

CITY OF GREENBRIER, TENNESSEE

**FINANCIAL STATEMENTS
AND OTHER INFORMATION**

FOR THE YEAR ENDED JUNE 30, 2023

CITY OF GREENBRIER, TENNESSEE
FINANCIAL STATEMENTS

Table of Contents

	<u>Page</u>
INTRODUCTORY SECTION	
Roster of City Officials (Unaudited)	iii
FINANCIAL SECTION	
Independent Auditor’s Report	1 - 4
Management’s Discussion and Analysis (Unaudited).....	5 - 8
Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Position	9
Statement of Activities	10
Fund Financial Statements:	
Balance Sheet - Governmental Funds	11
Reconciliation of Governmental Funds Balances to Net Position of the Governmental Activities	12
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities ..	14
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	15 - 16
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Capital Projects Fund	17
Statement of Net Position - Proprietary Fund	18
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund	19
Statement of Cash Flows - Proprietary Fund	20
Notes to Financial Statements.....	21 - 42
REQUIRED SUPPLEMENTARY INFORMATION	
Schedules of Changes in Net Pension Liability (Asset) and Related Ratios Based on Participation in the Public Employee Pension Plan of TCRS	43
Schedules of Contributions Based on Participation in the Public Employee Pension Plan of TCRS	44
Schedules of Changes in Total OPEB Liability and Related Ratios	45

CITY OF GREENBRIER, TENNESSEE
FINANCIAL STATEMENTS

Table of Contents - Continued

	<u>Page</u>
SUPPLEMENTARY INFORMATION	
Combining Balance Sheet - Nonmajor Governmental Funds	46
Schedules of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	47
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Solid Waste Fund	48
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - State Street Aid Fund	49
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Stormwater Fund	50
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Drug Fund	51
Schedule of Expenditures of Federal Awards and State Financial Assistance	52
Schedule of Changes in Long-term Debt by Individual Issue	53
Schedule of Long-term Debt, Principal, and Interest Requirements	54 - 55
Schedule of Changes in Property Taxes Receivable	56
OTHER INFORMATION (UNAUDITED)	
Schedule of Property Tax Rates and Assessments	57
Schedule of Utility Rate Structure and Number of Customers	58
INTERNAL CONTROL AND COMPLIANCE	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	59 - 60
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	61 - 63
Schedule of Findings and Responses	64 - 66
Management's Corrective Action Plan	67 - 68

INTRODUCTORY SECTION



CITY OF GREENBRIER, TENNESSEE
OFFICIALS OF THE CITY OF GREENBRIER, TENNESSEE
JUNE 30, 2023

<u>Position</u>	<u>Official</u>	<u>Period of Service</u>
Mayor	Lanny Adcock	7/1/2022- 6/30/2023
Vice Mayor/Alderman	Bill Deaver	7/1/2022- 6/30/2023
Alderman	Jeff DeLong	7/1/2022- 6/30/2023
Alderman	Billy Ray Dorris	7/1/2022- 6/30/2023
Alderman	Alisha Allgood	7/1/2022- 6/30/2023
Alderman	Chris Davis	7/1/2022- 6/30/2023
Alderman	Donald Toohey	7/1/2022- 6/30/2023
City Recorder	Stephanie Toland	7/1/2022- 6/30/2023
Police Chief	Randall Pack	7/1/2022- 6/30/2023
City Attorney	Reba Brown	7/1/2022- 6/30/2023
City Judge	William Kroeger	7/1/2022- 6/30/2023

All employees of the City of Greenbrier are covered under the Property and Crime policy with the Tennessee Municipal League Risk Management Pool, with up to \$150,000 of coverage.

FINANCIAL SECTION





Independent Auditor's Report

Honorable Mayor and Members of the Board of Aldermen
City of Greenbrier, Tennessee

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Greenbrier, Tennessee (the "City") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof, budgetary comparison information for the general fund and capital projects fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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



Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplementary information on pages 46 through 56, which includes the schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules and the schedule of expenditures of state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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



Honorable Mayor and Members of the Board of Aldermen
City of Greenbrier, Tennessee

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City'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 the City's internal control over financial reporting and compliance.

Crosslin, PLLC

Nashville, Tennessee
March 25, 2024

CITY OF GREENBRIER, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023

The City's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains additional required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Highlights

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The Statement of Net Position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Comparing the year-to-year increases or decreases in net position may be used as an indicator of whether the financial position of the City is improving or deteriorating. The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when 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 the future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences). These statements include all assets of the City (including infrastructure) as well as all liabilities (including long-term debt).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues from 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 City include general government and administration, public safety, state street aid, public works, parks and recreation, stormwater, and the solid waste operation. The business-type activities of the City include the water and sewer operation.

Fund Financial Statements

The fund financial statements include statements for two categories of activities - governmental and proprietary funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Government Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be used in evaluating a government's near-term financing requirements. Since the focus of governmental funds is narrower than that of the government-wide financial statements, a comparison of the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements may offer readers a better understanding of the long-term effect of near-term financing decisions. Both the governmental funds balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between funds and activities.

CITY OF GREENBRIER, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023

The City maintains six 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 major funds, which are the general fund and the capital projects fund. Individual fund data for each of the non-major governmental funds is provided elsewhere in this report.

Proprietary (Enterprise) Funds

The City maintains one proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its sewer operations. Proprietary funds provide the same type of information as the government-wide financial statements.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees.

Statements in connection with the non-major governmental fund are presented following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 46 – 51 of this report.

**Condensed Comparative Data
Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Assets						
Current and Other Assets	\$11,190,402	\$11,501,064	\$ 3,323,612	\$ 2,921,721	\$14,514,014	\$14,422,785
Capital Assets, Net	6,028,225	3,650,659	14,752,027	13,278,225	20,780,252	16,928,884
Total Assets	<u>17,218,627</u>	<u>15,151,723</u>	<u>18,075,639</u>	<u>16,199,946</u>	<u>35,294,266</u>	<u>31,351,669</u>
Deferred Outflows of Resources	<u>1,141,867</u>	<u>987,961</u>	<u>285,466</u>	<u>246,990</u>	<u>1,427,333</u>	<u>1,234,951</u>
Total Assets and Deferred Outflows of Resources	<u>\$18,360,494</u>	<u>\$16,139,684</u>	<u>\$18,361,105</u>	<u>\$16,446,936</u>	<u>\$36,721,599</u>	<u>\$32,586,620</u>
Liabilities						
Current Liabilities	\$ 718,768	\$ 415,128	\$ 1,219,846	\$ 476,662	\$ 1,938,614	\$ 891,790
Long-term Liabilities	4,160,885	3,926,920	6,197,858	6,453,968	10,358,743	10,380,888
Total Liabilities	<u>4,879,653</u>	<u>4,342,048</u>	<u>7,417,704</u>	<u>6,930,630</u>	<u>12,297,357</u>	<u>11,272,678</u>
Deferred Inflows of Resources	<u>2,690,168</u>	<u>3,178,508</u>	<u>770,587</u>	<u>1,200,882</u>	<u>3,460,755</u>	<u>4,379,390</u>
Net Position						
Net Investment in Capital Assets	4,089,936	3,275,924	8,373,180	6,534,815	12,463,116	9,810,739
Restricted	1,325,332	1,159,306	-	66,901	1,325,332	1,226,207
Unrestricted	5,375,405	4,183,898	1,799,634	1,713,708	7,175,039	5,897,606
Total Net Position	<u>\$10,790,673</u>	<u>\$ 8,619,128</u>	<u>\$10,172,814</u>	<u>\$ 8,315,424</u>	<u>\$20,963,487</u>	<u>\$16,934,552</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$18,360,494</u>	<u>\$16,139,684</u>	<u>\$18,361,105</u>	<u>\$16,446,936</u>	<u>\$36,721,599</u>	<u>\$32,586,620</u>

CITY OF GREENBRIER, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023

**Condensed Comparative Data
Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Revenues						
Program Revenues:						
Charges for Services	\$ 1,284,779	\$ 1,121,904	\$ 3,741,992	\$ 3,880,940	\$ 5,026,771	\$ 5,002,844
Operating Grants and Contributions	630,339	441,006	1,339,719	112,678	1,970,058	553,684
General Revenues	5,313,101	4,502,872	32,873	30,164	5,345,974	4,533,036
Total Revenues	7,228,219	6,065,782	5,114,584	4,023,782	12,342,803	10,089,564
Expenses						
General Government	667,532	918,159	-	-	667,532	918,159
Public Safety	2,113,330	1,984,470	-	-	2,113,330	1,984,470
City Court	161,285	160,948	-	-	161,285	160,948
Highways, Streets and Roadways	631,881	600,046	-	-	631,881	600,046
Solid Waste	456,022	433,072	-	-	456,022	433,072
Stormwater	130,015	26,729	-	-	130,015	26,729
Parks and Recreation	596,195	513,837	-	-	596,195	513,837
Building and Codes	105,711	202,581	-	-	105,711	202,581
Cemeteries	11,643	13,216	-	-	11,643	13,216
Animal Control	98,894	80,736	-	-	98,894	80,736
Capital Projects	-	162	-	-	-	162
Debt Service Interest	84,166	147,511	-	-	84,166	147,511
Water and Sewer	-	-	3,257,194	3,168,332	3,257,194	3,168,332
Total Expenses	5,056,674	5,081,467	3,257,194	3,168,332	8,313,868	8,249,799
Change in Net Position	2,171,545	984,315	1,857,390	855,450	4,028,935	1,839,765
Net Position -						
Beginning of Year	8,619,128	7,634,813	8,315,424	7,993,978	16,934,552	15,628,791
Prior Period Adjustment	-	-	-	(534,004)	-	(534,004)
Net Position - End of Year	\$10,790,673	\$ 8,619,128	\$10,172,814	\$ 8,315,424	\$20,963,487	\$16,934,552

Overall Analysis

The overall financial condition of the City on June 30, 2023 is sound. The governmental activities net position increased from \$8,619,128 to \$10,790,673, which is an increase in net position of \$2,171,545. The business-type activities had an increase in net position of \$1,857,390 from \$8,315,424 to \$10,172,814.

Fund Analysis

General Fund. The general fund balance increased by \$1,161,760, which is higher than budgeted. The favorable budget to actual outcome was due to higher than originally projected revenues.

Water and Sewer Fund. The water and sewer fund experienced income from operations of \$567,733 and an increase of net position of \$1,857,390. The cash balance increased from \$2,383,301 to \$2,730,794 at the close of the fiscal year, an increase of \$347,493.

Budget Variances in the General Fund

The most significant revenue variance resulted from higher than projected sales tax and contributions. The most significant variance in expenses was the result of higher than projected salaries, taxes, and benefits expenses, and capital outlay in a number of departments.

CITY OF GREENBRIER, TENNESSEE
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023

Capital Assets and Long-term Debt Activity

Changes in capital assets occurred in various departments. Most notably, the capital asset additions related to CIP in governmental activities related to the new municipal building and infrastructure related to new culverts. The Water and Sewer Fund continued work on a sewer line rehab project.

Following is a summary of the City's capital assets:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Land	\$ 655,795	\$ 479,683	\$ 31,500	\$ 31,500	\$ 687,295	\$ 511,183
Construction in Progress	1,139,175	65,946	1,905,774	8,334	3,044,949	74,280
Buildings and improvements	2,146,831	1,287,792	1,818,080	1,818,080	3,964,911	3,105,872
Machinery, equipment, and vehicles	2,873,731	2,460,872	648,555	633,555	3,522,286	3,094,427
Infrastructure	8,848,506	8,848,506	-	-	8,848,506	8,848,506
Utility plant	-	-	16,398,708	16,398,708	16,398,708	16,398,708
Accumulated depreciation	(9,635,813)	(9,492,140)	(6,050,590)	(5,611,952)	(15,686,403)	(15,104,092)
Total net of depreciation	<u>\$ 6,028,225</u>	<u>\$ 3,650,659</u>	<u>\$ 14,752,027</u>	<u>\$ 13,278,225</u>	<u>\$ 20,780,252</u>	<u>\$ 16,928,884</u>

Following is a summary of the City's long-term liabilities:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Compensated Absences	\$ 69,228	\$ 60,584	\$ 9,885	\$ 12,208	\$ 79,113	\$ 72,792
Customer Deposits	300	100	12,700	10,650	13,000	10,750
Notes Payable	3,447,000	3,645,000	6,378,847	6,743,410	9,825,847	10,388,410
Premium on Notes Payable	161,346	169,764	-	-	161,346	169,764
Net Pension Liability	415,972	-	103,993	-	519,965	-
OPEB Liability	280,457	257,890	70,114	64,473	350,571	322,363
Total	<u>\$ 4,374,303</u>	<u>\$ 4,133,338</u>	<u>\$ 6,575,539</u>	<u>\$ 6,830,741</u>	<u>\$ 10,949,842</u>	<u>\$ 10,964,079</u>

More detailed information can be found in the notes to financial statements.

Economic Factors And Next Year's Budgets

In the 2023-2024 budget, General Fund revenues are budgeted to approximate from the 2022-2023 budget year. The City's budget has benefited by a stable commercial and retail base producing increasing local sales tax receipts, which was considered in preparing the City's budget for the 2023-2024 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for citizens, taxpayers, customers, investors, creditors, and all others with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be forwarded to the City Recorder at 615-643-4531.

