2,130
Library Fees	0	0	0	236,716
Archives and Records Management Fee	0	0	0	47,900
Telephone Commissions	0	0	0	112,826

(Continued)

Exhibit J-6

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

	<u>Capital Projects Funds</u>		<u>Permanent Fund</u>	
	<u>HUD Grant Projects</u>	<u>Other Capital Projects</u>	<u>Endowment</u>	<u>Total</u>
<u>Charges for Current Services (Cont.)</u>				
<u>Fees (Cont.)</u>				
Electronic Citation Fee	\$ 0	\$ 0	\$ 0	\$ 15,462
Constitutional Officers' Fees and Commissions	0	0	0	2,529,285
Data Processing Fee - Register	0	0	0	43,528
Probation Fees	0	0	0	344,840
Data Processing Fee - Sheriff	0	0	0	1,688
Sexual Offender Registration Fee - Sheriff	0	0	0	9,000
Data Processing Fee - County Clerk	0	0	0	15,456
Vehicle Registration Reinstatement Fees	0	0	0	10,225
<u>Education Charges</u>				
Community Service Fees - Adults	0	0	0	47,224
Other Charges for Services	0	0	0	11,275
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 8,056,505
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
Investment Income	\$ 188	\$ 94,082	\$ 293,150	\$ 739,118
Lease/Rentals	0	0	0	194,604
Sale of Materials and Supplies	0	0	0	12,145
Commissary Sales	0	0	0	83,890
Sale of Gasoline	0	0	0	69,389
Sale of Maps	0	0	0	2,588
Sale of Recycled Materials	0	0	0	7,693
Miscellaneous Refunds	0	0	0	191,394
Expenditure Credits	0	0	0	266,144

(Continued)

Exhibit J-6

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

	<u>Capital Projects Funds</u>		<u>Permanent Fund</u>	
	<u>HUD Grant Projects</u>	<u>Other Capital Projects</u>	<u>Endowment</u>	<u>Total</u>
<u>Other Local Revenues (Cont.)</u>				
<u>Nonrecurring Items</u>				
Sale of Equipment	\$ 0	\$ 0	\$ 0	\$ 17,690
Contributions and Gifts	0	1,313,718	0	1,320,318
<u>Other Local Revenues</u>				
Other Local Revenues	0	0	0	453,475
Total Other Local Revenues	\$ 188	\$ 1,407,800	\$ 293,150	\$ 3,358,448
<u>Fees Received From County Officials</u>				
<u>Excess Fees</u>				
County Clerk	\$ 0	\$ 0	\$ 0	\$ 126,500
Clerk and Master	0	0	0	178,158
Register	0	0	0	315,758
Trustee	0	0	0	986,962
<u>Fees In-Lieu-of Salary</u>				
Circuit Court Clerk	0	0	0	309,362
Criminal Court Clerk	0	0	0	463,271
General Sessions Court Clerk	0	0	0	460,609
Sheriff	0	0	0	29,338
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 2,869,958
<u>State of Tennessee</u>				
<u>General Government Grants</u>				
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 54,150
Other General Government Grants	0	0	0	1,664,886
<u>Public Safety Grants</u>				
Drug Control Grants	0	0	0	195,010
Other Public Safety Grants	0	0	0	2,423

(Continued)

Exhibit J-6

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

	<u>Capital Projects Funds</u>		<u>Permanent Fund</u>	
	<u>HUD Grant Projects</u>	<u>Other Capital Projects</u>	<u>Endowment</u>	<u>Total</u>
<u>State of Tennessee (Cont.)</u>				
<u>Health and Welfare Grants</u>				
Health Department Programs	\$ 0	\$ 0	\$ 0	\$ 1,426,841
<u>Public Works Grants</u>				
Litter Program	0	0	0	64,561
<u>Other State Revenues</u>				
Income Tax	0	11,209	0	257,077
Beer Tax	0	0	0	18,369
Vehicle Certificate of Title Fees	0	0	0	19,197
Alcoholic Beverage Tax	0	0	0	192,378
State Revenue Sharing - T.V.A.	0	29,058	0	612,955
State Revenue Sharing - Telecommunications	0	0	0	107,995
State Shared Sports Gaming Privilege Tax	0	0	0	21,072
Contracted Prisoner Boarding	0	0	0	955,618
Gasoline and Motor Fuel Tax	0	0	0	2,955,474
Petroleum Special Tax	0	0	0	71,406
Registrar's Salary Supplement	0	0	0	15,164
State Shared Sales Tax - Cities	0	0	0	14,295
Other State Grants	0	0	0	301,946
Other State Revenues	0	0	0	260,850
Total State of Tennessee	\$ 0	\$ 40,267	\$ 0	\$ 9,211,667
<u>Federal Government</u>				
<u>Federal Through State</u>				
Civil Defense Reimbursement	\$ 0	\$ 0	\$ 0	\$ 56,000
Homeland Security Grants	0	0	0	52,077
Medicaid	0	0	0	97,220

(Continued)

Exhibit J-6

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

	<u>Capital Projects Funds</u>		<u>Permanent Fund</u>	
	<u>HUD Grant Projects</u>	<u>Other Capital Projects</u>	<u>Endowment</u>	<u>Total</u>
<u>Federal Government (Cont.)</u>				
<u>Federal Through State (Cont.)</u>				
Law Enforcement Grants	\$ 0	\$ 0	\$ 0	\$ 20,136
COVID-19 Grant #1	0	0	0	41,405
COVID-19 Grant #2	0	0	0	71,472
COVID-19 Grant #3	0	0	0	1,600,905
COVID-19 Grant #4	0	0	0	5,786
Total Federal Government	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,945,001</u>
<u>Other Governments and Citizens Groups</u>				
<u>Other Governments</u>				
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 1,118,310
Contributions	0	0	0	1,121,421
Contracted Services	0	0	0	379,819
<u>Citizens Groups</u>				
Donations	0	0	0	5,400
<u>Other</u>				
Other	0	0	0	7,360
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,632,310</u>
Total	<u>\$ 188</u>	<u>\$ 2,716,991</u>	<u>\$ 293,150</u>	<u>\$ 73,369,956</u>

Exhibit J-7

Bradley County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Bradley County School Department
For the Year Ended June 30, 2021

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 11,555,447	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,555,447
Trustee's Collections - Prior Year	289,863	0	0	0	0	289,863
Circuit Clerk/Clerk and Master Collections - Prior Years	179,598	0	0	0	0	179,598
Interest and Penalty	60,096	0	0	0	0	60,096
Payments in-Lieu-of Taxes - T.V.A.	10,510	0	0	0	0	10,510
Payments in-Lieu-of Taxes - Local Utilities	4,177	0	0	0	0	4,177
Payments in-Lieu-of Taxes - Other	923,161	0	0	0	0	923,161
<u>County Local Option Taxes</u>						
Local Option Sales Tax	15,304,549	0	0	0	0	15,304,549
Mixed Drink Tax	1,307	0	0	0	0	1,307
<u>Statutory Local Taxes</u>						
Bank Excise Tax	66,035	0	0	0	0	66,035
Total Local Taxes	\$ 28,394,743	\$ 0	\$ 0	\$ 0	\$ 0	\$ 28,394,743
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 5,975	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,975
Total Licenses and Permits	\$ 5,975	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,975
<u>Charges for Current Services</u>						
<u>Education Charges</u>						
Lunch Payments - Children	\$ 0	\$ 0	\$ 53,633	\$ 0	\$ 0	\$ 53,633
Lunch Payments - Adults	0	0	99,127	0	0	99,127
Income from Breakfast	0	0	4,218	0	0	4,218

(Continued)

Exhibit J-7

Bradley County, Tennessee
Schedule of Detailed Revenues -

All Governmental Fund Types

Discretely Presented Bradley County School Department (Cont.)

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
<u>Charges for Current Services (Cont.)</u>						
<u>Education Charges (Cont.)</u>						
A la Carte Sales	\$ 0	\$ 0	\$ 447,854	\$ 0	\$ 0	\$ 447,854
TBI Criminal Background Fee	2,531	0	281	0	0	2,812
Total Charges for Current Services	\$ 2,531	\$ 0	\$ 605,113	\$ 0	\$ 0	\$ 607,644
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 273,868	\$ 0	\$ 2,764	\$ 0	\$ 0	\$ 276,632
Lease/Rentals	0	0	0	0	35,850	35,850
Sale of Recycled Materials	0	0	0	0	21,176	21,176
Miscellaneous Refunds	0	0	7,150	0	10,000	17,150
<u>Nonrecurring Items</u>						
Contributions and Gifts	30,000	0	0	0	13,838,058	13,868,058
<u>Other Local Revenues</u>						
Other Local Revenues	16,140	0	0	5,320,714	0	5,336,854
Total Other Local Revenues	\$ 320,008	\$ 0	\$ 9,914	\$ 5,320,714	\$ 13,905,084	\$ 19,555,720
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
On-behalf Contributions for OPEB	\$ 379,501	\$ 0	\$ 0	\$ 0	\$ 0	\$ 379,501
<u>State Education Funds</u>						
Basic Education Program	52,087,782	0	0	0	0	52,087,782
Early Childhood Education	1,184,244	0	0	0	0	1,184,244
School Food Service	58,494	0	0	0	0	58,494
Driver Education	26,465	0	0	0	0	26,465

(Continued)

Exhibit J-7

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

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
<u>State of Tennessee (Cont.)</u>						
<u>State Education Funds (Cont.)</u>						
Other State Education Funds	\$ 341,471	\$ 0	\$ 0	\$ 0	\$ 0	\$ 341,471
Career Ladder Program	139,965	0	0	0	0	139,965
Other Vocational	20,000	0	0	0	0	20,000
<u>Other State Revenues</u>						
Income Tax	36,659	0	0	0	0	36,659
State Revenue Sharing - T.V.A.	470,401	0	0	0	0	470,401
Safe Schools	182,321	0	0	0	0	182,321
Other State Revenues	148,731	0	0	0	0	148,731
Total State of Tennessee	\$ 55,076,034	\$ 0	\$ 0	\$ 0	\$ 0	\$ 55,076,034
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 4,118,634	\$ 0	\$ 0	\$ 4,118,634
USDA - Commodities	0	0	515,816	0	0	515,816
Breakfast	0	0	1,548,988	0	0	1,548,988
USDA - Other	0	0	9,324	0	0	9,324
Vocational Education - Basic Grants to States	0	314,139	0	0	0	314,139
Title I Grants to Local Education Agencies	0	2,056,429	0	0	0	2,056,429
Special Education - Grants to States	97,906	2,204,707	0	0	0	2,302,613
Special Education Preschool Grants	0	107,486	0	0	0	107,486
English Language Acquisition Grants	0	27,486	0	0	0	27,486
21st Century Community Learning Centers	585,820	0	0	0	0	585,820
Eisenhower Professional Development State Grants	0	313,085	0	0	0	313,085
COVID-19 Grant #1	0	1,352,597	903	0	0	1,353,500

(Continued)

Exhibit J-7

Bradley County, TennesseeSchedule of Detailed Revenues -All Governmental Fund TypesDiscretely Presented Bradley County School Department (Cont.)

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
<u>Federal Government (Cont.)</u>						
<u>Federal Through State (Cont.)</u>						
COVID-19 Grant #2	\$ 92,062	\$ 0	\$ 0	\$ 0	\$ 0	\$ 92,062
COVID-19 Grant #3	0	125,000	0	0	0	125,000
COVID-19 Grant #4	527,968	0	0	0	0	527,968
COVID-19 Grant B	0	1,584,292	0	0	0	1,584,292
COVID-19 Grant D	0	47,000	0	0	0	47,000
Other Federal through State	186,610	585,827	0	0	0	772,437
<u>Direct Federal Revenue</u>						
ROTC Reimbursement	75,633	0	0	0	0	75,633
Total Federal Government	<u>\$ 1,565,999</u>	<u>\$ 8,718,048</u>	<u>\$ 6,193,665</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 16,477,712</u>
<u>Other Governments and Citizens Groups</u>						
<u>Other</u>						
Other	\$ 50,200	\$ 0	\$ 0	\$ 0	\$ 0	\$ 50,200
Total Other Governments and Citizens Groups	<u>\$ 50,200</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 50,200</u>
Total	<u>\$ 85,415,490</u>	<u>\$ 8,718,048</u>	<u>\$ 6,808,692</u>	<u>\$ 5,320,714</u>	<u>\$ 13,905,084</u>	<u>\$ 120,168,028</u>

Exhibit J-8

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

General FundGeneral GovernmentCounty Commission

Assistant(s)	\$	44,000	
Board and Committee Members Fees		154,268	
Social Security		15,027	
Pensions		12,603	
Life Insurance		198	
Medical Insurance		62,682	
Audit Services		47,585	
Communication		414	
Dues and Memberships		1,950	
Maintenance and Repair Services - Office Equipment		479	
Travel		370	
Office Supplies		771	
Other Charges		183,430	
Other Equipment		1,515	
Total County Commission			\$ 525,292

Beer Board

Board and Committee Members Fees	\$	1,350	
Social Security		103	
Total Beer Board			1,453

Other Boards and Committees

Clerical Personnel	\$	24,921	
Social Security		1,850	
Pensions		2,647	
Life Insurance		19	
Medical Insurance		7,476	
Communication		5	
Operating Lease Payments		720	
Maintenance and Repair Services - Equipment		300	
Office Supplies		7,275	
Total Other Boards and Committees			45,213

County Mayor/Executive

County Official/Administrative Officer	\$	112,025	
Assistant(s)		74,588	
Clerical Personnel		25,473	
Social Security		16,012	
Pensions		21,588	
Life Insurance		70	
Medical Insurance		27,377	
Advertising		800	
Communication		1,048	
Dues and Memberships		1,950	
Maintenance and Repair Services - Vehicles		162	
Travel		1,237	
Tuition		50	

(Continued)

Exhibit J-8

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

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

Office Supplies	\$	2,743	
Vehicle and Equipment Insurance		691	
Other Charges		100	
Total County Mayor/Executive			\$ 285,914

Personnel Office

Accountants/Bookkeepers	\$	61,033	
Social Security		4,532	
Pensions		6,482	
Life Insurance		38	
Medical Insurance		14,951	
Unemployment Compensation		32,039	
Advertising		644	
Dues and Memberships		395	
Maintenance and Repair Services - Office Equipment		18,917	
Office Supplies		4,695	
Periodicals		1,000	
Testing		11,174	
Workers' Compensation Insurance		22,323	
In Service/Staff Development		1,000	
Total Personnel Office			179,223

County Attorney

Assistant(s)	\$	33,340	
Paraprofessionals		38,760	
Other Salaries and Wages		84,154	
Social Security		11,704	
Pensions		16,594	
Life Insurance		58	
Medical Insurance		22,427	
Communication		8	
Data Processing Services		6,980	
Dues and Memberships		150	
Legal Services		4,808	
Office Supplies		403	
Other Charges		1,381	
Total County Attorney			220,767

Election Commission

County Official/Administrative Officer	\$	84,902	
Deputy(ies)		37,164	
Part-time Personnel		15,775	
Election Commission		2,750	
Election Workers		79,500	
Social Security		18,499	
Pensions		10,662	
Life Insurance		24	

(Continued)

Exhibit J-8

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Medical Insurance	\$	9,567	
Accounting Services		8,000	
Advertising		6,363	
Communication		1,891	
Maintenance and Repair Services - Equipment		14,070	
Postal Charges		2,505	
Printing, Stationery, and Forms		2,976	
Travel		2,530	
Office Supplies		3,501	
Liability Insurance		4,927	
Other Charges		11,675	
Data Processing Equipment		735	
Total Election Commission			\$ 318,016

Register of Deeds

Life Insurance	\$	134	
Medical Insurance		53,434	
Communication		490	
Data Processing Services		32,796	
Maintenance and Repair Services - Equipment		944	
Travel		1,476	
Office Supplies		5,550	
Total Register of Deeds			94,824

Planning

Assistant(s)	\$	64,985	
Supervisor/Director		57,502	
Clerical Personnel		35,573	
Social Security		11,982	
Pensions		9,884	
Life Insurance		64	
Medical Insurance		24,976	
Communication		1,056	
Dues and Memberships		790	
Operating Lease Payments		2,389	
Legal Notices, Recording, and Court Costs		823	
Maintenance and Repair Services - Office Equipment		1,649	
Travel		519	
Tuition		1,771	
Gasoline		1,307	
Office Supplies		3,525	
Vehicle and Equipment Insurance		927	
Workers' Compensation Insurance		2,679	
Total Planning			222,401

Geographical Information Systems

Assistant(s)	\$	45,211	
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(Continued)

Exhibit J-8

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

General Fund (Cont.)General Government (Cont.)Geographical Information Systems (Cont.)

Supervisor/Director	\$	69,051	
Social Security		8,677	
Pensions		12,135	
Life Insurance		42	
Medical Insurance		15,230	
Communication		550	
Data Processing Services		39,744	
Maintenance and Repair Services - Equipment		524	
Travel		231	
Other Contracted Services		6,500	
Gasoline		60	
Other Supplies and Materials		562	
Vehicle and Equipment Insurance		615	
Total Geographical Information Systems			\$ 199,132

County Buildings

Maintenance Personnel	\$	75,972	
Part-time Personnel		25,581	
Social Security		7,707	
Pensions		5,083	
Life Insurance		38	
Medical Insurance		14,951	
Other Fringe Benefits		673	
Communication		21,703	
Postal Charges		114,388	
Travel		786	
Other Contracted Services		1,829	
Custodial Supplies		13,529	
Drugs and Medical Supplies		428	
Utilities		85,142	
Other Supplies and Materials		17,889	
Liability Insurance		483	
Workers' Compensation Insurance		2,500	
Building Improvements		3,314	
Total County Buildings			391,996

Other Facilities

Maintenance and Repair Services - Buildings	\$	1,228	
Total Other Facilities			1,228

FinanceAccounting and Budgeting

Supervisor/Director	\$	61,000	
Clerical Personnel		74,062	
Social Security		10,900	
Pensions		11,309	
Life Insurance		58	

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Medical Insurance	\$	22,622	
Accounting Services		9,200	
Dues and Memberships		2,617	
Maintenance and Repair Services - Office Equipment		11,906	
Travel		106	
Office Supplies		7,488	
Other Supplies and Materials		161	
Total Accounting and Budgeting			\$ 211,429

Property Assessor's Office

County Official/Administrative Officer	\$	94,336	
Paraprofessionals		346,977	
Clerical Personnel		169,492	
Social Security		45,746	
Pensions		52,378	
Life Insurance		265	
Medical Insurance		104,747	
Communication		225	
Dues and Memberships		720	
Operating Lease Payments		3,341	
Maintenance and Repair Services - Office Equipment		600	
Maintenance and Repair Services - Vehicles		843	
Travel		1,319	
Tuition		250	
Gasoline		2,095	
Office Supplies		1,148	
Vehicle and Equipment Insurance		3,301	
Workers' Compensation Insurance		5,487	
Office Equipment		661	
Total Property Assessor's Office			833,931

Reappraisal Program

Data Processing Services	\$	41,304	
Postal Charges		24,800	
Other Contracted Services		81,743	
Office Supplies		1,283	
Motor Vehicles		1,306	
Total Reappraisal Program			150,436

County Trustee's Office

Life Insurance	\$	134	
Medical Insurance		52,329	
Communication		4,947	
Dues and Memberships		916	
Rentals		42,000	
Travel		1,302	
Tuition		1,934	

(Continued)

Exhibit J-8

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

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

Other Contracted Services	\$	37,976	
Custodial Supplies		4,800	
Office Supplies		6,947	
Utilities		7,145	
Data Processing Equipment		4,920	
Total County Trustee's Office			\$ 165,350

County Clerk's Office

Deputy(ies)	\$	107,445	
Social Security		8,220	
Pensions		11,411	
Life Insurance		497	
Medical Insurance		193,481	
Communication		2,537	
Dues and Memberships		1,366	
Travel		1,248	
Library Books/Media		10,321	
Office Supplies		25,332	
Other Supplies and Materials		15,846	
Fines, Assessments, and Penalties		2,755	
Other Charges		16,669	
Office Equipment		6,740	
Total County Clerk's Office			403,868

Data Processing

Communication	\$	14,578	
Data Processing Services		51,443	
Other Contracted Services		38,500	
Data Processing Equipment		15,340	
Total Data Processing			119,861

Administration of JusticeCircuit Court

County Official/Administrative Officer	\$	94,336	
Total Circuit Court			94,336

Circuit Court Clerk

Assistant(s)	\$	56,675	
Deputy(ies)		847,521	
Part-time Personnel		9,089	
Social Security		73,815	
Pensions		79,883	
Employee and Dependent Insurance		2,488	
Life Insurance		593	
Medical Insurance		218,926	
Communication		2,869	
Data Processing Services		53,500	

(Continued)

Exhibit J-8

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

General Fund (Cont.)Administration of Justice (Cont.)Circuit Court Clerk (Cont.)

