



## ANNUAL FINANCIAL REPORT

### Benton County, Tennessee

*For the Year Ended June 30, 2025*

**Jason E. Mumpower**  
*Comptroller of the Treasury*



**DIVISION OF  
LOCAL GOVERNMENT AUDIT**

**ANNUAL FINANCIAL REPORT**  
**BENTON COUNTY, TENNESSEE**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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

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

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

This financial report is available at [www.comptroller.tn.gov](http://www.comptroller.tn.gov).

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## BENTON COUNTY, TENNESSEE

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## *Summary of Audit Findings*

Annual Financial Report  
Benton County, Tennessee  
For the Year Ended June 30, 2025

### *Scope*

We have audited the basic financial statements of Benton County as of and for the year ended June 30, 2025.

### *Results*

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

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

### *Findings*

The following is a summary of the audit findings:

#### **OFFICE OF COUNTY MAYOR**

- ◆ The General and General Capital Projects funds required material audit adjustments for proper financial statement presentation.
- ◆ Benton County has a material recurring audit finding.
- ◆ The office had accounting deficiencies.
- ◆ Competitive bids were not solicited for the employee health insurance excess risk plan.

#### **OFFICE OF ROAD SUPERVISOR**

- ◆ Expenditures exceeded appropriations.



## INTRODUCTORY SECTION

## **BENTON COUNTY OFFICIALS**

June 30, 2025

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### **Officials**

Mark Ward, County Mayor  
Barry Carter, Road Supervisor  
Mark Florence, Director of Schools  
Beverly Beal, Trustee  
Ryan Hall, Assessor of Property  
Wanda Malin, County Clerk  
Sam Rainwaters, Circuit and General Sessions Courts Clerk  
Timothy Burrus, Clerk and Master  
Sonya Volz, Register of Deeds  
Kenny Christopher, Sheriff

### **Board of County Commissioners**

Roseanne Ward, Chairman	Terry Kiehn
Keith Arnold	Frank Lashlee, Jr.
Debbie Bain	Phil Melton
Bret Burke	Kenneth Miller
Marty Douglas	Jeff Murphy
Dwayne Fowler	Mike Nunnery
Gary Furr	Rocky Presson
Sonny Hall	Jerry Price
Barry Holland	Stephen Stokes

### **Board of Education**

Shanna Kennon, Chairman	Tim Hyatt
Judy Arnold	Robert Livingston
Ryan Beylew	Ben Marks
Betty Jo Douglas	Justin Thornton
Mark Hargis	Marko Winters
Brent Hedge	Brad Mills

### **Audit Committee**

Sheri Hill, Chairman  
Dayna Ferguson  
Jennifer Hedge  
Lisa Holladay  
Kevin Stepp



## FINANCIAL SECTION



JASON E. MUMPOWER  
*Comptroller*

## **Independent Auditor's Report**

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

To the County Mayor and Board of County Commissioners:

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Benton County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Benton County, Tennessee, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Benton County Electric System (a major enterprise fund), which represent 100 percent of the assets, net position, and revenues of the business-type activities. We also did not audit the financial statements of the Internal School Fund of the Benton County School Department (a discretely presented component unit), which represent 1.6 percent, 1.8 percent, and 2.3 percent, respectively, of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to amounts included for the Benton County Electric System and the Benton County School Department's Internal School Fund, is based solely on the report of the other auditors.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Benton County, Tennessee, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Changes in Accounting Principle***

As described in Note V.B., Benton County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences* and GASB Statement No. 102, *Certain Risk Disclosures*. GASB 101 updates the recognition and measurement guidance for compensated absences under a unified model and amends certain previously required disclosures. GASB 102 provides users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

### ***Emphasis of Matter***

We draw attention to Note I.D.9. to the financial statements, which describes restatements to the beginning Governmental Activities net position totaling (\$7,235) for the primary government and (\$98,261) for the discretely presented Benton County School Department. These restatements were necessary because of the transitional requirements of GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standard* 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 Benton County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Benton County's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

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

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

### ***Supplementary Information***

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

### ***Other Information***


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

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

### **Other Reporting Requirements by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2025, on our consideration of Benton County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Benton County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Benton County's internal control over financial reporting and compliance.

Very truly yours,

  
Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

November 10, 2025

JEM/gc

## BASIC FINANCIAL STATEMENTS SECTION

**BENTON COUNTY, TENNESSEE**  
**Statement of Net Position**  
**June 30, 2025**

	<b>Primary Government</b>			<b>Component Unit</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Benton County School Department</b>
<b>ASSETS</b>				
Cash	\$ 1,500	\$ 7,178,475	\$ 7,179,975	\$ 680,880
Equity in Pooled Cash and Investments	24,210,358	0	24,210,358	15,588,512
Inventories	0	651,750	651,750	0
Accounts Receivable	84,307	2,892,388	2,976,695	0
Allowance for Uncollectibles	0	(6,322)	(6,322)	0
Due from Other Governments	988,818	0	988,818	1,318,556
Property Taxes Receivable	5,726,422	0	5,726,422	3,159,054
Allowance for Uncollectible Property Taxes	(93,227)	0	(93,227)	(53,845)
Prepaid Items	0	3,755,070	3,755,070	0
Other Restricted Assets	0	678,002	678,002	0
Deferred Charges - Debt Issuance Costs	0	56,423	56,423	0
Notes Receivable	0	532	532	0
Net Pension Asset - Agent Plan	117,437	61,144	178,581	56,952
Net Pension Asset - Teacher Retirement Plan	0	0	0	107,008
Net Pension Asset - Teacher Legacy Pension Plan	0	0	0	4,039,955
Restricted Assets - Amounts Accumulated for Pension Benefits	0	0	0	309,314
Capital Assets Not Depreciated:				
Land	1,378,269	164,652	1,542,921	507,205
Construction in Progress	60,633	339,250	399,883	0
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	8,390,451	0	8,390,451	11,059,450
Infrastructure	4,493,157	0	4,493,157	0
Other Capital Assets	1,289,516	28,175,863	29,465,379	4,910,380
Total Assets	<u>\$ 46,647,641</u>	<u>\$ 43,947,227</u>	<u>\$ 90,594,868</u>	<u>\$ 41,683,421</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Charge on Refunding	\$ 22,736	\$ 0	\$ 22,736	\$ 0
Pension Changes in Experience	679,012	549,112	1,228,124	1,415,480
Pension Changes in Investment Earnings	0	30,332	30,332	0
Pension Changes in Assumptions	269,577	142,811	412,388	173,256
Pension Changes in Proportion	0	0	0	375,506
Pension Contributions After Measurement Date	432,957	510,499	943,456	812,865
OPEB Changes in Experience	124	93,318	93,442	95,690
OPEB Changes in Proportion	0	0	0	44,884
OPEB Changes in Assumptions	12,605	302,917	315,522	609,259
OPEB Contributions After Measurement Date	262	0	262	61,870
Total Deferred Outflows of Resources	<u>\$ 1,417,273</u>	<u>\$ 1,628,989</u>	<u>\$ 3,046,262</u>	<u>\$ 3,588,810</u>

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Statement of Net Position (Cont.)**

	<b>Primary Government</b>			<b>Component Unit</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Benton County School Department</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 40,825	\$ 3,296,140	\$ 3,336,965	\$ 686
Accrued Payroll	0	38,894	38,894	0
Payroll Deductions Payable	52,262	0	52,262	0
Accrued Interest Payable	52,183	0	52,183	0
Due to State of Tennessee	5,938	0	5,938	0
Other Current Liabilities	0	10,115	10,115	0
Other Payables from Restricted Assets	4,000	7,039	11,039	0
Customer Deposits Payable	0	2,110,406	2,110,406	0
Noncurrent Liabilities:				
Due Within One Year - Debt	937,624	465,000	1,402,624	0
Due Within One Year - Other	85,571	287,324	372,895	168,977
Due in More Than One Year - Debt	6,102,138	2,545,000	8,647,138	0
Due in More Than One Year - Other	250,911	3,699,408	3,950,319	2,808,077
Total Liabilities	<u>\$ 7,531,452</u>	<u>\$ 12,459,326</u>	<u>\$ 19,990,778</u>	<u>\$ 2,977,740</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Current Property Taxes	\$ 5,473,693	\$ 0	\$ 5,473,693	\$ 3,008,468
Pension Changes in Experience	30,072	138,194	168,266	47,460
Pension Changes in Investment Earnings	206,182	107,350	313,532	904,860
Pension Changes in Proportion	0	0	0	34,387
OPEB Changes in Experience	11,699	557,369	0	405,609
OPEB Changes in Proportion	0	0	0	141,484
OPEB Changes in Assumptions	10,789	121,399	0	239,394
Total Deferred Inflows of Resources	<u>\$ 5,732,435</u>	<u>\$ 924,312</u>	<u>\$ 6,656,747</u>	<u>\$ 4,781,662</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	\$ 11,018,249	\$ 25,665,187	\$ 36,683,436	\$ 16,477,035
Restricted for:				
General Government	1,316,493	0	1,316,493	0
Finance	89,040	0	89,040	0
Administration of Justice	284,732	0	284,732	0
Public Safety	676,244	0	676,244	0
Public Health and Welfare	85,395	0	85,395	0
Highway/Public Works	259,894	0	259,894	0
Debt Service	224,022	670,963	894,985	1,253,793
Capital Projects	1,504,690	0	1,504,690	0
Education	0	0	0	679,906
Operation of Non-instructional Services	0	0	0	1,385,481
Hybrid Retirement Stabilization Funds	0	0	0	309,314
Pensions	117,437	61,144	178,581	4,203,915
Unrestricted	<u>19,224,831</u>	<u>5,795,284</u>	<u>25,020,115</u>	<u>13,203,385</u>
Total Net Position	<u>\$ 34,801,027</u>	<u>\$ 32,192,578</u>	<u>\$ 66,993,605</u>	<u>\$ 37,512,829</u>

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



**BENTON COUNTY, TENNESSEE**  
**Statement of Activities**  
**For the Year Ended June 30, 2025**

		Net (Expense) Revenue and Changes in Net Position							Component Unit
Functions/Programs	Expenses	Program Revenues			Primary Government			Benton County School Department	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total		
Primary Government:									
Governmental Activities:									
General Government	\$ 3,846,805	\$ 377,099	\$ 343,437	\$ 66,502	\$ (3,059,767)	\$ 0	\$ (3,059,767)	\$ 0	
Finance	1,006,622	606,867	34,091	0	(365,664)	0	(365,664)	0	
Administration of Justice	950,264	534,051	98,956	0	(317,257)	0	(317,257)	0	
Public Safety	6,376,744	432,914	239,195	0	(5,704,635)	0	(5,704,635)	0	
Public Health and Welfare	1,101,081	651,360	285,082	0	(164,639)	0	(164,639)	0	
Social, Cultural, and Recreational Services	645,815	0	68,867	0	(576,948)	0	(576,948)	0	
Agriculture and Natural Resources	110,934	0	0	0	(110,934)	0	(110,934)	0	
Highways/Public Works	4,273,998	45,940	2,367,076	1,107,982	(753,000)	0	(753,000)	0	
Interest on Long-term Debt	184,862	0	0	0	(184,862)	0	(184,862)	0	
Total Governmental Activities	\$ 18,497,125	\$ 2,648,231	\$ 3,436,704	\$ 1,174,484	\$ (11,237,706)	\$ 0	\$ (11,237,706)	\$ 0	
Business-type Activities:									
Benton County Electric System	\$ 26,964,590	\$ 29,281,407	\$ 0	\$ 0	\$ 0	\$ 2,316,817	\$ 2,316,817	\$ 0	
Total Primary Government	\$ 45,461,715	\$ 31,929,638	\$ 3,436,704	\$ 1,174,484	\$ (11,237,706)	\$ 2,316,817	\$ (8,920,889)	\$ 0	
Component Unit:									
Benton County School Department	\$ 30,277,741	\$ 164,867	\$ 8,380,439	\$ 0	\$ 0	\$ 0	\$ 0	\$ (21,732,435)	
Total Component Unit	\$ 30,277,741	\$ 164,867	\$ 8,380,439	\$ 0	\$ 0	\$ 0	\$ 0	\$ (21,732,435)	

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Statement of Activities (Cont.)**