BASIC FINANCIAL STATEMENTS



CITY OF GREENBRIER, TENNESSEE
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities	Business-Type Activities	Total Primary Government
ASSETS			
Current assets			
Cash and cash equivalents	\$ 3,664,108	\$ 2,205,653	\$ 5,869,761
Certificates of deposit	2,623,112	335,764	2,958,876
Receivables, net	2,815,278	114,218	2,929,496
Internal balances	57,110	118,896	176,006
Inventory	-	23,940	23,940
Restricted cash	2,030,794	525,141	2,555,935
Total current assets	11,190,402	3,323,612	14,514,014
Noncurrent assets			
Capital Assets:			
Depreciable capital assets, net of accumulated depreciation	4,233,255	12,814,753	17,048,008
Nondepreciable capital assets	1,794,970	1,937,274	3,732,244
Total capital assets, net of accumulated depreciation	6,028,225	14,752,027	20,780,252
Total noncurrent assets	6,028,225	14,752,027	20,780,252
Total assets	17,218,627	18,075,639	35,294,266
Deferred outflows of resources			
Deferred pension outflows	1,135,357	283,839	1,419,196
Deferred OPEB outflows	6,510	1,627	8,137
Total deferred outflows of resources	1,141,867	285,466	1,427,333
Total assets and deferred outflows of resources	\$ 18,360,494	\$ 18,361,105	\$ 36,721,599
LIABILITIES			
Current liabilities			
Accounts payable and other payables	\$ 386,312	\$ 785,197	\$ 1,171,509
Internal balances	119,038	56,968	176,006
Long-term debt, current portion	213,418	367,796	581,214
Compensated absences, current portion	-	9,885	9,885
Total current liabilities	718,768	1,219,846	1,938,614
Noncurrent liabilities			
Compensated absences	69,228	-	69,228
Customer deposits	300	12,700	13,000
Long-term debt, less current portion	3,394,928	6,011,051	9,405,979
Net pension liability	415,972	103,993	519,965
OBEP liability	280,457	70,114	350,571
Total noncurrent liabilities	4,160,885	6,197,858	10,358,743
Total liabilities	4,879,653	7,417,704	12,297,357
Deferred inflows of resources			
Deferred property tax revenues	2,488,449	-	2,488,449
Deferred other revenues	-	720,158	720,158
Deferred pension inflows	95,457	23,864	119,321
Deferred OPEB inflows	106,262	26,565	132,827
Total deferred inflows of resources	2,690,168	770,587	3,460,755
NET POSITION			
Net position			
Net investment in capital assets	4,089,936	8,373,180	12,463,116
Restricted:			
Solid waste	366,970	-	366,970
State street aid	405,035	-	405,035
Stormwater	208,553	-	208,553
Drug education and investigations	105,270	-	105,270
Other purposes	239,504	-	239,504
Unrestricted	5,375,405	1,799,634	7,175,039
Total net position	10,790,673	10,172,814	20,963,487
Total liabilities, deferred inflows, and net position	\$ 18,360,494	\$ 18,361,105	\$ 36,721,599

The accompanying notes are an integral part of these financial statements.

**CITY OF GREENBRIER, TENNESSEE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

Activities	Expenses	Program Revenues			Net (Expenses)/Revenues and Changes in Net Position Primary Government		
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government							
Governmental activities							
General government	\$ 667,532	\$ 83,565	\$ 270,494	\$ -	\$ (313,473)	\$ -	\$ (313,473)
Public safety	2,113,330	203,011	98,875	-	(1,811,444)	-	(1,811,444)
City court	161,285	-	-	-	(161,285)	-	(161,285)
Highways, streets, and roadways	631,881	-	252,270	-	(379,611)	-	(379,611)
Solid waste	456,022	480,670	-	-	24,648	-	24,648
Stormwater	130,015	209,428	-	-	79,413	-	79,413
Parks and recreation	596,195	288,985	6,150	-	(301,060)	-	(301,060)
Building and codes	105,711	-	-	-	(105,711)	-	(105,711)
Cemeteries	11,643	18,500	-	-	6,857	-	6,857
Animal control	98,894	620	2,550	-	(95,724)	-	(95,724)
Interest	84,166	-	-	-	(84,166)	-	(84,166)
Total governmental activities	<u>5,056,674</u>	<u>1,284,779</u>	<u>630,339</u>	<u>-</u>	<u>(3,141,556)</u>	<u>-</u>	<u>(3,141,556)</u>
Business-type activities							
Water and sewer	3,257,194	3,741,992	1,339,719	-	-	1,824,517	1,824,517
Total business-type activities	<u>3,257,194</u>	<u>3,741,992</u>	<u>1,339,719</u>	<u>-</u>	<u>-</u>	<u>1,824,517</u>	<u>1,824,517</u>
Total primary government	<u>\$ 8,313,868</u>	<u>\$ 5,026,771</u>	<u>\$ 1,970,058</u>	<u>\$ -</u>	<u>(3,141,556)</u>	<u>1,824,517</u>	<u>(1,317,039)</u>
General revenues							
Property and personalty taxes					2,390,146	-	2,390,146
Payment in lieu of tax					82,936	-	82,936
Sales taxes					1,953,911	-	1,953,911
Alcoholic beverage taxes					246,835	-	246,835
Business taxes					87,303	-	87,303
Miscellaneous state taxes					147,652	-	147,652
Investment income					97,893	37,653	135,546
Gain on disposals of capital assets					106,683	-	106,683
Insurance settlement					3,500	-	3,500
Miscellaneous					196,242	(4,780)	191,462
Total general revenues					<u>5,313,101</u>	<u>32,873</u>	<u>5,345,974</u>
Change in net position					2,171,545	1,857,390	4,028,935
Net position, beginning of year					8,619,128	8,315,424	16,934,552
Net position, end of year					<u>\$ 10,790,673</u>	<u>\$ 10,172,814</u>	<u>\$ 20,963,487</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF GREENBRIER, TENNESSEE
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023**

	General Fund	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 2,568,960	\$ -	\$ 1,095,148	\$ 3,664,108
Certificates of deposit	2,623,112	-	-	2,623,112
Receivables, net				
Property taxes	2,407,425	-	-	2,407,425
Intergovernmental	366,881	-	40,972	407,853
Customers, net of allowance	-	-	-	-
Due from other funds	-	-	57,110	57,110
Restricted cash	239,504	1,791,290	-	2,030,794
Total assets	<u>\$ 8,205,882</u>	<u>\$ 1,791,290</u>	<u>\$ 1,193,230</u>	<u>\$ 11,190,402</u>
Liabilities and fund balances				
Liabilities				
Accounts payable and accrued liabilities	\$ 83,905	\$ 121,333	\$ 107,402	\$ 312,640
Accrued payroll	73,672	-	-	73,672
Due to other funds	119,038	-	-	119,038
Customer deposits	300	-	-	300
Total Liabilities	<u>276,915</u>	<u>121,333</u>	<u>107,402</u>	<u>505,650</u>
Deferred inflows of resources				
Deferred property tax revenues	2,407,425	-	-	2,407,425
Total deferred inflow of resources	<u>2,407,425</u>	<u>-</u>	<u>-</u>	<u>2,407,425</u>
Fund balances				
Restricted:				
Capital projects	-	1,669,957	-	1,669,957
Solid waste	-	-	366,970	366,970
State street aid	-	-	405,035	405,035
Stormwater	-	-	208,553	208,553
Drug education and investigations	-	-	105,270	105,270
Other purposes	239,504	-	-	239,504
Unassigned	5,282,038	-	-	5,282,038
Total Fund Balances	<u>5,521,542</u>	<u>1,669,957</u>	<u>1,085,828</u>	<u>8,277,327</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 8,205,882</u>	<u>\$ 1,791,290</u>	<u>\$ 1,193,230</u>	<u>\$ 11,190,402</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF GREENBRIER, TENNESSEE
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023**

Total Fund Balances for Governmental Funds	\$ 8,277,327
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	6,028,225
Revenues that have been deferred in the balance sheet of the governmental funds because they were not available to pay current liabilities of the period are recognized as revenue in the statement of activities and therefore are not included in the statement of net position.	(81,024)
Net pension liability and deferred pension inflow, net of deferred pension outflow, which do not represent current period sources or uses and, therefore, are not reported in the fund financial statements.	623,928
Net accrued post-retirement plan (OPEB) liability and deferred OPEB outflow, net of deferred OPEB inflow, which do not represent current period sources or uses and, therefore, are not reported in the fund financial statements.	(380,209)
Some liabilities, including long-term debt, unamortized bond premiums, and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(3,677,574)</u>
Net Position of Governmental Activities	<u><u>\$ 10,790,673</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF GREENBRIER, TENNESSEE
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$ 4,921,420	-	\$ 239,633	\$ 5,161,053
License and permits	361,752	-	-	361,752
Fines and forfeitures	127,279	-	76,352	203,631
Charges for services	17,000	-	690,098	707,098
Intergovernmental	378,069	-	-	378,069
Investment income	60,891	33,224	3,778	97,893
Miscellaneous revenues	207,413	-	1,127	208,540
Total revenues	<u>6,073,824</u>	<u>33,224</u>	<u>1,010,988</u>	<u>7,118,036</u>
Expenditures				
Current				
General government	594,623	-	-	594,623
Public safety	1,944,119	-	8,758	1,952,877
City court	161,285	-	-	161,285
Highways, streets, and roadways	397,694	-	118,276	515,970
Solid waste	-	-	435,281	435,281
Stormwater	-	-	130,015	130,015
Parks and recreation	553,868	-	-	553,868
Building and codes	105,711	-	-	105,711
Cemeteries	11,643	-	-	11,643
Animal control	95,238	-	-	95,238
Debt Service:				
Principal	125,000	-	73,000	198,000
Interest	75,000	-	9,166	84,166
Capital outlay	944,283	1,803,296	21,300	2,768,879
Total expenditures	<u>5,008,464</u>	<u>1,803,296</u>	<u>795,796</u>	<u>7,607,556</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,065,360</u>	<u>(1,770,072)</u>	<u>215,192</u>	<u>(489,520)</u>
Other financing sources (uses)				
Insurance proceeds	3,500	-	-	3,500
Proceeds from sale of capital assets	92,900	-	13,783	106,683
Net other financing sources (uses)	<u>96,400</u>	<u>-</u>	<u>13,783</u>	<u>110,183</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>1,161,760</u>	<u>(1,770,072)</u>	<u>228,975</u>	<u>(379,337)</u>
Fund balance - beginning of year	<u>4,359,782</u>	<u>3,440,029</u>	<u>856,853</u>	<u>8,656,664</u>
Fund balance - end of year	<u>\$ 5,521,542</u>	<u>\$ 1,669,957</u>	<u>\$ 1,085,828</u>	<u>\$ 8,277,327</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF GREENBRIER, TENNESSEE
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balance - total governmental funds	\$ (379,337)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation and loss on disposals in the current year.	2,377,566
Revenue in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	(7,871)
The issuance of long-term debt (e.g. bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Governmental funds also report interest expense in the period it is paid. However, in the statement of activities, interest expense is recorded on the accrual basis of accounting in the period to which the interest relates. Also, governmental funds report the effect of premiums, discounts, refunding losses 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 accounts.	206,418
Expense from net pension assets is recognized in the statement of activities but does not represent a current use of resources. Current year pension contributions of are expenditures in the governmental funds but recognized as deferred outflows of resources in the statement of net position.	(8,025)
Expense from net other post retirement employment benefits ("OPEB") is recognized in the statement of activities but does not represent a current use of resources. Current year OPEB benefit payments are expenditures in the governmental funds but recognized as deferred inflows of resources in the statement of net position.	(8,562)
The current year increase in the liability for compensated absences does not require the use of current financial resources and therefore is not reported in the governmental funds.	<u>(8,644)</u>
Change in net position of governmental activities	<u><u>\$ 2,171,545</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF GREENBRIER, TENNESSEE
STATEMENT OF GENERAL FUND BUDGETARY COMPARISON
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Local Taxes:				
Property and personalty taxes	\$ 2,164,618	\$ 2,164,618	\$ 2,390,146	\$ 225,528
Sales taxes	868,420	868,420	1,133,239	264,819
Alcoholic beverage taxes	174,772	174,772	246,835	72,063
Business taxes	38,000	38,000	87,303	49,303
Cable TV franchise and lease taxes	75,000	76,886	59,304	(17,582)
Other taxes	50,000	50,000	88,348	38,348
Licenses and Permits	236,700	267,818	361,752	93,934
Fines	147,500	147,500	127,279	(20,221)
Intergovernmental:				
Sales taxes	654,528	654,528	820,672	166,144
Petroleum special taxes	13,567	13,567	12,637	(930)
Income taxes	-	1,336	-	(1,336)
In lieu of taxes	79,770	79,770	82,936	3,166
Contributions	387,500	387,500	378,069	(9,431)
Charges for Service	7,000	7,000	17,000	10,000
Investment income	6,000	6,000	60,891	54,891
Miscellaneous	16,818	158,212	207,413	49,201
Total revenues	<u>4,920,193</u>	<u>5,095,927</u>	<u>6,073,824</u>	<u>977,897</u>
Expenditures				
Current:				
General government:				
Salaries, taxes and benefits	427,801	435,246	392,293	42,953
Contractual services	16,000	16,000	20,141	(4,141)
Repairs and maintenance	5,000	5,000	427	4,573
Supplies	10,200	10,200	7,665	2,535
Utilities	16,500	18,311	21,129	(2,818)
Other operating expenses	172,800	175,794	152,968	22,826
Total general government	<u>648,301</u>	<u>660,551</u>	<u>594,623</u>	<u>65,928</u>
Public safety, police:				
Salaries, taxes and benefits	1,235,354	1,268,354	1,246,389	21,965
Contractual services	80,500	85,187	93,672	(8,485)
Repairs and maintenance	33,000	33,000	18,557	14,443
Supplies	66,500	69,500	60,318	9,182
Utilities	22,000	22,000	30,073	(8,073)
Other operating expenses	108,550	108,550	76,590	31,960
Capital outlay	-	60,945	130,641	(69,696)
Total public safety, police	<u>1,545,904</u>	<u>1,647,536</u>	<u>1,656,240</u>	<u>(8,704)</u>
Public safety, fire:				
Salaries, taxes and benefits	267,543	272,938	265,280	7,658
Contractual services	73,000	73,187	75,200	(2,013)
Repairs and maintenance	13,000	13,000	19,513	(6,513)
Supplies	32,100	35,100	20,941	14,159
Utilities	17,700	17,700	20,465	(2,765)
Other operating expenses	20,675	21,230	17,121	4,109
Capital outlay	478,000	537,848	607,554	(69,706)
Total public safety, fire	<u>902,018</u>	<u>971,003</u>	<u>1,026,074</u>	<u>(55,071)</u>
City Court:				
Salaries, taxes and benefits	153,736	153,936	137,880	16,056
Contractual services	250	280	348	(68)
Supplies	2,500	4,200	2,035	2,165
Utilities	100	100	90	10
Other operating expenses	23,335	25,229	20,932	4,297
Total city court	<u>179,921</u>	<u>183,745</u>	<u>161,285</u>	<u>22,460</u>