Dues and Memberships	\$	820	
Custodial Supplies		3,989	
Office Supplies		28,383	
Utilities		25,000	
Data Processing Equipment		12,441	
Office Equipment		907	
Total Circuit Court Clerk			\$ 1,416,899

General Sessions Judge

Judge(s)	\$	174,283	
Clerical Personnel		37,876	
Part-time Personnel		2,700	
Social Security		13,601	
Pensions		22,588	
Employee and Dependent Insurance		3,110	
Life Insurance		35	
Medical Insurance		13,572	
Dues and Memberships		250	
Travel		281	
Periodicals		91	
Total General Sessions Judge			268,387

Drug Court

Paraprofessionals	\$	40,000	
Assessment Personnel		60,737	
Social Security		7,685	
Pensions		6,494	
Life Insurance		39	
Medical Insurance		15,226	
Other Contracted Services		92,841	
Total Drug Court			223,022

Chancery Court

Life Insurance	\$	93	
Medical Insurance		37,226	
Communication		258	
Dues and Memberships		1,289	
Maintenance and Repair Services - Office Equipment		20,802	
Travel		1,941	
Tuition		650	
Office Supplies		3,846	
Total Chancery Court			66,105

Juvenile Court

County Official/Administrative Officer	\$	71,565	
Probation Officer(s)		345,058	
Clerical Personnel		42,880	

(Continued)

Exhibit J-8

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

General Fund (Cont.)Administration of Justice (Cont.)Juvenile Court (Cont.)

Social Security	\$	34,622	
Pensions		48,611	
Life Insurance		178	
Medical Insurance		69,350	
Communication		14,784	
Maintenance and Repair Services - Buildings		10,286	
Maintenance and Repair Services - Vehicles		692	
Travel		4,137	
Other Contracted Services		5,732	
Office Supplies		1,053	
Utilities		19,989	
Vehicle and Equipment Insurance		711	
Other Charges		1,283	
Total Juvenile Court			\$ 670,931

Juvenile Court Judge

Judge(s)	\$	174,283	
Clerical Personnel		20,385	
Other Salaries and Wages		52,533	
Social Security		18,844	
Pensions		6,299	
Life Insurance		41	
Medical Insurance		16,090	
Communication		149	
Dues and Memberships		1,245	
Travel		1,037	
Office Supplies		432	
Periodicals		251	
Total Juvenile Court Judge			291,589

District Attorney General

Assessment Personnel	\$	33,400	
Social Security		2,535	
Life Insurance		19	
Medical Insurance		7,476	
Other Contracted Services		10,760	
Other Charges		116	
Total District Attorney General			54,306

Office of Public Defender

Assistant(s)	\$	4,140	
Supervisor/Director		4,159	
Probation Officer(s)		14,964	
Social Security		1,754	
Pensions		718	
Life Insurance		2	
Medical Insurance		975	

(Continued)

Exhibit J-8

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

General Fund (Cont.)Administration of Justice (Cont.)Office of Public Defender (Cont.)

Rentals	\$	300	
Travel		1,199	
Other Supplies and Materials		2,444	
Total Office of Public Defender			\$ 30,655

Judicial Commissioners

Jury and Witness Expense	\$	13,332	
Total Judicial Commissioners			13,332

Other Administration of Justice

Assistant(s)	\$	32,200	
Supervisor/Director		32,722	
Clerical Personnel		16,299	
Social Security		6,148	
Pensions		1,731	
Life Insurance		49	
Medical Insurance		18,940	
Communication		300	
Maintenance and Repair Services - Vehicles		86	
Gasoline		1,156	
Office Supplies		202	
Other Supplies and Materials		3,028	
Liability Insurance		156	
Vehicle and Equipment Insurance		615	
Workers' Compensation Insurance		1,007	
Total Other Administration of Justice			114,639

Probation Services

Supervisor/Director	\$	58,256	
Probation Officer(s)		175,328	
Clerical Personnel		12,495	
Social Security		18,513	
Pensions		15,981	
Life Insurance		118	
Medical Insurance		46,260	
Communication		32	
Maintenance and Repair Services - Vehicles		1,753	
Rentals		2,220	
Travel		349	
Tuition		286	
Drug Treatment		10,572	
Other Contracted Services		16,938	
Office Supplies		498	
Utilities		1,194	
Other Supplies and Materials		5,652	
Other Charges		796	
Total Probation Services			367,241

(Continued)

Exhibit J-8

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

General Fund (Cont.)Administration of Justice (Cont.)Courtroom Security

Other Supplies and Materials	\$	4,467	
Total Courtroom Security			\$ 4,467

Public SafetySheriff's Department

County Official/Administrative Officer	\$	103,770	
Deputy(ies)		3,812,407	
Clerical Personnel		165,001	
Part-time Personnel		30,282	
School Resource Officer		690,585	
Overtime Pay		133,219	
Other Salaries and Wages		86,996	
In-service Training		80,800	
Social Security		384,862	
Pensions		441,568	
Employee and Dependent Insurance		14,930	
Life Insurance		1,740	
Medical Insurance		764,810	
Other Fringe Benefits		64,140	
Communication		74,294	
Confidential Drug Enforcement Payments		2,000	
Dues and Memberships		1,140	
Legal Services		4,734	
Maintenance and Repair Services - Equipment		798	
Maintenance and Repair Services - Vehicles		98,574	
Towing Services		1,480	
Travel		20,746	
Tuition		26,617	
Other Contracted Services		125,005	
Fuel Oil		59,121	
Gasoline		249,836	
Law Enforcement Supplies		21,534	
Office Supplies		5,281	
Uniforms		49,073	
Other Supplies and Materials		8,548	
Building and Contents Insurance		88,203	
Liability Insurance		344,422	
Vehicle and Equipment Insurance		108,428	
Workers' Compensation Insurance		228,310	
Other Charges		2,660	
Principal on Capital Leases		250,105	
Interest on Capital Leases		11,654	
Data Processing Equipment		71,002	
Law Enforcement Equipment		455,765	
Motor Vehicles		267,140	
Total Sheriff's Department			9,351,580

(Continued)

Exhibit J-8

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

General Fund (Cont.)Public Safety (Cont.)Special Patrols

Deputy(ies)	\$	30,498	
Social Security		2,370	
Pensions		2,652	
Life Insurance		10	
Medical Insurance		3,818	
Other Fringe Benefits		481	
Law Enforcement Equipment		16,187	
Total Special Patrols			\$ 56,016

Traffic Control

Maintenance and Repair Services - Equipment	\$	18,755	
Utilities		2,577	
Total Traffic Control			21,332

Jail

Deputy(ies)	\$	3,460,765	
Mechanic(s)		46,981	
Clerical Personnel		139,341	
Maintenance Personnel		67,280	
Part-time Personnel		46,454	
Overtime Pay		110,911	
Social Security		292,717	
Pensions		197,496	
Employee and Dependent Insurance		27,994	
Life Insurance		1,817	
Medical Insurance		674,458	
Other Fringe Benefits		141,853	
Communication		7,633	
Legal Services		5,000	
Maintenance and Repair Services - Buildings		58,990	
Maintenance and Repair Services - Equipment		56,450	
Medical and Dental Services		986,177	
Transportation - Other than Students		9,309	
Travel		772	
Tuition		170	
Other Contracted Services		31,373	
Custodial Supplies		43,241	
Food Supplies		318,265	
Office Supplies		6,735	
Prisoners Clothing		51,502	
Uniforms		24,607	
Utilities		298,506	
Other Supplies and Materials		7,154	
Specialized Medical Treatment		22,080	
Law Enforcement Equipment		15,020	
Total Jail			7,151,051

(Continued)

Exhibit J-8

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

General Fund (Cont.)Public Safety (Cont.)Workhouse

Deputy(ies)	\$	164,239	
Overtime Pay		58	
Social Security		12,406	
Pensions		3,577	
Life Insurance		82	
Medical Insurance		32,083	
Other Fringe Benefits		9,331	
Communication		709	
Maintenance and Repair Services - Buildings		4,005	
Maintenance and Repair Services - Equipment		500	
Maintenance and Repair Services - Vehicles		943	
Medical and Dental Services		225,000	
Other Contracted Services		4,067	
Custodial Supplies		7,081	
Food Supplies		60,998	
Office Supplies		3,118	
Uniforms		2,500	
Utilities		8,374	
Other Supplies and Materials		4,540	
Interest on Other Loans		32,618	
Data Processing Equipment		625	
Law Enforcement Equipment		3,000	
Total Workhouse			\$ 579,854

Correctional Incentive Program Improvements

Supervisor/Director	\$	52,937
Salary Supplements		11,207
Guards		606,165
Overtime Pay		30,056
Other Salaries and Wages		129,147
Social Security		62,490
Pensions		53,053
Life Insurance		471
Medical Insurance		174,872
Other Fringe Benefits		23,782
Communication		5,167
Maintenance and Repair Services - Buildings		5,076
Maintenance and Repair Services - Equipment		6,571
Maintenance and Repair Services - Office Equipment		1,212
Medical and Dental Services		1,955
Travel		2,107
Tuition		1,800
Other Contracted Services		5,785
Custodial Supplies		10,661
Food Supplies		9,748
Gasoline		1,656
Office Supplies		1,677

(Continued)

Exhibit J-8

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

General Fund (Cont.)Public Safety (Cont.)Correctional Incentive Program Improvements (Cont.)

Prisoners Clothing	\$	1,644	
Uniforms		7,588	
Utilities		28,000	
Other Supplies and Materials		4,292	
Other Charges		2,958	
Building Improvements		20,574	
Other Equipment		156	
Total Correctional Incentive Program Improvements			\$ 1,262,807

Juvenile Services

Other Salaries and Wages	\$	37,756	
Social Security		2,883	
Pensions		454	
Life Insurance		18	
Medical Insurance		624	
Other Fringe Benefits		2,386	
Other Supplies and Materials		2,730	
Total Juvenile Services			46,851

Work Release Program

Supervisor/Director	\$	54,276	
Probation Officer(s)		90,042	
Clerical Personnel		25,509	
Part-time Personnel		5,000	
Social Security		12,772	
Pensions		15,516	
Life Insurance		96	
Medical Insurance		37,261	
Other Fringe Benefits		2,072	
Accounting Services		2,300	
Communication		5,909	
Evaluation and Testing		3,365	
Maintenance and Repair Services - Equipment		2,099	
Postal Charges		330	
Printing, Stationery, and Forms		248	
Rentals		21,600	
Travel		3,998	
Tuition		418	
Office Supplies		866	
Utilities		3,879	
Liability Insurance		17	
Vehicle and Equipment Insurance		2,459	
Workers' Compensation Insurance		3,541	
Other Charges		16,619	
Total Work Release Program			310,192

(Continued)

Exhibit J-8

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

General Fund (Cont.)Public Safety (Cont.)Civil Defense

Supervisor/Director	\$	65,463	
Accountants/Bookkeepers		42,558	
Paraprofessionals		76,850	
Overtime Pay		926	
Social Security		14,502	
Pensions		16,707	
Life Insurance		76	
Medical Insurance		30,002	
Other Fringe Benefits		2,326	
Communication		13,524	
Contracts with Government Agencies		18,168	
Contracts with Other Public Agencies		2,211	
Dues and Memberships		910	
Janitorial Services		40	
Maintenance and Repair Services - Buildings		1,975	
Maintenance and Repair Services - Equipment		1,528	
Maintenance and Repair Services - Vehicles		10,834	
Travel		950	
Tuition		2,108	
Maintenance and Repair Services - Records		24,278	
Gasoline		11,163	
Office Supplies		2,624	
Uniforms		3,594	
Utilities		13,098	
Building and Contents Insurance		21,527	
Indirect Cost		122,032	
Liability Insurance		968	
Vehicle and Equipment Insurance		9,085	
Other Charges		7,586	
Total Civil Defense			\$ 517,613

Other Emergency Management

Contracts with Government Agencies	\$	52,077	
Total Other Emergency Management			52,077

Inspection and Regulation

Investigator(s)	\$	21,820	
Social Security		1,315	
Pensions		1,633	
Life Insurance		3	
Medical Insurance		1,241	
Other Fringe Benefits		115	
Liability Insurance		104,242	
Total Inspection and Regulation			130,369

County Coroner/Medical Examiner

Supervisor/Director	\$	49,738	
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(Continued)

Exhibit J-8

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

General Fund (Cont.)Public Safety (Cont.)County Coroner/Medical Examiner (Cont.)

Medical Personnel	\$	14,040	
Overtime Pay		36,800	
Social Security		7,596	
Pensions		7,344	
Life Insurance		31	
Medical Insurance		12,063	
Other Fringe Benefits		1,191	
Communication		1,973	
Maintenance and Repair Services - Vehicles		5,775	
Medical and Dental Services		88,010	
Pauper Burials		800	
Travel		640	
Drugs and Medical Supplies		550	
Gasoline		2,092	
Office Supplies		370	
Vehicle and Equipment Insurance		1,302	
In Service/Staff Development		707	
Total County Coroner/Medical Examiner			\$ 231,022

Public Safety Grants Program

Other Salaries and Wages	\$	6,815	
Social Security		516	
Pensions		724	
Life Insurance		2	
Medical Insurance		739	
Total Public Safety Grants Program			8,796

Other Public Safety

Contributions	\$	650,000	
Total Other Public Safety			650,000

Public Health and WelfareLocal Health Center

Custodial Personnel	\$	33,123	
Social Security		2,494	
Pensions		2,543	
Life Insurance		19	
Medical Insurance		7,476	
Communication		24,111	
Maintenance and Repair Services - Buildings		11,504	
Rentals		1,000	
Travel		821	
Tuition		950	
Custodial Supplies		3,486	
Drugs and Medical Supplies		264	
Office Supplies		6,118	
Utilities		27,141	

(Continued)

Exhibit J-8

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

General Fund (Cont.)Public Health and Welfare (Cont.)Local Health Center (Cont.)

Other Supplies and Materials	\$	882	
Liability Insurance		12,455	
Workers' Compensation Insurance		14,440	
Other Charges		182,262	
Other Construction		100,000	
Total Local Health Center			\$ 431,089

Rabies and Animal Control

Contributions	\$	199,000	
Total Rabies and Animal Control			199,000

Ambulance/Emergency Medical Services

Supervisor/Director	\$	67,714	
Accountants/Bookkeepers		194,701	
Paraprofessionals		2,669,307	
Maintenance Personnel		40,019	
Part-time Personnel		325,189	
Overtime Pay		305,441	
Other Salaries and Wages		266,607	
Social Security		291,312	
Pensions		229,144	
Employee and Dependent Insurance		70,919	
Life Insurance		1,313	
Medical Insurance		499,621	
Other Fringe Benefits		100,656	
Communication		28,461	
Dues and Memberships		45	
Laundry Service		6,298	
Legal Services		1,500	
Licenses		3,500	
Maintenance and Repair Services - Buildings		14,972	
Maintenance and Repair Services - Equipment		10,505	
Maintenance and Repair Services - Vehicles		292,543	
Custodial Supplies		3,435	
Drugs and Medical Supplies		235,662	
Gasoline		80,529	
Office Supplies		6,882	
Uniforms		6,681	
Utilities		23,922	
Other Supplies and Materials		3,221	
Liability Insurance		25,681	
Vehicle and Equipment Insurance		30,615	
Workers' Compensation Insurance		223,181	
Data Processing Equipment		16,616	
Other Equipment		113,584	
Total Ambulance/Emergency Medical Services			6,189,776

(Continued)

Exhibit J-8

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

General Fund (Cont.)Public Health and Welfare (Cont.)Alcohol and Drug Programs

Other Salaries and Wages	\$	2,586	
Social Security		192	
Pensions		275	
Life Insurance		1	
Medical Insurance		493	
Communication		601	
Travel		191	
Other Supplies and Materials		722	
Other Charges		5,476	
Total Alcohol and Drug Programs			\$ 10,537

Other Local Health Services

Medical Personnel	\$	94,580	
Paraprofessionals		828,437	
Social Security		69,112	
Pensions		41,639	
Life Insurance		478	
Medical Insurance		181,177	
Other Fringe Benefits		33,765	
Travel		3,691	
Office Supplies		1,684	
Other Supplies and Materials		658	
Indirect Cost		775	
Total Other Local Health Services			1,255,996

General Welfare Assistance

Paraprofessionals	\$	20,980	
Social Security		1,605	
Communication		399	
Travel		1,232	
Office Supplies		1,788	
Total General Welfare Assistance			26,004

Other Local Welfare Services

Contracts with Government Agencies	\$	100,804	
Total Other Local Welfare Services			100,804

Other Waste Disposal

Instructional Supplies and Materials	\$	19,274	
Other Supplies and Materials		7,575	
Total Other Waste Disposal			26,849

Other Public Health and Welfare

Office Supplies	\$	4,099	
Total Other Public Health and Welfare			4,099

(Continued)

Exhibit J-8

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

General Fund (Cont.)Social, Cultural, and Recreational ServicesAdult Activities

Contracts with Government Agencies	\$ 8,000	
Total Adult Activities		\$ 8,000

Senior Citizens Assistance

Contributions	\$ 103,000	
Total Senior Citizens Assistance		103,000

Parks and Fair Boards

Temporary Personnel	\$ 1,478	
Social Security	111	
Pensions	157	
Medical Insurance	162	
Other Supplies and Materials	4,428	
Total Parks and Fair Boards		6,336

Other Social, Cultural, and Recreational

Assistant(s)	\$ 85,867	
Supervisor/Director	48,948	
Clerical Personnel	26,660	
Maintenance Personnel	142,380	
Temporary Personnel	103,732	
Overtime Pay	394	
Social Security	31,015	
Pensions	28,267	
Life Insurance	169	
Medical Insurance	66,668	
Other Fringe Benefits	2,797	
Communication	6,138	
Maintenance and Repair Services - Buildings	58,664	
Travel	260	
Other Contracted Services	59,753	
Food Supplies	105,885	
Gasoline	14,426	
Office Supplies	1,875	
Uniforms	1,855	
Utilities	66,597	
Other Supplies and Materials	84,266	
Liability Insurance	9,679	
Vehicle and Equipment Insurance	5,947	
Workers' Compensation Insurance	8,975	
Interest on Other Loans	5,568	
Other Equipment	11,499	
Other Capital Outlay	2,000	
Total Other Social, Cultural, and Recreational		980,284

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Agriculture and Natural Resources

Agricultural Extension Service

Part-time Personnel	\$	16,131	
Other Salaries and Wages		214,661	
Social Security		14,806	
Pensions		19,671	
Medical Insurance		26,770	
Other Fringe Benefits		339	
Communication		2,349	
Contracts with Government Agencies		2,290	
Dues and Memberships		473	
Maintenance and Repair Services - Buildings		2,026	
Maintenance and Repair Services - Office Equipment		1,010	
Travel		2,100	
Office Supplies		494	
Utilities		6,349	
Liability Insurance		1,830	
Total Agricultural Extension Service			\$ 311,299

Soil Conservation

Assistant(s)	\$	31,712	
Social Security		1,470	
Pensions		3,368	
Life Insurance		19	
Medical Insurance		7,476	
Communication		650	
Contracts with Other Public Agencies		200	
Other Charges		8,000	
Total Soil Conservation			52,895

Storm Water Management

Assistant(s)	\$	32,996	
Part-time Personnel		17,602	
Social Security		3,871	
Life Insurance		16	
Retirement - Hybrid Stabilization		553	
Other Fringe Benefits		2,400	
Advertising		20	
Communication		5	
Data Processing Services		1,691	
Dues and Memberships		100	
Maintenance and Repair Services - Vehicles		208	
Travel		374	
Tuition		540	
Permits		3,460	
Other Contracted Services		27,736	
Gasoline		610	
Instructional Supplies and Materials		1,360	
Office Supplies		999	

(Continued)

Exhibit J-8

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

General Fund (Cont.)Agriculture and Natural Resources (Cont.)Storm Water Management (Cont.)