		Net (Expense) Revenue and Changes in Net Position						
Functions/Programs	Expenses	Program Revenues			Primary Government			Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Benton County School Department
General Revenues:								
Taxes:								
Property Taxes Levied for General Purposes					\$ 5,355,971	\$ 0	\$ 5,355,971	\$ 3,327,584
Property Taxes Levied for Debt Service					128,772	0	128,772	0
Local Option Sales Taxes					2,098,724	0	2,098,724	3,809,780
Litigation Tax					176,188	0	176,188	0
Business Tax					194,707	0	194,707	0
Mineral Severance Tax					159,146	0	159,146	0
Wholesale Beer Tax					73,365	0	73,365	0
Other Local Taxes					110,131	0	110,131	6,154
Grants and Contributions Not Restricted to Specific Programs					3,103,568	0	3,103,568	17,049,080
Unrestricted Investment Income					1,666,606	370,780	2,037,386	84,912
Miscellaneous					52,989	0	52,989	42,575
Total General Revenues					\$ 13,120,167	\$ 370,780	\$ 13,490,947	\$ 24,320,085
Transfers								
					\$ 614,111	\$ (614,111)	\$ 0	\$ 0
Change in Net Position								
Net Position, July 1, 2024					\$ 2,496,572	\$ 2,073,486	\$ 4,570,058	\$ 2,587,650
Restatement - See Note I.D.9.					32,311,690	30,119,092	62,430,782	35,023,440
					(7,235)	0	(7,235)	(98,261)
Net Position, June 30, 2025								
					\$ 34,801,027	\$ 32,192,578	\$ 66,993,605	\$ 37,512,829

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

**BENTON COUNTY, TENNESSEE**  
**Balance Sheet - Governmental Funds**  
**June 30, 2025**

	<b>Major Funds</b>			<b>Nonmajor Funds</b>	
		Highway /	General	Other	Total
	General	Public Works	Debt Service	Govern-mental Funds	Governmental Funds
<b>ASSETS</b>					
Cash	\$ 0	\$ 0	\$ 0	\$ 1,500	\$ 1,500
Equity in Pooled Cash and Investments	15,483,041	951,578	3,725,481	3,650,975	23,811,075
Accounts Receivable	58,024	0	0	26,283	84,307
Due from Other Governments	135,956	444,247	344,703	63,912	988,818
Due from Other Funds	74,295	0	0	342,771	417,066
Property Taxes Receivable	5,309,893	266,584	131,196	18,749	5,726,422
Allowance for Uncollectible Property Taxes	(86,332)	(4,414)	(2,170)	(311)	(93,227)
Total Assets	<u>\$ 20,974,877</u>	<u>\$ 1,657,995</u>	<u>\$ 4,199,210</u>	<u>\$ 4,103,879</u>	<u>\$ 30,935,961</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 39,180	\$ 0	\$ 0	\$ 1,645	\$ 40,825
Payroll Deductions Payable	50,274	1,988	0	0	52,262
Due to Other Funds	0	0	0	17,783	17,783
Due to State of Tennessee	5,938	0	0	0	5,938
Current Liabilities Payable From Restricted Assets	4,000	0	0	0	4,000
Total Liabilities	<u>\$ 99,392</u>	<u>\$ 1,988</u>	<u>\$ 0</u>	<u>\$ 19,428</u>	<u>\$ 120,808</u>

(Continued)

**BENTON COUNTY, TENNESSEE****Balance Sheet - Governmental Funds (Cont.)**

	<b>Major Funds</b>			<b>Nonmajor Funds</b>	
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred Current Property Taxes	\$ 5,076,076	\$ 254,475	\$ 125,249	\$ 17,893	\$ 5,473,693
Deferred Delinquent Property Taxes	128,349	6,697	3,287	474	138,807
Other Deferred/Unavailable Revenue	50,042	193,854	124,451	24,754	393,101
Total Deferred Inflows of Resources	<u>\$ 5,254,467</u>	<u>\$ 455,026</u>	<u>\$ 252,987</u>	<u>\$ 43,121</u>	<u>\$ 6,005,601</u>
<b>FUND BALANCES</b>					
Restricted:					
Restricted for General Government	\$ 283,753	\$ 0	\$ 0	\$ 502,435	\$ 786,188
Restricted for Finance	89,040	0	0	0	89,040
Restricted for Administration of Justice	284,732	0	0	0	284,732
Restricted for Public Safety	641,538	0	0	34,706	676,244
Restricted for Public Health and Welfare	85,395	0	0	0	85,395
Restricted for Other Operations	0	0	0	505,551	505,551
Restricted for Highways/Public Works	0	132,272	0	0	132,272
Restricted for Capital Outlay	0	0	0	1,504,216	1,504,216
Restricted for Debt Service	0	0	125,731	0	125,731
Committed:					
Committed for Highways/Public Works	0	1,068,709	0	0	1,068,709
Committed for Capital Outlay	0	0	0	1,494,422	1,494,422
Committed for Debt Service	0	0	3,820,492	0	3,820,492
Unassigned	14,236,560	0	0	0	14,236,560
Total Fund Balances	<u>\$ 15,621,018</u>	<u>\$ 1,200,981</u>	<u>\$ 3,946,223</u>	<u>\$ 4,041,330</u>	<u>\$ 24,809,552</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 20,974,877</u>	<u>\$ 1,657,995</u>	<u>\$ 4,199,210</u>	<u>\$ 4,103,879</u>	<u>\$ 30,935,961</u>

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

**BENTON COUNTY, TENNESSEE**  
**Reconciliation of the Balance Sheet of Governmental**  
**Funds to the Statement of Net Position**  
**June 30, 2025**

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

Total fund balances - balance sheet - governmental funds (Exhibit C-1)		\$ 24,809,552
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 1,378,269	
Add: construction in progress	60,633	
Add: buildings and improvements net of accumulated depreciation	8,390,451	
Add: infrastructure net of accumulated depreciation	4,493,157	
Add: other capital assets net of accumulated depreciation	<u>1,289,516</u>	15,612,026
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: notes payable	\$ (3,372,000)	
Less: other loan payable	(1,448,985)	
Less: bonds payable	(2,070,000)	
Add: deferred amount on refunding	22,736	
Less: compensated absences payable	(288,961)	
Less: net OPEB liability	(47,521)	
Less: accrued interest payable	(52,183)	
Less: unamortized premium on debt	<u>(148,777)</u>	(7,405,691)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 1,381,546	
Less: deferred inflows of resources related to pensions	(236,254)	
Add: deferred outflows of resources related to OPEB	12,991	
Less: deferred inflows of resources related to OPEB	<u>(22,488)</u>	1,135,795
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.		117,437
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		<u>531,908</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 34,801,027</u></u>

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

**BENTON COUNTY, TENNESSEE**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances - Governmental Funds**  
**For the Year Ended June 30, 2025**

	<b>Major Funds</b>			<b>Nonmajor Funds</b>	
			<i>Formerly Nonmajor</i>	Other	
	General	Highway / Public Works	General Debt Service	Govern- mental Funds	Total Governmental Funds
<b>Revenues</b>					
Local Taxes	\$ 6,547,818	\$ 423,816	\$ 757,747	\$ 18,746	\$ 7,748,127
Licenses and Permits	35,208	0	0	0	35,208
Fines, Forfeitures, and Penalties	214,684	0	0	14,070	228,754
Charges for Current Services	714,779	0	0	5,400	720,179
Other Local Revenues	1,991,303	51,290	9,945	12,334	2,064,872
Fees Received From County Officials	989,845	0	0	0	989,845
State of Tennessee	2,880,703	3,518,437	815,962	491,877	7,706,979
Federal Government	87,294	42,697	0	930,727	1,060,718
Other Governments and Citizens Groups	119,863	0	397,984	0	517,847
Total Revenues	<u>\$ 13,581,497</u>	<u>\$ 4,036,240</u>	<u>\$ 1,981,638</u>	<u>\$ 1,473,154</u>	<u>\$ 21,072,529</u>
<b>Expenditures</b>					
Current:					
General Government	\$ 3,692,203	\$ 0	\$ 0	\$ 0	\$ 3,692,203
Finance	886,245	0	0	0	886,245
Administration of Justice	785,471	0	0	5,400	790,871
Public Safety	5,193,762	0	0	23,362	5,217,124
Public Health and Welfare	1,049,127	0	0	0	1,049,127
Social, Cultural, and Recreational Services	500,131	0	0	0	500,131
Agriculture and Natural Resources	110,206	0	0	0	110,206
Other Operations	1,419,179	0	0	1,828,156	3,247,335
Highways	0	3,867,874	0	0	3,867,874

(Continued)

**BENTON COUNTY, TENNESSEE****Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Governmental Funds (Cont.)**

	<b>Major Funds</b>			<b>Nonmajor Funds</b>	
		Highway / Public Works	<i>Formerly Nonmajor</i> General Debt Service	Other Govern- mental Funds	Total Governmental Funds
	General				
<b>Expenditures (Cont.)</b>					
Debt Service:					
Principal on Debt	\$ 0	\$ 0	\$ 1,061,808	\$ 0	\$ 1,061,808
Interest on Debt	0	0	157,541	0	157,541
Other Debt Service	0	0	11,055	0	11,055
Capital Projects	0	0	0	1,245,879	1,245,879
Total Expenditures	<u>\$ 13,636,324</u>	<u>\$ 3,867,874</u>	<u>\$ 1,230,404</u>	<u>\$ 3,102,797</u>	<u>\$ 21,837,399</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (54,827)</u>	<u>\$ 168,366</u>	<u>\$ 751,234</u>	<u>\$ (1,629,643)</u>	<u>\$ (764,870)</u>
<b>Other Financing Sources (Uses)</b>					
Notes Issued	\$ 480,000	\$ 0	\$ 0	\$ 0	\$ 480,000
Proceeds from Sale of Capital Assets	0	0	0	939,688	939,688
Insurance Recovery	12,010	0	0	0	12,010
Transfers In	650,123	20,500	485,000	492,771	1,648,394
Transfers Out	(485,000)	0	(150,000)	(399,283)	(1,034,283)
Total Other Financing Sources (Uses)	<u>\$ 657,133</u>	<u>\$ 20,500</u>	<u>\$ 335,000</u>	<u>\$ 1,033,176</u>	<u>\$ 2,045,809</u>
Net Change in Fund Balances	\$ 602,306	\$ 188,866	\$ 1,086,234	\$ (596,467)	\$ 1,280,939
Change to or Within the Reporting Entity	0	0	2,859,989	(2,859,989)	0
Fund Balance, July 1, 2024	<u>15,018,712</u>	<u>1,012,115</u>	<u>0</u>	<u>7,497,786</u>	<u>23,528,613</u>
Fund Balance, June 30, 2025	<u>\$ 15,621,018</u>	<u>\$ 1,200,981</u>	<u>\$ 3,946,223</u>	<u>\$ 4,041,330</u>	<u>\$ 24,809,552</u>

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

**BENTON COUNTY, TENNESSEE**
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended June 30, 2025**

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

Net change in fund balances - total governmental funds (Exhibit C-3)		\$	1,280,939
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:			
Add: capital assets purchased in the current period	\$	3,084,929	
Less: current-year depreciation expense		<u>(1,528,683)</u>	1,556,246
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.			
Less: proceeds received on disposal of capital assets			(657,500)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Add: deferred delinquent property taxes and other deferred June 30, 2025	\$	531,908	
Less: deferred delinquent property taxes and other deferred June 30, 2024		<u>(584,923)</u>	(53,015)
(4) The issuance of long-term debt (e.g., bonds, notes, other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.			
Add: change in premium on debt issuances	\$	17,572	
Add: principal payments on notes		699,000	
Add: principal payments on the other loan		127,808	
Add: principal payments on bonds		235,000	
Less: note proceeds		(480,000)	
Less: change in deferred amount on refunding debt		<u>(5,481)</u>	593,899
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in accrued interest payable	\$	(21,840)	
Change in compensated absences payable		(92,133)	
Change in net pension asset		82,458	
Change in deferred outflows related to pensions		(35,899)	
Change in deferred inflows related to pensions		(157,431)	
Change in net OPEB liability		(8,618)	
Change in deferred outflows related to OPEB		1,655	
Change in deferred inflows related to OPEB		<u>7,811</u>	(223,997)
Change in net position of governmental activities (Exhibit B)		\$	<u><u>2,496,572</u></u>

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



**BENTON COUNTY, TENNESSEE**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
General Fund  
**For the Year Ended June 30, 2025**

		<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Local Taxes	\$ 6,547,818	\$ 6,858,053	\$ 6,858,053	\$ (310,235)
Licenses and Permits	35,208	23,029	23,029	12,179
Fines, Forfeitures, and Penalties	214,684	173,435	173,435	41,249
Charges for Current Services	714,779	782,713	788,712	(73,933)
Other Local Revenues	1,991,303	1,177,405	1,196,328	794,975
Fees Received From County Officials	989,845	805,497	805,497	184,348
State of Tennessee	2,880,703	2,878,808	2,972,833	(92,130)
Federal Government	87,294	6,000	9,000	78,294
Other Governments and Citizens Groups	119,863	47,000	68,400	51,463
Total Revenues	<u>\$ 13,581,497</u>	<u>\$ 12,751,940</u>	<u>\$ 12,895,287</u>	<u>\$ 686,210</u>
<b>Expenditures</b>				
General Government				
County Commission	\$ 54,188	\$ 56,563	\$ 57,263	\$ 3,075
Board of Equalization	2,260	2,392	2,392	132
Beer Board	2,124	342	342	(1,782)
Other Boards and Committees	0	3,051	3,051	3,051
County Mayor/Executive	497,437	472,458	591,831	94,394
County Attorney	24,489	30,000	30,000	5,511
Election Commission	209,307	216,343	230,415	21,108
Register of Deeds	218,396	220,146	220,146	1,750
County Buildings	2,286,834	405,697	2,336,182	49,348
Other General Administration	397,168	405,825	407,343	10,175
Finance				
Property Assessor's Office	250,924	252,015	252,015	1,091
Reappraisal Program	12,814	10,750	12,950	136
County Trustee's Office	283,658	283,035	286,485	2,827
County Clerk's Office	338,849	346,593	348,527	9,678
Administration of Justice				
Circuit Court	333,501	344,780	355,440	21,939
General Sessions Judge	199,276	199,814	204,553	5,277
Chancery Court	225,622	234,921	234,921	9,299
Juvenile Court	27,072	29,451	29,441	2,369

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
 General Fund (Cont.)