The accompanying notes are an integral part of these financial statements.

CITY OF GREENBRIER, TENNESSEE
STATEMENT OF GENERAL FUND BUDGETARY COMPARISON - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Highways, streets, and roadways, non-SSA:				
Salaries, taxes and benefits	346,292	352,792	336,645	16,147
Contractual services	2,000	2,000	1,772	228
Repairs and maintenance	17,000	25,000	22,724	2,276
Supplies	16,875	18,875	16,735	2,140
Utilities	8,500	8,500	7,865	635
Other operating expenses	12,185	12,985	11,953	1,032
Capital outlay	-	244,914	188,999	55,915
Total highways, streets, and roadways, non-SSA	<u>402,852</u>	<u>665,066</u>	<u>586,693</u>	<u>78,373</u>
Parks and recreation:				
Salaries, taxes and benefits	368,225	368,225	307,485	60,740
Contractual services	4,500	6,000	6,191	(191)
Repairs and maintenance	20,000	32,000	26,739	5,261
Supplies	134,350	136,657	139,856	(3,199)
Utilities	28,100	28,100	32,897	(4,797)
Other operating expenses	44,000	50,194	40,700	9,494
Capital outlay	-	-	17,089	(17,089)
Total parks and recreation	<u>599,175</u>	<u>621,176</u>	<u>570,957</u>	<u>50,219</u>
Building and codes:				
Salaries, taxes and benefits	90,633	90,633	62,533	28,100
Contractual services	-	-	94	(94)
Repairs and maintenance	2,000	2,000	64	1,936
Supplies	5,925	5,925	4,609	1,316
Utilities	4,500	4,500	3,930	570
Other operating expenses	40,250	41,240	34,481	6,759
Total building and codes	<u>143,308</u>	<u>144,298</u>	<u>105,711</u>	<u>38,587</u>
Cemeteries:				
Salaries, taxes and benefits	5,370	5,370	5,246	124
Contractual services	8,500	8,500	3,750	4,750
Repairs and maintenance	-	-	2,647	(2,647)
Total cemeteries	<u>13,870</u>	<u>13,870</u>	<u>11,643</u>	<u>2,227</u>
Animal control:				
Salaries, taxes and benefits	62,394	65,832	72,145	(6,313)
Contractual services	300	800	789	11
Repairs and maintenance	1,500	1,500	788	712
Supplies	7,250	9,750	8,141	1,609
Utilities	5,500	7,300	7,215	85
Other operating expenses	8,200	8,900	6,160	2,740
Total animal control	<u>85,144</u>	<u>94,082</u>	<u>95,238</u>	<u>(1,156)</u>
Debt service				
Principal	125,000	125,000	125,000	-
Interest	75,000	75,000	75,000	-
Total debt service	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>
Total expenditures	<u>4,720,493</u>	<u>5,201,327</u>	<u>5,008,464</u>	<u>192,863</u>
Excess of revenues over expenses	<u>199,700</u>	<u>(105,400)</u>	<u>1,065,360</u>	<u>1,170,760</u>
Other financing sources (uses)				
Insurance proceeds	-	3,500	3,500	-
Proceeds from sale of capital assets	10,000	92,900	92,900	-
Total other financing sources (uses)	<u>10,000</u>	<u>96,400</u>	<u>96,400</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>209,700</u>	<u>(9,000)</u>	<u>1,161,760</u>	<u>1,170,760</u>
Fund balance - beginning of year	<u>4,359,782</u>	<u>4,359,782</u>	<u>4,359,782</u>	<u>-</u>
Fund balance - end of year	<u>4,569,482</u>	<u>4,350,782</u>	<u>5,521,542</u>	<u>1,170,760</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF GREENBRIER, TENNESSEE
STATEMENT OF BUDGETARY COMPARISON
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Investment income	\$ 2,000	\$ 2,000	\$ 33,224	\$ 31,224
Total revenues	<u>2,000</u>	<u>2,000</u>	<u>33,224</u>	<u>31,224</u>
Expenditures				
Capital outlay	3,431,777	3,335,175	1,803,296	1,531,879
Total expenditures	<u>3,431,777</u>	<u>3,335,175</u>	<u>1,803,296</u>	<u>1,531,879</u>
Excess of revenues over expenses	<u>(3,429,777)</u>	<u>(3,333,175)</u>	<u>(1,770,072)</u>	<u>(1,563,103)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(3,429,777)	(3,333,175)	(1,770,072)	(1,563,103)
Fund balance - beginning of year	<u>3,440,029</u>	<u>3,440,029</u>	<u>3,440,029</u>	<u>-</u>
Fund balance - end of year	<u>\$ 10,252</u>	<u>\$ 106,854</u>	<u>\$ 1,669,957</u>	<u>\$ (1,563,103)</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF GREENBRIER, TENNESSEE
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2023**

	Water and Sewer Fund
ASSETS	
Current assets	
Cash and cash equivalents	\$ 2,205,653
Certificates of deposit	335,764
Receivables, customer, less allowance of \$34,467	114,218
Due from other funds	118,896
Inventories	23,940
Restricted cash	525,141
Total current assets	3,323,612
Noncurrent assets	
Capital assets:	
Land	31,500
Construction in Progress	1,905,774
Buildings	1,807,745
Land improvements	10,335
Utility plant	16,398,708
Machinery, equipment, and vehicles	648,555
Less: accumulated depreciation	(6,050,590)
Total capital assets	14,752,027
Total assets	18,075,639
Deferred outflows of resources	
Pension related items	283,839
OPEB	1,627
Total deferred outflows of resources	285,466
Total assets and deferred outflows of resources	18,361,105
LIABILITIES AND NET POSITION	
Current liabilities	
Accounts payable and other payables	\$ 768,965
Due to other governments	16,232
Due to other funds	56,968
Notes and bonds payable, current portion	367,796
Compensated absences - current portion	9,885
Total current liabilities	1,219,846
Noncurrent liabilities	
Customer deposits	12,700
Notes and bonds payable, net of current portion	6,011,051
Net pension liability	103,993
OPEB liability	70,114
Total noncurrent liabilities	6,197,858
Total liabilities	7,417,704
Deferred inflows of resources	
Pension related items	23,864
OPEB	26,565
Grants for future periods	720,158
Total deferred inflows of resources	770,587
Net position	
Net investment in capital assets	8,373,180
Unrestricted	1,799,634
Total net position	10,172,814
Total liabilities, deferred inflows of resources, and net position	\$ 18,361,105

The accompanying notes are an integral part of these financial statements.

**CITY OF GREENBRIER, TENNESSEE
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2023**

	Water and Sewer Fund
Operating revenues	
Charges for services	\$ 3,741,992
Total operating revenues	3,741,992
Operating expenses	
Water purchased	903,152
General administration	1,116,898
Utilities	238,226
Supplies	175,943
Contractual services	11,913
Repairs and maintenance	248,165
Depreciation	438,638
Grant	41,324
Total operating expenses	3,174,259
Operating income	567,733
Non-operating revenues (expenses)	
Investment income	37,653
Interest expense	(82,935)
Miscellaneous expense	(4,780)
Total non-operating revenues (expenses)	(50,062)
Net income before capital grants and contributions	517,671
Capital grants and contributions	1,339,719
Change in net position	1,857,390
Total net position, beginning of year	8,315,424
Net position, end of year	\$ 10,172,814

The accompanying notes are an integral part of these financial statements.

**CITY OF GREENBRIER, TENNESSEE
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Water and Sewer Fund</u>
Cash flows from operating activities	
Cash received from customers	\$ 3,751,534
Cash paid to suppliers for goods and services	(1,757,530)
Cash paid to employees for services	(647,220)
Net cash provided by operating activities	<u>1,346,784</u>
Cash flows from capital and related financing activities	
Cash received from customers for taps and grant funds	1,339,719
Purchases of capital assets	(1,912,440)
Proceeds from insurance recoveries	-
Principal paid on notes	(364,563)
Interest paid on capital debt	(82,935)
Net cash used in capital and related financing activities	<u>(1,020,219)</u>
Cash flows from investing activities	
Miscellaneous expense	(4,780)
Increase in certificates of deposit	(11,945)
Interest received	37,653
Net cash provided by investing activities	<u>20,928</u>
Net increase in cash and cash equivalents	347,493
Cash and cash equivalents at beginning of year	<u>2,383,301</u>
Cash and cash equivalents at end of year	<u>\$ 2,730,794</u>
Reconciliation of operating income from operations to net cash provided by operating activities	
Operating income	\$ 567,733
Adjustments to reconcile operating income to Net cash provided by operating activities:	
Depreciation and amortization	438,638
(Increase) decrease in:	
Accounts receivable	9,542
Due from other funds	(118,896)
Net pension asset	66,901
Pension related to outflows	(38,712)
Change in deferred outflows - OPEB Expense	236
Increase (decrease) in:	
Accounts payable	733,588
Due to (from) other govts	1,301
Due to other funds	7,387
Compensated absences payable	(2,323)
Customer deposits	2,050
Net pension liability	103,993
OPEB liability	5,641
Change in deferred inflows - grants	(296,382)
Change in deferred inflows - pension expense	(130,176)
OPEB inflows	(3,737)
Total adjustments	<u>779,051</u>
Net cash provided by operating activities	<u>\$ 1,346,784</u>

The accompanying notes are an integral part of these financial statements.

CITY OF GREENBRIER, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Greenbrier, Tennessee (the "City") was incorporated in 1937 and operates under a Mayor-Alderman form of government that provides the following services as authorized by its charter and ordinances: public safety (police and fire), city court, parks and recreation, highways and streets, codes, animal control, cemeteries, general administrative services, solid waste, and water and sewer.

The City's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing US GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in US GAAP and used by the City are discussed below.

Reporting Entity

These financial statements present the financial position and activities of the City government. City officials are responsible for the appointment of residents to the Parks and Recreation Advisory Board and the Beer Board. These boards report to the Board of Aldermen. The City has no component units, thus no blended or discretely presented component units are included in these financial statements.

Government-wide Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the activities of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Long-term assets, receivables, long-term debt, and other obligations are recognized. 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 assessed. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. 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. General revenues include all taxes and internally dedicated resources. Expenses are allocated among various City functions including administrative overhead charges allocated by the general fund to various City functions.

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

CITY OF GREENBRIER, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu-of-taxes where the amounts are reasonably equivalent in value to the interfund services provided, and other charges between the City's utilities and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, net position, revenues, and expenditures. Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Governmental Fund Financial Statements

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 are both measurable and available. Revenues are considered 'available' when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers all revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, postemployment benefits and environmental obligations are recognized later based on specific accounting rules applicable to each, generally when payment is due.

Property taxes, intergovernmental revenues, and interest associated with the current fiscal period are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following governmental funds:

General Fund - The City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. This fund is considered a major fund for reporting purposes.

Capital Projects Fund – This fund accounts for the financial resources to be used for the construction or renovation of major capital projects.

Nonmajor Governmental Funds - The special revenue funds of the City that are reported as nonmajor include solid waste, state street aid, stormwater, and drug.

CITY OF GREENBRIER, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Since the governmental funds financial statements are presented on a different basis than the governmental activities column of the government-wide financial statements, a reconciliation is provided that explains the transition from one basis of accounting to another.