Testing	\$	1,982	
Vehicle and Equipment Insurance		<u>480</u>	
Total Storm Water Management			\$ 97,003

Other OperationsTourism

Contributions	\$	<u>264,388</u>	
Total Tourism			264,388

Industrial Development

Contributions	\$	<u>264,388</u>	
Total Industrial Development			264,388

Other Economic and Community Development

Other Charges	\$	<u>871</u>	
Total Other Economic and Community Development			871

Public Transportation

Matching Share	\$	<u>42,000</u>	
Total Public Transportation			42,000

Veterans' Services

Assistant(s)	\$	61,793	
Supervisor/Director		39,103	
Social Security		7,708	
Pensions		3,344	
Life Insurance		58	
Medical Insurance		7,476	
Other Fringe Benefits		5,021	
Communication		12	
Dues and Memberships		936	
Other Contracted Services		1,347	
Office Supplies		447	
Periodicals		604	
Other Supplies and Materials		<u>3,162</u>	
Total Veterans' Services			131,011

Other Charges

Trustee's Commission	\$	<u>467,474</u>	
Total Other Charges			467,474

Contributions to Other Agencies

Contributions	\$	61,000	
Dues and Memberships		<u>5,315</u>	
Total Contributions to Other Agencies			66,315

(Continued)

Exhibit J-8

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

General Fund (Cont.)Other Operations (Cont.)COVID-19 Grant #2

Election Workers	\$	62,908	
Other Charges		<u>5,064</u>	
Total COVID-19 Grant #2			\$ 67,972

COVID-19 Grant #3

Administration Equipment	\$	9,240	
Building Improvements		1,656	
Communication Equipment		102,586	
Data Processing Equipment		2,707	
Law Enforcement Equipment		1,325,646	
Motor Vehicles		80,054	
Office Equipment		700	
Other Equipment		<u>61,746</u>	
Total COVID-19 Grant #3			1,584,335

COVID-19 Grant #4

Unemployment Compensation	\$	<u>1,482</u>	
Total COVID-19 Grant #4			1,482

Capital ProjectsOther General Government Projects

Bonus Payments	\$	186,400	
Social Security		14,260	
Pensions		13,211	
Retirement - Hybrid Stabilization		1,380	
Other Fringe Benefits		4,164	
Other Contracted Services		108,212	
Bridge Construction		40,685	
Building Improvements		97,565	
Heating and Air Conditioning Equipment		203,287	
Motor Vehicles		88,029	
Other Equipment		159,900	
Other Construction		<u>90,000</u>	
Total Other General Government Projects			<u>1,007,093</u>

Total General Fund \$ 42,056,103

Law Library FundSocial, Cultural, and Recreational ServicesLibraries

Library Books/Media	\$	<u>11,474</u>	
Total Libraries			\$ 11,474

Other OperationsOther Charges

Trustee's Commission	\$	<u>98</u>	
Total Other Charges			<u>98</u>

Total Law Library Fund 11,572

(Continued)

Exhibit J-8

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

Public Library FundSocial, Cultural, and Recreational ServicesLibraries

Library Books/Media	\$ 673,599	
Total Libraries		\$ 673,599

Other OperationsOther Charges

Trustee's Commission	\$ 14,921	
Total Other Charges		14,921

Total Public Library Fund \$ 688,520

Solid Waste/Sanitation FundPublic SafetyDisaster Relief

Other Contracted Services	\$ 102,635	
Total Disaster Relief		\$ 102,635

Public Health and WelfareOther Waste Collection

Other Contracted Services	\$ 65,000	
Total Other Waste Collection		65,000

Recycling Center

Maintenance Personnel	\$ 20,587	
Social Security	1,575	
Other Contracted Services	97,852	
Utilities	1,480	
Other Supplies and Materials	1,500	
Liability Insurance	641	
Workers' Compensation Insurance	473	
Total Recycling Center		124,108

Other OperationsContributions to Other Agencies

Contributions	\$ 28,000	
Total Contributions to Other Agencies		28,000

Total Solid Waste/Sanitation Fund 319,743

Special Purpose Fire Tax FundPublic SafetyFire Prevention and Control

Supervisor/Director	\$ 65,935	
Paraprofessionals	2,455,218	
Part-time Personnel	6,192	
Overtime Pay	33,593	
Other Salaries and Wages	192,341	
In-service Training	54,400	

(Continued)

Exhibit J-8

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

Special Purpose Fire Tax Fund (Cont.)Public Safety (Cont.)Fire Prevention and Control (Cont.)

Social Security	\$	209,745	
Pensions		175,850	
Life Insurance		1,315	
Medical Insurance		507,514	
Retirement - Hybrid Stabilization		20,065	
Other Fringe Benefits		82,371	
Communication		46,926	
Dues and Memberships		410	
Laundry Service		1,543	
Maintenance and Repair Services - Buildings		23,774	
Maintenance and Repair Services - Office Equipment		2,695	
Maintenance and Repair Services - Vehicles		244,552	
Medical and Dental Services		750	
Postal Charges		5	
Travel		3,496	
Other Contracted Services		30,388	
Custodial Supplies		10,313	
Drugs and Medical Supplies		2,879	
Food Supplies		700	
Gasoline		59,370	
Instructional Supplies and Materials		8,288	
Office Supplies		3,791	
Uniforms		25,179	
Utilities		94,496	
Other Supplies and Materials		37,322	
Building and Contents Insurance		14,980	
Liability Insurance		17,174	
Vehicle and Equipment Insurance		87,079	
Workers' Compensation Insurance		269,987	
Other Charges		1	
Principal on Capital Leases		134,077	
Interest on Capital Leases		17,717	
Building Improvements		1,964	
Motor Vehicles		131,992	
Other Equipment		95,528	
Other Construction		79,884	
Other Capital Outlay		250,000	
Total Fire Prevention and Control			\$ 5,501,799

Other OperationsOther Charges

Trustee's Commission	\$	114,487	
Total Other Charges			<u>114,487</u>

Total Special Purpose Fire Tax Fund \$ 5,616,286

(Continued)

Exhibit J-8

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

Drug Control FundPublic SafetySheriff's Department

Law Enforcement Equipment	\$ 8,198	
Total Sheriff's Department		\$ 8,198

Drug Enforcement

Communication	\$ 2,012	
Confidential Drug Enforcement Payments	11,000	
Other Contracted Services	38,057	
Other Supplies and Materials	6,870	
Total Drug Enforcement		57,939

Public Health and WelfareAlcohol and Drug Programs

Other Supplies and Materials	\$ 5,819	
Total Alcohol and Drug Programs		5,819

Other OperationsOther Charges

Trustee's Commission	\$ 1,191	
Total Other Charges		1,191

Total Drug Control Fund \$ 73,147

Agriculture Center FundSocial, Cultural, and Recreational ServicesOther Social, Cultural, and Recreational

County Official/Administrative Officer	\$ 52,308	
Assistant(s)	32,154	
Supervisor/Director	35,309	
Clerical Personnel	34,106	
Part-time Personnel	6,486	
Social Security	12,169	
Pensions	9,177	
Life Insurance	77	
Medical Insurance	22,416	
Retirement - Hybrid Stabilization	1,272	
Other Fringe Benefits	5,353	
Utilities	22,992	
Building and Contents Insurance	9,675	
Vehicle and Equipment Insurance	1,075	
Workers' Compensation Insurance	792	
Total Other Social, Cultural, and Recreational		\$ 245,361

Other OperationsOther Charges

Trustee's Commission	\$ 2,231	
Total Other Charges		2,231

Total Agriculture Center Fund 247,592

(Continued)

Exhibit J-8

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

Constitutional Officers - Fees FundGeneral GovernmentRegister of Deeds

Constitutional Officers' Operating Expenses	\$ 394,086	
Total Register of Deeds		\$ 394,086

FinanceCounty Trustee's Office

Constitutional Officers' Operating Expenses	\$ 433,549	
Total County Trustee's Office		433,549

County Clerk's Office

Constitutional Officers' Operating Expenses	\$ 1,180,658	
Total County Clerk's Office		1,180,658

Administration of JusticeGeneral Sessions Court

Constitutional Officers' Operating Expenses	\$ 399	
Total General Sessions Court		399

Chancery Court

Constitutional Officers' Operating Expenses	\$ 250,001	
Total Chancery Court		250,001

Public SafetySheriff's Department

Constitutional Officers' Operating Expenses	\$ 148	
Total Sheriff's Department		148

Total Constitutional Officers - Fees Fund \$ 2,258,841

Highway/Public Works FundHighwaysAdministration

County Official/Administrative Officer	\$ 103,770	
Assistant(s)	77,954	
Supervisor/Director	59,727	
Overtime Pay	3,369	
Other Salaries and Wages	462,369	
Data Processing Services	19,983	
Dues and Memberships	5,916	
Legal Notices, Recording, and Court Costs	583	
Maintenance and Repair Services - Office Equipment	4,000	
Travel	1,397	
Tuition	1,697	
Office Supplies	8,872	
Communication Equipment	2,860	
Office Equipment	8,436	
Total Administration		\$ 760,933

(Continued)

Exhibit J-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance

Foremen	\$	54,235	
Equipment Operators		548,567	
Truck Drivers		431,712	
Laborers		286,240	
Overtime Pay		22,401	
Rentals		3,995	
Other Contracted Services		74,176	
Asphalt - Cold Mix		9,613	
Asphalt - Hot Mix		789,768	
Asphalt - Liquid		8,144	
Concrete		1,247	
Crushed Stone		66,340	
Fertilizer, Lime, and Seed		8,424	
General Construction Materials		18,861	
Pipe		26,298	
Pipe - Metal		22,304	
Road Signs		45,744	
Salt		9,368	
Sand		173	
Small Tools		1,991	
Wood Products		349	
Other Supplies and Materials		4,695	
Total Highway and Bridge Maintenance			\$ 2,434,645

Operation and Maintenance of Equipment

Foremen	\$	95,679	
Mechanic(s)		179,730	
Overtime Pay		3,964	
Laundry Service		26,526	
Other Contracted Services		409	
Diesel Fuel		93,484	
Equipment and Machinery Parts		98,575	
Garage Supplies		17,302	
Gasoline		34,004	
Lubricants		13,826	
Propane Gas		1,738	
Small Tools		8,008	
Tires and Tubes		25,040	
Other Supplies and Materials		793	
Total Operation and Maintenance of Equipment			599,078

Other Charges

Communication	\$	26,296	
Electricity		14,176	
Water and Sewer		4,052	
Liability Insurance		77,666	
Trustee's Commission		90,797	
Total Other Charges			212,987

(Continued)

Exhibit J-8

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

Highway/Public Works Fund (Cont.)Highways (Cont.)Employee Benefits

Social Security	\$	199,612	
Pensions		261,667	
Employee and Dependent Insurance		7,992	
Life Insurance		1,145	
Medical Insurance		433,464	
Unemployment Compensation		275	
Workers' Compensation Insurance		104,291	
Total Employee Benefits			\$ 1,008,446

Capital Outlay

Engineering Services	\$	300	
Bridge Construction		44,096	
Building Improvements		446,491	
Other Equipment		48,994	
Total Capital Outlay			539,881

Capital ProjectsHighway and Street Capital Projects

Equipment Operators	\$	86,266	
Truck Drivers		123,239	
Laborers		125,535	
Overtime Pay		2,746	
Concrete		921	
Crushed Stone		38,514	
Diesel Fuel		10,800	
Equipment and Machinery Parts		38,082	
Pipe - Metal		757	
Small Tools		1,574	
Total Highway and Street Capital Projects			428,434

Total Highway/Public Works Fund \$ 5,984,404

General Debt Service FundOther OperationsOther Charges

Trustee's Commission	\$	171,766	
Total Other Charges			\$ 171,766

Principal on DebtGeneral Government

Principal on Bonds	\$	350,000	
Principal on Other Loans		740,150	
Total General Government			1,090,150

Education

Principal on Bonds	\$	3,035,000	
Principal on Capital Leases		713,557	
Principal on Other Loans		2,239,850	
Total Education			5,988,407

(Continued)

Exhibit J-8

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

General Debt Service Fund (Cont.)Interest on DebtGeneral Government

Principal on Notes	\$	101,676	
Interest on Bonds		185,819	
Interest on Other Loans		<u>136,134</u>	
Total General Government	\$		423,629

Education

Interest on Bonds	\$	861,877	
Interest on Capital Leases		346,364	
Interest on Other Loans		<u>427,862</u>	
Total Education			1,636,103

Other Debt ServiceGeneral Government

Underwriter's Discount	\$	37,870	
Other Debt Issuance Charges		64,333	
Other Debt Service		<u>50,456</u>	
Total General Government			152,659

Education

Other Debt Service	\$	<u>143,548</u>	
Total Education			<u>143,548</u>

Total General Debt Service Fund \$ 9,606,262

Community Development/Industrial Park FundOther OperationsIndustrial Development

Contributions	\$	<u>115,000</u>	
Total Industrial Development	\$		115,000

Other Charges

Trustee's Commission	\$	<u>2,855</u>	
Total Other Charges			2,855

Interest on DebtGeneral Government

Interest on Other Loans	\$	<u>31,855</u>	
Total General Government			<u>31,855</u>

Total Community Development/Industrial Park Fund 149,710

HUD Grant Projects FundOther OperationsOther Charges

Trustee's Commission	\$	<u>2</u>	
Total Other Charges			<u>2</u>

Total HUD Grant Projects Fund 2

(Continued)

Exhibit J-8

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

Education Capital Projects FundOther Debt ServiceGeneral Government

Underwriter's Discount	\$ 93,207	
Other Debt Issuance Charges	<u>183,428</u>	
Total General Government		\$ 276,635

Capital Projects - DonatedCapital Projects Donated to School Department

Contributions	\$ 10,000,000	
Total Capital Projects Donated to School Department		10,000,000

Capital Projects Donated to Other Entities

Contributions	\$ 5,520,026	
Total Capital Projects Donated to Other Entities		<u>5,520,026</u>

Total Education Capital Projects Fund \$ 15,796,661

Other Capital Projects FundOther OperationsOther Charges

Trustee's Commission	\$ 26,791	
Total Other Charges		\$ 26,791

Capital ProjectsOther General Government Projects

Maintenance and Repair Services - Buildings	\$ 1,211	
Motor Vehicles	90,000	
Other Construction	<u>143,000</u>	
Total Other General Government Projects		234,211

Education Capital Projects

Other Construction	\$ 838,058	
Other Capital Outlay	<u>2,000,000</u>	
Total Education Capital Projects		<u>2,838,058</u>

Total Other Capital Projects Fund 3,099,060

Endowment FundPublic Health and WelfareOther Public Health and Welfare

Contracts with Private Agencies	\$ 48,635	
Contributions	5,733	
Other Charges	<u>13,500</u>	
Total Other Public Health and Welfare		<u>\$ 67,868</u>

Total Endowment Fund 67,868

Total Governmental Funds - Primary Government \$ 85,975,771

Exhibit J-9

Bradley County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Bradley County School Department
For the Year Ended June 30, 2021

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 29,624,907	
Career Ladder Program	81,125	
Career Ladder Extended Contracts	42,950	
Educational Assistants	1,257,217	
Other Salaries and Wages	25,435	
Certified Substitute Teachers	82,561	
Non-certified Substitute Teachers	294,348	
Social Security	1,818,447	
Pensions	2,768,936	
Life Insurance	24,832	
Medical Insurance	4,477,015	
Employer Medicare	430,325	
Other Fringe Benefits	332,081	
Operating Lease Payments	78,369	
Maintenance and Repair Services - Equipment	95,997	
Tuition	19,987	
Other Contracted Services	63,571	
Instructional Supplies and Materials	410,612	
Textbooks - Electronic	35,692	
Textbooks - Bound	772,908	
Other Supplies and Materials	145,463	
In Service/Staff Development	15,402	
Fee Waivers	96,000	
Other Charges	2,534	
Regular Instruction Equipment	1,126,210	
Total Regular Instruction Program		\$ 44,122,924

Special Education Program

Teachers	\$ 2,844,830	
Career Ladder Program	6,500	
Clerical Personnel	30,833	
Educational Assistants	367,321	
Speech Pathologist	351,707	
Non-certified Substitute Teachers	4,018	
Social Security	211,030	
Pensions	341,640	
Life Insurance	3,470	
Medical Insurance	610,594	
Employer Medicare	49,872	
Contracts with Private Agencies	110,912	
Other Contracted Services	30,492	
Instructional Supplies and Materials	44,750	
Other Supplies and Materials	26,474	
Special Education Equipment	28,324	
Total Special Education Program		5,062,767