					Variance with Final Budget - Positive (Negative)
	Actual	Budgeted Amounts			
		Original	Final		
<b>Expenditures (Cont.)</b>					
Public Safety					
Sheriff's Department	\$ 2,424,236	\$ 2,732,342	\$ 2,949,107	\$	524,871
Administration of the Sexual Offender Registry	6,711	3,250	6,999		288
Jail	2,309,281	2,238,110	2,424,830		115,549
Juvenile Services	81,834	92,617	92,617		10,783
Fire Prevention and Control	2,000	2,000	2,000		0
Rural Fire Protection	196,500	204,000	204,000		7,500
Rescue Squad	20,000	20,000	20,000		0
Other Emergency Management	56,482	78,012	78,012		21,530
Inspection and Regulation	0	1,140	1,140		1,140
County Coroner/Medical Examiner	96,718	85,856	110,739		14,021
Public Health and Welfare					
Local Health Center	48,010	54,929	54,929		6,919
Rabies and Animal Control	189,753	209,441	213,340		23,587
Ambulance/Emergency Medical Services	662,000	741,912	741,912		79,912
Alcohol and Drug Programs	55,122	76,600	82,110		26,988
Regional Mental Health Center	0	2,500	2,500		2,500
Sanitation Management	71,461	61,305	71,305		(156)
Sanitation Education/Information	22,781	50,018	50,018		27,237
Other Public Health and Welfare	0	60,170	60,170		60,170
Social, Cultural, and Recreational Services					
Senior Citizens Assistance	176,081	181,816	199,914		23,833
Libraries	305,422	326,408	347,808		42,386
Parks and Fair Boards	9,599	26,627	26,627		17,028
Other Social, Cultural, and Recreational	9,029	6,780	9,029		0
Agriculture and Natural Resources					
Agricultural Extension Service	95,206	108,350	108,350		13,144
Soil Conservation	15,000	15,000	15,000		0
Other Operations					
Tourism	35,000	35,000	35,000		0
Industrial Development	7,498	30,000	30,000		22,502
Other Economic and Community Development	70,475	80,751	80,751		10,276
Airport	336,676	215,265	400,765		64,089
Veterans' Services	15,822	25,547	25,547		9,725

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
 General Fund (Cont.)

		<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Expenditures (Cont.)</b>				
Other Operations (Cont.)				
Other Charges	\$ 183,408	\$ 181,109	\$ 184,938	\$ 1,530
Contributions to Other Agencies	109,591	109,098	109,848	257
Employee Benefits	660,709	725,997	908,272	247,563
Total Expenditures	<u>\$ 13,636,324</u>	<u>12,296,126</u>	<u>\$ 15,250,874</u>	<u>\$ 1,614,550</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (54,827)</u>	<u>\$ 455,814</u>	<u>\$ (2,355,587)</u>	<u>\$ 2,300,760</u>
<b>Other Financing Sources (Uses)</b>				
Notes Issued	\$ 480,000	\$ 0	\$ 480,000	\$ 0
Insurance Recovery	12,010	0	3,829	8,181
Transfers In	650,123	56,512	56,512	593,611
Transfers Out	(485,000)	(485,000)	(485,000)	0
Total Other Financing Sources	<u>\$ 657,133</u>	<u>\$ (428,488)</u>	<u>\$ 55,341</u>	<u>\$ 601,792</u>
Net Change in Fund Balance	\$ 602,306	\$ 27,326	\$ (2,300,246)	\$ 2,902,552
Fund Balance, July 1, 2024	<u>15,018,712</u>	<u>14,179,862</u>	<u>14,179,862</u>	<u>838,850</u>
Fund Balance, June 30, 2025	<u>\$ 15,621,018</u>	<u>\$ 14,207,188</u>	<u>\$ 11,879,616</u>	<u>\$ 3,741,402</u>

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

**BENTON COUNTY, TENNESSEE**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
Highway/Public Works Fund  
**For the Year Ended June 30, 2025**

		<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Local Taxes	\$ 423,816	\$ 423,055	\$ 423,055	\$ 761
Other Local Revenues	51,290	84,094	84,094	(32,804)
State of Tennessee	3,518,437	2,560,511	2,560,511	957,926
Federal Government	42,697	0	49,725	(7,028)
Total Revenues	<u>\$ 4,036,240</u>	<u>\$ 3,067,660</u>	<u>\$ 3,117,385</u>	<u>\$ 918,855</u>
<b>Expenditures</b>				
Highways				
Administration	\$ 240,453	\$ 272,743	\$ 272,743	\$ 32,290
Highway and Bridge Maintenance	1,573,255	1,965,994	1,965,994	392,739
Operation and Maintenance of Equipment	315,568	499,010	497,157	181,589
Other Charges	84,891	87,000	88,853	3,962
Employee Benefits	402,818	455,643	455,643	52,825
Capital Outlay	1,250,889	120,000	169,725	(1,081,164)
Total Expenditures	<u>\$ 3,867,874</u>	<u>\$ 3,400,390</u>	<u>\$ 3,450,115</u>	<u>\$ (417,759)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 168,366</u>	<u>\$ (332,730)</u>	<u>\$ (332,730)</u>	<u>\$ 501,096</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	\$ 20,500	\$ 20,500	\$ 20,500	\$ 0
Total Other Financing Sources	<u>\$ 20,500</u>	<u>\$ 20,500</u>	<u>\$ 20,500</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 188,866	\$ (312,230)	\$ (312,230)	\$ 501,096
Fund Balance, July 1, 2024	<u>1,012,115</u>	<u>890,335</u>	<u>890,335</u>	<u>121,780</u>
Fund Balance, June 30, 2025	<u>\$ 1,200,981</u>	<u>\$ 578,105</u>	<u>\$ 578,105</u>	<u>\$ 622,876</u>

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

**BENTON COUNTY, TENNESSEE**  
**Statement of Net Position - Proprietary Fund**  
**June 30, 2025**

	<b>Business-type Activities</b> <hr/> <b>Major Enterprise Fund</b> <hr/> Benton County Electric System
<b>ASSETS</b>	
Current Assets:	
Cash	\$ 7,178,475
Inventories	651,750
Accounts Receivable	2,892,388
Allowance for Uncollectibles	(6,322)
Prepaid Items	3,755,070
Total Current Assets	<u>\$ 14,471,361</u>
Noncurrent Assets:	
Restricted Cash, Cash Equivalents, and Investments on Deposit	\$ 678,002
Deferred Charges - Debt Issuance Costs	56,423
Notes Receivable	532
Net Pension Asset - Agent Plan - Tennessee Consolidated Retirement System Plan	61,144
Capital Assets:	
Assets Not Depreciated:	
Land	164,652
Construction in Progress	339,250
Assets Net of Accumulated Depreciation:	
Other Capital Assets	28,175,863
Total Noncurrent Assets	<u>\$ 29,475,866</u>
Total Assets	<u>\$ 43,947,227</u>
<b>DEFERRED OUTFLOWS</b>	
Pension Changes in Experience - Central Service Association Plan	\$ 195,579
Pension Changes in Experience - Tennessee Consolidated Retirement System Plan	353,533
Pension Changes in Investment Earnings - Central Service Association Plan	30,332
Pension Changes in Assumptions - Central Service Association Plan	2,454
Pension Changes in Assumptions - Tennessee Consolidated Retirement System Plan	140,357
Pension Contributions After Measurement Date - Central Service Association Plan	302,714
Pension Contributions After Measurement Date - Tennessee Consolidated Retirement System Plan	207,785
OPEB Changes in Experience	93,318
OPEB Changes in Assumptions	302,917
Total Deferred Outflows	<u>\$ 1,628,989</u>

(Continued)

**BENTON COUNTY, TENNESSEE****Statement of Net Position - Proprietary Fund (Cont.)****Business-type  
Activities****Major  
Enterprise  
Fund**Benton County  
Electric System**LIABILITIES**

## Current Liabilities:

Accounts Payable	\$ 3,296,140
Accrued Payroll	38,894
Accrued Leave - Current	287,324
Other Current Liabilities	10,115
Customer Deposits Payable	2,110,406
Current Liabilities Payable from Restricted Assets:	
Accrued Interest Payable	7,039
Revenue Bonds Payable - Current	465,000
Total Current Liabilities	<u>\$ 6,214,918</u>

## Noncurrent Liabilities:

Advances from Home Insulation Program	\$ 934
Accrued Leave - Long-term	861,972
Debt Premium	4,578
Revenue Bonds Payable - Long-term	2,545,000
Net OPEB Liability	883,997
Net Pension Liability - Central Service Association Plan	1,947,927
Total Noncurrent Liabilities	<u>\$ 6,244,408</u>
Total Liabilities	<u>\$ 12,459,326</u>

**DEFERRED INFLOWS**

Pension Changes in Experience - Central Service Association Plan	\$ 122,536
Pension Changes in Experience - Tennessee Consolidated Retirement System Plan	15,658
Pension Changes in Investment Earnings - Tennessee Consolidated Retirement System Plan	107,350
OPEB Changes in Experience	557,369
OPEB Changes in Assumptions	121,399
Total Deferred Inflows	<u>\$ 924,312</u>

**NET POSITION**

Net Investment in Capital Assets	\$ 25,665,187
Restricted for Debt Service	670,963
Restricted for Pensions	61,144
Unrestricted	<u>5,795,284</u>
Total Net Position	<u>\$ 32,192,578</u>

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

**BENTON COUNTY, TENNESSEE****Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund****For the Year Ended June 30, 2025**

	<b>Business-type Activities</b> <hr/> <b>Major Enterprise Fund</b> <hr/> Benton County Electric System
<b>Operating Revenues</b>	
Sale of Electric Energy	\$ 28,346,797
Forfeited Discounts	106,248
Rent from Electric Property	631,934
Other Electric Revenue	132,753
Miscellaneous Service Revenue	63,675
Total Operating Revenues	<hr/> \$ 29,281,407 <hr/>
<b>Operating Expenses</b>	
Purchased Power	\$ 18,258,259
Distribution Expense:	
Station Expense	38,527
Overhead Line Expense	249,876
Meter Expense	127,213
Miscellaneous	585,134
Rents	18,188
Customer Accounts Expense:	
Meter Reading Expense	48,750
Customer Records and Collection	641,209
Sales Expenses:	
Customer Assistance Expense	43,607
Demonstration and Selling Expense	54,196
Administrative Expenses:	
Salaries	568,811
Office Supplies and Expense	224,697
Outside Services Employed	130,685
Insurance	71,053
Injuries and Damages	264,787
Employee Pension and Benefits	1,376,196
General Advertising	13,025
Miscellaneous	99,389

(Continued)

**BENTON COUNTY, TENNESSEE****Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund (Cont.)**

	<b>Business-type Activities</b> <hr/> <b>Major Enterprise Fund</b> <hr/> Benton County Electric System
<b>Operating Expenses (Cont.)</b>	
Maintenance Expenses:	
Station Equipment	\$ 50,492
Overhead Lines	1,493,947
Underground Lines	23,300
Line Transformers	19,287
Street Lights and Signal System	24,895
Meters	39,105
Security Lighting	58,644
General Plant and Equipment	129,636
Depreciation and Amortization	1,929,083
Taxes and Tax Equivalents	275,545
Total Operating Expenses	<u>\$ 26,857,536</u>
Operating Income	<u>\$ 2,423,871</u>
<b>Nonoperating Revenues (Expenses)</b>	
Investment Income	\$ 370,780
Donations	(4,490)
Interest Expense	(92,457)
Amortization of Debt Expense	(10,107)
Total Nonoperating Revenues (Expenses)	<u>\$ 263,726</u>
Income (Loss) Before Transfers	\$ 2,687,597
Transfers Out	<u>(614,111)</u>
Change in Net Position	<u>\$ 2,073,486</u>
Net Position, July 1, 2024	<u>30,119,092</u>
Net Position, June 30, 2025	<u><u>\$ 32,192,578</u></u>