Proprietary Fund Financial Statements

The focus of the proprietary fund measurement is upon determination of operating income, changes in net position, and cash flows. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the various utility funds are charges to customers for sales and services. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City reports the following major proprietary fund:

Water and Sewer Fund - Enterprise fund that accounts for the water and wastewater services provided to customers of the system.

Budgets and Budgetary Accounting

The City's fiscal operating year begins July 1. An annual operating budget by department is adopted by the Mayor and Board of Aldermen prior to the commencement of the fiscal year. The budget is legally enacted through the passage of an ordinance which also sets the tax rate. The mayor is authorized to transfer budget amounts between line items within each department of the same fund. Any revision that alters the total appropriations of any fund requires Board of Aldermen action. The budgetary basis is consistent with US GAAP.

During the year, the City had three departments exceed their departmental budget. For public safety – police and fire, these two departments exceeded their budget in the capital outlay categories as Robertson County contributed approximately \$70,000 in equipment for each department for emergency radio and communication system equipment. The City was not able to prepare a budget amendment as the entry was made in conjunction with the year-end closing process. For the animal control department, the amount that exceeded their budget was immaterial.

Cash and Cash Equivalents

For purposes of the proprietary statement of cash flows, the City defines its cash and cash equivalents to include only cash on hand, demand deposits, and all highly liquid investments with original maturities of three months or less from the date of acquisition. Certain cash balances may be reported as restricted because they are maintained in separate bank accounts and their use is either limited by applicable bond covenants or is restricted for use by outside parties or bond issues. Bank certificates of deposit with maturity in excess of three months from the date of purchase are listed separately from cash.

CITY OF GREENBRIER, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension and other post-employment benefit (“OPEB”) trust funds are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

Inventory and Prepaid Items

Inventory of the water and sewer fund is stated at cost determined by the first-in, first-out method. The costs of governmental funds inventory are recorded as expenditures when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased. The inventory and prepaid items recorded in the governmental funds do not reflect current appropriable resources and, thus, an equivalent portion of fund balance is reported as nonspendable.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary funds financial statements. Capital assets used in governmental fund operations are accounted for as capital outlay expenditures. Capital assets, not including general government infrastructure assets, are defined by the government as assets with an initial cost of more than \$500 for land, \$10,000 for buildings, \$5,000 for improvements other than buildings, machinery, equipment, and vehicles, and an estimated useful life in excess of one year. General government infrastructure assets with a cost greater than \$10,000 and an estimated useful life in excess of one year are capitalized. Capital assets are valued at historical cost or estimated historical cost, if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated. The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend asset lives are not capitalized.

Depreciation has been provided over estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Governmental activities	
Buildings	20 - 40 years
Improvements other than buildings	10 - 20 years
Infrastructure assets	10 - 50 years
Machinery, equipment, and vehicles	5 - 20 years
Business-type activities	
Water and sewer plant	10 - 50 years
Machinery, equipment, and vehicles	5 - 20 years

CITY OF GREENBRIER, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Outlays for capital assets and improvements are capitalized, as projects are constructed, in accordance with the City's capitalization policy. Interest and indirect costs incurred during the construction phase of capital assets of proprietary funds are reflected in the capitalized value of the asset constructed. Depreciation/amortization expense is allocated to functions/programs and included as a direct expense in the statement of activities. Capital assets that are under construction or development and have not been completed are put into construction in progress and are presented as a capital asset not being depreciated on the statement of net position.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources until then. The City has one item that qualifies for reporting in this category, which is deferred amounts related to pensions and OPEB.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has four items that qualify for reporting in this category. Amounts reported as deferred include property tax revenues, other revenues, pensions, and grants for future periods.

Compensated Absences

The City's policies permit employees to earn vacation time on a calendar-year basis. Any unused vacation leave at December 31 is transferred to sick leave. Vacation leave earned but unpaid at June 30 is accrued and presented as a current liability in the government-wide and proprietary fund financial statements. The City's policies permit the accumulation, within certain limitations, of unused sick leave with no monetary payout of unused amounts upon termination or resignation. In lieu of monetary payout, such accumulation can be added to seniority for retirement purposes. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources. The compensated absences liability attributable to the governmental activities will be liquidated primarily by the general fund.

Interfund Receivables, Payables, and Transfers

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "due from/to other funds" (i.e., the current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

CITY OF GREENBRIER, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Noncurrent Liabilities

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business- type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period as other financing sources/uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Property Tax

The City's property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and personal property located in the City's legal boundaries. All City taxes on real estate are deemed to be a lien on such realty from January 1 of the year the assessments are made. Taxes become delinquent in March of the year subsequent to the levy date; at that time, a lien attaches and delinquent taxes are turned over to Chancery Court for collection proceedings. Property tax revenues are recognized when levied. An allowance is established for delinquent taxes to the extent that their collectibility is doubtful.

Under Section N50 of the GASB's Codification of Governmental Accounting and Financial Reporting Standards Accounting for Non-exchange Transactions, property taxes are imposed on non-exchange revenues. Accounts receivable from imposed non-exchange transactions are recorded when the City has an enforceable legal claim to the asset. The enforceable legal claim date for property taxes is the assessment date of January 1. Therefore, the City has recorded the succeeding year's receivable and deferred inflow of resources for taxes assessed as of year- end, though the amounts will not be received until after year-end.

Pensions

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

CITY OF GREENBRIER, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Fund Balances

Fund balances are classified into clearly defined categories, making the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints as defined in the City's fund balance policy:

Nonspendable - Amounts that cannot be spent because they are either in a (1) nonspendable form, including items not expected to be converted to cash (i.e., inventory, prepaid amounts, long-term portion of loans and notes receivable, and property acquired for resale), or (2) legally or contractually required to be maintained intact (i.e., principal of permanent funds).

Restricted - Amounts constrained to be used for a specific purpose as per external parties, constitutional provision, or enabling legislation.

Committed - Amounts constrained to be used for a specific purpose as per action by the Board of Aldermen (by ordinance). Amounts classified as committed are not subject to legal enforceability like restricted resources; however, they cannot be used for any other purpose unless the Board removes or changes the commitment by taking the same action it employed to impose the commitment.

Assigned - Amounts intended to be used by the City for a specific purpose, but which are neither restricted nor committed. The intent shall be expressed by the Board of Aldermen or a designee authorized by the Board of Aldermen for a specific purpose in accordance with policy established by the Board of Aldermen. The nature of the actions necessary to remove or modify an assignment is not as rigid as required under a committed fund balance classification. It does not require formal action.

Unassigned - Amounts available for any purpose (amounts that are not nonspendable, restricted, committed, or assigned) in the general fund. It represents the resources available for future spending. This classification includes negative residual fund balances of any other governmental fund that cannot be eliminated by offsetting against other assigned fund balance amounts. An appropriate level of unassigned fund balance should be maintained in the general fund in order to cover unexpected expenditures and revenue shortfalls.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it shall be the policy of the City to use the restricted amounts first, as permitted under the law. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of the City to use the committed amounts first, followed by the assigned amounts, and then unassigned amounts.

CITY OF GREENBRIER, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Net Position

Net position represents the net amount of assets and deferred outflows of resources less liabilities and deferred inflows of resources. Government-wide and proprietary fund net position are divided into three components:

Net Investment in Capital Assets - Amounts consist of the historical cost of capital assets less accumulated depreciation/amortization and less any debt that remains outstanding that was used to finance those assets, plus deferred outflows of resources less deferred inflows of resources related to those assets.

Restricted - Amounts consist of assets that are restricted by the City's creditors (for example, through debt covenants), by state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors (including those who have donated to the City), less related liabilities and deferred inflows of resources.

Unrestricted - All other net position is reported in this category.

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the City's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

Contributions of Capital

Contributions of capital in the proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction. These contributions are recognized as capital grants and contributions.

Use of Estimates

The preparation of the financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS

The City has no formal deposit and investment policies other than those prescribed by the State of Tennessee statute as explained below.

Policies

Deposits in financial institutions are required by State statute to be secured and collateralized by the institutions. The collateral must meet certain requirements and must have a total minimum market value of 105% of the value of the deposits placed in the institutions, less the amount protected by Federal Deposit Insurance Corporation insurance. Collateral requirements are not applicable for financial institutions that participate in the State of Tennessee's collateral pool.

CITY OF GREENBRIER, TENNESSEE
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2023

NOTE 2 - CASH, CASH EQUIVALENTS, AND INVESTMENTS

Deposits

All of the City's deposits were held by financial institutions which participate in the bank collateral pool administered by the Treasurer of the State of Tennessee or in the State of Tennessee Local Government Investment Pool ("LGIP"). Participating banks in the bank collateral pool determine the aggregate balance of their public fund accounts. The amount of collateral required to secure these public deposits must be at least 105% of the average daily balance of public deposits held. Collected securities required to be pledged by the participant 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 individual account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under the additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of custodial credit risk disclosure.

NOTE 3 - PROPERTY TAXES RECEIVABLE

Property taxes receivable of \$2,407,425 are summarized by year on the Schedule of Changes in Property Taxes Receivable on page 55 of this report and are presented net of allowance for doubtful accounts of \$18,000.

NOTE 4 - INTERFUND BALANCES AND TRANSFERS

Interfund receivables and payables are attributable to charges between funds that are outstanding as of June 30, 2023, and are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Governmental activities:		
General fund	\$ -	\$119,038
Solid waste fund	53,652	-
Stormwater fund	3,458	-
Business-type activities:		
Water and sewer fund	<u>118,896</u>	<u>56,968</u>
Total	<u>\$176,006</u>	<u>\$176,006</u>

These interfund balances resulted from the time lag between the dates that (1) interfund goods and services were provided or reimbursable expenditures occurred, (2) transactions are recorded in the accounting system, and (3) payments between funds were made.

CITY OF GREENBRIER, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 5 - CAPITAL ASSETS

The following is a summary of changes in capital assets:

	Balance July 1, 2022	Increases	Decreases/ Adjustments	Transfers	Balance June 30, 2023
Governmental Activities:					
Capital assets not depreciated:					
Land	\$ 479,683	\$ 200,112	\$ (24,000)	\$ -	\$ 655,795
Construction in progress	65,946	1,073,229	-	-	1,139,175
Total capital assets, not depreciated	<u>545,629</u>	<u>1,273,341</u>	<u>(24,000)</u>	<u>-</u>	<u>1,794,970</u>
Capital assets, being depreciated:					
Buildings	920,335	850,450	-	-	1,770,785
Building improvements	261,790	8,589	-	-	270,379
Land improvements	105,667	-	-	-	105,667
Machinery, equipment, and vehicles	2,460,872	686,499	(273,640)	-	2,873,731
Infrastructure	8,848,506	-	-	-	8,848,506
Total capital assets, being depreciated	<u>12,597,170</u>	<u>1,545,538</u>	<u>(273,640)</u>	<u>-</u>	<u>13,869,068</u>
Less accumulated depreciation for:					
Buildings, improvements, machinery equipment, and vehicles	(2,495,150)	(354,856)	297,640	-	(2,552,366)
Infrastructure	(6,996,990)	(86,457)	-	-	(7,083,447)
Total accumulated depreciation	<u>(9,492,140)</u>	<u>(441,313)</u>	<u>297,640</u>	<u>-</u>	<u>(9,635,813)</u>
Total capital assets, being depreciated, net	<u>3,105,030</u>	<u>1,104,225</u>	<u>24,000</u>	<u>-</u>	<u>4,233,255</u>
Governmental activities capital assets, net	<u>\$ 3,650,659</u>	<u>\$ 2,377,566</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,028,225</u>

At June 30, 2023, construction in progress for the governmental activities related to the new municipal building. The estimated costs to complete the construction in progress totaled approximately \$1,422,000.

	Balance July 1, 2022	Increases	Decreases/ Adjustments	Transfers	Balance June 30, 2023
Business-Type Activities:					
Capital assets not depreciated:					
Land	\$ 31,500	\$ -	\$ -	\$ -	\$ 31,500
Construction in progress	8,334	1,905,774	-	(8,334)	1,905,774
Total capital assets, not depreciated	<u>39,834</u>	<u>1,905,774</u>	<u>-</u>	<u>(8,334)</u>	<u>1,937,274</u>
Capital assets, being depreciated:					
Buildings	1,807,745	-	-	-	1,807,745
Land improvements	10,335	-	-	-	10,335
Utility plant	16,398,708	-	-	-	16,398,708
Machinery, equipment, and vehicles	633,555	23,666	(17,000)	8,334	648,555
Total capital assets, being depreciated	<u>18,850,343</u>	<u>23,666</u>	<u>(17,000)</u>	<u>8,334</u>	<u>18,865,343</u>
Less accumulated depreciation for:					
Buildings, improvements, machinery equipment, and vehicles	(1,691,874)	(79,606)	-	-	(1,771,480)
Utility plant	(3,920,078)	(359,032)	-	-	(4,279,110)
Total accumulated depreciation	<u>(5,611,952)</u>	<u>(438,638)</u>	<u>-</u>	<u>-</u>	<u>(6,050,590)</u>
Total capital assets, being depreciated, net	<u>13,238,391</u>	<u>(414,972)</u>	<u>(17,000)</u>	<u>8,334</u>	<u>12,814,753</u>
Business-type activities capital assets, net	<u>\$ 13,278,225</u>	<u>\$ 1,490,802</u>	<u>\$ (17,000)</u>	<u>\$ -</u>	<u>\$ 14,752,027</u>

At June 30, 2023, construction in progress for the business-type activities related to the sewer project. The estimated costs to complete the construction in progress totaled approximately \$6,465,000, depending on funding becoming available.