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Career and Technical Education Program

Teachers	\$	2,416,205	
Career Ladder Program		1,000	
Guidance Personnel		123,933	
Non-certified Substitute Teachers		780	
Social Security		148,706	
Pensions		250,072	
Life Insurance		1,983	
Medical Insurance		349,682	
Employer Medicare		34,778	
Maintenance and Repair Services - Equipment		9,423	
Other Contracted Services		10,970	
Instructional Supplies and Materials		78,187	
Other Supplies and Materials		17,465	
Vocational Instruction Equipment		17,291	
Total Career and Technical Education Program			\$ 3,460,475

Support Services

Attendance

Supervisor/Director	\$	45,945	
Career Ladder Program		1,000	
Clerical Personnel		74,765	
Social Security		6,948	
Pensions		12,575	
Life Insurance		108	
Medical Insurance		20,568	
Employer Medicare		1,625	
Operating Lease Payments		2,892	
Software		44,734	
Other Supplies and Materials		6,414	
In Service/Staff Development		28	
Total Attendance			217,602

Health Services

Supervisor/Director	\$	73,127	
Medical Personnel		537,960	
Other Salaries and Wages		45,020	
Social Security		38,645	
Pensions		61,182	
Life Insurance		683	
Medical Insurance		121,216	
Employer Medicare		9,038	
Travel		7,066	
Other Contracted Services		63	
Drugs and Medical Supplies		12,101	
Other Supplies and Materials		20,713	
Other Charges		827	
Health Equipment		92,044	
Total Health Services			1,019,685

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support

Career Ladder Program	\$	2,000	
Guidance Personnel		1,534,283	
Other Salaries and Wages		1,285,886	
Social Security		166,184	
Pensions		288,532	
Life Insurance		2,008	
Medical Insurance		371,478	
Employer Medicare		38,866	
Communication		1,121	
Evaluation and Testing		95,454	
Other Contracted Services		15,990	
Other Supplies and Materials		22,463	
Total Other Student Support			\$ 3,824,265

Regular Instruction Program

Supervisor/Director	\$	197,997	
Career Ladder Program		5,000	
Librarians		860,880	
Materials Supervisor		27,823	
Secretary(ies)		57,440	
Educational Assistants		223,213	
Other Salaries and Wages		259,301	
Social Security		93,187	
Pensions		147,070	
Life Insurance		1,114	
Medical Insurance		207,895	
Employer Medicare		22,389	
Communication		920	
Travel		2,719	
Instructional Supplies and Materials		74,255	
Library Books/Media		138,022	
Periodicals		4,471	
Other Supplies and Materials		44,064	
Other Equipment		2,095	
Total Regular Instruction Program			2,369,855

Special Education Program

Supervisor/Director	\$	93,615	
Career Ladder Program		3,800	
Psychological Personnel		289,613	
Medical Personnel		30,215	
Secretary(ies)		38,820	
Bonus Payments		8,000	
Other Salaries and Wages		121,460	
Social Security		34,088	
Pensions		44,284	

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Life Insurance	\$	329	
Medical Insurance		61,282	
Employer Medicare		8,185	
Contracts with Private Agencies		112,059	
Maintenance and Repair Services - Equipment		1,678	
Travel		7,054	
Other Contracted Services		19,960	
Other Supplies and Materials		41,017	
In Service/Staff Development		16,575	
Special Education Equipment		1,594	
Total Special Education Program			\$ 933,628

Career and Technical Education Program

Supervisor/Director	\$	171,884	
Secretary(ies)		28,655	
Other Salaries and Wages		66,184	
Social Security		13,345	
Pensions		22,487	
Life Insurance		172	
Medical Insurance		29,076	
Employer Medicare		3,748	
Other Supplies and Materials		1,309	
In Service/Staff Development		756	
Other Charges		1,257	
Total Career and Technical Education Program			338,873

Technology

Supervisor/Director	\$	79,188	
Data Processing Personnel		233,226	
Social Security		18,749	
Pensions		29,038	
Life Insurance		259	
Medical Insurance		44,462	
Employer Medicare		4,385	
Communication		106,989	
Maintenance and Repair Services - Equipment		22,695	
Internet Connectivity		153,149	
Travel		4,035	
Other Contracted Services		21,779	
Software		105,218	
Other Supplies and Materials		321	
In Service/Staff Development		1,023	
Regular Instruction Equipment		28,343	
Total Technology			852,859

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)Support Services (Cont.)Other Programs

On-behalf Payments to OPEB	\$	379,501	
Total Other Programs			\$ 379,501

Board of Education

Board and Committee Members Fees	\$	19,350	
Social Security		797	
Pensions		1,253	
Unemployment Compensation		19,484	
Employer Medicare		281	
Audit Services		33,250	
Dues and Memberships		8,492	
Legal Services		54,212	
Travel		338	
Other Contracted Services		2,000	
Other Supplies and Materials		202	
Liability Insurance		133,384	
Premiums on Corporate Surety Bonds		5,308	
Trustee's Commission		358,819	
Workers' Compensation Insurance		219,573	
Criminal Investigation of Applicants - TBI		24,764	
Refund to Applicant for Criminal Investigation		1,613	
Total Board of Education			883,120

Director of Schools

County Official/Administrative Officer	\$	163,863	
Career Ladder Program		1,000	
Secretary(ies)		49,320	
Social Security		12,715	
Pensions		29,592	
Life Insurance		86	
Medical Insurance		19,062	
Employer Medicare		3,159	
Other Fringe Benefits		17,149	
Communication		2,306	
Dues and Memberships		5,839	
Postal Charges		7,755	
Travel		197	
Other Contracted Services		969	
Office Supplies		1,018	
Other Supplies and Materials		11,533	
In Service/Staff Development		1,293	
Other Charges		6,224	
Total Director of Schools			333,080

Office of the Principal

Principals	\$	1,522,984	
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(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

Career Ladder Program	\$	3,500	
Assistant Principals		884,547	
Secretary(ies)		929,488	
Social Security		188,793	
Pensions		334,987	
Life Insurance		2,542	
Medical Insurance		523,693	
Employer Medicare		44,794	
Dues and Memberships		21,600	
Total Office of the Principal			\$ 4,456,928

Fiscal Services

Supervisor/Director	\$	73,758	
Accountants/Bookkeepers		132,705	
Social Security		11,857	
Pensions		21,926	
Life Insurance		172	
Medical Insurance		32,379	
Employer Medicare		2,773	
Data Processing Services		22,096	
Other Contracted Services		293	
Data Processing Supplies		5,141	
Office Supplies		972	
Administration Equipment		6,485	
Total Fiscal Services			310,557

Human Services/Personnel

Supervisor/Director	\$	72,474	
Other Salaries and Wages		117,260	
Social Security		10,091	
Pensions		19,570	
Life Insurance		173	
Medical Insurance		35,104	
Employer Medicare		2,360	
Data Processing Services		33,143	
Office Supplies		189	
Other Supplies and Materials		705	
In Service/Staff Development		249	
Administration Equipment		2,536	
Total Human Services/Personnel			293,854

Operation of Plant

Supervisor/Director	\$	154,816	
Secretary(ies)		38,325	
Custodial Personnel		342,666	
Social Security		32,031	

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant (Cont.)

Pensions	\$	53,115	
Life Insurance		683	
Medical Insurance		108,720	
Employer Medicare		7,491	
Communication		1,309	
Janitorial Services		1,248,870	
Maintenance and Repair Services - Buildings		124,068	
Maintenance and Repair Services - Equipment		28,215	
Rentals		1,632	
Disposal Fees		45,093	
Other Contracted Services		53,304	
Custodial Supplies		53,682	
Electricity		1,462,499	
Fuel Oil		83,638	
Natural Gas		111,850	
Water and Sewer		448,035	
Other Supplies and Materials		19,366	
Boiler Insurance		8,177	
Building and Contents Insurance		322,399	
In Service/Staff Development		99	
Debt Service Contribution to Primary Government		1,059,921	
Administration Equipment		182,321	
Total Operation of Plant			\$ 5,992,325

Maintenance of Plant

Supervisor/Director	\$	74,364	
Secretary(ies)		38,820	
Maintenance Personnel		506,488	
Other Salaries and Wages		13,736	
Social Security		35,069	
Pensions		64,420	
Life Insurance		605	
Medical Insurance		118,728	
Employer Medicare		8,258	
Communication		1,015	
Other Contracted Services		52,299	
Other Supplies and Materials		403,174	
Other Charges		567	
Total Maintenance of Plant			1,317,543

Transportation

Supervisor/Director	\$	45,945
Other Salaries and Wages		57,214
Social Security		5,943
Pensions		7,325
Life Insurance		21

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Medical Insurance	\$	5,299	
Employer Medicare		1,390	
Communication		1,735	
Contracts with Vehicle Owners		2,158,967	
Maintenance and Repair Services - Vehicles		93,760	
Medical and Dental Services		2,440	
Gasoline		81,170	
Other Supplies and Materials		762	
Vehicle and Equipment Insurance		79,615	
In Service/Staff Development		675	
Other Charges		1,150	
Transportation Equipment		88,376	
Total Transportation			\$ 2,631,787

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	73,116	
Social Security		3,945	
Pensions		7,765	
Life Insurance		2,856	
Medical Insurance		11,460	
Employer Medicare		923	
Other Contracted Services		253	
Other Supplies and Materials		2,157	
In Service/Staff Development		6,832	
Total Food Service			109,307

Community Services

Supervisor/Director	\$	94,623	
Other Salaries and Wages		309,548	
Social Security		24,953	
Pensions		10,576	
Life Insurance		89	
Medical Insurance		15,334	
Employer Medicare		5,836	
Maintenance and Repair Services - Equipment		20,000	
Travel		1,280	
Other Contracted Services		74,862	
Instructional Supplies and Materials		14,225	
Other Charges		14,493	
Total Community Services			585,819

Early Childhood Education

Communication	\$	12,503	
Contracts with Private Agencies		950,965	
Operating Lease Payments		22,563	

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education (Cont.)

Maintenance and Repair Services - Equipment	\$	17,714	
Travel		3,854	
Other Contracted Services		65,133	
Instructional Supplies and Materials		31,498	
Other Supplies and Materials		26,245	
In Service/Staff Development		4,681	
Other Charges		49,088	
Total Early Childhood Education			\$ 1,184,244

Capital Outlay

Regular Capital Outlay

Building Improvements	\$	574,590	
Other Capital Outlay		244,816	
Total Regular Capital Outlay			819,406

Total General Purpose School Fund \$ 81,500,404

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	714,323	
Educational Assistants		338,749	
Bonus Payments		2,000	
Other Salaries and Wages		47,000	
Non-certified Substitute Teachers		13,091	
Social Security		62,912	
Pensions		74,891	
Life Insurance		562	
Medical Insurance		101,397	
Employer Medicare		15,214	
Other Contracted Services		2,460	
Instructional Supplies and Materials		733,493	
Software		155,821	
Other Supplies and Materials		204,255	
Regular Instruction Equipment		1,810,001	
Total Regular Instruction Program			\$ 4,276,169

Special Education Program

Teachers	\$	106,017	
Educational Assistants		710,874	
Speech Pathologist		112,786	
Other Salaries and Wages		145	
Social Security		54,761	
Pensions		85,551	
Life Insurance		1,590	
Medical Insurance		270,084	

(Continued)

Exhibit J-9

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Employer Medicare	\$	12,822	
Contracts with Private Agencies		65,645	
Other Contracted Services		21,957	
Instructional Supplies and Materials		12,961	
Other Supplies and Materials		1,356	
Special Education Equipment		6,732	
Total Special Education Program			\$ 1,463,281

Career and Technical Education Program

Maintenance and Repair Services - Equipment	\$	1,673	
Instructional Supplies and Materials		27,049	
Other Supplies and Materials		15,477	
Other Charges		300	
Vocational Instruction Equipment		243,210	
Total Career and Technical Education Program			287,709

Support Services

Other Student Support

Other Salaries and Wages	\$	350,786	
Social Security		15,438	
Pensions		25,479	
Life Insurance		173	
Medical Insurance		20,100	
Employer Medicare		4,821	
Travel		7,875	
Other Contracted Services		53,108	
Other Supplies and Materials		215,644	
In Service/Staff Development		9,507	
Other Charges		33,153	
Communication Equipment		109,652	
Total Other Student Support			845,736

Regular Instruction Program

Supervisor/Director	\$	69,786	
Secretary(ies)		35,785	
Educational Assistants		23,615	
Other Salaries and Wages		147,907	
Social Security		14,399	
Pensions		23,015	
Life Insurance		216	
Medical Insurance		37,257	
Employer Medicare		3,901	
Travel		248	
Other Contracted Services		9,541	
Other Supplies and Materials		4,401	
In Service/Staff Development		97,959	
Total Regular Instruction Program			468,030

(Continued)

Exhibit J-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program

Psychological Personnel	\$	4,744	
Assessment Personnel		27,784	
Secretary(ies)		83,125	
Other Salaries and Wages		396,045	
Social Security		30,067	
Pensions		49,670	
Life Insurance		389	
Medical Insurance		63,524	
Employer Medicare		7,125	
Other Supplies and Materials		2,450	
In Service/Staff Development		500	
Total Special Education Program			\$ 665,423

Operation of Plant

Custodial Supplies	\$	245,101	
Total Operation of Plant			245,101

Transportation

Bus Drivers	\$	180,291	
Other Salaries and Wages		13,781	
Social Security		10,203	
Pensions		5,843	
Employer Medicare		2,814	
Total Transportation			212,932

Operation of Non-Instructional Services

Food Service

Cafeteria Personnel	\$	21,250	
Social Security		1,318	
Pensions		1,546	
Employer Medicare		308	
Total Food Service			24,422

Total School Federal Projects Fund \$ 8,488,803

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Cafeteria Personnel	\$	1,794,776	
Social Security		104,740	
Pensions		123,600	
Medical Insurance		494,646	
Unemployment Compensation		3,140	
Employer Medicare		24,906	
Communication		13,254	
Dues and Memberships		769	

(Continued)

Exhibit J-9

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

Central Cafeteria Fund (Cont.)Operation of Non-Instructional Services (Cont.)Food Service (Cont.)

Freight Expenses	\$	435	
Maintenance and Repair Services - Equipment		107,474	
Pest Control		7,515	
Travel		2,320	
Permits		1,440	
Contracts for Postclosure Care Costs		180	
Other Contracted Services		66,394	
Food Preparation Supplies		2,652	
Food Supplies		2,178,922	
Ice		43,680	
Uniforms		230	
USDA - Commodities		515,816	
Other Supplies and Materials		216,645	
Refunds		2,461	
Trustee's Commission		2,093	
Criminal Investigation of Applicants - TBI		984	
Refund to Applicant for Criminal Investigation		70	
Other Charges		1,713	
Food Service Equipment		18,602	
Total Food Service			\$ 5,729,457

Total Central Cafeteria Fund \$ 5,729,457

Internal School FundOperation of Non-Instructional ServicesCommunity Services

Other Charges	\$	5,068,556	
Total Community Services			\$ 5,068,556

Total Internal School Fund 5,068,556

Education Capital Projects FundCapital ProjectsEducation Capital Projects

Architects	\$	538,301	
Engineering Services		6,510	
Other Contracted Services		30,427	
Trustee's Commission		10,358	
Building Construction		10,840,393	
Building Improvements		10,187	
Vocational Instruction Equipment		148,500	
Total Education Capital Projects			\$ 11,584,676

Total Education Capital Projects Fund 11,584,676

Total Governmental Funds - Bradley County School Department \$ 112,371,896

Exhibit J-10

Bradley County, Tennessee

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

For the Year Ended June 30, 2021

	Cities - Sales Tax Fund	Cities - Mixed Drink Tax In Litigation Fund	City of Charleston Property Tax	City School ADA - Cleveland Fund	Total
<u>Additions</u>					
Current Property Taxes	\$ 0	\$ 0	\$ 64,030	\$ 6,630,554	\$ 6,694,584
Trustee's Collections - Prior Years	0	0	2,980	176,116	179,096
Circuit/Clerk and Master Collections - Prior Years	0	0	0	100,889	100,889
Interest and Penalty	0	0	631	34,347	34,978
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	2,388	2,388
Payments in-Lieu-of Taxes - Other	0	0	0	527,632	527,632
Local Option Sales Tax	16,254,353	0	0	8,850,642	25,104,995
Mixed Drink Tax	0	951	0	0	951
Bank Excise Tax	0	0	0	37,742	37,742
Marriage Licenses	0	0	0	3,473	3,473
Investment Income	0	38	0	0	38
Other Local Revenue	0	0	0	216	216
Income Tax	0	0	0	72,000	72,000
Contributions	0	0	0	5,520,027	5,520,027
Total Additions	\$ 16,254,353	\$ 989	\$ 67,641	\$ 21,956,026	\$ 38,279,009
<u>Deductions</u>					
Remittance of Revenues Collected	\$ 16,253,970	\$ 0	\$ 67,641	\$ 21,807,569	\$ 38,129,180
Trustee's Commission	383	0	0	148,457	148,840
Total Deductions	\$ 16,254,353	\$ 0	\$ 67,641	\$ 21,956,026	\$ 38,278,020
Excess of Additions Over (Under) Deductions	\$ 0	\$ 989	\$ 0	\$ 0	\$ 989
Net Position, July 1, 2020	0	0	0	0	0
Restatement - See Note I.D.11	0	22,884	0	0	22,884
Net Position, June 30, 2021	\$ 0	\$ 23,873	\$ 0	\$ 0	\$ 23,873

STATISTICAL SECTION

This part of Bradley County's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

	Table(s)	Page(s)
Financial Trends:		
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	1-5	282-289
Revenue Capacity:		
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	6-9	290-293
Debt Capacity:		
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future. The tables on legal debt margin information and pledged-revenue coverage are not applicable to counties in Tennessee.	10-14	294-298
Demographic and Economic Information:		
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	15-16	299-300
Operating Information:		
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	17-19	301-303

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

Table 1

Bradley County, Tennessee
Net Position by Component
Primary Government and Discretely Presented Component Unit
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
PRIMARY GOVERNMENT (Note 1)										
Governmental Activities										
Net Investment in Capital Assets	\$ 38,223,003	\$ 39,828,738	\$ 40,349,670	\$ 40,684,983	\$ 41,407,445	\$ 45,342,397	\$ 53,085,664	\$ 54,132,852	\$ 71,076,421	\$ 50,725,996
Restricted	43,150,279	22,275,369	22,313,233	24,072,985	22,871,780	23,154,521	20,727,875	24,900,131	27,225,228	27,378,929
Unrestricted	(56,536,421)	(34,224,306)	(34,727,104)	(28,004,141)	(19,957,898)	(23,633,726)	(34,582,492)	(35,529,596)	(48,505,094)	(35,658,463)
Total Governmental Activities Net Position	<u>\$ 24,836,861</u>	<u>\$ 27,879,801</u>	<u>\$ 27,935,799</u>	<u>\$ 36,753,827</u>	<u>\$ 44,321,327</u>	<u>\$ 44,863,192</u>	<u>\$ 39,231,047</u>	<u>\$ 43,503,387</u>	<u>\$ 49,796,555</u>	<u>\$ 42,446,462</u>
COMPONENT UNIT - Bradley County Schools (Notes 2,3)										
Governmental Activities										
Net Investment in Capital Assets	\$ 67,784,079	\$ 68,006,731	\$ 67,396,979	\$ 65,082,166	\$ 63,278,082	\$ 69,469,264	\$ 84,705,700	\$ 85,029,898	\$ 85,308,963	\$ 93,318,515
Restricted	2,203,240	2,452,551	2,182,996	3,074,624	1,607,266	3,144,411	2,044,703	9,015,401	16,840,010	19,945,452
Unrestricted	3,619,334	901,271	(749,987)	(11,789,608)	(4,532,792)	(18,812,067)	(16,519,814)	(16,831,753)	(21,049,350)	(11,699,223)
Total Governmental Activities Net Position	<u>\$ 73,606,653</u>	<u>\$ 71,360,553</u>	<u>\$ 68,829,988</u>	<u>\$ 56,367,182</u>	<u>\$ 60,352,556</u>	<u>\$ 53,801,608</u>	<u>\$ 70,230,589</u>	<u>\$ 77,213,546</u>	<u>\$ 81,099,623</u>	<u>\$ 101,564,744</u>

Notes:

- (1) Bradley County Government does not engage in any business-type activities.
- (2) Bradley County Board of Education is not part of the primary government, but is reflected as a component unit. The primary government is responsible for the debt issued to finance construction/improvement of education facilities; however, the physical structures are considered assets of the component unit.
- (3) Does not include discretely presented Bradley Healthcare and Rehabilitation Center component unit.