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



**BENTON COUNTY, TENNESSEE**  
**Statement of Cash Flows - Proprietary Fund**  
**For the Year Ended June 30, 2025**

	<b>Business-type</b> <b>Activities</b> <b>Major</b> <b>Enterprise</b> <b>Fund</b> Benton County Electric System
<b>Cash Flows from Operating Activities</b>	
Receipts from Customers and Users	\$ 28,870,414
Payments to Suppliers	(22,131,963)
Payments to Employees and for Employee Benefits	(1,945,007)
Payments for in-Lieu-of Tax Payments	(275,545)
Customer Deposits Received	493,684
Customer Deposits Refunded	(161,818)
Net Cash Provided By (Used In) Operating Activities	<u>\$ 4,849,765</u>
<b>Cash Flows from Capital and Related Financing Activities</b>	
Construction and Acquisition of Plant	\$ (2,082,665)
Plant Removal Cost	(269,364)
Materials Salvaged from Retirements	40,059
Principal Paid on Bonds	(455,000)
Interest Paid on Bonds	(93,436)
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>\$ (2,860,406)</u>
<b>Cash Flows from Noncapital Financing Activities</b>	
Repayment of TVA Advances	\$ (9,415)
Donations	(4,490)
Transfers to Other Funds	(614,111)
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>\$ (628,016)</u>
<b>Cash Flows from Investing Activities</b>	
Collection of Notes Receivable	\$ 8,709
Interest Earned	370,780
Net Cash Provided By (Used In) Investing Activities	<u>\$ 379,489</u>
Net Increase (Decrease) in Cash	\$ 1,740,832
Cash, July 1, 2024	<u>6,115,645</u>
Cash, June 30, 2025	<u><u>\$ 7,856,477</u></u>

(Continued)

**BENTON COUNTY, TENNESSEE****Statement of Cash Flows - Proprietary Fund (Cont.)**

	<b>Business-type Activities</b> <hr/> <b>Major Enterprise Fund</b> <hr/> Benton County Electric System
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities</b>	
Operating Income	\$ 2,423,871
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Change in Pension and OPEB Related Deferred Inflows and Outflows	1,392,227
Depreciation Expense	1,929,083
Changes in Assets and Liabilities:	
(Increase) Decrease in Inventories	108,618
(Increase) Decrease in Accounts Receivable	(410,993)
(Increase) Decrease in Prepaid Items	51,825
Increase (Decrease) in Accounts Payable and Other Current Liabilities	285,927
Increase (Decrease) in Customer Deposits	331,866
(Increase) Decrease in Net Pension Asset	(42,149)
Increase (Decrease) in Net Pension Liability	(826,675)
Increase (Decrease) in Net OPEB Liability	(393,835)
Net Cash Provided By (Used In) Operating Activities	<u>\$ 4,849,765</u>
<b>Reconciliation of Cash With the Statement of Net Position</b>	
Cash Per Net Position	\$ 7,178,475
Other Restricted Assets Per Net Position	<u>678,002</u>
Cash, June 30, 2025	<u>\$ 7,856,477</u>

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

**BENTON COUNTY, TENNESSEE**  
**Statement of Net Position - Fiduciary Funds**  
**June 30, 2025**

	<u><b>Custodial Funds</b></u>
<b>ASSETS</b>	
Cash	\$ 1,746,016
Equity in Pooled Cash and Investments	109,180
Accounts Receivable	509
Due from Other Governments	442,357
Total Assets	<u>\$ 2,298,062</u>
<b>LIABILITIES</b>	
Due to Other Taxing Units	\$ 549,103
Total Liabilities	<u>\$ 549,103</u>
<b>NET POSITION</b>	
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 1,748,959</u>
Total Net Position	<u><u>\$ 1,748,959</u></u>

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

**BENTON COUNTY, TENNESSEE**  
**Statement of Changes in Net Position - Fiduciary Funds**  
**For the Year Ended June 30, 2025**

	<u>Custodial Funds</u>
<b>ADDITIONS</b>	
Sales Tax Collections for Other Governments	\$ 2,533,723
Fines/Fees and Other Collections	5,030,583
Total Additions	<u>\$ 7,564,306</u>
<b>DEDUCTIONS</b>	
Payment of Sales Tax Collections to Other Governments	\$ 2,533,723
Payments to State	2,502,028
Payments to Cities, Individuals, and Others	2,382,684
Total Deductions	<u>\$ 7,418,435</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ 145,871
Net Position, July 1, 2024	<u>1,603,088</u>
Net Position, June 30, 2025	<u><u>\$ 1,748,959</u></u>

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

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## BENTON COUNTY, TENNESSEE

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**BENTON COUNTY, TENNESSEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2025**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

**A. *Reporting Entity***

Benton County is a public municipal corporation governed by an elected 18-member board. As required by GAAP, these financial statements present Benton County (the primary government) and its component units. The financial statements of the Benton County Emergency Communications District and the Industrial Development Board of the County of Benton, component units requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of the omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

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

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

The Industrial Development Board of the County of Benton was formed as an operating agency and instrumentality of Benton County for the purpose of acquiring and developing land for industrial development in the county. The Benton County Commission appoints five members of the nine-member board. The other members are permanent members and consist of the county mayor, the chairman of the Chamber of Commerce, and the mayors of the cities of Big Sandy and Camden. The financial statements of the Industrial Development Board of the County of Benton were not material to the component units' opinion unit and therefore have been omitted from this report.

The Benton County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the school department are included in this report as listed in the table of contents. Complete financial statements of the Benton County Emergency

Communications District and the Industrial Development Board of the County of Benton can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

Benton County Emergency  
Communications District  
P.O. Box 755  
Camden, TN 38320

Industrial Development Board of  
the County of Benton  
11035 New Hope Road  
Big Sandy, TN 38221

***B. Government-wide and Fund Financial Statements***

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

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

Benton County issues all debt for the discretely presented Benton County School Department. There were no debt issues contributed by the county to the school department during the year ended June 30, 2025.

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

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

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

Fund financial statements of Benton County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows of resources, liabilities, deferred inflows of

resources, fund balance/fund net position, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. Benton County reports one proprietary fund, a major enterprise fund.

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

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

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

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

Benton County reports the following major governmental funds:

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

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

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



Benton County reports the following major proprietary fund:

**Benton County Electric System Fund** – This fund accounts for the operations of the electric system.

Additionally, Benton County reports the following fund types:

**Capital Projects Funds** – These funds account for the financial resources to be used for the acquisition or construction of major capital projects.

**Custodial Funds** – These funds account for amounts collected in a custodial capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Benton County, and assets held in custody for a rural fire department.

The discretely presented Benton County School Department reports the following major governmental fund:

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

Additionally, the school department reports the following fund type:

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

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. To be consistent with the prior year's reporting, the FY 24 balances for the Internal School Fund are presented in this report. Using the prior year balances will not affect the independent auditor's opinion on the Aggregate Discretely Presented Component Units. A more detailed reporting of the fund activities at each individual school may be found on the [Tennessee Comptroller of the Treasury's website](#).

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

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

**1. Deposits and Investments**

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

The county trustee maintains a cash and internal investment pool that is used by all funds (excluding the Benton County Electric System Fund, enterprise fund) and the discretely presented Benton County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General Fund. Benton County (excluding the Benton County Electric System Fund, enterprise fund) and the school department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost.

Investments in the State Treasurer's Investment Pool are reported at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Investment Pool complied with accounting principles generally accepted in the United States of America.

Investments in the State Treasurer's Intermediate Term Investment Fund are reported at amortized cost using a floating net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Intermediate Term Investment Fund complied with accounting principles generally accepted in the United States of America. Benton County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value.

## **2. Receivables and Payables**

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

All property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to .86 percent of total taxes levied.

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

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

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

### **3. Restricted Assets**

Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of the discretely presented Benton County School Department's Teacher Retirement Plan. The purpose of this trust is to accumulate funds to provide stabilization (smoothing) of retirement costs to the school system in times of fluctuating investment returns and market downturns. These funds are held and invested by TCRS pursuant to an irrevocable agreement and may only be used for the benefit of the Benton County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Benton County School Department has not withdrawn any funds from the trust to pay pension cost. Trust documents provide that the funds are not subject to the claims of general creditors of the school department.

### **4. Capital Assets**

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental and business-type columns in the government-wide financial statements. Capital assets are defined by the government (excluding the Benton County Electric System Fund, enterprise fund) as assets with an initial, individual cost of \$10,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

Property, plant, equipment, and infrastructure of the primary government (excluding the Benton County Electric System Fund, enterprise fund) and the discretely presented school department are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building and Improvements	7 - 40
Land Improvements	20 - 30
Vehicles	5 - 10
Other Capital Assets	5 - 20
Infrastructure:	
Roads	8 - 20
Bridges	15 - 30

## 5. **Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position. These items are for a deferred charge on refunding, pension and OPEB changes in experience, pension and OPEB changes in assumptions, pension and OPEB changes in proportionate share, and employer contributions made to the pension and OPEB plans after the measurement date. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

## 6. **Compensated Absences**

It is the county's policy (excluding the highway department and the Benton County Electric System Fund, enterprise fund) to permit employees to accumulate earned but unused vacation pay benefits up to 24 days and compensatory time up to 24 hours. It is the county, highway department, and discretely presented Benton County School Department's policies to permit employees to accumulate earned but unused sick pay benefits. The county limits the accumulation of sick pay benefits to 120 days. All vacation pay benefits and compensatory time are accrued when incurred in the government-wide financial statements for the county. Only a portion of the unpaid accumulated sick leave is accrued. The criteria for accrual includes a "more likely than not," to be used or paid. Since Benton County, the highway department, and the discretely presented school department do not have policies to pay any amounts when employees separate from service with the government, only the portion of sick leave "more likely than not" expected to be used is accrued in the government-wide financial statements. Sick leave expected to be credited to TCRS service is not accrued. A liability for

vacation pay benefits, compensatory time, or sick leave benefits is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements and payable under the applicable policies.

## **7. Long-term Debt and Long-term Obligations**

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

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

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

## **8. Net Position and Fund Balance**

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

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

The government-wide Statement of Net Position reports \$4,557,947 of restricted net position, in governmental activities for the primary government, of which \$1,161,923 is restricted by enabling legislation.

As of June 30, 2025, Benton County had \$2,445,985 of outstanding debt for capital purposes for the discretely presented Benton County School Department. This debt is a liability of Benton County, but the capital assets acquired are reported in the financial statements of the

school department. Therefore, Benton County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

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

These classifications may consist of the following:

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

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

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

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

Unassigned Fund Balance – the residual classification of the General and General Purpose School funds. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General and General Purpose School funds. In the other governmental funds, funds expended that exceed the amounts that are restricted, committed, and assigned are reported as negative unassigned fund balance.

## **9. Restatements**

With the implementation of GASB Statement 101, *Compensated Absences*, Benton County must recognize restatements to the beginning net position in the Government-wide financial statements for the primary government and the discretely presented Benton County School Department to record compensated absences liabilities. A restatement of (\$7,235) has been presented to reflect the beginning balance of the primary government and (\$98,261) for the discretely presented Benton County School Department. The following table reflects the restatement amounts necessary to implement this standard:

	Government Wide - Governmental Activities	
	Primary Government	Discretely Presented Benton County School Department
Net Position, as previously reported	\$ 32,311,690	\$ 35,023,440
Adjustments for GASB 101 Implementation:		
Compensated Absences Liability	(7,235)	(98,261)
Net Change in Beginning Net Position	\$ (7,235)	\$ (98,261)
Net Position, June 30, 2024 Restated	\$ 32,304,455	\$ 34,925,179

#### 10. **Changes To or Within the Financial Reporting Entity**

##### **Changes in Major Fund Classification (Column A)**

Fund classifications are evaluated annually in accordance with the criteria established in GASB Statement No. 34. During fiscal year 2025, the following funds experienced changes in major fund status:

The General Debt Service Fund met the criteria for major fund classification and is presented as a major governmental fund. The prior-year amount, previously included within the Nonmajor Governmental Funds column, has been restated to reflect this fund as major.

In the discretely presented Benton County School Department, the School Federal Projects Fund no longer met the quantitative threshold and is presented as a nonmajor governmental fund. The prior-year amount has been restated to reflect the fund within the Nonmajor Governmental Funds column.

These presentation changes are reported retrospectively in accordance with GASB Statement No. 100 and do not affect the previously reported total governmental fund balances or changes in fund balances.



	7-1-24 As Previously Reported	Change To or Within the Financial Reporting Entity (A)	7-1-24 As Restated
<b>Primary Government</b>			
Governmental Funds			
Major Fund:			
General Debt Service	\$ 0	\$ 2,859,989	\$ 2,859,989
Nonmajor Funds	7,497,786	(2,859,989)	4,637,797
Total Governmental Funds	<u>\$ 7,497,786</u>	<u>\$ 0</u>	<u>\$ 7,497,786</u>
<b>Discretely Presented</b>			
<b>Benton County School Department</b>			
Major Fund:			
School Federal Projects	\$ 218,337	\$ (218,337)	\$ 0
Nonmajor Funds	1,758,096	218,337	1,976,433
Total Governmental Funds Discretely Presented Benton County School Department	<u>\$ 1,976,433</u>	<u>\$ 0</u>	<u>\$ 1,976,433</u>

#### ***E. Pension Plans***

##### **Primary Government**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Benton County's participation in the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Benton County's fiduciary net position have been determined on the same basis as they are reported by the TCRS for the Public Employee Pension Plan. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employee Pension Plan of TCRS. Investments are reported at fair value.