CITY OF GREENBRIER, TENNESSEE
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2023

NOTE 5 - CAPITAL ASSETS – Continued

Depreciation expense, by function, is as follows:

General Government	\$ 98,225
Public Safety	160,453
Parks and Recreation	42,327
Sanitation	20,741
Animal Control	3,656
State Street Aid	<u>115,911</u>
	<u>\$441,313</u>
Water and Sewer	<u>\$438,638</u>

NOTE 6 - PENSION PLAN

General Information

Plan Description - Employees of the City are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The TCRS was created by State statute under *Tennessee Code Annotated*, 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

Tennessee Code Annotated, Title 8, Chapters 34-37 establishes 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 5 years of service credit or after 30 years of service, regardless of age. Benefits are determined by a formula, using the member’s highest 5 consecutive year average compensation and the member’s service credit. Reduced benefits for early retirement are available at age 55 and vested. Members vest with 5 years of service credit. Service-related disability benefits are provided regardless of length of service. 5 years of service is required for non-service-related disability eligibility. The service-related and non-service-related disability benefits are determined in the same manner as a service retirement benefit but are reduced by 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria.

Member and beneficiary annuitants are entitled to automatic cost-of-living adjustments (“COLAs”) after retirement. A COLA is granted each July for annuitants retired prior to the 2nd 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 3.00 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than 0.50 percent. A 1.00 percent COLA is granted if the CPI change is between 0.50 percent and 1.00 percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

CITY OF GREENBRIER, TENNESSEE
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2023

NOTE 6 - PENSION PLAN - Continued

General Information

Employees Covered by Benefit Terms

At the measurement date of June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	12
Inactive employees entitled to but not yet receiving benefits	63
Active employees	<u>41</u>
	<u>116</u>

Contributions

Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees do not contribute to the plan. The City makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2023, the employer contributions for the City were \$245,194, based on a rate of 11.60% of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept the City's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contribution ("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)

The City's net pension liability (asset) was measured as of June 30, 2022, and the total pension liability used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions

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

Inflation	2.25%
Salary increases	Graded salary ranges from 8.72% to 3.44% based on age, including inflation, and averaging 4.00%
Investment rate of return	6.75%, net of pension plan investment expenses, Including inflation
Cost-of-living adjustment	2.125%

CITY OF GREENBRIER, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 - PENSION PLAN - Continued

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

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

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

<u>Asset Class</u>	<u>Long-term Expected real Rate of Return</u>	<u>Target Allocation</u>
US equity	4.88%	31%
Developed market international equity	5.37%	14%
Emerging market international equity	6.09%	4%
Private equity and strategic lending	6.57%	20%
US fixed income	1.20%	20%
Real estate	4.38%	10%
Short-term securities	0.00%	<u>1%</u>
		<u>100%</u>

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

CITY OF GREENBRIER, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 - PENSION PLAN - Continued

Discount Rate

The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that contributions from the City will be made at the ADC 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 to 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)

	<u>Total Pension Liabilities (a)</u>	<u>Plan Fiduciary Net Position (B)</u>	<u>Net Pension Liability (Asset) (a) – (b)</u>
Balance, June 30, 2021	\$ 5,285,022	\$ 5,619,528	\$(334,506)
Service cost	146,720	-	146,720
Interest	362,635	-	362,635
Difference between expected and actual expenses	316,345	-	316,345
Changes in assumptions	-	-	-
Contributions - employer	-	191,593	(191,593)
Contributions - employees	-	-	-
Net investment income	-	(216,298)	216,298
Benefit payments, including refunds of employee contributions	(118,751)	(118,751)	-
Administrative expenses	-	(4,066)	4,066
Net change	<u>706,949</u>	<u>(147,522)</u>	<u>854,471</u>
Balance, June 30, 2022	<u>\$ 5,991,971</u>	<u>\$ 5,472,006</u>	<u>\$ 519,965</u>

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 6.75 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1.00 percent lower (5.75 percent) or 1.00 percent higher (7.75 percent) than the current rate:

	<u>1% Decrease (5.75%)</u>	<u>Current Rate (6.75%)</u>	<u>1% Increase (7.75%)</u>
Net pension liability (asset)	<u>\$1,624,206</u>	<u>\$519,965</u>	<u>\$(354,845)</u>

CITY OF GREENBRIER, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 - PENSION PLAN - Continued

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

Pension Expense

For the year ended June 30, 2023, the City recognized pension expense of \$262,588.

Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred inflow of Resources</u>
Difference between expected and actual experience	\$ 354,998	\$119,321
Net difference between projected and actual earnings on pension plan investments	21,212	-
Change in assumptions	797,792	-
Contributions subsequent to the measurement date of June 30, 2022	<u>245,194</u>	<u>N/A</u>
	<u>\$1,419,196</u>	<u>\$119,321</u>

The amounts shown above for “Contributions subsequent to the measurement date of June 30, 2022” will be recognized as a reduction (addition) to net pension liability (asset) in the following measurement period.

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 Ended June 30,</u>	<u>Amount</u>
2024	\$ 151,100
2025	142,561
2026	110,038
2027	278,963
2028	172,437
Thereafter	<u>199,582</u>
Total	<u>\$1,054,681</u>

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

CITY OF GREENBRIER, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 - PENSION PLAN - Continued

Payable to the Pension Plan

At June 30, 2023, the City had no payable balances for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2023.

NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS

General Information

Plan Description

The City administers a single-employer defined benefit postemployment healthcare plan (the Plan) to provide medical and supplemental medical insurance coverage to retired employees of the City. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The City currently funds the postemployment healthcare benefits on a pay-as-you-go basis. The Board of Aldermen has the authority to establish and amend benefits and funding policy.

Benefits Provided

The City provides post-retirement health care benefits (medical, dental, and vision) to all employees who retire from the City on or after attaining age 55 with at least 20 years of service. Benefits continue until the retiree reaches age 65 and are deemed similar to those benefits provided for active employees.

The City pays 100% of the current monthly premium for elected medical and dental/vision coverages, up to a maximum of \$1,500 per month. The retiree pays any excess over this amount.

Employees Covered by Benefit Terms

At June 30, 2023, 36 active employees were covered by these benefit terms and there was one retiree for a total of 37 employees and retirees receiving benefits at June 30, 2023.

Total OPEB Liability

The City's total OPEB liability of \$350,571 was measured as of June 30, 2023, and was determined by an actuarial valuation as of June 30, 2023.

CITY OF GREENBRIER, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS - Continued

Actuarial Assumptions

The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Actuarial cost method	Entry age normal
Inflation rate	2.50%
Discount rate	3.54%
Healthcare cost trend rates	Level 4.50% per year for medical Level 1.50% per year for dental
Salary increases	3.50%
Retirement age	Retirement after age 55 with 20 years of service
Retiree's share of benefit-related cost	Monthly premium in excess of \$1,500 per month

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

Mortality rates were based on RHP-2014 Total Table with the MP-2021 Mortality Projection.

The actuarial assumptions used in the June 30, 2023 valuation were based on plan data and costs presented by the City with concurrence by the actuary.

Changes in the Net OPEB Liability

	<u>Total OPEB Liability</u>
Balance, July 1, 2022	\$ 322,363
Service cost	32,970
Interest	12,277
Differences between expected and actual experience	-
Changes in assumptions	-
Benefit payments	<u>(17,039)</u>
Net change	<u>28,208</u>
Balance, June 30, 2023	<u>\$ 350,571</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following represents the net OPEB liability calculated using the stated discount rate, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1.00 percent lower or 1.00 percent higher than the current rate:

	1% Decrease <u>(2.54%)</u>	Current Rate <u>(3.54%)</u>	1% Increase <u>(4.54%)</u>
Total OPEB liability	<u>\$391,388</u>	<u>\$350,571</u>	<u>\$314,028</u>

CITY OF GREENBRIER, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS - Continued

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following represents the net OPEB liability calculated using the stated healthcare cost trend assumption, as well as what the OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1.00% lower or 1.00% higher than the current rate:

	<u>1% Decrease (0.16%)</u>	<u>Current Rate (1.16%)</u>	<u>1% Increase (2.16%)</u>
Total OPEB liability	<u>\$298,621</u>	<u>\$350,571</u>	<u>\$414,667</u>

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

OPEB Expense

For the year ended June 30, 2023, the City recognized OPEB expense of \$27,741.

Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB benefits from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 6,016	\$ 72,091
Change in assumptions	<u>2,121</u>	<u>60,736</u>
	<u>\$ 8,137</u>	<u>\$132,827</u>

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

<u>Year Ended June 30,</u>	<u>Amount</u>
2024	\$ 17,506
2025	17,506
2026	17,506
2027	17,506
2028	17,506
Thereafter	<u>37,160</u>
Total	<u>\$124,690</u>

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

CITY OF GREENBRIER, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 8 - LONG-TERM DEBT

Governmental Activities

The following is a summary of changes to long-term liabilities in the governmental activities during the year:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Amounts Due in Year Ending June 30, 2024
Governmental Activities:					
Bonds payable	\$ 3,645,000	\$ -	\$ (198,000)	\$ 3,447,000	\$ 205,000
Premium on Bond Issuance	169,764	-	(8,418)	161,346	8,418
Sub-Total	3,814,764	-	(206,418)	3,608,346	213,418
Compensated Absences	60,584	8,644	-	69,228	-
Total Governmental Activities	<u>\$ 3,875,348</u>	<u>\$ 8,644</u>	<u>\$ (206,418)</u>	<u>3,677,574</u>	<u>\$ 213,418</u>

Notes payable are comprised of the following:

General Obligation, Series 2014, original amount of \$1,214,700, at fixed interest rate of 2.63%, payable semiannually on March 1 and September 1, and principal payable annually on September 1, with the final payment due September 2026	\$ 312,000
General Obligation, Series 2021, original amount of \$3,410,000, at fixed interest rate of 2.00% to 3.00%, payable annually on May 1, and principal payable annually on May 1, with the final payment due May 2042	3,135,000
Less current portion	<u>(205,000)</u>
Governmental activities long-term debt, net of current portion	<u>\$ 3,242,000</u>

Business-Type Activities

The following is a summary of changes to long-term liabilities, excluding customer deposits of \$10,650 as of June 30, 2023, in the business-type activities during the year:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Amounts Due in Year Ending June 30, 2024
Business-Type Activities:					
Bonds payable	\$ 6,743,410	\$ -	\$ (364,563)	\$ 6,378,847	\$ 367,796
Sub-Total	6,743,410	-	(364,563)	6,378,847	367,796
Compensated Absences	12,208	-	(2,323)	9,885	-
Total Business-type Activities	<u>\$ 6,755,618</u>	<u>\$ -</u>	<u>\$ (366,886)</u>	<u>\$ 6,388,732</u>	<u>\$ 367,796</u>

CITY OF GREENBRIER, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 8 - LONG-TERM DEBT - Continued

Notes payable are comprised of the following:

State Revolving Loan #16-370 - Original loan amount of \$1,500,000, bearing interest at 0.32% per annum, payable in monthly installments of \$5,485, with final payment due June 2037	\$ 900,378
State Revolving Loan #16-371 - Original loan amount of \$2,227,000, bearing interest at 0.32% per annum, payable in monthly installments of \$9,142, with final payment due August 2037	1,582,915
State Revolving Loan #17-380 - Original loan amount of \$2,163,700, bearing interest at 0.52% per annum, payable in monthly installments of \$5,564, with final payment due April 2039	1,722,754
General Obligation Capital Outlay Note, Series 2019 - Original amount of \$2,000,000, bearing interest at 3.00% per annum, payable semiannually on March 1 and September 1, principal payable annually on September 1, with final payment due October 2024	1,831,000
General Obligation Capital Outlay Note, Series 2020 - Original amount of \$400,000, bearing interest at 2.69% per annum, payable semiannually on March 1 and September 1, principal payable annually on September 1, with final payment due September 2032	<u>341,800</u>
Total business-type activities long-term debt	6,378,847
Less: business-type long-term debt, current portion	<u>(367,796)</u>
Total business-type long-term debt, net of current portion	<u>\$ 6,011,051</u>

The above bonds and notes payable are secured by a pledge of a portion of the City's net revenues. Additionally, the bonds and notes payable contain provisions stating that, in the event of default, the lenders can exercise one or more of the following options: 1) make the outstanding bond and/or note due and payable with accrued interest immediately, or 2) use remedies allowed by state or federal law.

CITY OF GREENBRIER, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 8 - LONG-TERM DEBT - Continued

Government-wide

Below is a condensed government-wide schedule of maturities for notes payable. A detailed Schedule of Long-term Debt, Principal, and Interest Requirements is included on pages 54 - 55 of this report.