Table 2

Bradley County, Tennessee
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
EXPENSES (Note 1)										
Governmental Activities:										
General Government	\$ 9,353,024	\$ 5,921,647	\$ 7,429,932	\$ 5,528,271	\$ 6,790,993	\$ 5,645,355	\$ 6,437,351	\$ 3,319,669	\$ 4,947,563	\$ 7,544,926
Finance	2,614,986	2,735,872	2,704,160	2,816,104	2,829,690	3,159,667	3,119,765	3,224,215	3,522,609	3,483,241
Administration of Justice	3,434,737	3,567,747	3,623,133	3,499,575	3,582,051	3,844,237	3,884,390	3,806,237	4,112,074	3,887,233
Public Safety	19,485,932	20,443,402	21,105,724	21,600,283	23,016,771	23,349,492	24,270,352	24,402,492	27,488,895	26,432,107
Public Health and Welfare	7,633,085	7,146,000	7,303,033	6,806,388	7,173,245	7,617,387	8,176,867	8,134,513	8,811,972	8,529,117
Social, Cultural, and Recreational Services	2,529,067	1,911,740	1,882,823	1,919,845	1,893,626	1,943,148	2,007,474	2,054,394	2,054,407	2,159,474
Agriculture and Natural Resources	1,028,690	530,340	622,063	478,789	472,436	481,838	502,051	497,707	486,566	460,489
Highways/Public Works	4,650,587	5,006,216	4,927,413	4,330,329	4,892,293	4,754,450	5,771,431	7,438,764	6,166,321	7,453,988
Education (Payments to Component Unit)	586,923	396,897	49,457	11,731	193,550	17,465,352	14,700,625	4,439,656	1,180,187	18,358,084
Interest on Long-term Debt	2,135,600	2,140,750	2,420,649	2,184,949	2,062,643	2,308,726	2,603,748	2,946,176	2,179,238	2,117,752
Total Governmental Activities Expenses	<u>\$ 53,452,631</u>	<u>\$ 49,800,611</u>	<u>\$ 52,068,387</u>	<u>\$ 49,176,264</u>	<u>\$ 52,907,298</u>	<u>\$ 70,569,652</u>	<u>\$ 71,474,054</u>	<u>\$ 60,263,823</u>	<u>\$ 60,949,832</u>	<u>\$ 80,426,411</u>
PROGRAM REVENUES										
Governmental activities:										
Charges for Services:										
General Government	\$ 1,301,060	\$ 948,182	\$ 758,422	\$ 922,543	\$ 986,165	\$ 628,607	\$ 1,067,064	\$ 1,313,128	\$ 1,178,770	\$ 1,346,428
Finance	1,997,445	2,675,973	2,740,069	2,791,378	2,864,805	1,753,881	2,899,417	3,189,788	3,142,170	3,716,328
Administration of Justice	3,779,803	2,887,959	2,965,703	3,018,838	2,868,102	1,637,122	2,712,593	2,745,312	2,303,284	2,399,539
Public Safety	3,056,052	3,753,450	3,222,592	3,540,777	3,528,601	1,828,228	4,523,454	3,670,243	3,416,457	2,431,096
Public Health and Welfare	4,424,929	5,157,857	4,233,066	9,103,220	5,951,449	2,636,570	4,478,132	4,535,605	3,919,607	4,835,890
Social, Cultural, and Recreational Services	216,977	129,801	133,496	108,063	86,400	62,215	105,205	123,962	300,471	300,003
Agriculture and Natural Resources	6,375	-	-	-	-	-	-	-	-	-
Highways/Public Works	20,344	7,739	6,373	6,601	769	4,838	6,529	3,834	-	-
Operating Grants and Contributions	6,405,791	4,822,092	4,427,953	4,780,315	5,387,611	21,290,932	6,272,744	6,833,052	7,515,084	7,492,019
Capital Grants and Contributions	4,858,831	1,827,877	2,906,712	828,101	1,735,496	1,903,423	2,170,810	2,167,587	278,713	3,599,600
Total Governmental Activities Program Revenues	<u>\$ 26,067,607</u>	<u>\$ 22,210,930</u>	<u>\$ 21,394,386</u>	<u>\$ 25,099,836</u>	<u>\$ 23,409,398</u>	<u>\$ 31,745,816</u>	<u>\$ 24,235,948</u>	<u>\$ 24,582,511</u>	<u>\$ 22,054,556</u>	<u>\$ 26,120,903</u>

(Continued)

Table 2

Bradley County, Tennessee
Changes in Net Position
Last Ten Fiscal Years
 (accrual basis of accounting)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Net (Expense)/Revenue Governmental Activities	\$ (27,385,024)	\$ (27,589,681)	\$ (30,674,001)	\$ (24,076,428)	\$ (29,497,900)	\$ (38,823,836)	\$ (47,238,106)	\$ (35,681,312)	\$ (38,895,276)	\$ (54,305,508)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property Tax Levied for General Purposes	\$ 16,577,507	\$ 16,784,718	\$ 16,453,426	\$ 19,364,871	\$ 19,148,661	\$ 21,013,257	\$ 19,290,446	\$ 18,610,252	\$ 27,703,089	\$ 28,088,352
Property Tax Levied for Debt Services	4,638,965	4,681,026	4,592,558	4,823,017	5,501,655	5,126,129	7,146,451	8,203,877	1,456,279	1,360,225
Sales Tax	4,549,844	4,597,516	4,600,432	4,905,518	5,403,996	5,908,448	5,423,868	6,149,602	7,213,413	7,995,831
Other Local Taxes	2,846,391	2,886,003	2,767,740	2,993,543	3,253,372	3,594,217	3,517,554	3,731,089	3,418,271	3,699,850
Unrestricted Grants and Contributions	1,122,283	1,341,794	1,308,872	1,851,278	2,264,258	3,059,463	3,276,868	2,520,216	3,589,549	3,895,977
Grants and Contributions Restricted for Debt Service	-	-	-	-	-	-	700,332	892,473	-	-
Investment Earnings	242,552	388,253	372,997	286,349	373,530	501,654	817,409	1,271,663	1,058,158	739,118
Proceeds from Sale of Equipment	-	41,901	115,975	368,089	13,339	138,323	65,669	43,505	26,281	41,450
Insurance Recovery	6,028	-	-	-	-	-	-	-	723,404	9,824
Miscellaneous	348,692	555,613	517,999	341,472	1,106,589	24,210	463,305	730,975	-	1,124,788
Total Governmental Activities	\$ 30,332,262	\$ 31,276,824	\$ 30,729,999	\$ 34,934,137	\$ 37,065,400	\$ 39,365,701	\$ 40,701,902	\$ 42,153,652	\$ 45,188,444	\$ 46,955,415
Change in Net Position	\$ 2,947,238	\$ 3,687,143	\$ 55,998	\$ 10,857,709	\$ 7,567,500	\$ 541,865	\$ (6,536,204)	\$ 6,472,340	\$ 6,293,168	\$ (7,350,093)

Note:

(1) Bradley County Government does not engage in any business-type activities.

Table 2a

Bradley County, Tennessee
Changes in Net Position - Bradley County Schools
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
EXPENSES (Note 1)										
Governmental Activities:										
Education	\$ 80,736,790	\$ 82,547,217	\$ 85,920,300	\$ 80,927,446	\$ 79,782,432	\$ 92,086,955	\$ 81,140,976	\$ 85,493,944	\$ 90,863,094	\$ 101,245,999
PRIMARY GOVERNMENT: (Note 1)	<u>\$ 80,736,790</u>	<u>\$ 82,547,217</u>	<u>\$ 85,920,300</u>	<u>\$ 80,927,446</u>	<u>\$ 79,782,432</u>	<u>\$ 92,086,955</u>	<u>\$ 81,140,976</u>	<u>\$ 85,493,944</u>	<u>\$ 90,863,094</u>	<u>\$ 101,245,999</u>
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services - Education	\$ 2,109,608	\$ 2,108,763	\$ 1,947,300	\$ 1,701,751	\$ 1,665,877	\$ 1,497,099	\$ 1,608,358	\$ 1,604,911	\$ 1,453,137	\$ 643,494
Operating Grants and Contributions	13,111,464	11,760,405	12,334,426	11,496,289	11,013,030	10,276,084	11,106,429	11,117,409	10,907,929	23,160,394
Capital Grants and Contributions	-	134,004	1,300,757	-	-	1,040,000	8,099,242	2,560,301	1,200,592	13,838,058
Total Governmental Activities Program Revenues	<u>\$ 15,221,072</u>	<u>\$ 14,003,172</u>	<u>\$ 15,582,483</u>	<u>\$ 13,198,040</u>	<u>\$ 12,678,907</u>	<u>\$ 12,813,183</u>	<u>\$ 20,814,029</u>	<u>\$ 15,282,621</u>	<u>\$ 13,561,658</u>	<u>\$ 37,641,946</u>
Component Unit - Bradley County Schools (Notes 2,3)										
Net (Expense)/Revenue Governmental Activities	<u>\$ (65,515,718)</u>	<u>\$ (68,544,045)</u>	<u>\$ (70,337,817)</u>	<u>\$ (67,729,406)</u>	<u>\$ (67,103,525)</u>	<u>\$ (79,273,772)</u>	<u>\$ (60,326,947)</u>	<u>\$ (70,211,323)</u>	<u>\$ (77,301,436)</u>	<u>\$ (63,604,053)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property Tax Levied for General Purposes	\$ 11,692,391	\$ 11,916,342	\$ 11,663,374	\$ 12,252,672	\$ 12,043,514	\$ 12,318,032	\$ 12,778,425	\$ 12,871,813	\$ 13,018,828	\$ 12,871,609
Sales Tax	10,425,373	10,436,403	10,471,432	10,834,748	11,615,978	11,970,050	12,103,656	11,518,536	14,908,413	15,177,874
Other Local Taxes	-	5,647	7,003	6,540	209,838	172,806	108,515	28,004	2,198	1,307
Unrestricted Grants and Contributions	42,514,979	43,864,053	45,588,392	45,521,858	46,883,719	48,168,352	52,366,069	52,545,162	53,121,115	53,941,806
Investment Earnings	20,648	23,528	28,734	23,014	32,444	41,224	63,178	143,094	115,018	276,632
Sale of Land/Equipment	6,199	-	-	2,298	-	-	-	-	525	-
Miscellaneous	23,502	51,972	48,317	90,280	26,821	52,360	1,378,005	70,773	19,010	38,326
Insurance Recovery	715,276	-	-	-	276,585	-	-	16,898	2,406	-
Pension Income	-	-	-	84,636	-	-	-	-	-	-
Total Governmental Activities	<u>\$ 65,398,368</u>	<u>\$ 66,297,945</u>	<u>\$ 67,807,252</u>	<u>\$ 68,816,046</u>	<u>\$ 71,088,899</u>	<u>\$ 72,722,824</u>	<u>\$ 78,797,848</u>	<u>\$ 77,194,280</u>	<u>\$ 81,187,513</u>	<u>\$ 82,307,554</u>
Change in Net Position	<u>\$ (117,350)</u>	<u>\$ (2,246,100)</u>	<u>\$ (2,530,565)</u>	<u>\$ 1,086,640</u>	<u>\$ 3,985,374</u>	<u>\$ (6,550,948)</u>	<u>\$ 18,470,901</u>	<u>\$ 6,982,957</u>	<u>\$ 3,886,077</u>	<u>\$ 18,703,501</u>

Notes:

- (1) Bradley County Schools do not engage in any business-type activities.
- (2) Bradley County Board of Education is not part of the primary government, but is reflected as a component unit. The primary government is responsible for the debt issued to finance construction/improvement of education facilities; however, the physical structures are considered assets of the component unit.
- (3) Does not include the discretely presented Bradley Healthcare and Rehabilitation Center component unit.

Table 3
Bradley County, Tennessee
Governmental Activities Tax Revenue by Source
General Government and Discretely Presented Component Unit
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	Property Tax for General Purposes	Property Tax for Bradley Co. Schools	Sales Tax - Primary Government	Sales Tax - Bradley Co. Schools	Other Local Tax - Primary Govt.	Other Local Tax - Bradley Co. Schools	Total
2012	\$ 16,577,507	\$ 11,692,391	\$ 4,549,844	\$ 10,425,373	\$ 2,846,391	\$ 0	\$ 46,091,506
2013	16,784,718	11,916,342	4,597,516	10,436,403	2,886,003	5,647	46,626,629
2014	16,453,426	11,663,374	4,600,432	10,471,432	2,767,740	7,003	45,963,407
2015	19,364,871	12,252,672	4,905,518	10,834,748	2,993,543	6,540	50,357,892
2016	19,148,661	12,043,514	5,403,996	11,615,978	3,253,372	209,838	51,675,359
2017	21,013,257	12,318,032	5,908,448	11,970,050	3,594,217	172,806	54,976,810
2018	19,290,446	12,778,425	5,423,868	12,103,656	3,517,554	108,515	53,222,464
2019	18,610,252	12,871,813	6,149,602	11,518,536	3,731,089	28,004	52,909,296
2020	29,159,368	13,018,828	7,213,413	14,908,413	3,418,271	2,198	67,720,491
2021	29,448,577	12,871,609	7,995,831	15,177,874	3,699,850	1,307	69,195,048

Table 4

Bradley County, Tennessee
General Government Fund Balances - Primary Government
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
PRIMARY GOVERNMENT										
General Fund:										
Restricted	\$ 2,107,591	\$ 1,184,962	\$ 1,229,926	\$ 1,125,843	\$ 1,359,785	\$ 1,275,612	\$ 498,772	\$ 847,562	\$ 999,413	\$ 1,767,417
Committed	555,709	656,180	778,668	901,852	814,599	71,052	50,589	65,358	62,065	24,953
Assigned	473,584	487,520	498,269	459,965	844,036	124,449	673,773	1,084,396	1,397,492	3,122,619
Unreserved/Unassigned	1,200,973	4,207,690	4,627,134	5,601,008	8,057,958	7,791,309	8,366,409	7,293,240	6,679,314	6,962,016
Total General Fund	<u>\$ 4,337,857</u>	<u>\$ 6,536,352</u>	<u>\$ 7,133,997</u>	<u>\$ 8,088,668</u>	<u>\$ 11,076,378</u>	<u>\$ 9,262,422</u>	<u>\$ 9,589,543</u>	<u>\$ 9,290,556</u>	<u>\$ 9,138,284</u>	<u>\$ 11,877,005</u>
All Other Governmental Funds:										
Nonexpendable: Endowments	\$ 16,493,179	\$ 15,927,387	\$ 15,978,783	\$ 16,021,681	\$ 16,044,227	\$ 16,068,099	\$ 16,099,941	\$ 16,146,797	\$ 16,206,552	\$ 21,000,525
Restricted	6,482,944	4,466,337	4,461,847	4,363,048	4,064,862	5,370,428	3,215,135	4,384,183	4,031,489	4,483,677
Committed	18,292,224	17,855,310	14,692,728	14,305,427	13,922,952	13,513,371	11,018,998	12,994,952	11,714,149	12,455,693
Assigned	119,692	123,013	137,110	983,248	380,458	374,227	885,418	-	-	-
Unreserved, Reported in:										
Capital Projects Funds	-	-	-	-	-	-	(2,223,577)	(2,259,498)	(2,143,552)	(1,984,360)
Total All Other Governmental Funds	<u>\$ 41,388,039</u>	<u>\$ 38,372,047</u>	<u>\$ 35,270,468</u>	<u>\$ 35,673,404</u>	<u>\$ 34,412,499</u>	<u>\$ 35,326,125</u>	<u>\$ 28,995,915</u>	<u>\$ 31,266,434</u>	<u>\$ 29,808,638</u>	<u>\$ 35,955,535</u>

Note:

In fiscal year 2011, Bradley County implemented GASB Statement No. 54, which replaced the categories that previously had been used to classify fund balance.