##### **Discretely Presented Benton County School Department**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teacher Retirement Plan and the Teacher Legacy Pension Plan in the Tennessee Consolidated Retirement System, and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the TCRS. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Teacher Retirement Plan and the Teacher Legacy Pension Plan. Investments are reported at fair value.

#### ***F. Other Postemployment Benefit (OPEB) Plans***

##### **Primary Government – Benton County Highway Department**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, have been determined on the same basis as they are reported by the Benton County Highway Department. For this purpose, the highway department



recognizes benefit payments when due and payable in accordance with benefit terms. The highway department's OPEB plan is not administered through a trust.

#### **Discretely Presented Benton County School Department**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, have been determined on the same basis as they are reported by the discretely presented Benton County School Department. For this purpose, the school department recognizes benefit payments when due and payable in accordance with benefit terms. The school department's OPEB plan is not administered through a trust.

## **II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

### **A. *Explanation of certain differences between the governmental fund Balance Sheet and the government-wide Statement of Net Position***

#### **Primary Government**

Exhibit C-2 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Position.

#### **Discretely Presented Benton County School Department**

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

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

#### **Primary Government**

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

#### **Discretely Presented Benton County School Department**

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

## **III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

### **A. *Budgetary Information***

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

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

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

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

#### ***B. Expenditures Exceeded Appropriations***

Expenditures exceeded total appropriations approved by the county commission in the Highway/Public Works Fund by \$417,759.

Expenditures exceeded appropriations approved by the county commission in the following major appropriation categories (the legal level of control) of the following funds:

<u>Fund/Major Appropriation Category</u>	<u>Amount Overspent</u>
General:	
General Government - Beer Board	\$ 1,782
Public Health and Welfare - Sanitation Management	156
Drug Control:	
Public Safety - Other Charges	9
Other General Government:	
Other Operations - Other Charges	7,500
Other Special Revenue:	
Other Operations - Other Charges	389

Expenditure that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by available fund balances.

### **IV. DETAILED NOTES ON ALL FUNDS**

#### ***A. Deposits and Investments***

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

## Deposits

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

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

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

## Investments

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

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

**Investment Balances.** As of June 30, 2025, Benton County had the following investments carried at amortized cost using a stable net asset value. All investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Benton County (excluding the Benton County Electric System Fund, enterprise fund) and the discretely presented Benton County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity	Maturities	Fair Value or Amortized Cost
Investments at Amortized Cost:			
State Treasurer's Investment Pool	1 to 45 days	N/A	\$ 3,388,775
Investments at Fair Value:			
Federal Home Loan Bank	N/A	11-5-26	1,999,660
U.S. Treasury Bills	N/A	7-29-25	1,495,155
U.S. Treasury Notes	N/A	3-31-26 to 11-5-26	<u>3,447,645</u>
Total			<u>\$ 10,331,235</u>

Investment by Fair Value Level	Fair Value 6-30-25	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Federal Home Loan Bank	\$ 1,999,660	\$ 1,999,660	\$ 0	\$ 0
U.S. Treasury Bills	1,495,155	1,495,155	0	0
U.S. Treasury Notes	3,447,645	3,447,645	0	0
Total	<u>\$ 6,942,460</u>	<u>\$ 6,942,460</u>	<u>\$ 0</u>	<u>\$ 0</u>

Fair value investments classified at Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fair value investments classified as Level 2 of the fair value hierarchy

are valued using the active market rates for the underlying securities. Fair value investments classified as Level 3 of the fair value hierarchy are valued using non-observable inputs

**Interest Rate Risk.** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State statutes limit the maturities of certain investments as previously disclosed. Benton County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk.** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments as previously explained. Benton County has no investment policy that would further limit its investment choices. As of June 30, 2025, Benton County's investment in the State Treasurer's Investment Pool was unrated.

Further information concerning the legal provisions, investment policies, investment types, and credit risks for the State Treasurer's Investment Pool and the State Treasurer's Intermediate Term Investment Fund can be obtained by reviewing the [State of Tennessee Annual Comprehensive Financial Report](#).

### TCRS Stabilization Trust

**Legal Provisions.** The Benton County School Department is a member of the Tennessee Consolidated Retirement System (TCRS) Stabilization Reserve Trust. The school department has placed funds into the irrevocable trust as authorized by statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the trust. Funds of trust members are held and invested in the name of the trust for the benefit of each member. Each member's funds are restricted for the payment of retirement benefits of that member's employees. Trust funds are not subject to the claims of general creditors of the school department.

The trust is authorized to make investments as directed by the TCRS Board of Trustees. The Benton County School Department may not impose any restrictions on investments placed by the trust on their behalf. It is the intent of the plan trustees to allocate these funds in the future to offset pension costs.

On June 30, 2025, the Benton County School Department had the following investments held by the trust on its behalf. These funds are recognized as restricted assets in the General Purpose School Fund of the school department.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 95,887
Developed Market International Equity	N/A	N/A	43,304
Emerging Market International Equity	N/A	N/A	12,373
U.S. Fixed Income	N/A	N/A	61,863
Real Estate	N/A	N/A	30,931
Short-term Securities	N/A	N/A	3,093
NAV - Private Equity and Strategic Lending	N/A	N/A	61,863
Total			<u>\$ 309,314</u>

For further information concerning the legal provisions, investment policies, investment types, and credit risks of the school department's investments with the TCRS Stabilization Reserve Trust, audited

financial statements of the Tennessee Consolidated Retirement System may be obtained on the [Tennessee Department of Treasury website](#).

**B. Capital Assets**

Capital assets activity for the year ended June 30, 2025, was as follows:

**Primary Government**

**Governmental Activities:**

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	\$ 1,312,723	\$ 65,546	\$ 0	\$ 1,378,269
Construction in Progress	0	60,633	0	60,633
Total Capital Assets Not Depreciated	<u>\$ 1,312,723</u>	<u>\$ 126,179</u>	<u>\$ 0</u>	<u>\$ 1,438,902</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 15,933,957	\$ 2,585,014	\$ (750,000)	\$ 17,768,971
Infrastructure	21,461,532	0	0	21,461,532
Other Capital Assets	10,737,766	373,736	(224,047)	10,887,455
Total Capital Assets Depreciated	<u>\$ 48,133,255</u>	<u>\$ 2,958,750</u>	<u>\$ (974,047)</u>	<u>\$ 50,117,958</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 8,936,432	\$ 534,588	\$ (92,500)	\$ 9,378,520
Infrastructure	16,463,945	504,430	0	16,968,375
Other Capital Assets	9,332,321	489,665	(224,047)	9,597,939
Total Accumulated Depreciation	<u>\$ 34,732,698</u>	<u>\$ 1,528,683</u>	<u>\$ (316,547)</u>	<u>\$ 35,944,834</u>
Total Capital Assets Depreciated, Net	<u>\$ 13,400,557</u>	<u>\$ 1,430,067</u>	<u>\$ (657,500)</u>	<u>\$ 14,173,124</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 14,713,280</u></u>	<u><u>\$ 1,556,246</u></u>	<u><u>\$ (657,500)</u></u>	<u><u>\$ 15,612,026</u></u>

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

**Governmental Activities:**

General Administration	\$ 380,322
Finance	2,240
Administration of Justice	28,187
Public Safety	561,716
Public Health and Welfare	38,546
Social, Cultural, and Recreational Services	38,386
Highways/Public Works	<u>479,286</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 1,528,683</u></u>

**Net Investment in Capital Assets**

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Capital Assets	\$ 15,612,026
Less:	
Outstanding principal of capital debt and other capital borrowings	(4,445,000)
Unamortized balance of original issue premiums on outstanding capital-related debt	<u>(148,777)</u>
Net Investment in Capital Assets	<u><u>\$ 11,018,249</u></u>

## Discretely Presented Benton County School Department

### Governmental Activities:

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	\$ 507,205	\$ 0	\$ 0	\$ 507,205
Total Capital Assets Not Depreciated	<u>\$ 507,205</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 507,205</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 25,200,712	\$ 1,899,280	\$ (68,890)	\$ 27,031,102
Other Capital Assets	6,983,017	1,418,673	(39,397)	8,362,293
Total Capital Assets Depreciated	<u>\$ 32,183,729</u>	<u>\$ 3,317,953</u>	<u>\$ (108,287)</u>	<u>\$ 35,393,395</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 15,388,506	\$ 636,822	\$ (53,676)	\$ 15,971,652
Other Capital Assets	2,971,128	500,843	(20,058)	3,451,913
Total Accumulated Depreciation	<u>\$ 18,359,634</u>	<u>\$ 1,137,665</u>	<u>\$ (73,734)</u>	<u>\$ 19,423,565</u>
Total Capital Assets Depreciated, Net	<u>\$ 13,824,095</u>	<u>\$ 2,180,288</u>	<u>\$ (34,553)</u>	<u>\$ 15,969,830</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 14,331,300</u></u>	<u><u>\$ 2,180,288</u></u>	<u><u>\$ (34,553)</u></u>	<u><u>\$ 16,477,035</u></u>

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

### Governmental Activities:

Instruction	\$ 842,187
Support Services	278,330
Operation of Non-instructional Services	<u>17,148</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 1,137,665</u></u>



### C. *Interfund Receivables, Payables, and Transfers*

The composition of interfund balances as of June 30, 2025, was as follows:

#### **Due to/from Other Funds:**

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	\$ 74,295
Nonmajor governmental	"	342,771

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

The receivables in the General and General Capital Projects funds totaling \$56,512 and \$131,748, respectively, were in transit from the Other General Government Fund on June 30, 2025. The receivable in the General Capital Projects Fund totaling \$211,023 was in transit from the Capital Projects Public Improvement Fund on June 30, 2025.

#### **Interfund Transfers:**

Interfund transfers for the year ended June 30, 2025, consisted of the following amounts:

#### **Primary Government**

Transfers Out	General Fund	Highway/ Public Works Fund	General Debt Service Fund	Nonmajor governmental funds	Purpose
Benton County Electric System Fund	\$ 593,611	\$ 20,500	\$ 0	\$ 0	Payment in-lieu-of taxes
General Fund	0	0	485,000	0	Debt retirement
General Debt Service Fund	0	0	0	150,000	Capital outlay
Nonmajor governmental funds	0	0	0	342,771	"
"	56,512	0	0	0	"
Total	<u>\$ 650,123</u>	<u>\$ 20,500</u>	<u>\$ 485,000</u>	<u>\$ 492,771</u>	

## Discretely Presented Benton County School Department

Transfer Out	Transfers In		Purpose
	General Purpose School Fund	Nonmajor governmental funds	
General Purpose School Fund	\$ 0	\$ 280,000	Cash flow funds
Nonmajor governmental funds	1,000	0	Indirect costs
Total	\$ 1,000	\$ 280,000	

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

### D. Long-term Debt

#### Primary Government (Excluding the Benton County Electric System Fund, Enterprise Fund)

##### General Obligation Bonds, Notes, and Other Loans

**General Obligation Bonds** - Benton County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of 15 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2025, will be retired from the General Debt Service Fund.

**Direct Borrowing and Direct Placements** – Benton County issues other loans to provide funds for the acquisition and construction of major capital facilities and other capital outlay purchases, such as equipment, for the primary government and the discretely presented school department. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes and the other loan outstanding were issued for original terms of up to 12 years for notes and 17 years for the other loan. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. Capital outlay notes and the other loan included in long-term debt as of June 30, 2025, will be retired from the General Debt Service Fund.

General obligation bonds, capital outlay notes, and the other loan outstanding as of June 30, 2025, for governmental activities are as follows:

Type	Interest Rate		Final Maturity	Original Amount of Issue	Balance 6-30-25
General Obligation Bonds -					
Refunding	2 to 2.75	%	9-1-32	\$ 3,615,000	\$ 2,070,000
Direct Borrowing and Direct Placement:					
Capital Outlay Notes	1.3867 to 7.5		6-1-34	5,680,000	3,372,000
Other Loans - Fixed rate	1.5		2-1-36	1,989,061	1,448,985

During the 2019-20 year, Benton County entered into an agreement with the Tennessee Energy Efficient Schools Council to receive funding from the Energy Efficient Schools Initiative program. Under this agreement, the authority made \$1,989,061 available to loan to Benton County to fund a project to increase energy efficiency in the Benton County school system. The loan is payable at an interest rate of 1.5 percent.