Year Ended June 30,	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 205,000	\$ 78,469	\$ 367,796	\$ 79,270	\$ 572,796	\$ 157,739
2025	212,000	72,571	371,788	75,524	583,788	148,095
2026	219,000	66,469	375,704	71,671	594,704	138,140
2027	226,000	60,165	379,708	67,747	605,708	127,912
2028	145,000	54,750	382,636	63,730	527,636	118,480
2029 - 2033	790,000	215,100	1,978,204	255,535	2,768,204	470,635
2034 - 2038	880,000	131,100	1,721,733	154,955	2,601,733	286,055
2039 - 2043	770,000	39,400	581,278	71,065	1,351,278	110,465
2044 - 2045	-	-	220,000	6,660	220,000	6,660
	<u>\$ 3,447,000</u>	<u>\$ 718,024</u>	<u>\$ 6,378,847</u>	<u>\$ 846,157</u>	<u>\$ 9,825,847</u>	<u>\$ 1,564,181</u>

NOTE 9 - DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time employees at their option, permits participants to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency. The plan does allow loans. The plan's investments are held in trust by ICMA Retirement Corporation. The City does not match employee deferrals.

NOTE 10 - CONCENTRATIONS, COMMITMENTS, AND CONTINGENCIES

The business-type activities have a concentration of accounts receivable with customers who are geographically concentrated in the City service area. The business-type activities require a cash deposit from new rental customers. All accounts are due by the 15th of each month and are recorded at net estimated collectible amounts. These requirements are in place to mitigate the risk of uncollectible accounts.

The City has a contract with the City of Springfield for the purchase of water. The contract allows the City to purchase up to 20,000,000 gallons per 30-day month, at a rate of \$4.10 per 1,000 gallons.

CITY OF GREENBRIER, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 - CONCENTRATIONS, COMMITMENTS, AND CONTINGENCIES - Continued

The City has an outstanding moratorium administered by the State of Tennessee Department of Environment and Conservation (“TDEC”) which limits new connections to the collections system. The moratorium can only be lifted after meeting certain conditions which, among other items, require improvements to the system and approval by the state.

During the year ended June 30, 2019, the City and TDEC entered into a consent order (“Consent Order”) to address the sanitary sewer overflows (“SSOs”) that the City has experienced. SSOs are prohibited under the City’s permit for its sewer treatment plant. The total penalty amount assessed is \$140,880, but all of that amount except \$26,415 is structured on a contingency basis, to be due and payable only if the City fails to take the required corrective actions.

On July 14, 2022, the City entered into a new Consent Order with TDEC to continue to address the SSOs that the City has experienced as SSOs are prohibited under the City’s permit for its sewer treatment plant. The total penalty amount assessed is \$120,500, but all of that amount except \$6,025, which is to be paid upfront, is structured on a contingency basis, to be due and payable only if the City fails to take the required corrective actions noted in the Consent Order. The City is required to be completed with all scheduled activities in the Consent Order by December 31, 2027. The Consent Order shall be considered closed effective June 30, 2028 provided that all requirements of the Consent Order have been met, any outstanding penalties have been paid, and the City is in substantial compliance with Tennessee Code Annotated (“TCA”) §§ 69-3-101 to -148.

NOTE 12 - RISK MANAGEMENT

The City is exposed to various risks of general liability and property and casualty losses. The City has deemed it to be more economically feasible to participate in a public entity risk pool than to purchase commercial insurance for general liability, property and casualty, and workers’ compensation coverage. The City partners with Public Entity Partners (“PEP”), which provides effective risk management products and services to the City. The City pays an annual premium to PEP to insure against each of the following liabilities: general, law enforcement, errors and omissions, auto, workers’ compensation, and property. The City’s workers’ compensation coverage is retrospectively rated, whereby premiums are accrued based on the ultimate cost of the experience of the City. Claims arising are paid through PEP. The City also obtains commercial insurance coverage for accidents involving elected officials and volunteer firemen. Settled claims have not exceeded insurance coverage in any of the last three years.

REQUIRED SUPPLEMENTARY INFORMATION



CITY OF GREENBRIER, TENNESSEE
SCHEDULES OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
BASED ON PARTICIPATION IN THE PUBLIC EMPLOYEE PENSION PLAN OF TCRS
LAST FISCAL YEAR ENDED JUNE 30,

	2023 Financial Statement Date 2022 Measurement	2022 Financial Statement Date 2021 Measurement	2021 Financial Statement Date 2020 Measurement	2020 Financial Statement Date 2019 Measurement	2019 Financial Statement Date 2018 Measurement	2018 Financial Statement Date 2017 Measurement	2017 Financial Statement Date 2016 Measurement	2016 Financial Statement Date 2015 Measurement	2015 Financial Statement Date 2014 Measurement
Total Pension Liability									
Service cost	\$ 146,720	\$ 147,978	\$ 135,698	\$ 140,889	\$ 132,396	\$ 114,602	\$ 103,582	\$ 108,532	\$ 94,643
Interest	362,635	296,074	266,020	250,994	231,426	210,412	188,358	169,787	161,370
Change in benefit terms	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	316,345	(72,017)	99,250	(104,486)	(34,846)	24,539	52,938	30,688	(117,835)
Change in assumptions	-	1,035,917	-	-	-	83,429	-	-	-
Benefit payments, including refunds of member contributions	(118,751)	(117,473)	(79,930)	(69,984)	(65,143)	(63,228)	(60,454)	(52,439)	(27,251)
Net Change in Total Pension Liability	706,949	1,290,479	421,038	217,413	263,833	369,754	284,424	256,568	110,927
Total Pension Liability - Beginning	5,285,022	3,994,543	3,573,505	3,356,092	3,092,259	2,722,505	2,438,081	2,181,513	2,070,586
Total Pension Liability - Ending (a)	\$ 5,991,971	\$ 5,285,022	\$ 3,994,543	\$ 3,573,505	\$ 3,356,092	\$ 3,092,259	\$ 2,722,505	\$ 2,438,081	\$ 2,181,513
Plan Fiduciary Net Position									
Contributions - Employer	191,593	175,326	158,055	150,048	157,660	141,875	132,736	124,060	128,341
Contributions - Member	-	22,520	-	-	-	-	-	-	-
Net Investment Income	(216,298)	1,144,494	206,071	282,657	284,603	340,640	75,799	83,296	376,872
Benefit payments, including refunds of member contributions	(118,751)	(117,473)	(79,930)	(69,984)	(65,143)	(63,228)	(60,454)	(52,439)	(27,251)
Administrative Expenses	(4,066)	(3,427)	(3,235)	(3,339)	(3,624)	(3,127)	(2,732)	(1,786)	(1,306)
Net Change in Plan Fiduciary Net Position	(147,522)	1,221,440	280,961	359,382	373,496	416,160	145,349	153,131	476,656
Plan Fiduciary Net Position - Beginning	5,619,528	4,398,088	4,117,127	3,757,745	3,384,249	2,968,089	2,822,740	2,669,609	2,192,953
Plan Fiduciary Net Position - Ending (b)	\$ 5,472,006	\$ 5,619,528	\$ 4,398,088	\$ 4,117,127	\$ 3,757,745	\$ 3,384,249	\$ 2,968,089	\$ 2,822,740	\$ 2,669,609
Net Pension Liability/(Asset) - Ending (a-b)	\$ 519,965	\$ (334,506)	\$ (403,545)	\$ (543,622)	\$ (401,653)	\$ (291,990)	\$ (245,584)	\$ (384,659)	\$ (488,096)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	91.32%	106.33%	110.10%	115.21%	111.97%	109.44%	109.02%	115.78%	122.37%
Covered payroll	\$ 2,047,004	\$ 1,948,067	\$ 1,839,993	\$ 1,746,772	\$ 1,835,392	\$ 1,665,202	\$ 1,557,930	\$ 1,456,100	\$ 1,338,289
Net Pension Liability (Asset) as a Percentage of Covered Payroll	25.40%	-17.17%	-21.93%	-31.12%	-21.88%	-17.53%	-15.76%	-26.42%	-36.47%

Notes: Changes of assumptions - In 2021, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustment, and mortality improvements. In 2017, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustment, salary growth and mortality improvements.

This is a 10-year schedule; however, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

**CITY OF GREENBRIER, TENNESSEE
SCHEDULES OF CONTRIBUTIONS
BASED ON PARTICIPATION IN THE PUBLIC EMPLOYEE PENSION PLAN OF TCRS-LEGACY PLAN
LAST FISCAL YEAR ENDED JUNE 30,**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 245,194	\$ 174,988	\$ 160,131	\$ 151,247	\$ 142,187	\$ 149,401	\$ 136,713	\$ 132,736	\$ 124,060	\$ 128,341
Contributions in Relation to the Actuarially Determined Contributions	245,194	191,593	175,326	158,055	150,048	157,660	141,875	132,736	124,060	128,341
Contribution Deficiency/(Excess)	\$ -	\$ (16,605)	\$ (15,195)	\$ (6,808)	\$ (7,861)	\$ (8,259)	\$ (5,162)	\$ -	\$ -	\$ -
Covered Employee Payroll	\$ 2,113,741	\$ 2,047,004	\$ 1,948,067	\$ 1,839,993	\$ 1,746,772	\$ 1,835,392	\$ 1,665,202	\$ 1,557,930	\$ 1,456,100	\$ 1,338,289
Contributions as a Percentage of Covered Payroll	11.60%	9.36%	9.00%	8.59%	8.59%	8.59%	8.52%	8.52%	8.52%	9.59%

Note: This is a 10-year schedule; however, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

Notes to Schedule:

Valuation date: Actuarially determined contribution rates for 2023 were calculated based on the June 30, 2021 actuarial valuation.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level dollar, closed (not to exceed 20 years)
Remaining Amortization Period:	Various
Asset Valuation:	10-year smoothed within a 20% corridor to market value
Inflation	2.25%
Salary Increases:	Graded salary ranges from 8.72% to 3.44% based on age, including inflation averaging 4.00%
Investment Rate of Return	6.75%, net of investment expense, including inflation
Retirement Age	Pattern of retirement determined by experience study
Mortality	Customized table based on actual experience including an adjustment for some anticipated improvement
Cost of Living Adjustments	2.125%

Changes of Assumptions. In 2021, the following assumptions were changed: decreased inflation rate from 2.50 percent to 2.25 percent; decreased the investment rate of return from 7.25 percent to 6.75 percent; decreased the cost-of-living adjustment from 2.25 percent to 2.125 percent; and modified mortality assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.00% to 2.50%; decreased the investment rate of return from 7.50% to 7.25%; decreased the cost-of-living adjustment from 2.50% to 2.25%; decreased salary growth graded ranges from an average of 4.25% to an average of 4.00%; and modified mortality assumptions.

CITY OF GREENBRIER, TENNESSEE
SCHEDULES OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST FISCAL YEAR ENDED 30

Total OPEB liability	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service cost	\$ 32,970	\$ 47,481	\$ 47,481	\$ 38,600	\$ 38,600	\$ 37,158
Interest	12,277	10,047	9,078	14,987	11,544	11,113
Experience (gain)/loss	-	(91,497)	8,626	-	-	-
Changes in assumptions	-	(52,806)	3,042	(32,650)	-	-
Benefit payments	<u>(17,039)</u>	<u>(17,040)</u>	<u>(10,655)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in total OPEB Liability	28,208	(103,815)	57,572	20,937	50,144	48,271
Total OPEB liability- beginning	<u>322,363</u>	<u>426,178</u>	<u>368,606</u>	<u>347,669</u>	<u>297,525</u>	<u>249,254</u>
Total OPEB liability - ending	<u>\$ 350,571</u>	<u>\$ 322,363</u>	<u>\$ 426,178</u>	<u>\$ 368,606</u>	<u>\$ 347,669</u>	<u>\$ 297,525</u>
Covered payroll	\$ 1,801,621	\$ 1,652,394	\$ 1,933,545	\$ 1,839,992	\$ 1,746,772	\$ 1,835,392
Total OPEB liability (asset) as a percentage of covered payroll	19.46%	19.51%	22.04%	20.03%	19.90%	16.21%

Note: There are no assets accumulating in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 related to this OPEB plan. This schedule is intended to display ten years of information. Additional years will be displayed as they become available.

SUPPLEMENTARY INFORMATION



**CITY OF GREENBRIER, TENNESSEE
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2023**

	Solid Waste	State Street Aid	Stormwater	Drug	Total Nonmajor Governmental Funds
Assets					
Cash and cash equivalents	\$ 347,370	\$ 372,278	\$ 267,730	\$ 107,770	\$ 1,095,148
Receivables, net:					
Intergovernmental	-	40,972	-	-	40,972
Due from other funds	53,652	-	3,458	-	57,110
Total assets	<u>\$ 401,022</u>	<u>\$ 413,250</u>	<u>\$ 271,188</u>	<u>\$ 107,770</u>	<u>\$ 1,193,230</u>
Liabilities and fund balance					
Liabilities					
Accounts payable and accrued liabilities	\$ 34,052	\$ 8,215	\$ 62,635	\$ 2,500	\$ 107,402
Total liabilities	<u>34,052</u>	<u>8,215</u>	<u>62,635</u>	<u>2,500</u>	<u>107,402</u>
Fund balance					
Restricted:					
Solid waste	366,970	-	-	-	366,970
State street aid	-	405,035	-	-	405,035
Stormwater	-	-	208,553	-	208,553
Drug education and investigation	-	-	-	105,270	105,270
Total fund balance	<u>366,970</u>	<u>405,035</u>	<u>208,553</u>	<u>105,270</u>	<u>1,085,828</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 401,022</u>	<u>\$ 413,250</u>	<u>\$ 271,188</u>	<u>\$ 107,770</u>	<u>\$ 1,193,230</u>

See the independent auditor's report.