Table 5

Bradley County, Tennessee
Changes in Fund Balances General Governmental and Discretely Presented Component Unit
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes	\$ 51,061,742	\$ 51,792,144	\$ 51,104,560	\$ 56,477,797	\$ 58,086,289	\$ 61,963,345	\$ 63,717,748	\$ 64,786,386	\$ 67,941,875	\$ 72,483,281
Licenses and Permits	666,804	368,341	414,345	521,005	470,082	395,360	482,087	592,568	459,135	547,106
Fines and Forfeitures	1,080,260	823,299	799,184	959,705	733,356	842,717	674,865	612,439	598,586	666,398
Charges for Current Services	8,697,225	9,348,118	9,019,873	9,148,040	9,737,490	9,347,027	9,464,127	9,245,187	9,013,580	8,664,149
Other Local Revenue	2,567,203	2,633,582	3,475,746	1,739,463	1,844,508	2,214,268	6,843,943	5,472,286	4,172,490	22,914,168
Fees from Co. Officials	2,521,097	2,629,465	2,535,893	2,570,682	2,692,784	2,816,848	2,646,665	2,751,332	2,526,244	2,869,958
State Revenues	53,510,110	52,026,724	54,175,412	53,120,116	55,784,710	56,620,804	60,056,155	62,575,358	62,623,460	64,287,701
Federal Revenues	14,326,101	12,194,733	12,635,945	11,584,833	11,387,430	10,143,967	11,206,728	10,817,378	10,227,010	18,422,713
Other Govt/Citizens	1,493,957	1,722,135	1,922,234	1,895,163	2,626,089	19,292,809	11,009,228	5,029,783	2,668,419	2,682,510
Total Revenues	<u>\$ 135,924,499</u>	<u>\$ 133,538,541</u>	<u>\$ 136,083,192</u>	<u>\$ 138,016,804</u>	<u>\$ 143,362,738</u>	<u>\$ 163,637,145</u>	<u>\$ 166,101,546</u>	<u>\$ 161,882,717</u>	<u>\$ 160,230,799</u>	<u>\$ 193,537,984</u>
Expenditures										
General Government	\$ 2,843,796	\$ 2,732,227	\$ 2,761,643	\$ 2,602,925	\$ 2,547,934	\$ 2,665,201	\$ 2,701,107	\$ 3,052,646	\$ 2,890,894	\$ 2,879,545
Finance	2,591,243	2,679,649	2,655,256	2,819,902	2,831,722	3,137,476	3,178,336	3,260,503	3,495,262	3,499,082
Admin. of Justice	3,368,943	3,482,992	3,545,746	3,647,867	3,694,232	3,924,263	4,003,791	3,991,210	4,068,862	3,866,309
Public Safety	18,360,622	23,558,254	20,007,038	21,479,893	22,173,963	25,700,205	24,083,001	25,090,280	26,617,130	26,040,279
Public Health/Welfare	6,751,861	7,023,999	7,018,149	7,193,575	7,436,375	7,785,173	8,521,716	8,362,285	8,607,943	8,506,949
Social, Cultural/Rec.	1,882,677	1,789,444	1,785,211	2,065,334	1,825,081	2,010,136	2,225,586	1,995,361	1,935,791	2,028,054
Agriculture and Natural Resources	577,159	531,148	618,665	505,080	488,745	496,613	517,684	511,912	486,844	461,197
Other Operations	6,650,518	2,873,527	2,455,395	2,292,390	3,473,401	2,844,561	5,187,419	2,000,530	1,728,362	3,367,578
Highways and Bridges	4,934,941	5,151,612	5,149,798	4,938,155	5,364,537	5,570,813	6,336,280	6,063,975	6,160,990	5,555,970
Education	76,493,967	78,317,538	81,588,765	80,284,932	80,590,120	80,395,874	83,964,779	88,040,743	89,765,878	99,967,814
Debt Service										
Principal	3,559,049	3,884,146	4,265,987	4,267,708	4,557,059	4,706,233	5,378,011	6,406,768	6,611,391	7,078,557
Interest	2,133,215	2,181,759	2,299,575	2,204,048	2,074,563	2,080,607	2,795,113	2,804,728	2,370,431	2,091,587
Other Charges/Operations	814,904	518,483	223,314	207,145	286,920	338,159	350,558	517,614	228,504	572,842
Endowment	321,349	-	-	-	-	-	-	-	-	-
Capital Projects-General	1,406,705	683,535	2,407,479	687,607	1,712,078	1,512,818	7,299,234	2,286,239	3,903,611	4,507,796
Capital Projects-Donated	-	-	-	-	-	16,284,960	12,100,625	3,449,754	-	15,520,026
Capital Outlay/Projects - Schools	2,192,676	2,794,750	2,704,822	1,045,248	1,736,397	19,004,678	16,393,600	3,606,832	3,018,446	12,404,082
	<u>\$ 134,883,625</u>	<u>\$ 138,203,063</u>	<u>\$ 139,486,843</u>	<u>\$ 136,241,809</u>	<u>\$ 140,793,127</u>	<u>\$ 178,457,770</u>	<u>\$ 185,036,840</u>	<u>\$ 161,441,380</u>	<u>\$ 161,890,339</u>	<u>\$ 198,347,667</u>
Excess of Revenues Over (Under) Expenditures	\$ 1,040,874	\$ (4,664,522)	\$ (3,403,651)	\$ 1,774,995	\$ 2,569,611	\$ (14,820,625)	\$ (18,935,294)	\$ 441,337	\$ (1,659,540)	\$ (4,809,683)

(Continued)

Table 5

Bradley County, Tennessee
Changes in Fund Balances General Governmental and Discretely Presented Component Unit
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Other Financing Sources (Uses)										
Transfers In	\$ 44,599	\$ 81,929	\$ 279,041	\$ 2,618,361	\$ 398,693	\$ 3,743,286	\$ 7,036,849	\$ 217,413	\$ 1,311,540	\$ 1,020,405
Transfers Out	(44,599)	(81,929)	(279,041)	(2,618,361)	(398,693)	(3,743,286)	(7,036,849)	(217,413)	(1,311,540)	(1,020,405)
Capital Leases Issued	-	-	-	195,700	193,550	16,284,960	-	691,593	305,304	627,140
Bond Proceeds	-	2,870,000	-	-	-	-	-	-	-	14,665,000
Other Loan Proceeds	-	-	-	-	-	-	12,100,625	3,449,754	-	-
Proceeds on Refunded Bonds	-	4,255,000	-	-	-	-	-	19,960,000	-	4,750,000
Payments to Refunded Bond Escrow	-	(4,340,000)	-	-	-	-	-	(21,515,000)	-	(4,865,000)
Discount on Debt Issued	-	(20,158)	-	-	-	-	-	(114,725)	-	-
Premiums on Debt Issued	-	202,743	-	-	-	-	-	1,818,890	-	1,348,864
Proceeds Capitalized Lease	302,000	-	-	-	-	-	-	-	-	-
Insurance Recovery	721,304	25,364	-	119,818	276,585	-	31,227	11,269	2,406	9,824
Proceeds on Sale of Assets	-	-	10,259	-	205,941	-	-	-	104,669	30,605
Special Item (Expenditure) #1	-	-	-	-	-	-	-	-	-	(115,000)
TOTAL OTHER SOURCES	\$ 1,023,304	\$ 2,992,949	\$ 10,259	\$ 315,518	\$ 676,076	\$ 16,284,960	\$ 12,131,852	\$ 4,301,781	\$ 412,379	\$ 16,451,433
Net Change in Fund Balances	\$ 2,064,178	\$ (1,671,573)	\$ (3,393,392)	\$ 2,090,513	\$ 3,245,687	\$ 1,464,335	\$ (6,803,442)	\$ 4,743,118	\$ (1,247,161)	\$ 11,641,750
Debt Service as a Percentage of Noncapital Expenditures	4.3%	4.5%	4.9%	4.8%	4.8%	4.3%	5.1%	5.9%	5.8%	5.1%

<u>General Governmental and Discretely Presented Component Unit Tax Revenues by Source</u>										
Fiscal Year	Property Tax	Sales Tax	Hotel/Motel Tax	Litigation Tax	Business Tax	Other Local Tax	Bank Excise Tax	Wholesale Beer	Interstate Telecom	Total Tax Revenue
2012	\$ 33,381,638	\$ 14,795,051	\$ 781,520	\$ 478,843	\$ 1,184,507	\$ -	\$ 92,591	\$ 340,654	\$ 6,938	\$ 51,061,742
2013	33,735,525	15,027,319	817,173	459,508	1,298,529	-	94,239	349,770	10,081	51,792,144
2014	33,148,050	15,057,740	841,873	456,840	1,108,560	13,815	121,149	344,232	12,301	51,104,560
2015	37,635,252	15,665,572	951,845	448,666	1,246,938	16,568	162,131	339,131	11,694	56,477,797
2016	37,712,577	16,955,987	909,319	442,614	1,526,668	19,656	177,731	331,390	10,347	58,086,289
2017	40,383,816	17,806,561	1,368,990	469,622	1,432,698	20,265	147,649	323,306	10,438	61,963,345
2018	42,009,251	17,980,283	1,378,304	447,634	1,406,231	17,597	132,928	313,791	31,729	63,717,748
2019	42,198,611	18,726,887	1,501,748	459,241	1,452,958	11,202	119,637	310,906	5,196	64,786,386
2020	44,098,665	20,220,094	1,216,912	369,256	1,516,881	6,409	202,647	311,011	-	67,941,875
2021	45,355,692	23,225,170	1,348,916	330,441	1,695,062	5,138	201,262	321,600	-	72,483,281

Includes recurring expenditures of the general, special revenue, capital projects, and debt service fund types.

Table 6

Bradley County, Tennessee
Assessed and Estimated Actual Value of Property
Last Ten Fiscal Years

Fiscal Year Ending June 30	Tax Year	Tax Rate	<u>Real Property</u>		<u>Personal Property</u>		<u>Public Utilities</u>		<u>Total</u>		Ratio of Total Assessed Value To Total Estimated Actual Value
			Estimated	Assessed	Estimated	Assessed	Estimated	Assessed	Estimated	Assessed	
2012	2011	\$1.79	\$ 6,253,300,000	\$ 1,786,343,575	\$ 722,568,000	\$ 215,179,703	\$ 113,197,366	\$ 62,258,551	\$ 7,089,065,366	\$ 2,063,781,829	29.11%
2013	2012	1.83	6,258,908,500	1,787,372,505	708,952,500	212,685,757	108,668,300	59,767,562	7,076,529,300	2,059,825,824	29.11%
2014	2013	1.87	6,125,024,200	1,748,268,265	734,794,500	220,438,360	115,719,500	63,645,700	6,975,538,200	2,032,352,325	29.14%
2015	2014	1.87	6,228,628,900	1,773,480,820	719,551,600	215,865,469	118,096,800	64,953,246	7,066,277,300	2,054,299,535	29.07%
2016	2015	1.87	6,172,325,000	1,762,261,550	771,359,500	217,716,596	110,739,380	60,906,659	7,054,423,880	2,040,884,805	28.93%
2017	2016	1.71	6,228,628,900	2,055,202,645	719,551,600	235,023,867	118,096,800	68,150,150	7,066,277,300	2,358,376,662	33.38%
2018	2017	1.71	7,154,891,200	2,052,098,353	898,130,100	269,439,030	118,096,800	64,953,246	8,171,118,100	2,386,490,629	29.21%
2019	2018	1.71	7,154,891,200	1,419,996,993	898,130,100	269,439,030	117,919,700	64,855,828	8,170,941,000	1,754,291,851	21.47%
2020	2019	1.78	7,234,273,900	2,072,086,494	966,033,200	289,809,956	64,855,570	56,534,600	8,265,162,670	2,418,431,050	29.26%
2021	2020	1.78	9,536,416,800	1,944,691,704	1,143,964,900	299,158,266	102,790,200	56,534,600	10,783,171,900	2,300,384,570	21.33%

Source: Bradley County Assessor of Property

Note: Exempt properties are not included in the assessed or estimated value because the property assessor does not currently place values on these.

Table 7

Bradley County, Tennessee
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	Ending	Tax	Bradley Co	Bradley Co	Bradley Co	Bradley Co	Cleveland	Bradley Co	Bradley Co	Bradley Co	Bradley Co	Bradley Co	Total	Bradley Co	Bradley Co		
June 30	Year		Gen	Public	Pike	County	City	Debt	Capital	Edu Cap	Community	Other Cap	Bradley County	Fire O/S	Fire I/S	City of	City of
			Fund	Library	Road	Schools	Schools	Service	Projects	Projects	Development	Projects	Direct Rate	Fringe	Fringe	Cleveland	Charleston
2012	2011	\$	0.4570	\$ 0.0277	\$ 0.1263	\$ 0.5740	\$ 0.2695	\$ 0.2355	\$ -	\$ 0.0017	\$ 0.1003	\$ -	\$ 1.7920	\$ 0.34	\$ 0.41	\$ 1.49	\$ 0.42
2013	2012		0.5269	0.0282	0.1287	0.5734	0.2859	0.2297	-	0.0017	0.0509	-	1.8254	0.34	0.42	1.77	0.44
2014	2013		0.5404	0.0289	0.1320	0.5878	0.2935	0.2356	-	0.0017	0.0522	-	1.8721	0.34	0.42	1.77	0.44
2015	2014		0.5349	0.0277	0.1276	0.5624	0.2985	0.2674	-	0.0016	0.0520	-	1.8721	0.34	0.42	1.77	0.44
2016	2015		0.5339	0.0250	0.1244	0.5539	0.2941	0.2414	-	-	0.0580	0.0414	1.8721	0.42	0.44	1.77	0.44
2017	2016		0.5339	0.0250	0.1244	0.5539	0.2941	0.2414	-	-	0.0580	0.0414	1.8721	0.42	0.44	1.61	0.49
2018	2017		0.4298	0.0228	0.1135	0.4964	0.2774	0.3449	-	-	-	0.0236	1.7084	0.39	0.41	2.06	0.49
2019	2018		0.4993	0.0278	0.1135	0.4994	0.2744	0.3199	-	-	-	0.0478	1.7821	0.4400	0.4400	2.06	0.49
2020	2019		0.4993	0.0278	0.1135	0.4986	0.2752	0.3199	-	-	-	0.0478	1.7821	0.4400	0.4400	2.06	0.49
2021	2020		0.4993	0.0278	0.1135	0.4924	0.2814	0.3199	-	-	-	0.0478	1.7821	0.4400	0.4400	2.06	0.49

Source: Bradley County Assessor of Property

Table 8
Bradley County, Tennessee
Principal Taxpayers
For the Fiscal Year Ended June 30, 2021

Taxpayer	Type of Business	2021		Percentage of Total Taxes Levied	2011			Percentage of Total Taxes Levied
		Rank	Tax Liability		Rank	Assessed Valuation	Tax Liability	
Wacker	Solar Products	1	\$ 129,035,311	36.30%	\$	-	\$ -	0.00%
Mars, Inc.	Candies, Cookies	2	41,980,253	11.81%	2	34,530,039	618,778	16.68%
Olin Mathieson	Chemical Company	3	28,838,766	8.11%	5	20,073,908	359,724	9.69%
Whirlpool	Appliance Manufacturer	4	28,337,694	7.97%	7	26,896,711	281,977	7.60%
Tennova	Hospitals	5	27,948,897	7.86%				0.00%
Life Care Centers	Nursing Homes	6	26,314,359	7.40%	3	22,160,768	397,121	10.70%
Duracell/Gillette	Battery Manufacturer	7	20,498,266	5.77%	4	20,164,728	361,352	9.74%
Innovate Water Care/Sigura	Water Treatment	8	20,364,368	5.73%	8	14,694,794	263,331	7.10%
Volunteer Energy Coop	Utility	9	16,368,143	4.60%	6	17,028,842	305,157	8.22%
General Electric	Light Bulbs	10	15,812,667	4.45%				
Community Health Systems	Hospitals			0.00%	1	35,545,407	636,974	17.17%
Schering Plough	Health Products			0.00%	9	14,386,554	257,807	6.95%
BellSouth Telecom	Telecommunication			0.00%	10	12,743,233	228,359	6.15%
				100.00%	100.00%			

Source: Bradley County Property Assessor

Table 9
Bradley County, Tennessee
Property Tax Levies and Collections-By Tax Year
Last Ten Fiscal Years

Tax Year	Total Tax Levy	Fiscal Year Tax Collections	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Bankruptcies	Ratio of Uncollected Taxes to Total Tax Levy
2011	\$ 39,987,186	\$ 37,619,625	\$ 1,659,787	\$ 39,279,412	\$ 98	\$ 390,900	\$ 27,182	\$ 1.05
2012	40,675,006	38,085,172	847,772	38,932,946	95.72	714,854	47,651	1.87
2013	39,843,593	37,434,506	706,064	38,140,571	95.73	1,128,199	22,715	2.89
2014	41,876,986	39,792,289	665,330	40,457,620	96.61	759,848	32,664	1.89
2015	42,118,560	41,920,628	815,325	42,735,953	101.47	1,545,691	34,510	3.75
2016	43,551,676	41,966,070	946,175	42,912,246	98.53	1,613,397	30,217	3.77
2017	44,313,301	42,628,756	868,018	43,496,775	98.16	1,617,728	25,358	3.71
2018	45,035,391	43,417,648	919,899	44,337,548	98.45	1,216,991	16,209	2.74
2019	47,614,631	45,688,600	253,932	45,942,533	96.49	1,185,799	16,031	2.52
2020	47,996,654	46,658,004	(1)	46,658,004	97.21	(1)	7,505	0.02

Sources: Trustee tax collection records and tax rolls, clerk and master tax collection records

(1) Taxes are current until April 1st of the following year.

Table 10
Bradley County, Tennessee
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities						Net Total Government	Percentage of Personal Income	Per Capita (1)						
	General Bonded Debt	Notes	Other Loans Payable	Capital Leases	Unamortized Premium										
2012	\$	17,550,000	\$	142,855	\$	56,660,000	\$	410,556	\$	94,003	\$	74,857,414	2.87%	\$	756
2013		24,075,000		71,426		49,255,000		262,839		277,694		73,941,959	2.68%		747
2014		23,220,000		-		46,060,000		118,278		236,312		69,634,590	3.13%		704
2015		22,345,000		-		42,725,000		217,184		194,932		65,482,116	3.01%		662
2016		21,455,000		-		39,185,000		245,884		153,550		61,039,434	2.61%		617
2017		20,545,000		-		35,485,000		16,396,341		112,169		72,538,510	2.46%		733
2018		19,620,000		-		43,725,625		15,763,738		-		79,109,363	2.65%		799
2019		21,860,000		2,200,000		37,685,380		15,601,324		1,800,701		79,147,405	2.65%		800
2020		20,830,000		-		32,800,380		14,997,802		1,600,623		70,228,805	2.36%		710
2021		37,035,000		-		29,820,380		14,527,203		2,743,072		84,125,655	2.82%		774

(1) Calculated using information from the U.S. Census Bureau.

Table 11

Bradley County, Tennessee
Ratio of Net General Obligation Bonded Debt and Other Loans Payable to Assessed Value
and Net General Obligation Bonded Debt and Other Loans Payable Per Capita
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt (2)	Variable Rate Loans Payable (2)	Unamortized Premium	Less: Amounts Available in Debt Service Fund (Committed Amount)	Net Bonded Debt and Other Loans Payable	Assessed Property Value	Ratio of Net Bonded Debt and Other Loans Payable to Assessed Value	(1) Population	Net Bonded Debt and Other Loans Payable Per Capita
2012	\$ 17,550,000	\$ 56,660,000	\$ 94,003	\$ 14,136,118	\$ 60,167,885	\$ 2,063,781,829	2.92	% 98,963	\$ 608
2013	24,075,000	49,255,000	277,694	12,965,130	60,642,564	2,059,825,824	2.94	98,963	613
2014	23,220,000	46,060,000	236,312	11,650,561	57,865,751	2,032,352,325	2.85	98,963	585
2015	22,345,000	42,725,000	194,932	10,667,964	54,596,968	2,054,299,535	2.66	98,963	552
2016	21,455,000	39,185,000	153,550	10,242,491	50,551,059	2,081,702,501	2.43	98,963	511
2017	20,545,000	35,485,000	112,169	9,334,612	46,807,557	2,358,376,662	1.98	98,963	473
2018	19,620,000	43,725,625	-	6,885,123	56,460,502	2,451,299,015	2.30	98,963	571
2019	21,860,000	37,685,380	1,800,701	7,930,674	53,415,407	2,451,299,015	2.18	98,963	540
2020	20,830,000	32,800,380	1,600,623	8,369,762	46,861,241	2,418,431,050	1.94	98,963	474
2021	37,035,000	29,820,380	2,743,072	9,229,968	60,368,484	2,300,384,570	2.62	108,620	556

(1) Information taken from U.S. Census Bureau reports.