The annual requirements to amortize all general obligation bonds, notes, and the other loan outstanding as of June 30, 2025, including interest payments, are presented in the following tables:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2026	\$ 240,000	\$ 47,013	\$ 287,013
2027	245,000	42,010	287,010
2028	250,000	36,594	286,594
2029	255,000	30,913	285,913
2030	260,000	24,794	284,794
2031-2033	820,000	33,390	853,390
Total	\$ 2,070,000	\$ 214,714	\$ 2,284,714

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2026	\$ 570,312	\$ 109,085	\$ 679,397
2027	587,361	88,178	675,539
2028	609,013	66,326	675,339
2029	513,314	44,936	558,250
2030	357,000	23,979	380,979
2031-2034	735,000	33,041	768,041
Total	\$ 3,372,000	\$ 365,545	\$ 3,737,545

Year Ending June 30	Other Loan - Direct Placement		
	Principal	Interest	Total
2026	\$ 127,312	\$ 20,672	\$ 147,984
2027	129,234	18,750	147,984
2028	131,181	16,803	147,984
2029	133,163	14,821	147,984
2030	135,170	12,814	147,984
2031-2035	707,082	32,838	739,920
2036	85,843	399	86,242
Total	<u>\$ 1,448,985</u>	<u>\$ 117,097</u>	<u>\$ 1,566,082</u>

There is \$3,946,223 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$130, based on the 2020 federal census. Total debt per capita, including bonds, notes, the other loan, and unamortized debt premiums, totaled \$444 based on the 2020 federal census.

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

#### Discretely Presented Benton County School Department

Description of Debt	Outstanding 6-30-25
<b>Other Loan Payable -</b>	
<b>Contributions from the General Purpose School Fund</b>	
Energy Efficient School Initiative	<u>\$ 1,448,985</u>
Total	<u><u>\$ 1,448,985</u></u>

#### Changes in Long-term Debt

Long-term debt activity for the primary government (excluding the Benton County Electric System Fund, enterprise fund) for the year ended June 30, 2025, was as follows:

Governmental Activities:			
	Bonds	Notes - Direct Placement	Other Loans - Direct Placement
Balance, July 1, 2024	\$ 2,305,000	\$ 3,591,000	\$ 1,576,793
Additions	0	480,000	0
Reductions	(235,000)	(699,000)	(127,808)
Balance, June 30, 2025	<u>\$ 2,070,000</u>	<u>\$ 3,372,000</u>	<u>\$ 1,448,985</u>
Balance Due Within One Year	<u>\$ 240,000</u>	<u>\$ 570,312</u>	<u>\$ 127,312</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2025	\$ 6,890,985
Add: Unamortized Premium on Debt	148,777
Less: Balance Due Within One Year - Debt	<u>(937,624)</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u><u>\$ 6,102,138</u></u>

**E. Long-term Obligations**

**Primary Government**

**Changes in Long-term Obligations**

Long-term obligations activity for the year ended June 30, 2025, was as follows:

<b>Governmental Activities:</b>	Compensated Absences*	Net OPEB Liability
Balance, July 1, 2024	\$ 196,828	\$ 38,903
Additions	92,133	12,669
Reductions	0	(4,051)
	<u>288,961</u>	<u>47,521</u>
Balance, June 30, 2025	<u>\$ 288,961</u>	<u>\$ 47,521</u>
Balance Due Within One Year	<u>\$ 85,309</u>	<u>\$ 262</u>

\*Restated beginning balance – see Note I.D.9. The change in compensated absences is presented as a net change.

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2025	\$ 336,482
Less: Balance Due Within One Year - Other	<u>(85,571)</u>
Other Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u><u>\$ 250,911</u></u>

Compensated absences will be paid from the General Fund and the net OPEB liability will be paid from Highway/Public Works Fund.

**Discretely Presented Benton County School Department**

**Changes in Long-term Obligations**

Long-term obligations activity for the discretely presented Benton County School Department for the year ended June 30, 2025, was as follows:

<b>Governmental Activities:</b>	Compensated Absences*	Net OPEB Liability
Balance, July 1, 2024	\$ 98,261	\$ 2,874,737
Additions	8,846	337,940
Reductions	0	(342,730)
Balance, June 30, 2025	\$ 107,107	\$ 2,869,947
Balance Due Within One Year	\$ 107,107	\$ 61,870

\*Restated beginning balance – see Note I.D.9. The change in compensated absences is presented as a net change.

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2025	\$ 2,977,054
Less: Balance Due Within One Year - Other	<u>(168,977)</u>
Other Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 2,808,077</u>

The compensated absences and other postemployment benefits will be paid primarily from the General Purpose School and School Federal Projects funds.

#### ***F. On-Behalf Payments***

##### **Discretely Presented Benton County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of Benton County School Department. These payments are made by the state to the Local Education Group Insurance Plan. The plan is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2025, were \$46,532. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

## **V. OTHER INFORMATION**

### ***A. Risk Management***

#### **Employee Health Insurance**

##### **Primary Government (Excluding the Benton County Electric System Fund, Enterprise Fund)**

Benton County (except for the highway and school departments) carries commercial insurance for active employee's health insurance. Pre-65 age retirees are not allowed to remain in the program. Settled claims have not exceeded this commercial insurance coverage in any of the past three fiscal years. In addition to the commercial coverage, Benton County also chose to become self-insured and established a Health Reimbursement Account (HRA) to provide coverage to each employee for the unreimbursed deductible amounts under the commercial insurance policy.

This activity is currently being accounted for in the General Fund. All full-time employees of Benton County (except for the highway and school departments) are eligible to participate in the HRA. Pre-65 age retirees are not allowed to remain in the program. The county contributes \$133 monthly per employee to the HRA to be used by the administrator of the county's employee insurance plan to reimburse employees for the out-of-pocket costs of their deductible. This amount is based on the total deductible cost per employee and the maximum that an employee can draw from the HRA is \$1,000 per year. The county has no risks beyond the amounts paid into the HRA. Claims liabilities are established based on estimates of the ultimate cost of claims that have been reported but not settled. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

	Beginning of Fiscal Year Liability	Current Year Claims and Estimates	Payments	Balance at Fiscal Year-End
2023-24	\$ 0	\$ 131,124	\$ 131,124	\$ 0
2024-25	0	112,957	112,957	0

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

#### **Discretely Presented Benton County School Department**

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

#### **Liability, Property, Casualty, and Workers' Compensation Insurance**

Benton County (excluding the Benton County Electric System Fund, enterprise fund) and the discretely presented school department participate in the Tennessee Risk Management Trust (TN-RMT), which is a public entity risk pool created under the auspices of the Tennessee Governmental Tort Liability Act to provide governmental insurance coverage. The government pays annual premiums to the TN-RMT for its general liability, property, casualty, and workers' compensation insurance coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

#### **B. Accounting Changes**

GASB Statement No. 101, *Compensated Absences*, became effective for the fiscal year ending June 30, 2025. This statement updates the recognition and measurement guidance for compensated absences under a unified model and amends certain previously required disclosures.

GASB Statement No. 102, *Certain Risk Disclosures*, became effective for the fiscal year ending June 30, 2025. This statement provides users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

### *C. Contingent Liabilities*

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

Benton County is contingently liable for a state revolving fund loan of the Benton-Decatur Special Sewer District. During the 2017-18 year, Benton County became liable for this loan and the interest thereon due to default by the sewer district; however, during the year, the sewer district resumed payments on the loan. In the event of another default, Benton County would again become liable for this loan and the interest thereon. As of June 30, 2025, future principal and interest requirements were \$250,867 and \$7,864, respectively.

Management has advised that there are no potential claims against the county not covered by insurance resulting from such litigation that would materially affect the county's financial statements.

### *D. Joint Ventures*

The Twenty-fourth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twenty-fourth Judicial District, Benton, Carroll, Decatur, Hardin, and Henry counties, and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors, including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Benton County contributed \$5,510 to the DTF for the year ended June 30, 2025.

The Benton-Decatur Special Sewer District was created through a joint agreement between Benton and Decatur counties. The agreement established the Benton-Decatur Special Sewer District Management Board, which plans, constructs, and manages a public sewer system for residents of Benton and Decatur counties. The management board includes six members, three of whom are appointed by the mayor of Benton County and three are appointed by the mayor of Decatur County. Benton County has control over budgeting and financing only to the extent of representation by the three board members appointed.

Benton County does not retain an equity interest in either of the joint ventures. Complete financial statements for the Twenty-fourth Judicial District Drug Task Force and the Benton-Decatur Special Sewer District can be obtained from their administrative offices at the following addresses:

#### Administrative Offices:

Office of District Attorney General  
Twenty-fourth Judicial District  
P.O. Box 627  
Huntingdon, TN 38344



Benton-Decatur Special Sewer District  
P.O. Box 594  
Parsons, TN 38363

***E. Retirement Commitments***

**1. Tennessee Consolidated Retirement System (TCRS)**

**Primary Government - Public Employee Legacy Retirement Plan**

***General Information About the Pension Plan***

*Plan Description.* Employees of Benton County, employees of the Benton County Electric System (proprietary fund), and non-certified employees of the discretely presented Benton County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 49.86 percent, employees of the Benton County Electric System (proprietary fund) comprised 25.96 percent, and the non-certified employees of the discretely presented school department comprised 24.18 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained on the [Tennessee Department of Treasury website](#).

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

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

*Employees Covered by Benefit Terms.* At the measurement date of June 30, 2024, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	156
Inactive Employees Entitled to But Not Yet Receiving Benefits	434
Active Employees	327
Total	<u><u>917</u></u>

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Benton County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2025, the employer contribution for Benton County was \$846,485 based on a rate of 6.28 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Benton County's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contributions (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

### ***Net Pension Liability (Asset)***

Benton County's net pension liability (asset) was measured as of June 30, 2024, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability as of the June 30, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the June 30, 2024, 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 investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric

real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

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

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

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

***Changes in the Net Pension Liability (Asset)***

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2023	\$ 35,622,868	\$ 35,691,172	\$ (68,304)
Changes for the Year:			
Service Cost	\$ 1,160,223	\$ 0	\$ 1,160,223
Interest	2,442,828	0	2,442,828
Differences Between Expected and Actual Experience	1,126,342	0	1,126,342
Contributions-Employer	0	794,335	(794,335)
Contributions-Employees	0	643,089	(643,089)
Net Investment Income	0	3,494,829	(3,494,829)
Benefit Payments, Including Refunds of Employee Contributions	(1,186,092)	(1,186,092)	0
Administrative Expense	0	(35,631)	35,631
Net Changes	\$ 3,543,301	\$ 3,710,530	\$ (167,229)
Balance, June 30, 2024	\$ 39,166,169	\$ 39,401,702	\$ (235,533)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	49.86%	\$ 19,528,252	\$ 19,645,689	\$ (117,437)
Electric System	25.96%	10,167,537	10,228,682	(61,144)
School Department	24.18%	9,470,380	9,527,332	(56,952)
Total		\$ 39,166,169	\$ 39,401,702	\$ (235,533)

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

	1% Decrease	Current Discount Rate	1% Increase
Benton County	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$ 5,522,662	\$ (235,533)	\$ (4,914,674)

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

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2025, Benton County recognized (negative pension expense) of \$1,039,103.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2025, Benton County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,361,837	\$ 60,314
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	413,523
Changes in Assumptions	540,667	0
Contributions Subsequent to the Measurement Date of June 30, 2024 (1)	846,485	N/A
Total	<u>\$ 2,748,989</u>	<u>\$ 473,837</u>

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2024,” will be recognized as a reduction (increase) to net pension liability (asset) in the subsequent fiscal period.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 1,381,546	\$ 236,254
Electric System	701,675	123,009
School Department	665,768	114,574
Total	<u>\$ 2,748,989</u>	<u>\$ 473,837</u>

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

Year Ending June 30	Amount
2026	\$ 373,554
2027	911,766
2028	133,753
2029	9,589
2030	0
Thereafter	0

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

### **Discretely Presented Benton County School Department - Non-certified Employees**

#### ***General Information About the Pension Plan***

*Plan Description.* As noted above under the primary government, employees of Benton County, employees of the Benton County Electric System (proprietary fund), and non-certified employees of the discretely presented Benton County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 49.86 percent, employees of the Benton County Electric System (proprietary fund) comprised 25.96 percent, and the non-certified employees of the discretely presented school department comprised 24.18 percent of the plan based on contribution data.

### **Discretely Presented Benton County School Department - Certified Employees - Teacher Retirement Plan**

#### ***General Information About the Pension Plan***

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

*Benefits Provided.* TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required

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

*Contributions.* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2025, to the Teacher Retirement Plan were \$122,762, which is three percent of covered payroll. In addition, employer contributions of \$38,020, which is one percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

*Pension Liabilities (Assets).* On June 30, 2025, the school department reported a liability (asset) of (\$107,008) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2024, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2024, the school department's proportion was 0.150164 percent. The proportion as of June 30, 2023, was 0.138168 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2025, the school department recognized pension expense of \$88,078.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2025, the school department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 8,839	\$ 32,876
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	18,051
Changes in Assumptions	42,523	0
Changes in Proportion of Net Pension Liability (Asset)	6,181	18,394
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	122,762	N/A
Total	<u>\$ 180,305</u>	<u>\$ 69,321</u>

The school department's employer contributions of \$122,762, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) of net pension liability (asset) in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2026	\$ (11,792)
2027	13,182
2028	(7,991)
2029	(7,892)
2030	780
Thereafter	1,935

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

*Actuarial Assumptions.* The total pension liability in the June 30, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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



The actuarial assumptions used in the June 30, 2024, 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 investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

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

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

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

*Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75 percent, as well as what the school

department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	\$ 282,215	\$ (107,008)	\$ (396,671)

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

### **Discretely Presented Benton County School Department - Certified Employees - Teacher Legacy Pension Plan**

#### ***General Information About the Pension Plan***

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

*Benefits Provided.* TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 55. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

*Contributions.* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Benton County School Department for the year ended June 30, 2025, to the Teacher Legacy Pension Plan were \$484,360, which is 6.36 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability. Employer contributions to separately finance specific liabilities were 6.36 percent for the year ended June 30, 2025. The contributions to separately finance specific liabilities were related to employees who have returned to work under a TCRS Return to Work program which requires employer contribution.