**CITY OF GREENBRIER, TENNESSEE
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023**

	Solid Waste	State Street Aid	Stormwater	Drug	Total Nonmajor Governmental Funds
Revenues					
Taxes:					
Gasoline and motor fuel tax	\$ -	\$ 122,916	\$ -	\$ -	\$ 122,916
State gasoline tax - 1989	-	19,236	-	-	19,236
State gas 2017 tax	-	61,961	-	-	61,961
State - other hwy and street funds	-	35,520	-	-	35,520
Fines and forfeitures	-	-	-	76,352	76,352
Charges for Services	480,670	-	209,428	-	690,098
Investment income	1,415	1,397	847	119	3,778
Miscellaneous revenues	1,127	-	-	-	1,127
Total revenues	<u>483,212</u>	<u>241,030</u>	<u>210,275</u>	<u>76,471</u>	<u>1,010,988</u>
Expenditures					
Current:					
Public safety	-	-	-	8,758	8,758
Highways, street, and roadways	-	118,276	-	-	118,276
Solid waste	435,281	-	-	-	435,281
Stormwater	-	-	130,015	-	130,015
Debt service					
Principal	-	73,000	-	-	73,000
Interest	-	9,166	-	-	9,166
Capital outlay	-	-	7,300	14,000	21,300
Total expenditures	<u>435,281</u>	<u>200,442</u>	<u>137,315</u>	<u>22,758</u>	<u>795,796</u>
Excess of revenues over expenditures	47,931	40,588	72,960	53,713	215,192
Other financing sources (uses)					
Proceeds from sale of capital assets	-	-	-	13,783	13,783
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,783</u>	<u>13,783</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	47,931	40,588	72,960	67,496	228,975
Fund balance - beginning of year	<u>319,039</u>	<u>364,447</u>	<u>135,593</u>	<u>37,774</u>	<u>856,853</u>
Fund balance - end of year	<u>\$ 366,970</u>	<u>\$ 405,035</u>	<u>\$ 208,553</u>	<u>\$ 105,270</u>	<u>\$ 1,085,828</u>

See the independent auditor's report.

**CITY OF GREENBRIER, TENNESSEE
SOLID WASTE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance- Favorable (Unfavorable)
	Original	Final		
Revenues				
Charges for services	\$ 449,000	\$ 449,000	\$ 480,670	\$ 31,670
Investment income	1,000	1,000	1,415	415
Miscellaneous revenues	-	-	1,127	1,127
Total revenues	<u>450,000</u>	<u>450,000</u>	<u>483,212</u>	<u>33,212</u>
Expenditures				
Current				
Repairs and maintenance	1,000	1,000	-	1,000
Contractual services	415,000	415,000	408,622	6,378
Other operating expenses	19,000	19,000	26,659	(7,659)
Total expenditures	<u>435,000</u>	<u>435,000</u>	<u>435,281</u>	<u>(281)</u>
Excess of revenues over expenditures	15,000	15,000	47,931	32,931
Fund balance - beginning of year	<u>319,039</u>	<u>319,039</u>	<u>319,039</u>	<u>-</u>
Fund balance - end of year	<u>\$ 334,039</u>	<u>\$ 334,039</u>	<u>\$ 366,970</u>	<u>\$ 32,931</u>

See the independent auditor's report.

**CITY OF GREENBRIER, TENNESSEE
STATE STREET AID FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE-BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance- Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 245,448	\$ 245,448	\$ 239,633	\$ (5,815)
Investment income	500	500	1,397	897
Total revenues	<u>245,948</u>	<u>245,948</u>	<u>241,030</u>	<u>(4,918)</u>
Expenditures				
Current				
Repairs and maintenance	16,000	120,000	15,899	104,101
Utilities	87,000	87,000	102,346	(15,346)
Other operating expenses	-	-	31	(31)
Debt service				
Principal	73,834	73,834	73,000	834
Interest	9,166	9,166	9,166	-
Total expenditures	<u>186,000</u>	<u>290,000</u>	<u>200,442</u>	<u>88,724</u>
Excess of revenues over expenditures	59,948	(44,052)	40,588	(93,642)
Fund Balance - beginning of year	<u>364,447</u>	<u>364,447</u>	<u>364,447</u>	<u>-</u>
Fund Balance - end of year	<u>\$ 424,395</u>	<u>\$ 320,395</u>	<u>\$ 405,035</u>	<u>\$ (93,642)</u>

See the independent auditor's report.

**CITY OF GREENBRIER, TENNESSEE
STORMWATER FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE-BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance- Favorable (Unfavorable)
	Original	Final		
Revenues				
Charges for services	\$ 250,000	\$ 250,000	\$ 209,428	\$ (40,572)
Investment income	100	100	847	747
Total revenues	<u>250,100</u>	<u>250,100</u>	<u>210,275</u>	<u>(39,825)</u>
Expenditures				
Current:				
Repairs and maintenance	80,125	80,125	33,240	46,885
Contractual services	79,500	79,500	56,611	22,889
Supplies	1,550	1,550	562	988
Other operating expenses	88,871	88,871	39,602	49,269
Capital outlay	-	-	7,300	(7,300)
Total expenditures	<u>250,046</u>	<u>250,046</u>	<u>137,315</u>	<u>112,731</u>
Excess of revenues over expenditures	54	54	72,960	(152,556)
Fund Balance - beginning of year	<u>135,593</u>	<u>135,593</u>	<u>135,593</u>	<u>-</u>
Fund Balance - end of year	<u>\$ 135,647</u>	<u>\$ 135,647</u>	<u>\$ 208,553</u>	<u>\$ (152,556)</u>

See the independent auditor's report.

**CITY OF GREENBRIER, TENNESSEE
DRUG FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE-BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance- Favorable (Unfavorable)
	Original	Final		
Revenues				
Fines	\$ 5,700	\$ 5,700	\$ 76,352	\$ 70,652
Investment income	50	50	119	69
Total revenues	<u>5,750</u>	<u>5,750</u>	<u>76,471</u>	<u>70,721</u>
Expenditures				
Current:				
Salaries, taxes, and benefits	600	600	-	600
Contractual services	3,000	3,000	4,011	(1,011)
Repairs and maintenance	1,000	1,000	650	350
Supplies	250	4,251	4,097	154
Utilities	2,000	2,000	-	2,000
Capital outlay	-	14,000	14,000	-
Total expenditures	<u>6,850</u>	<u>24,851</u>	<u>22,758</u>	<u>2,093</u>
Excess of revenues over expenditures	(1,100)	(19,101)	53,713	68,628
Other financing sources (uses)				
Proceeds from sale of capital assets	-	14,000	13,783	(217)
Net other financing sources (uses)	<u>-</u>	<u>14,000</u>	<u>13,783</u>	<u>(217)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,100)	(5,101)	67,496	68,411
Fund balance - beginning of year	<u>37,774</u>	<u>37,774</u>	<u>37,774</u>	<u>-</u>
Fund Balance - end of year	<u>\$ 36,674</u>	<u>\$ 18,673</u>	<u>\$ 105,270</u>	<u>\$ 68,628</u>

See the independent auditor's report.

**CITY OF GREENBRIER, TENNESSEE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2023**

<u>Grantor / Pass-through Grantor</u>	<u>Program Name</u>	<u>Assistance Listing Number</u>	<u>Contract Number</u>	<u>Expenditures</u>
U.S. DEPARTMENT OF THE TREASURY				
Tennessee Department of Revenue	Coronavirus State and Local Fiscal Recovery Funds	21.027 ARPA	32701-04831	\$ 1,452,314
TOTAL U.S. DEPARTMENT OF THE TREASURY				<u>\$ 1,452,314</u>

Notes

Note 1 - Basis of Presentation

This schedule of expenditures of federal awards and state financial assistance summarizes the expenditures of the City under programs for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, change in net position, or cash flows of the City. Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 2 - Loans Outstanding

At June 30, 2023, there was an outstanding balance of \$4,206,047 on various loans obtained through the State of Tennessee Revolving Loan Fund. Principal payments and loan forgiveness during the year totaled \$277,063.

Note 3 - Indirect Cost Rate

The City has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

CITY OF GREENBRIER, TENNESSEE
SCHEDULE OF CHANGES IN LONG-TERM DEBT BY INDIVIDUAL ISSUE
JUNE 30, 2023

	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding July 1, 2022	Issued During Period	Paid and/or Matured During Period	Refunded During Period	Outstanding June 30, 2023
Governmental Activities									
Bonds payable									
<u>Payable through State Street Aid Fund</u>									
General Obligation, Series 2014	\$ 1,214,700	2.63%	9/8/2014	9/1/2026	\$ 385,000	\$ -	\$ 73,000	\$ -	\$ 312,000
Total Payable through State Street Aid Fund					<u>385,000</u>	<u>-</u>	<u>73,000</u>	<u>-</u>	<u>312,000</u>
<u>Payable through General Fund</u>									
General Obligation, Series 2021	\$ 3,410,000	2.00% - 3.00%	8/25/2021	5/1/2042	3,260,000	-	125,000	-	3,135,000
Total Payable through General Fund					<u>3,260,000</u>	<u>-</u>	<u>125,000</u>	<u>-</u>	<u>3,135,000</u>
Total Governmental Activities					<u>\$ 3,645,000</u>	<u>\$ -</u>	<u>\$ 198,000</u>	<u>\$ -</u>	<u>\$ 3,447,000</u>
Business-Type Activities									
Other loans payable									
<u>Payable through Water Fund</u>									
State Revolving Loan, SRF 01-152	\$ 78,190	2.55%	1/1/2003	12/31/2022	\$ 561	\$ -	\$ 561	\$ -	\$ -
State Revolving Loan, CWS 2016-371	\$ 1,500,000	0.32%	7/1/2016	6/30/2037	963,208	-	62,830	-	900,378
State Revolving Loan, SRF 2016-371	\$ 2,227,000	0.32%	9/1/2017	8/31/2037	1,691,959	-	109,044	-	1,582,915
State Revolving Loan, SRF 2017-380	\$ 2,163,700	0.52%	1/10/2017	4/30/2039	1,827,382	-	104,628	-	1,722,754
Public Building Authority, Series 2019	\$ 2,000,000	3.00%	10/24/2019	10/24/2044	1,889,000	-	58,000	-	1,831,000
General Obligation, Series 2020	\$ 400,000	2.69%	9/23/2020	9/1/2032	371,300	-	29,500	-	341,800
Total Payable through Water Fund					<u>6,743,410</u>	<u>-</u>	<u>364,563</u>	<u>-</u>	<u>6,378,847</u>
Total Business-Type Activities					<u>\$ 6,743,410</u>	<u>\$ -</u>	<u>\$ 364,563</u>	<u>\$ -</u>	<u>\$ 6,378,847</u>

See the independent auditor's report.

CITY OF GREENBRIER, TENNESSEE
SCHEDULE OF LONG-TERM DEBT, PRINCIPAL, AND INTEREST REQUIREMENTS
JUNE 30, 2023

For the Year Ended June 30,	Governmental Activities						Business-Type Activities			
	TN Municipal Bond Fund		General Obligation Series 2021		Total Governmental Activities		State Revolving Loan 16-370		State Revolving Loan 16-371	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 75,000	\$ 7,219	\$ 130,000	\$ 71,250	\$ 205,000	\$ 78,469	\$ 63,024	\$ 2,796	\$ 109,392	\$ 4,908
2025	77,000	5,221	135,000	67,350	212,000	72,571	63,228	2,592	109,740	4,560
2026	79,000	3,169	140,000	63,300	219,000	66,469	63,432	2,388	110,100	4,200
2027	81,000	1,065	145,000	59,100	226,000	60,165	63,636	2,184	110,448	3,852
2028	-	-	145,000	54,750	145,000	54,750	63,840	1,980	110,808	3,492
2029	-	-	150,000	50,400	150,000	50,400	64,044	1,776	111,156	3,144
2030	-	-	155,000	45,900	155,000	45,900	64,248	1,572	111,516	2,784
2031	-	-	160,000	42,800	160,000	42,800	64,452	1,368	111,876	2,424
2032	-	-	160,000	39,600	160,000	39,600	64,668	1,152	112,224	2,076
2033	-	-	165,000	36,400	165,000	36,400	64,872	948	112,584	1,716
2034	-	-	170,000	33,100	170,000	33,100	65,076	744	112,944	1,356
2035	-	-	170,000	29,700	170,000	29,700	65,292	528	113,316	984
2036	-	-	175,000	26,300	175,000	26,300	65,496	324	113,676	624
2037	-	-	180,000	22,800	180,000	22,800	65,070	111	114,036	264
2038	-	-	185,000	19,200	185,000	19,200	-	-	19,099	8
2039	-	-	185,000	15,500	185,000	15,500	-	-	-	-
2040	-	-	190,000	11,800	190,000	11,800	-	-	-	-
2041	-	-	195,000	8,000	195,000	8,000	-	-	-	-
2042	-	-	200,000	4,100	200,000	4,100	-	-	-	-
2043	-	-	-	-	-	-	-	-	-	-
2044	-	-	-	-	-	-	-	-	-	-
2045	-	-	-	-	-	-	-	-	-	-
	<u>\$ 312,000</u>	<u>\$ 16,674</u>	<u>\$ 3,135,000</u>	<u>\$ 701,350</u>	<u>\$ 3,447,000</u>	<u>\$ 718,024</u>	<u>\$ 900,378</u>	<u>\$ 20,463</u>	<u>\$ 1,582,915</u>	<u>\$ 36,392</u>

See the independent auditor's report.