(2) Direct general government debt. Does not include discretely presented Bradley Healthcare and Rehabilitation Center component unit.

Table 12

Bradley County, Tennessee
Direct and Overlapping Debt
General Obligation Bonds, Notes and Other Loans
As of June 30, 2021

	<u>Net Debt Outstanding</u>	<u>Percentage of Debt Applicable to the County</u>	<u>County's Share of Debt</u>
<u>Bradley County Direct Debt</u>			
General Bonded Debt (1)	\$ 37,035,000		
Notes Payable	-		
Public Building Authority Loan Agreements	29,820,380		
Capital Leases Payable	14,527,203		
Less: Unamortized Premium on Debt	<u>(2,743,072)</u>		
Total County's Direct Debt	\$ 78,639,511	100.00%	\$ 78,639,511
City of Cleveland	80,685,029	100.00%	80,685,029
City of Charleston	<u>-</u>	100.00%	<u>-</u>
Total Direct and Overlapping Debt	<u>\$ 159,324,540</u>		<u>\$ 159,324,540</u>

(1) Amount includes Primary Government and discretely presented Bradley County School Department.

Note - Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. This schedule estimates the portion of the outstanding debt of those overlapping governments that are borne by the residents and businesses of Bradley County. This process recognizes that, when considering the county's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the county's boundaries and dividing it by each unit's total assessed value.

Table 13

Bradley County, Tennessee
Computation of Legal Debt Margin
June 30, 2021

Not Applicable to Bradley County, Tennessee

Note: Section 9-21-103 of the laws of the State of Tennessee provides that bonds or notes may be issued without regard to any limit on indebtedness for Tennessee counties.

Table 14

Bradley County, Tennessee
Pledged-Revenue Coverage
Last Ten Fiscal Years

Not Applicable to Bradley County, Tennessee

Table 15

Bradley County, Tennessee
Demographic Statistics
Last Ten Fiscal Years

Fiscal Year Ending June 30	(1) Population	Personal Income	(1) Per Capita Income	(1) Median Age	(1) Education Level in Years of Formal Schooling	(2) County School Enrollment	(3) Average Unemployment Rate
2011	98,963	\$ 2,082,775,298	\$ 21,046	38.2	15.9	12,207	9.0
2012	101,000	2,165,844,000	21,444	37.7	16.4	12,100	8.8
2013	101,146	2,746,923,068	27,158	38.7	16.8	10,082	7.8
2014	101,848	2,172,112,296	21,327	38.3	16.8	10,031	7.0
2015	102,975	2,229,305,775	21,649	38.3	15.9	10,490	5.1
2016	104,091	2,320,604,754	22,294	39	15.9	10,490	4.7
2017	104,091	2,429,067,576	23,336	39.4	15.9	10,176	4.1
2018	104,091	2,429,067,576	23,336	39.4	15.9	10,176	4.1
2019	108,110	2,981,672,050	26,655	39.5	15.9	10,453	7.2
2020	108,110	2,981,672,050	26,655	39.5	15.9	10,453	7.2

(1) U.S. Census Bureau.

(2) Weighted Full-time Equivalent Average Daily Attendance - Bradley County Schools.

Table 16

Bradley County, Tennessee
Principal Employers
Current Year and Ten Years Ago

Employer	2021			2011		
	Employees	Rank	% of Total County Employment	Employees	Rank	% of Total County Employment
Whirlpool Corporation (Maytag)	1,503	1	2.94%	1,386	1	3.50%
Bradley County Schools	1,200	2	2.35%	1,200	2	3.03%
Tennova Healthcare-Cleveland	1,157	3	2.27%	1,147	3	2.90%
Peyton's Southeastern	1,100	4	2.15%	950	4	2.40%
Jackson Furniture	1,090	5	2.13%			
Walmart (Two Stores)	850	6	1.66%	640	7	1.62%
Amazon	790	7	1.55%	600	9	1.52%
Cleveland City Schools	664	8	1.30%	664	6	1.68%
Wacker Polysilicon	650	9	1.27%			0.00%
Bradley County Government	620	10	1.21%	620	8	1.57%
Lee University				815	5	2.06%
Merck Consumer Care				537	10	1.36%
Total	9,624		18.85%	8,559		21.63%
Total Employment - Average Annual 2021	51,060					
Total Employment - Average Annual 2011	39,569					

Sources: Chamber of Commerce
Tennessee Department of Labor

Table 17
Bradley County, Tennessee
Full-time Employees by Function
Last Ten Years

Function:	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Government	47	48	47	46	43	43	41	41	41	41
Finance	48	47	46	48	47	48	48	48	48	48
Administration of Justice	64	59	64	63	65	64	64	62	67	67
Public Safety	239	236	305	301	257	258	258	260	262	264
Health and Welfare	92	92	123	122	95	96	102	107	107	110
Social, Cultural, and Recreational	9	9	10	9	9	9	9	9	12	12
Agriculture and Natural Resources	14	14	20	19	13	13	11	9	9	9
Other	3	3	3	3	3	3	6	3	3	6
Road and Bridge	59	59	59	65	60	60	60	61	61	63
Total (1)	575	567	677	676	592	594	599	600	610	620
Component Unit:										
Education (2)	988	988	953	955	988	988	1200	1144	1163	1151

(1) Bradley County Human Resources Department

(2) Bradley County Schools

Table 18
Bradley County, Tennessee
Operating Indicators by Function
Last Ten Fiscal Years

Function:	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>General Government</u>										
Registered Voters (1)	58,000	62,777	62,629	62,635	64,000	68,000	69,000	69,000	73,989	73,989
Building Permits Issued (2)	338	642	331	801	722	734	710	980	977	1,173
<u>Public Safety</u>										
Number of Warrants (Civil and Criminal) Served (3)	18,150	18,400	22,250	26,246	14,263	12,378	28,586	30,799	26,295	23,636
Fire Dept. - Call Volume	-	-	-	-	-	-	-	-	-	-
Rescue Service - Call Volume	-	-	-	-	-	-	-	-	-	-
Fire/Rescue Service - Call Volume* (4)	1,300	1,310	1,559	1,579	1,579	1,668	1,670	1,670	1,670	2,632
<u>Public Health</u> (5)										
Ambulance- Call Volume	22,000	21,800	21,852	21,950	26,000	27,000	27,000	27,837	27,000	22,932
Response Time - Avg. Minutes	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
<u>Road and Bridge</u> (6)										
Roads re-paved	25	25	25	25	26	26	26	20	20	20

N/A-Information is not available for this period.

*Fire and Rescue combined services.

- (1) Bradley County Election Commission
- (2) Bradley County Building Inspector's Office
- (3) Bradley County Circuit Court Clerk
- (4) Bradley County Fire/Rescue Department
- (5) Bradley County Emergency Medical Services
- (6) Bradley County Road Department

Table 19

Bradley County, Tennessee
Capital Assets by Function
Last Ten Fiscal Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Function:										
Highways and Streets (1)										
Number of Miles	759	759	759	759	759	759	759	759	759	759
Number of Roads	1,253	1,253	1,253	1,254	1,254	1,254	1,254	1,254	1,254	1,254
Traffic Signals	6	8	8	8	8	8	8	8	8	8
Public Safety (2)										
Number of Correctional Facilities	2	2	2	2	2	2	2	2	2	2
Number of Fire Stations	10	13	13	13	13	13	13	13	13	13
Health and Welfare (2)										
Nursing Home	1	1	1	1	1	1	1	1	1	1
Number of Beds	213	213	213	213	213	213	213	213	213	213
Dispatch Station										
Ambulance Stations	5	5	5	5	5	5	5	5	5	5
Number of Ambulance Units	12	12	12	12	12	12	13	13	13	13
Health Department Facilities	1	1	1	1	1	1	1	1	1	1
Facilities and Services Not Included in the Primary Government										
Education (3)										
Number of Employees *	970	988	1,183	1,050	1,123	1,121	1,129	1,144	1,163	1,151
Elementary Schools	12	12	12	12	11	11	11	11	11	11
Middle Schools	2	2	2	2	2	2	2	2	2	2
High Schools	2	2	2	2	2	2	2	2	2	2
K-12 School	0	0	0	0	0	0	0	0	0	0
Alternative School	1	1	1	1	1	1	1	1	1	1

* Does not include cafeteria workers or substitute teachers.

(1) Bradley County Road Department

(2) Bradley County Fixed Assets Department

(3) Bradley County Schools

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

Bradley County Mayor and
Board of County Commissioners
Bradley 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 Bradley County, Tennessee, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Bradley County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated December 16, 2021. Our report includes a reference to other auditors who audited the financial statements of the Bradley Healthcare and Rehabilitation Center (component unit) and the Internal School Fund (special revenue fund of the discretely presented Bradley County School Department) as described in our report on Bradley County's financial statements. This report does not include the results of the other auditors testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Bradley County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bradley County's internal control. Accordingly, we do not express an opinion on the effectiveness of Bradley County's internal control.

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

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

Our consideration of internal control was for the limited purpose described in the 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 have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be significant deficiencies: 2021-004, 2021-006, and 2021-007.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bradley 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: 2021-001, 2021-002, 2021-003, 2021-005, and 2021-008.

Bradley County's Responses to the Findings

Bradley County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. Bradley County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bradley 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 16, 2021

JEM/sl



JASON E. MUMPOWER
Comptroller

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

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Bradley 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 Bradley County's major federal programs for the year ended June 30, 2021. Bradley County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Bradley County's basic financial statements include the operations of the Bradley Healthcare and Rehabilitation Center, a discretely presented component unit, which expended \$832,171, in federal awards, which are not included in the Schedule of Expenditures of Federal Awards for the year ended June 30, 2021. Our audit, described below, did not include the Bradley Healthcare and Rehabilitation Center because the entity engaged other auditors to perform an audit in accordance with 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).

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Bradley County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part

200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Bradley County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Bradley County's compliance.

Opinion on Each Major Federal Program

In our opinion, Bradley County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of Bradley County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Bradley County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Bradley County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we

consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Bradley County, Tennessee, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Bradley County's basic financial statements. We issued our report thereon dated December 16, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

December 16, 2021

JEM/sl

Bradley County, Tennessee, and the Bradley County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (8) (9)
For the Year Ended June 30, 2021

Federal/Pass-through Agency/State Grantor Program Title	Federal Assistance Listings Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Direct Awards:			
Rural Business Development Grant	10.351	N/A	\$ 88,800
Partnership Agreement	10.699	N/A	4,798
Passed-through State Department of Education:			
Child Nutrition Cluster: (5)			
School Breakfast Program	10.553	N/A	1,548,988 (6)
National School Lunch Program	10.555	N/A	4,118,634 (6)
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (5)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	525,140 (6) (7)
Total U.S. Department of Agriculture			<u>\$ 6,286,360</u>
U.S. Department of Justice:			
Passed-through State Department of Finance and Administration:			
Coronavirus Emergency Supplement Funding Program	16.034	2020-VD-BX-0444	\$ 41,405
Passed-through Tennessee Bureau of Investigation:			
Public Safety Partnership and Community Policing Grants	16.710	N/A	225,188
Total U.S. Department of Justice			<u>\$ 266,593</u>
U.S. Department of Labor:			
Passed-through State Department of Labor and Workforce Development:			
COVID 19 - Unemployment Insurance	17.225	(4)	<u>\$ 5,786</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	Z21THS030	<u>\$ 20,136</u>
U.S. Department of Treasury:			
Passed-through State Department of Education:			
COVID 19 - Coronavirus Relief Fund	21.019	SLT0039	\$ 652,968 (6)
Passed-through State Department of Finance and Administration:			
COVID 19 - Coronavirus Relief Fund	21.019	(4)	1,600,905 (6)
Total U.S. Department of Treasury			<u>\$ 2,253,873</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 2,056,429
Special Education Cluster: (5)			
Special Education - Grants to States	84.027	N/A	2,302,614
Special Education - Preschool Grants	84.173	N/A	107,486
Career and Technical Education - Basic Grants to States	84.048	N/A	314,139
Twenty-first Century Community Learning Centers	84.287	N/A	585,820
English Language Acquisition Grants	84.365	N/A	27,486
Supporting Effective Instruction State Grants	84.367	N/A	311,360
COVID 19 - Elementary and Secondary School Emergency Relief (ESSER I)	84.425D	N/A	1,399,597 (6)
COVID 19 - Elementary and Secondary School Emergency Relief (ESSER II)	84.425D	N/A	1,584,292 (6)
Passed-through State Higher Education Commission:			
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	N/A	267,041
Total U.S. Department of Education			<u>\$ 8,956,264</u>

(Continued)

Bradley County, Tennessee, and the Grundy County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (8) (9) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Election Assistance Commission: Passed-through Tennessee Secretary of the State: COVID 19 - 2020 HAVA Election Security Grants	90.404	30501-03020-06	\$ 71,472
U.S. Department of Health and Human Services: Passed-through State Department of Health: Chronic Disease Prevention and Management Services	93.426	N/A	\$ 29,884
Passed-through State Department of Education: TANF Cluster: (5) Temporary Assistance for Needy Families	93.558	N/A	186,610
Total U.S. Department of Health and Human Services			\$ 216,494
U.S. Department of Homeland Security: Passed-through State Department of Military: Emergency Management Performance Grants	97.042	34101-07921	\$ 56,000
Homeland Security Grant Program	97.067	34101-16120	52,077
Total U.S. Department of Homeland Security			\$ 108,077
Total Expenditures of Federal Awards			\$ 18,185,055
<u>State Grants</u>		Contract Number	
Local Health Services - State Department of Health	N/A	34360-15021	\$ 1,296,957
Child Safety Seat - State Department of Health	N/A	(4)	2,423
Bridge Camp - State Department of Education	N/A	(4)	27,885
Coordinated School Health Improvement - State Department of Education	N/A	(4)	95,000
Driver Education - State Department of Education	N/A	(4)	26,465
Early Childhood Education - State Department of Education	N/A	(4)	1,184,244
Middle School CTE Startup - State Department of Education	N/A	(4)	20,000
Safe Schools Act - State Department of Education	N/A	(4)	182,321
SIS Subsidy - State Department of Education	N/A	(4)	15,408
STREAM Camp - State Department of Education	N/A	(4)	35,892
Summer Learning Camp - State Department of Education	N/A	(4)	103,122
Summer Learning Camp Transportation - State Department of Education	N/A	(4)	52,164
Custody Prevention Services - State Department of Children's Services	N/A	56477	45,150
State Supplement Juvenile Court Improvement Funds - State Department of Children's Services	N/A	35910-03683	9,000
Tennessee Certified Juvenile Recovery Court Program - State Department of Mental Health and Substance Abuse	N/A	66280	5,010
Tennessee Certified Adult Recovery Court Program - State Department of Mental Health and Substance Abuse	N/A	66495	130,000
Tennessee Veterans Treatment Court Initiative - State Department of Mental Health and Substance Abuse	N/A	66249	60,000
Community Corrections Program - State Department of Correction	N/A	32952-13003	301,946
Special Needs - State Department of Health	N/A	34360-78821	100,000
Litter Program - State Department of Transportation	N/A	Z21LIT006	64,561
State Direct Appropriations Grant FY 2020 - State Department of Finance and Administration	N/A	(4)	1,664,886
Total State Grants			\$ 5,422,434

(Continued)

Bradley County, Tennessee, and the Grundy County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (8) (9) (Cont.)

FAL = Federal Assistance Listings
N/A = Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Bradley 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 \$6,192,762; Special Education Cluster total \$2,410,100; Highway Safety Cluster total \$20,136; TANF Cluster Total \$186,610.
- (6) Total for FAL No. 10.555 is \$4,643,774. Total for FAL No. 21.019 is \$2,253,873. Total for FAL No. 84.425D is \$2,983,889.
- (7) National School Lunch Program: Commodities (Non-Cash) \$515,816 and Commodities Rebate \$9,324.
- (8) For the year ended June 30, 2021, Bradley County received donated PPE valued at \$774,144 (\$580,608 federal and \$193,536 state) from Tennessee Department of Military. These donations were unaudited.

(9) CONSOLIDATED ADMINISTRATION

The following amounts were consolidated for administration purposes:

<u>Program Title</u>	<u>Federal Assistance Listings Number</u>	<u>Amount Provided to Consolidated Administration</u>
Title I Grants to Local Education Agencies	84.010	\$ 219,413
		<u>\$ 219,413</u>

Bradley County, Tennessee
Summary Schedule of Prior-year Findings
For the Year Ended June 30, 2021

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or not. Presented below are financial statement findings along with their current status from the Annual Comprehensive Financial Report for Bradley County, Tennessee, for the year ended June 30, 2021.

Prior-year Financial Statement Findings

Fiscal Year	Page Number	Finding Number	Title of Finding	FAL Number	Current Status
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OFFICE OF COUNTY MAYOR

2020	309	2020-001	General Fund general ledger payroll liability accounts were not reconciled.	N/A	Corrected
2020	309	2020-002	The parks and recreation department did not deposit some funds within three days of collection.	N/A	Not Corrected - See Explanation on Corrective Action Plan
2020	310	2020-003	The misdemeanor probation office did not implement adequate controls to protect its information resources.	N/A	Corrected

OFFICE OF DIRECTOR OF SCHOOLS

2020	311	2020-004	The education capital projects fund required material audit adjustments for proper financial statement presentation.	N/A	Corrected
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OFFICE OF CLERK AND MASTER

2020	312	2020-005	Excess fees were not reported and paid to the county in compliance with state statutes.	N/A	Not Corrected - See Explanation on Corrective Action Plan
2020	312	2020-006	The office did not deposit some funds within three days of collection.	N/A	Corrected
2020	313	2020-007	Duties were not segregated adequately.	N/A	Not Corrected - See Explanation on Corrective Action Plan

Prior-year Federal Awards Findings

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

BRADLEY COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2021

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

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

Federal Awards:

4. Internal Control Over Major Federal Programs:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:

* Assistance Listing Numbers: 10.553 and 10.555	Child Nutrition Cluster: School Breakfast Program and National School Lunch Program
* Assistance Listing Number: 21.019	Coronavirus Aid, Relief, and Economic Security Act of 2020
* Assistance Listing Number: 84.010	Title I Grants to Local Education Agencies
* Assistance Listing Number: 84.425D	Education Stabilization Fund - Elementary and Secondary School Emergency Relief Fund (ESSER I And II)
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **NO**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

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

OFFICE OF COUNTY MAYOR

FINDING 2021-001

THE PARKS AND RECREATION DEPARTMENT DID NOT DEPOSIT SOME FUNDS WITHIN THREE DAYS OF COLLECTION

(Noncompliance Under *Government Auditing Standards*)

To obtain reasonable assurance that funds were deposited within three days of collection as required by Section 5-8-207, *Tennessee Code Annotated*, we judgmentally selected receipts issued by the department for the months of January 2021 through May 2021 to trace to deposits. During this period, collections in six of 11 deposits tested were held for longer than three business days before being deposited with the county trustee. In these instances, receipts were held for up to seven business days before deposit. The delay in depositing funds weakens internal controls over collections and increases the risks of fraud and misappropriation. This deficiency was the result of a lack of management oversight, the failure to correct the finding noted in the prior-year audit report, and the failure to implement management's corrective action plan.