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

*Pension Liability (Assets).* On June 30, 2025, the school department reported a liability (asset) of (\$4,039,955) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2024, the school department's proportion was 0.234491 percent. The proportion measured on June 30, 2023, was 0.245960 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2025, the school department recognized (negative pension expense) of \$1,038,034.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2025, the school department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,077,349	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	786,819
Changes in Proportion of Net Pension Liability (Asset)	369,325	15,993
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	484,360	N/A
Total	<u>\$ 1,931,034</u>	<u>\$ 802,812</u>

The school department's employer contributions of \$484,360 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) of net pension liability (asset) in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2026	\$ (283,201)
2027	1,751,836
2028	(410,508)
2029	(414,265)
2030	0
Thereafter	0

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

*Actuarial Assumptions.* The total pension liability in the June 30, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the June 30, 2024, 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 investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
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Net Pension Liability (Asset)	\$ 5,132,143	\$ (4,039,955)	\$ (11,646,959)
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*Pension Plan Fiduciary Net Position.* Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

## 2. **Deferred Compensation**

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$200,361 and teachers contributed \$169,493 to this deferred compensation pension plan.

### ***F. Other Postemployment Benefits (OPEB)***

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

#### **OPEB Provided through State Administered Public Entity Risk Pools**

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

The highway department and school department's total OPEB liability for each plan was measured as of June 30, 2024, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the June 30, 2024, actuarial valuation of the plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	Salary increases used in the July 1, 2021, TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.93%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 10.68% for pre-65 retirees in the 2024 calendar year, and decreasing annually over a 13-year period to an ultimate trend rate of 4.5%
Retirees Share of Benefit Related Cost	Discussed under each plan

The discount rate was 3.93 percent, based on an average rating of AA/Aa as shown on the Bond Buyers 20-Year Municipal GO AA index closest to but not later than the measurement date.

Mortality rates were based on the results of a statewide experience study undertaken on behalf of the Tennessee Consolidated Retirement System (TCRS). These mortality rates were used in the July 1, 2024, actuarial valuation of the TCRS.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2024, valuations were the same as those employed in the July 1, 2022, Pension Actuarial Valuation of the TCRS. These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-weighted employee mortality table for non-disabled pre-retirement mortality, with mortality improvement projected generationally with MP-2021 from 2010. Post-retirement rates are headcount-weighted below median healthy annuitant and adjusted with a 6 percent load for males and a 14 percent load for females, projected generationally with MP-2021 from 2010. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load, projected generationally from 2018 with MP-2021.

*Changes in Assumptions.* The discount rate changed from 3.65 percent as of the beginning of the measurement period to 3.93 percent as of the measurement date of June 30, 2024. This change in assumption decreased the total OPEB liability. Other changes in assumptions include adjustments to initial per capita costs and health trend rates. The trend rate applicable to the 2024 plan year was revised from 10.31 percent to 10.68 percent.

### **Local Government OPEB Plan (Primary Government)**

*Plan Description.* Employees of the Benton County Highway Department are provided with pre-65 retiree health insurance benefits through the Local Government Plan (LGP) administered by the Tennessee Department of Finance and Administration. All eligible pre-65 retired employees and disability participants of local governments, who choose coverage, participate in the LGP.

*Benefits Provided.* The Benton County Highway Department offers the LGP to provide health insurance coverage to eligible pre-65 retirees and disabled participants of local governments. With the exception of a small group of grandfathered individuals, retirees are required to discontinue coverage under the LGP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with Section 8-27-701, TCA,

establishes and amends the benefit terms of the LGP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members, of the LGP, receives the same plan benefits as active employees, at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for the retiree premiums. The highway department does not provide a direct subsidy and is only subject to the implicit subsidy.

*Employees Covered by Benefit Terms.* At the measurement date of June 30, 2024, the following employees were covered by the benefit terms:

Inactive Employees Currently Receiving Benefits	0
Inactive Employees Entitled To But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	<u>19</u>
Total	<u><u>19</u></u>

An insurance committee, created in accordance with Section 8-27-701, TCA, establishes the required payments to the LGP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2025, the highway department paid \$262 to the LGP for OPEB benefits as they came due.

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

	<u>Highway Department</u>
Balance July 1, 2023	<u>\$ 38,903</u>
Changes for the Year:	
Service Cost	\$ 5,055
Interest	1,602
Difference between Expected and Actuarial Experience	(3,937)
Changes in Assumption	6,012
Benefit Payments	(114)
Net Changes	<u>\$ 8,618</u>
Balance June 30, 2024	<u><u>\$ 47,521</u></u>

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2025, the highway department recognized OPEB expense (negative OPEB expense) of (\$586). On June 30, 2025, the highway department reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:



	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 124	\$ 11,699
Changes of Assumptions	12,605	10,789
Net Difference Between Projected and Benefits Paid after the Measurement Date of June 30, 2024	262	0
Total	<u>\$ 12,991</u>	<u>\$ 22,488</u>

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

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

Year Ending June 30	Highway Department
2026	\$ (4,651)
2027	(4,782)
2028	(1,450)
2029	904
2030	220
Thereafter	0

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

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.* The following presents the total OPEB liability of the highway department calculated using the current discount rate as well as what the OPEB liability would be if it was calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

Discount Rate	1% Decrease	Current Discount Rate	1% Increase
Highway Department	2.93%	3.93%	4.93%
Total OPEB Liability	\$ 50,376	\$ 47,521	\$ 44,876

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

**Healthcare Cost Trend Rate**

	1% Decrease	Current Trend Rates	1% Increase
Highway Department	9.68 to 3.5%	10.68 to 4.5%	11.68 to 5.5%
Total OPEB Liability	\$ 43,551	\$ 47,521	\$ 52,121

**Closed Local Education (LEP) OPEB Plan - Discretely Presented Benton County School Department**

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

*Benefits Provided.* The Benton County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with Section 8-27-301, TCA, establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. The Benton County School Department does not provide a direct subsidy and is only subject to the implicit subsidy. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

*Employees Covered by Benefit Terms.* At the measurement date of June 30, 2024, the following employees were covered by the benefit terms:

Inactive Employees Currently Receiving Benefits	8
Inactive Employees Entitled To But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	<u>196</u>
Total	<u><u>204</u></u>

A state insurance committee, created in accordance with Section 8-27-301, TCA, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$61,870 to the LEP for OPEB benefits as they came due.

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

	Share of Collective Liability		Total OPEB Liability
	Benton County School Department 61.6547%	State of TN 38.3453%	
Balance July 1, 2023	\$ 2,874,737	\$ 1,836,152	\$ 4,710,889
Changes for the Year:			
Service Cost	\$ 136,259	\$ 84,745	\$ 221,004
Interest	109,931	68,370	178,301
Difference between Expected and Actuarial Experience	(284,336)	(176,839)	(461,175)
Changes in Proportion	29,750	(29,750)	0
Changes in Assumption	62,001	38,560	100,561
Benefit Payments	(58,394)	(36,318)	(94,712)
Net Changes	\$ (4,790)	\$ (51,231)	\$ (56,021)
Balance June 30, 2024	\$ 2,869,947	\$ 1,784,921	\$ 4,654,868

The Benton County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the LEP. The Benton County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employers' long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$181,743 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Benton County School Department's proportionate share of the collective OPEB liability was 61.6547 percent and the State of Tennessee's share was 38.3453 percent.

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2025, the school department recognized OPEB expense of \$427,627, including the state's share of the expense. On June 30, 2025, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Actual and Expected Experience	\$ 95,690	\$ 405,609
Changes in Proportion	44,884	141,484
Changes of Assumptions	609,259	239,394
Benefits Paid After the Measurement Date of June 30, 2024	61,870	0
Total	\$ 811,703	\$ 786,487

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

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

Year Ending June 30	School Department
2026	\$ (306)
2027	(306)
2028	5,159
2029	12,374
2030	(1,185)
Thereafter	(52,390)

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

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

Discount Rate	1% Decrease	Current Discount Rate	1% Increase
	2.93%	3.93%	4.93%

Proportionate Share of the  
Collective Total OPEB  
Liability

\$ 3,079,860 \$ 2,869,947 \$ 2,668,683

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

**Healthcare Cost Trend Rate**

1% Decrease	Current Rates	1% Increase
9.68 to 3.5%	10.68 to 4.5%	11.68 to 5.5%

Proportionate Share of the  
Collective Total OPEB  
Liability

\$ 2,573,714 \$ 2,869,947 \$ 3,211,404

## ***G. Purchasing Laws***

### **Office of County Mayor**

Purchasing procedures for the Office of County Mayor are governed by provisions of Chapter 541, Private Acts of 1939, as amended, and the County Purchasing Law of 1983, Sections 5-14-201 through 5-14-206, *Tennessee Code Annotated (TCA)*. The private act provides for the issuance of requisitions and purchase orders for all purchases of equipment, supplies, and materials. The County Purchasing Law of 1983 provides for all purchases exceeding \$10,000 to be made after public advertisement and solicitation of competitive bids.

### **Office of Road Supervisor**

Purchasing procedures for the highway department are governed by provisions of Chapter 250, Private Acts of 1943, and the Uniform Road Law, Section 54-7-113, *TCA*. Provisions of the private act stipulate that after taking bids, all purchases must be approved by the road supervisor, county mayor, and the County Highway Committee. The Uniform Road Law provides for purchases exceeding \$25,000 to be made after public advertisement and solicitation of competitive bids.

### **Office of Director of Schools**

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

## ***H. Subsequent Event***

On June 30, 2025, Barry Carter left the Office of Road Supervisor and was succeeded by Brian Hicks effective July 1, 2025.

## **VI. OTHER NOTES – BENTON COUNTY ELECTRIC SYSTEM FUND (ENTERPRISE FUND)**

### ***A. Significant Accounting Policies***

#### **1. Reporting Entity**

The Benton County Electric System is a proprietary fund of Benton County. *Tennessee Code Annotated*, Section 7-52-117(c) states “Subject to the provisions of Section 7-52-132, the superintendent, with the approval of the supervisory body, may acquire and dispose of all property, real and personal, necessary to effectuate the purposes of this part. The title of such property shall be taken in the name of the municipality” (county). Therefore, Benton County Electric System does not possess sufficient corporate powers that distinguish it as a legally separate entity, and is considered a proprietary fund of Benton County, Tennessee. The electric system is under the regulatory of the Tennessee Valley Authority.

#### **2. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis

of accounting indicates the timing of transactions or events for recognition in the financial statements.

The electric system's financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The accounting policies of the electric system conform to applicable accounting principles generally accepted in the United States of America as defined by the Governmental Accounting Standards Board (GASB).

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the electric system are charges to customers for sales and service. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

### **3. Assets, Liabilities, and Net Position**

#### **a. Deposits and Investments**

The electric system's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the electric system to invest in certificates of deposit, obligations of the U.S. Treasury, agencies and instrumentalities, obligations guaranteed by the U.S. government or its agencies, repurchase agreements, and the state's investment pool.

Investments were made up entirely of certificates of deposits with a maturity of three months or more for the fiscal year ended June 30, 2025.

#### **b. Accounts Receivable**

Trade receivables result from unpaid billings for electric service to customers and from unpaid billings related to work performed for or materials sold to certain entities. All trade receivables are shown net of an allowance for uncollectible accounts. The allowance for uncollectible customer accounts recorded by the electric system is based on past history of uncollectible accounts and management's analysis of current accounts.

#### **c. Inventories and Prepaid Items**

All inventories are valued at the lower of average cost or market, using the first-in/first-out method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

**d. Restricted Assets**

Certain proceeds of the bond issues, as well as certain resources set aside for their repayment, are classified as restricted assets on the Statement of Net Position because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. The electric system elects to use restricted assets before unrestricted assets when a situation arises where either can be used.

**e. Capital Assets**

Capital assets, which include property, plant, equipment, and construction in progress, are defined by the electric system as assets with an initial, individual cost of more than \$500 (amount not rounded) and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Assets acquired through contributions from developers or other customers are capitalized at their historical cost at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the electric system are depreciated using the straight line method over the following useful lives:

Assets	Years
General Plant	5 - 40
Transmission Plant	28 - 33
Distribution Plant	16 - 40

**f. Compensated Absences**

It is the electric system's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay has been accrued and is reflected as a long-term liability on the financial statements. All sick leave has been accrued at 75 percent of the total value and is reflected as a long-term liability on the financial statements.