CITY OF GREENBRIER, TENNESSEE
SCHEDULE OF LONG-TERM DEBT, PRINCIPAL, AND INTEREST REQUIREMENTS - CONTINUED
JUNE 30, 2023

Business-Type Activities

For the Year Ended June 30,	State Revolving Loan 17-380		Public Building Authority Series 2019		General Obligation Series 2020		Total Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 105,180	\$ 8,748	\$ 60,000	\$ 54,030	\$ 30,200	\$ 8,788	\$ 367,796	\$ 79,270	\$ 572,796	\$ 157,739
2025	105,720	8,208	62,000	52,200	31,100	7,964	371,788	75,524	583,788	148,095
2026	106,272	7,656	64,000	50,310	31,900	7,117	375,704	71,671	594,704	138,140
2027	106,824	7,104	66,000	48,360	32,800	6,247	379,708	67,747	605,708	127,912
2028	107,388	6,540	67,000	46,365	33,600	5,353	382,636	63,730	527,636	118,480
2029	107,940	5,988	69,000	44,325	34,500	4,437	386,640	59,670	536,640	110,070
2030	108,504	5,424	72,000	42,210	35,500	3,496	391,768	55,486	546,768	101,386
2031	109,068	4,860	74,000	40,020	36,400	2,529	395,796	51,201	555,796	94,001
2032	109,644	4,284	76,000	37,770	37,400	1,536	399,936	46,818	559,936	86,418
2033	110,208	3,720	78,000	35,460	38,400	516	404,064	42,360	569,064	78,760
2034	110,784	3,144	81,000	33,075	-	-	369,804	38,319	539,804	71,419
2035	111,360	2,568	83,000	30,615	-	-	372,968	34,695	542,968	64,395
2036	111,948	1,980	85,000	28,095	-	-	376,120	31,023	551,120	57,323
2037	112,524	1,404	88,000	25,500	-	-	379,630	27,279	559,630	50,079
2038	113,112	816	91,000	22,815	-	-	223,211	23,639	408,211	42,839
2039	85,221	36	93,000	20,055	-	-	178,221	20,091	363,221	35,591
2040	1,057	4	96,000	17,220	-	-	97,057	17,224	287,057	29,024
2041	-	-	99,000	14,295	-	-	99,000	14,295	294,000	22,295
2042	-	-	102,000	11,280	-	-	102,000	11,280	302,000	15,380
2043	-	-	105,000	8,175	-	-	105,000	8,175	105,000	8,175
2044	-	-	108,000	4,980	-	-	108,000	4,980	108,000	4,980
2045	-	-	112,000	1,680	-	-	112,000	1,680	112,000	1,680
	<u>\$ 1,722,754</u>	<u>\$ 72,484</u>	<u>\$ 1,831,000</u>	<u>\$ 668,835</u>	<u>\$ 341,800</u>	<u>\$ 47,983</u>	<u>\$ 6,378,847</u>	<u>\$ 846,157</u>	<u>\$ 9,825,847</u>	<u>\$ 1,564,181</u>

See the independent auditor's report.

CITY OF GREENBRIER, TENNESSEE
SCHEDULE OF CHANGES IN PROPERTY TAXES RECEIVABLE
JUNE 30, 2023

Tax Year	Gross property taxes receivable July 1, 2022	Property tax levied	Anticipated current year levy	Abatements and adjustments	Collections	Allowances for uncollectibles	Net receivable balance June 30, 2023
2023	\$ -	\$ -	\$ 2,344,401	\$ -	\$ -	\$ -	\$ 2,344,401
2022	2,294,832	71,759.00			2,334,002	(18,000)	14,589
2021	58,329	-	-	-	27,216	-	31,113
2020	9,190	-	-	-	5,949	-	3,241
2019	7,498	-	-	-	3,383	-	4,115
2018	5,517	-	-	-	1,785	-	3,732
2017	1,122	-	-	-	-	-	1,122
2016	1,552	-	-	-	196	-	1,356
2015	446	-	-	-	-	-	446
2014	1,683	-	-	-	-	-	1,683
2013	1,627	-	-	-	-	-	1,627
2012	1,897	-	-	-	1,897	-	-
2011	2,292	-	-	-	2,292	-	-
	<u>\$ 2,385,985</u>	<u>\$ 71,759</u>	<u>\$ 2,344,401</u>	<u>\$ -</u>	<u>\$ 2,376,720</u>	<u>\$ (18,000)</u>	<u>\$ 2,407,425</u>

See the independent auditor's report.

OTHER INFORMATION



CITY OF GREENBRIER, TENNESSEE
SCHEDULE OF PROPERTY TAX RATES AND ASSESSMENTS
JUNE 30, 2023

<u>Year of levy</u>	<u>Fiscal year</u>	<u>Tax rate per \$100 Robertson County</u>	<u>Tax assessment</u>
2022	2023	\$ 1.67	* \$ 2,344,401
2021	2022	\$ 1.67	\$ 2,294,832
2020	2021	\$ 1.57	\$ 2,088,000
2019	2020	\$ 1.07	\$ 2,155,000
2018	2019	\$ 1.07	\$ 1,372,000
2017	2018	\$ 1.07	\$ 1,371,364
2016	2017	\$ 1.07	\$ 1,096,102
2015	2016	\$ 1.07	\$ 1,093,618
2014	2015	\$ 1.07	\$ 1,079,270
2013	2014	\$ 1.07	\$ 1,061,058

* Anticipated levy as of June 30, 2023.

CITY OF GREENBRIER, TENNESSEE
SCHEDULE OF UTILITY RATE STRUCTURE AND NUMBER OF CUSTOMERS
JUNE 30, 2023

Rates

Water (inside city)	\$	17.95
First 2,000 gallons	\$	13.04
Per 1,000 gallons over 2,000		
Water (outside city)		
First 2,000 gallons	\$	22.74
Per 1,000 gallons over 2,000	\$	13.31
Sewer (inside city)		
Minimum	\$	8.94
Per 1,000 gallons of water used	\$	12.65
Sewer (outside city)		
Minimum	\$	16.01
Per 1,000 gallons of water used	\$	13.39

<u>Services</u>	<u>Number of Customers</u>
Water	2,914
Sewer	2,554

INTERNAL CONTROL AND COMPLIANCE





INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Mayor and Members of the Board of Aldermen
City of Greenbrier, Tennessee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Greenbrier, Tennessee (the "City") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 25, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2023-002 to be a significant deficiency.



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

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

Crosslin, PLLC

Nashville, Tennessee
March 25, 2024



Independent Auditor's Report on Compliance for Each Major Program
and on Internal Control Over Compliance
Required by the Uniform Guidance

Honorable Mayor and Members of the Board of Aldermen
City of Greenbrier, Tennessee

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Greenbrier, Tennessee's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2023. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City 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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.



Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.



Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Crosslin, PLLC

Nashville, Tennessee
March 25, 2023

CITY OF GREENBRIER, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023

SECTION I - SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:
Material weakness(es) identified? x yes no
Significant deficiency(ies) identified? x yes none reported

Noncompliance material to financial statements noted? yes x no

Federal Awards

Internal control over major programs:
Material weakness(es) identified? yes x no
Significant deficiency(ies) identified? yes x none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes no

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program</u>	
21.027 ARPA	Coronavirus State and Local Fiscal Recovery Funds	\$1,312,923

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? yes x no

CITY OF GREENBRIER, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued
YEAR ENDED JUNE 30, 2023

SECTION II - FINANCIAL STATEMENT FINDINGS

A. Significant Deficiencies in Internal Control

2023-001 - Year-End Accounting

Condition, Criteria, Cause, and Effect:

At the close of the 2023 fiscal year, members of the Municipal Technical Advisory Service (“MTAS”) assisted the City’s accounting staff with the year-end bookkeeping and accounting procedures that are necessary to prepare/close the books for audit purposes. In addition to MTAS assisting with this process, there were still audit adjustments that were required to be made in order to reconcile subsidiary ledgers and supporting documents to the balances noted in the general ledger. These instances included:

- Reclasses to expenses to capital outlay accounts in order to reconcile to the fixed asset activity detail and
- Proper cutoff and review of accrued expenses (wage accruals) at fiscal year end.

Recommendations:

We recommend that the City continue to work with MTAS at year end in order to ensure that all reconciliations, support workpapers, and year-end bookkeeping and accounting procedures are completed in order to prepare/close the books for audit purposes. The City should continue to become familiar with the necessary procedures to complete the year-end accounting. In time, less help will be required in this area by the City.

Views of Responsible Officials and Planned Corrective Actions:

See Management’s Corrective Action Plan.

2023-002 - Capital Assets

Condition, Criteria, Cause, and Effect:

During the audit, we noted that the City has access to a capital assets module within their accounting software, which they began fully using in fiscal year 2023. During our testing of the capital asset listing generated from the capital assets module, we noted that approximately \$153,000 in capital asset additions were included in various expense accounts instead of being recorded in the corresponding department’s capital outlay accounts.

Recommendations:

We recommend the City continue to enter all capital assets that meet the City’s capitalization policy into the fixed assets module as well as record all items that need to be capitalized in each department’s respective capital outlay accounts. By maintaining the capital assets module throughout the year, it will expedite the annual year-end closing process.

Views of Responsible Officials and Planned Corrective Actions:

See Management’s Corrective Action Plan.

CITY OF GREENBRIER, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued
YEAR ENDED JUNE 30, 2023

SECTION II - FINANCIAL STATEMENT FINDINGS - Continued

B. Compliance Findings

None reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

SECTION IV - PRIOR AUDIT FINDINGS AND QUESTIONED COSTS

Financial Statement Findings

<u>Finding Number</u>	<u>Finding Title</u>	<u>Status</u>
2022-001	Year-End Accounting	Partially Corrected/Repeated
2022-002	Capital Assets	Partially Corrected/Repeated
2022-003	Human Resource Files and Census Data Testing	Corrected/Removed

Federal Awards and Questioned Costs

<u>Finding Number</u>	<u>Finding Title</u>	<u>Status</u>
N/A	There were no prior findings reported.	N/A

Management's Corrective Action Plan

2023-001 - Year-End Accounting

Condition, Criteria, Cause, and Effect:

At the close of the 2023 fiscal year, members of the Municipal Technical Advisory Service ("MTAS") assisted the City's accounting staff with the year-end bookkeeping and accounting procedures that are necessary to prepare/close the books for audit purposes. In addition to MTAS assisting with this process, there were still audit adjustments that were required to be made in order to reconcile subsidiary ledgers and supporting documents to the balances noted in the general ledger. These instances included:

- Reclasses to expenses to capital outlay accounts in order to reconcile to the fixed asset activity detail and
- Proper cutoff and review of accrued expenses (wage accruals) at fiscal year end.

Recommendations:

We recommend that the City continue to work with MTAS at year end in order to ensure that all reconciliations, support workpapers, and year-end bookkeeping and accounting procedures are completed in order to prepare/close the books for audit purposes. The City should continue to become familiar with the necessary procedures to complete the year-end accounting. In time, less help will be required in this area by the City.

Views of Responsible Officials and Planned Corrective Actions:

City staff concurs with the finding and is working to identify opportunities to improve accounting practices. As such, the City will continue to work with MTAS to ensure that the year end close process is completed before the fiscal year 2024 audit begins.

2023-002 - Capital Assets

Condition, Criteria, Cause, and Effect:

During the audit, we noted that the City has access to a capital assets module within their accounting software, which they began fully using in fiscal year 2023. During our testing of the capital asset listing generated from the capital assets module, we noted that approximately \$153,000 in capital asset additions were included in various expense accounts instead of being recorded in the corresponding department's capital outlay accounts.

Management's Corrective Action Plan - Continued

2023-002 - Capital Assets - Continued

Recommendations:

We recommend the City continue to enter all capital assets that meet the City's capitalization policy into the fixed assets module as well as record all items that need to be capitalized in each department's respective capital outlay accounts. By maintaining the capital assets module throughout the year, it will expedite the annual year-end closing process.

Views of Responsible Officials and Planned Corrective Actions:

The City concurs with this finding. Moving forward, the City will work to ensure that the capital asset module agrees with the prior year audit numbers and then the City will continue to identify and record capital assets in the capital assets module. Once City assets have been properly recorded and placed into the capital asset module, procedures will be developed and implemented to track, record, and reconcile capital assets on a regular basis to ensure that items needing to be capitalized are included in each department's respective capital outlay accounts.

Anticipated

Completion Date June 30, 2024

Name of Contact

Person

Stephanie Toland
City of Greenbrier, Tennessee
(615) 643-4531