RECOMMENDATION

The Parks and Recreation Department should deposit all funds with the county trustee within three business days of collection as required by state statute.

MANAGEMENT'S RESPONSE – COUNTY MAYOR

I concur with this finding.

OFFICE OF CLERK AND MASTER

FINDING 2021-002

EXCESS FEES WERE NOT REPORTED AND PAID TO THE COUNTY IN COMPLIANCE WITH STATE STATUTE (Noncompliance Under *Government Auditing Standards*)

To obtain reasonable assurance that excess fees were properly remitted to the county, we examined the dates when excess fees were remitted and the amount of excess fees retained by the office at the end of each quarter. Section 8-22-104, *Tennessee Code Annotated*, requires excess fees to be reported and paid to the county quarterly and authorizes the clerk to retain sufficient fees to operate the office for three months. The office paid excess fees to the county twice during the year. However, excess fees retained by the office exceeded statutory limits for two quarters covered by our examination by \$15,038 and \$16,639. This deficiency was the result of a lack of management oversight, the failure to correct the finding noted in the prior-year audit report, and the failure to implement management's corrective action plan.

RECOMMENDATION

The clerk and master should report and pay excess fees to the county in compliance with state statute.

MANAGEMENT'S RESPONSE – CLERK AND MASTER

I concur with this finding.

FINDING 2021-003

UNCLAIMED FUNDS WERE NOT REPORTED AND PAID TO THE STATE (Noncompliance Under *Government Auditing Standards*)

The clerk and master did not report and pay to the state unclaimed funds (old outstanding checks) totaling \$81,763. At June 30, 2021, Chancery Court had 36 outstanding checks totaling \$10,897, and Probate Court had four outstanding checks totaling \$70,866 that were all issued prior to July 1, 2019. The Unclaimed Property Act, Section 66-29-101, et seq., *Tennessee Code Annotated*, provides that any funds held for more than one year and unclaimed by the owner are considered abandoned. This statute further provides for the funds to be reported and paid to the state Treasurer's Office. This deficiency is the result of a lack of management oversight.

RECOMMENDATION

The clerk and master should report and pay to the state unclaimed funds held for more than one year as required by state statute.

MANAGEMENT'S RESPONSE – CLERK AND MASTER

I concur with this finding.

FINDING 2021-004

INVESTMENT TRANSACTIONS WERE NOT POSTED TO THE GENERAL LEDGER

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

During the year examined, the clerk and master did not post short-term investment account activity to the general ledger and did not attempt to reconcile the bank statement balances of these short-term investment accounts with general ledger totals. Sound business practices dictate that accounting records accurately reflect all investment account and bank statement activities. As a result of not properly posting the activity of these accounts, the general ledger short-term investment account reflected on the accounting records was overstated by \$22,830 at June 30, 2021. This deficiency is a result of a lack of management oversight.

RECOMMENDATION

Short-term investment account activity should be posted properly to the general ledger. Also, bank statements for these short-term investment accounts should be reconciled with the general ledger monthly, and any errors discovered should be corrected promptly.

MANAGEMENT'S RESPONSE – CLERK AND MASTER

I concur with this finding.

FINDING 2021-005

EXECUTION DOCKET TRIAL BALANCES DID NOT RECONCILE WITH GENERAL LEDGER ACCOUNTS

(Noncompliance Under *Government Auditing Standards*)

As of June 30, 2021, the clerk and master had prepared trial balances of execution docket cause balances as required by Section 18-2-103, *Tennessee Code Annotated (TCA)*. However, the trial balances failed to reconcile with general ledger accounts by \$13,282. Therefore, we were unable to determine if the clerk and master had complied with provisions of the Unclaimed Property Act, Section 66-29-10, *TCA*. This statute provides that any funds held by the court for more than one year and unclaimed by the owner are considered abandoned. Section 66-29-113, *TCA*, further requires these funds to be reported and paid to the state Treasurer's Office. This deficiency is a result of a lack of management oversight.

RECOMMENDATION

Execution docket trial balances should be reconciled with general ledger accounts. Any funds held by the court for one year and unclaimed by the owner are considered abandoned and should be reported and paid to the state Treasurer's Office in compliance with state statute.

MANAGEMENT'S RESPONSE – CLERK AND MASTER

I concur with this finding.

FINDING 2021-006

DUTIES WERE NOT SEGREGATED ADEQUATELY

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

Duties were not segregated adequately among the official and employees in the Office of Clerk and Master. The official and employees responsible for maintaining accounting records were also involved in receipting, depositing, and/or disbursing funds. Accounting standards provide that internal controls be designed 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. Also, this deficiency is the result of management's failure to correct findings noted in the prior-year audit report and the failure to implement their corrective action plan.

RECOMMENDATION

The clerk and master should segregate duties to the extent possible using available resources.

MANAGEMENT'S RESPONSE – CLERK AND MASTER

I concur with this finding.

FINDING 2021-007

THE OFFICE DID NOT REVIEW A LIST OF VOIDED TRANSACTIONS

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

The software application used by the office generated a report that displayed transactions that were voided by users. To ensure that these transactions were necessary, this report should be reviewed for inappropriate activity. During the prior audit period, management was made aware of the importance of this process; however, a review was not performed. This deficiency was the result of the failure of management to implement the prior-year recommendation. When the importance of this log was again brought to management's attention in January 2021, a monthly review process was implemented.

RECOMMENDATION

The clerk and master should ensure the office reviews the report of voided transactions on a routine basis. Any unusual transactions should be investigated.

MANAGEMENT'S RESPONSE – CLERK AND MASTER

The Void Report is reviewed by the official and a deputy each month after month-end reports are printed. I will say that I both concur and disagree with this finding. I disagree that the reports were not "reviewed" because during the process of month-end, these reports were "reviewed" by myself and my deputy. For the past year, I have been training my deputy so

she can eventually take over the responsibility of the performance of month-end and have assisted her with the process every month. Therefore, these reports were reviewed by both of us. However, I concur that the reports were not "signed" each month and after being advised that they need to be signed that has been corrected. Per instruction during a prior audit, we were pulling and signing the DELETE report and placing in a separate binder, and in January we were made aware that the VOID report as well as the TRANSFER report also need to be signed. Therefore, since that time we now pull and sign all three reports and place them in the designated three ring binder to be in compliance.

AUDITOR'S COMMENT

When the auditor inquired about the review of the reports in January 2021, the official responded that they had not been reviewed.

OTHER FINDING

FINDING 2021-008

A COUNTY COMMISSIONER VIOLATED THE CONFLICT OF INTEREST STATUTE BY INDIRECTLY BENEFITING FROM A COUNTY CONTRACT (Noncompliance Under *Government Auditing Standards*)

On May 18, 2020, the Bradley County Commission approved a resolution authorizing the county mayor to enter into an agreement with Berywood Landscaping LLC (Berywood) for the demolition of three county buildings located at the Lake Forest Middle School. Berywood was acknowledged in the resolution as the low bidder for this project at \$45,000.

After entering a contract with Bradley County, Berywood later subcontracted with TriStar Enterprises (TriStar) to haul debris and topsoil from the Lake Forest site. TriStar is a trucking company owned and operated by Erica Davis, who is a member of the Bradley County Commission, and who voted to award the bid to Berywood. Ms. Davis stated that her company performed work on the Lake Forest Middle School property, and she provided auditors with three separate invoices sent to Berywood from TriStar totaling \$23,422.50 for hauling services.

These payments appear to violate the state conflict of interest statute, Section 12-4-101(b), *Tennessee Code Annotated*. This statute states that "It is unlawful for any officer, committee member, director, or other person whose duty it is to vote for, let out, overlook, or in any manner to superintend any work or any contract in which any...county...shall or may be interested, to be indirectly interested in any such contract unless the officer publicly acknowledges such officer's interest. "Indirectly interested" means any contract in which the officer is interested but not directly so...". This noncompliance with state statute is the result of a lack of management oversight.

RECOMMENDATION

County officials should review these payments and resolve the conflict of interest.

MANAGEMENT'S RESPONSE – COMMISSIONER ERICA DAVIS

The entire process, from the creation of the RFP, to the opening, selection, and awarding of bids is handled by the County Mayor. The Commission's only role is to authorize the Mayor to enter into a contract with the bidder that he selects.

After the vote, and only a week prior to work starting on the project, TriStar was contacted by Berywood and asked to provide a quote for specific services, which were provided at a fair market rate. TriStar was later informed by Berywood that their quote had been accepted, and Berywood wished to utilize TriStar for hauling purposes. Work was performed per the request of the contractor, billed, and paid, all in a timely and professional manner. TriStar's work was performed consistent with an expected, if not greater, standard and in a workmanlike manner.

The assertion of potential conflict overlooks the fact that TriStar did not have a contract with the county, as they were providing services for specific work to be done at the time of the request. TriStar has provided all of the records of requested work, billings, and payment. Likewise, Erica Davis in her capacity as Commissioner had no duty to "vote" to select a contractor, or "oversee" the contract between Berywood and Bradley County. It was and remains public knowledge among county officials in Bradley County government that Erica Davis owns and operates TriStar Trucking LLC, and that her company was involved in hauling debris from the Lake Forest demolition site. At no time were any questions raised before, during or in subsequent meetings afterwards regarding the project.

Bradley County nor the County technical advisors have a policy prohibiting the performance of the work which was done by a wonderful company and its employees.

I have reviewed Attorney General Opinions and do not believe that my company, the county or Berywood have committed any wrong or engaged in any misconduct.

AUDITOR'S COMMENT

The Attorney General's Office has opined on several occasions regarding conflict of interest statutes that persons who vote on budgets and appropriations "superintend" the contracts paid for by those budgets and appropriations. Therefore, we believe this is an indirect conflict of interest as defined by the governing statute.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2021.

Bradley County, Tennessee
Management's Corrective Action Plan
For the Year Ended June 30, 2021

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

Finding Number	Title of Finding	Corrective Action Plan Page Number
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OFFICE OF COUNTY MAYOR

2021-001	The parks and recreation department did not deposit some funds within three days of collection.	323
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OFFICE OF CLERK AND MASTER

2021-002	Excess fees were not reported and paid to the county in compliance with state statute.	324
2021-003	Unclaimed funds were not reported and paid to the state.	325
2021-004	Investment transactions were not posted to the general ledger	325
2021-005	Execution docket trial balances did not reconcile with general ledger accounts.	326
2021-006	Duties were not segregated adequately.	327
2021-007	The office did not review a list of voided transactions.	328



Office of the
BRADLEY COUNTY MAYOR
D. GARY DAVIS

P.O. Box 1167
Cleveland, Tennessee 37364

Office (423) 728-7141
Facsimile (423) 476-0696

Corrective Action Plan

FINDING 2021-001: THE PARKS AND RECREATION DEPARTMENT DID NOT DEPOSIT SOME FUNDS WITHIN THREE DAYS OF COLLECTION

Response and Corrective Action Plan Prepared by:
Gary Davis, County Mayor

Person Responsible for Implementing the Corrective Action:
Andy Lockhart, Parks Director

Anticipated Completion Date of Corrective Action:
Date 12-1-2021

Repeat Finding:
Yes

Reason Corrective Action was Not Taken in the Prior Year:
Corrective action was put into place the previous year. More effort needs to be made this year to correct this issue to a suitable amount is corrected.

Planned Corrective Action:
Bradley County Parks will make sure that all deposits are taken to the Trustee's office within Three Days of Collection, if Trustee's office is open.

Signature:


County Mayor



**JERRI S. BRYANT
CHANCELLOR**

10th CHANCERY DIVISION

**OFFICE OF
CLERK & MASTER
BRADLEY COUNTY CHANCERY COURT
HOLLY THOMPSON, CLERK & MASTER
155 N. OCOEE ST., RM 203
CLEVELAND, TN 37311
Office: 423-728-7204
Fax: 423-339-0723**

Corrective Action Plan

**FINDING 2021-001: EXCESS FEES WERE NOT REPORTED AND PAID TO THE
COUNTY IN COMPLIANCE WITH STATE STATUTES**

Response and Corrective Action Plan Prepared by:
Holly Thompson (Clerk and Master)

Person Responsible for Implementing the Corrective Action:
Holly Thompson (Clerk and Master)

Anticipated Completion Date of Corrective Action:
Date - immediately

Repeat Finding:
No

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

Planned Corrective Action:

Money to be turned over per the calculation of the new salary agreement will be turned over January, April, July, and October of each year after month end is completed. Due to an excess in case load and the many extra hours worked this year to simply deal with the case load, and the working conditions that were added due to COVID, this was an oversight that the excess money was turned over late and not on the month it should have been. I do not have a bookkeeper and the amount of work in the office has over doubled and this was simply an oversight. I have requested a new employee however have been denied at this point. A full time bookkeeper would help to resolve this issue however I will make it my responsibility to oversee this is done until that time.

FINDING 2021-002: UNCLAIMED FUNDS WERE NOT REPORTED AND PAID TO THE STATE

Response and Corrective Action Plan Prepared by:
Holly Thompson (Clerk and Master)

Person Responsible for Implementing the Corrective Action:
Holly Thompson (Clerk and Master)

Anticipated Completion Date of Corrective Action:
Date - January 31, 2022

Repeat Finding:
No

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

Planned Corrective Action:

In speaking with the auditor the majority of these checks have been on the books for some time and I am diligently trying to work through this issue. I have had several of these checks re-issued and applied per previous orders which date back prior to my becoming clerk and master. This requires a review of the file and explanation of what to do with the funds. As stressed in the other plan of corrective action, a full time bookkeeper would help greatly to have the time to be assigned to just that job. I will also need the help of local government to look into the old system

FINDING 2021-003: INVESTMENT TRANSACTIONS WERE NOT POSTED TO THE GENERAL LEDGER

Response and Corrective Action Plan Prepared by:
Holly Thompson (Clerk and Master)

Person Responsible for Implementing the Corrective Action:
Holly Thompson (Clerk and Master)

Anticipated Completion Date of Corrective Action:
Date - January 31, 2022

Repeat Finding:
Yes

Reason Corrective Action was Not Taken in the Prior Year:

Lack of staff members and time assigned to this project

Planned Corrective Action:

The bank reconciliation had carry overs due to credit card payments and bank transfers. I have been advised that when there is a carryover that I was not to post interest until it balanced out the next month and corrected. Most months the carry over remained due to credit card payments and the process in which they are reconciled. This is an issue that local government is addressing in their "refresh" grant. This is why I did not post interest. I have since spoken with local government and learned how to remedy the issue. I also just cut off online payments on the 25th of each month to insure all payments hit the ledger and the bank to insure they balance each month until such time as the update is made to the system for reconciliation purposes.

FINDING 2021-004: EXECUTION DOCKET TRIAL BALANCES DID NOT RECONCILE WITH GENERAL LEDGER ACCOUNTS

Response and Corrective Action Plan Prepared by:

Holly Thompson (Clerk and Master)

Person Responsible for Implementing the Corrective Action:

Holly Thompson (Clerk and Master)

Anticipated Completion Date of Corrective Action:

Date - January 31, 2022

Repeat Finding:

Yes

Reason Corrective Action was Not Taken in the Prior Year:

See below in the planned action

Planned Corrective Action:

This issue began prior to my being appointed Clerk and Master. This began when the Clerk and Master changed banks and updated the TNCIS program from the old version in I believe 2009. At that time, to the best of my knowledge, there were certain monies that remained on account for unreconciled checks, money on hold, and things of this nature. I do remember him addressing this with an auditor and a repost of those funds being reviewed at that time during his audit. However, I do not have the ability to look into the old system and will need assistance from local government to help determine where these monies originated from. These amounts have been on the books for many years. Due to COVID it has been next to impossible to have someone from local government come to our office because they too have been overwhelmed and working under COVID precautions and most of them working from home from my understanding. To resolve this issue is going to require help from Local Government as I have explained to my auditor. Also upon review with the auditor it appears that a certificate of deposit was closed in the probate action and

a money market opened and transferred into the same parties ongoing Chancery matter and never closed in probate by the proper clerk and master. I am as well working with local government to help me investigate and resolve this issue.

FINDING 2021-005: DUTIES WERE NOT SEGREGATED ADEQUATELY

Response and Corrective Action Plan Prepared by:
Holly Thompson (Clerk and Master)

Person Responsible for Implementing the Corrective Action:
Holly Thompson (Clerk and Master)

Anticipated Completion Date of Corrective Action:
January 31, 2022

Repeat Finding:
Yes

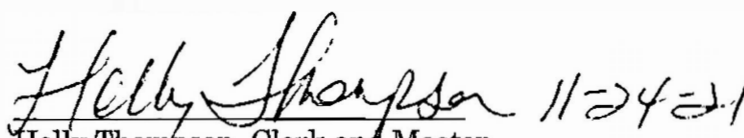
Reason Corrective Action was Not Taken in the Prior Year:
To my knowledge the problem has been resolved

Planned Corrective Action:

I have asked what we need to do to become compliant with these findings every year. I do not have adequate staff to assign one person to do a single job. From discussion with my auditor I thought we had resolved the issue based upon our discussions. The Clerk and Masters office handles Chancery, Probate, and Delinquent Taxes with a staff of four employees plus the Clerk and Master. I do not have a full time bookkeeper, even though I have requested another employee and have been denied. I feel that if I had a full time bookkeeper this would eliminate the problem.

AS AN ADDITION TO ALL OF THE FINDINGS, I FEEL THAT ALL OF THIS COULD BE RESOLVED WITH A "FULLTIME BOOKKEEPER". BRADLEY COUNTY HAS GROWN SIGNIFICANTLY IN THE PAST FEW YEARS. FOUR STAFF MEMBERS IS NOT ENOUGH TO HANDLE ALL THAT WE ARE NOW REQUIRED TO DO. AN ASSIGNED BOOKEEPER IS MUCH NEEDED AND MY GOAL IS TO REVISIT THIS ISSUE WITH OUR COUNTY COMMISSION TO HOPEFULLY ELIMIONATE FUTURE FINDINGS.

Signature:


Holly Thompson, Clerk and Master
And Probate Court Clerk



**JERRI S. BRYANT
CHANCELLOR**

10th CHANCERY DIVISION

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Fax: 423-339-0723**

Corrective Action Plan

**FINDING: THE OFFICE DID NOT REVIEW A LIST OF VOIDED
TRANSACTIONS**

**Response and Corrective Action Plan Prepared by:
Holly Thompson, Clerk and Master**

**Person Responsible for Implementing the Corrective Action:
Holly Thompson, Clerk and Master**

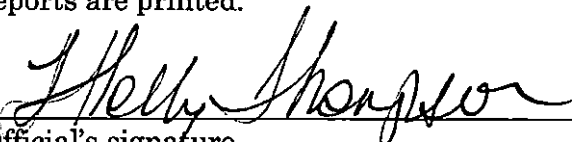
**Anticipated Completion Date of Corrective Action:
January 2021**

**Repeat Finding:
No**

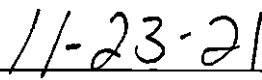
**Reason Corrective Action was Not Taken in the Prior Year:
N/A**

Planned Corrective Action:

The Void Report is reviewed by the official and a deputy each month after month-end reports are printed.



Official's signature



Date