In March 1997, the electric system approved a policy that would permit employees, at their discretion, to give sick leave to another employee involved in a catastrophic illness where such an employee had exhausted all available sick leave and vacation. The leave would be paid at the rate the employee receiving leave is currently earning. The board feels that the 75 percent approximation of sick leave accrued is enough to cover any expenditures for leave under this policy.

**g. Long-term Obligations**

Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. The

electric system will continue to report bond costs as an asset and amortize those over the life of the bonds instead of expensing those costs in the current year in accordance with certain provisions included in GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in pre-November 30, 1989, FASB and AICPA Pronouncements*. This option as part of Statement No. 65 is available due to the above-mentioned cost being used for rate setting by the utility.

**h. Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The electric system has pension and OPEB items that qualify for reporting.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents acquisition of the net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The electric system has pension and OPEB items that qualify for reporting.

**i. Net Position Flow Assumption**

Sometimes the electric system will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the electric system's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

**j. Net Position**

Equity is classified as net position and displayed in the following three components:

- Net investment in capital assets – Consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds that are attributable to the acquisition, construction, or improvement of those assets; debt related to unspent proceeds or other restricted cash and investments is excluded from the determination.
- Restricted for debt service and pensions – Consists of net position for which constraints are placed thereon by external parties, such as lenders, grantors, contributors, laws, regulations and enabling legislation, including self-imposed legal mandates, less any related liabilities.
- Unrestricted – All other net position that does not meet the description of the above categories.



**k. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Benton County Electric System's participation in the governmental pension plans for the Central Service Association and the State of Tennessee Consolidated Retirement System, additions to/deductions from the electric system's fiduciary net position have been determined on the same basis as they are reported by the governmental pension plans for the Central Service Association and the State of Tennessee Consolidated Retirement System. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the governmental pension plans for the Central Service Association and the State of Tennessee Consolidated Retirement System. Investments are reported at fair value.

The electric system adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions-an Amendment of GASB Statement No. 27*, and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68* during the prior year. The new pension standards establish a definition of a pension plan that reflects the primary activities associated with the pension arrangement - determining pensions, accumulating and managing assets dedicated for pensions, and paying benefits to plan members as they come due. Statement No. 68 details the recognition and disclosure requirements for employers with defined benefit pension plans and for employers whose employees are provided with defined contribution pensions. The objective of Statement No. 68 is to improve accounting and financial reporting by state and local governments for pensions. The adoption of these standards resulted in the reporting of deferred outflows and inflows of resources and pension liabilities and assets on the Statement of Net Position.

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

Information about the electric system's participation in their single employer post-employment benefits plan have been determined on the same basis as they are reported by the other post-employment benefits plan. For this purpose, benefits are recognized when due and payable in accordance with the benefit terms of the other post-employment benefits plan.

**m. Use of Estimates**

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

**n. Impact of Recently Issued Accounting Pronouncements**

In June 2022, the Governmental Accounting Standards Board issued Statement No. 101, *Compensated Absences*. This statement improves accounting and financial reporting by state and local governments for compensated absences and is effective for fiscal years beginning after December 15, 2023. This statement establishes standards of

accounting and financial reporting for (a) compensated absences and (b) associated salary-related payments, including certain defined contribution pensions and defined contributions, other postemployment benefits (OPEB). The requirements of this statement apply to the financial statements of all state and local governments. This implementation resulted in immaterial differences on the current year financial statements and no changes on the prior year financial statements.

## ***B. Stewardship, Compliance, and Accountability***

### **Budgetary Information**

The electric system adopts flexible annual operating and capital budgets. Budgets are adopted on a basis consistent with generally accepted accounting principles. The current operating budget details the electric system's plans to earn and expend funds for charges incurred for operation, maintenance, certain interest and general functions, and other charges for the fiscal year. The capital budget details the plan to receive and expend cash basis capital contribution fees, special assessments, grants, borrowings, and certain revenues for capital projects.

All unexpended appropriations in the operating budget remaining at the end of the fiscal year lapse. Management submits a proposed budget to the board prior to the July meeting, and the budget is adopted at that meeting for the next fiscal year. During the year, management is authorized to transfer budgeted amounts between line items.

## ***C. Detailed Notes on All Funds***

### **1. Deposits and Investments**

**Custodial Credit Risk.** The electric system's policies limit deposits and investments to those instruments allowed by applicable state laws and are described below. State statutes require that all deposits with financial institutions must be collateralized by securities whose market value is equal to 105 percent of the value of uninsured deposits. The deposits must be collateralized by federal depository insurance or the Tennessee Bank Collateral Pool, by collateral held by the electric system's agent in the electric system's name, or by the Federal Reserve banks acting as third-party agents. State statutes also authorize the electric system to invest in bonds, notes, or treasury bills of the United States or any of its agencies, certificates of deposit at Tennessee state chartered banks and savings and loan associations and federally chartered banks and savings and loan associations, repurchase agreements utilizing obligations of the United States or its agencies as the underlying securities, and the state pooled investment fund. Statutes also require that securities underlying repurchase agreements must have a market value at least equal to the amount of funds invested in the repurchase transaction. As of June 30, 2025, none of the electric system's deposits was exposed to custodial credit risk.

### **2. Receivables**

Accounts receivable of the Benton County Electric System on June 30, 2025, consisted of the following:

	<u>Receivables</u>
Billed Services for Utility Customers	\$ 2,851,922
Other Receivables from Utility Services	40,466
Allowance for Doubtful Accounts	<u>(6,322)</u>
Total Accounts Receivable	<u><u>\$ 2,886,066</u></u>

### 3. **Restricted Assets**

All deposits required by the 2012, 2014, and 2015 Electric Plant Revenue Bonds have been made. Transactions in funds other than the 2012, 2014, and 2015 Electric Plant Revenue Bond funds are at the discretion of the board of directors, and there are no applicable legal requirements or restrictions on these funds.

The restricted assets consist of the following:

2012, 2014, and 2015 Electric Plant Revenue  
Bond Funds

Interest and Sinking Fund	\$ 228,002
Reserve Fund	<u>450,000</u>

Total Restricted Assets	<u><u>\$ 678,002</u></u>
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The total of these funds is represented by:

Certificates of Deposit and Bank Accounts	<u><u>\$ 678,002</u></u>
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#### 4. Capital Assets

Capital assets activity during the year was as follows:

	Balance 7-1-24	Additions	Disposals	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	\$ 164,652	\$ 0	\$ 0	\$ 164,652
Construction in Progress	730,740	0	(391,490)	339,250
Total Capital Assets Not Depreciated	\$ 895,392	\$ 0	\$ (391,490)	\$ 503,902
Capital Assets Depreciated:				
Other Capital Assets	\$ 52,017,031	\$ 2,722,659	\$ (682,454)	\$ 54,057,236
Total Capital Assets Depreciated	\$ 52,017,031	\$ 2,722,659	\$ (682,454)	\$ 54,057,236
Less Accumulated Depreciation For:				
Other Capital Assets	\$ 24,615,544	\$ 2,126,324	\$ (860,495)	\$ 25,881,373
Total Accumulated Depreciation	\$ 24,615,544	\$ 2,126,324	\$ (860,495)	\$ 25,881,373
Total Capital Assets Depreciated, Net	\$ 27,401,487	\$ 596,335	\$ 178,041	\$ 28,175,863
Total Capital Assets, Net	\$ 28,296,879	\$ 596,335	\$ (213,449)	\$ 28,679,765

Depreciation expense of \$2,126,324 (including \$197,241 of transportation expense clearing) was recorded by the electric system.

#### 5. Long-term Debt

Long-term debt consists of the following:

Type	Interest Rate	Balance 6-30-25
Electric System Revenue Refunding and Improvement Bonds, Series 2012	2 to 2.5%	\$ 795,000
Electric System Revenue Refunding and Improvement Bonds, Series 2014	2.83	1,830,000
Electric System Revenue Refunding and Improvement Bonds, Series 2015	3.49	<u>385,000</u>
Total		\$ 3,010,000
Total Current Portion		\$ 465,000
Total Long-term Portion		<u>\$ 2,545,000</u>

On January 17, 2012, Benton County Electric System issued at par \$3,975,000 of Electric System Revenue Refunding Bonds, Series 2012, to refund \$1,690,000 of then-outstanding series 2000 and 2004 bonds. The 2012 bonds bear an interest rate varying between two and 2.5 percent and will be repaid in variable amounts, with the final payment due June 1, 2028. The refunded 2000 and 2004 bonds carried an interest rate varying between 1.1 and 5.25 percent and also were due in variable amounts, with the final payment due December 2028.

On December 2, 2014, Benton County Electric System issued at par \$2,975,000 of Electric System Revenue Bonds, Series 2014, for the purpose of building a new administrative office in Camden, Tennessee. The bonds bear interest at 2.83 percent and will be repaid in variable amounts, with the final payment due December 2034.

On July 22, 2015, Benton County Electric System issued at par \$1,000,000 of Electric System Revenue Bonds, Series 2015, for the purpose of additional funding to complete the new administrative office in Camden, Tennessee. The bonds bear interest at 3.49 percent and will be repaid in variable amounts, with the final payment due June 2035.

The following is a summary of long-term debt transactions for the year ended June 30, 2025.

	Balance 7-1-24	Retirements	Balance 6-30-25
Revenue bonds payable	\$ 3,465,000	\$ (455,000)	\$ 3,010,000

The scheduled annual requirements for long-term debt on June 30, 2025, including interest of \$356,741 are as follows:

Year Ending June 30	Revenue Bonds		
	Principal	Interest	Total
2026	\$ 465,000	\$ 79,331	\$ 544,331
2027	480,000	66,806	546,806
2028	500,000	53,570	553,570
2029	230,000	43,331	273,331
2030	235,000	36,388	271,388
2031-2035	1,100,000	77,315	1,177,315
Total	\$ 3,010,000	\$ 356,741	\$ 3,366,741

The electric system complied with all significant debt covenants and restrictions as set forth in the bond agreements.

The bonds payable for the electric system contain provisions that in the event of default, the lender can exercise one or more of the following options: (1) Make all or any of the outstanding bonds payable balance immediately due and accrued interest at highest post maturity interest rate, (2) Use any remedy allowed by state or federal law.

There are no unused lines of credit for any of the systems on June 30, 2025.

## 6. Net Position

Net position represents assets and deferred outflows less liabilities and deferred inflows. Net position amounts on June 30, 2025, were as follows:

Net Investment in Capital Assets:	
Net Property, Plant, and Equipment in Service	\$ 28,679,765
Unamortized Bond Premium	(4,578)
Less: Revenue Bonds Payable	(3,010,000)
Total Net Investment in Capital Assets	<u>\$ 25,665,187</u>
Restricted for Debt Service and Net Pension Asset:	
Restricted Cash and Investments	\$ 678,002
Net Pension Asset	61,144
Less: Current Liabilities Payable from Restricted Assets - Accrued Interest Payable	(7,039)
Total Restricted for Debt Service and Net Pension Asset	<u>\$ 732,107</u>
Unrestricted	<u>\$ 5,795,284</u>
Total Net Position	<u>\$ 32,192,578</u>

## 7. Transfer

During the year ended June 30, 2025, a transfer of \$614,111 was made from the Benton County Electric System to the county for in-lieu-of tax payments.

### D. Other Information

#### 1. Pension Plan – Central Service Association Mass Mutual Defined Benefit Retirement Plan

*Plan Description.* All full-time employees of the electric system hired prior to November 22, 1988, participate in a defined benefit pension plan through the governmental plan of Central Service Association (CSA). The plan is administered by an insurance and retirement committee that is appointed by CSA. The committee makes recommendations for approval by the board for changes to the plan. The electric system makes monthly contributions to the agent multiple-employer pension plan. Individual employers can make amendments to their plans.

CSA issues a publicly available report that includes financial statements and required supplementary information for the pension plan. That report can be obtained by contacting CSA at P.O. Box 3480, Tupelo, MS 38803-3480.

*Benefits Provided.* Benefits provided by the plan include retirement, disability, and death benefits provided to members and beneficiaries. Members of the plan are eligible to participate in the plan after completing six months of service. The retirement benefit is 57 percent of average monthly earnings, based on the highest of three consecutive years earnings, at age 62 after ten years participation. Employees are fully vested in the plan after seven years of service.

*Employees Covered by Benefit Terms.* At the measurement date of October 1, 2024, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	25
Inactive Employees Entitled to But Not Yet Receiving Benefits	1
Active Employees	0
Total	<u>26</u>

*Contributions.* At October 1, 2024, active plan members were not required to contribute a percentage of their annual compensation. The plan provisions and required contributions can be amended by the board of directors as the need arises. The employer's actuarially determined contribution 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 an unfunded liability.

#### Schedule of Employer Contributions

Year	Minimum Contributions	Actual Contributions
2024	\$ 387,349	\$ 384,133
2025	387,349	403,865

#### Net Pension Liability (Asset)

Benton County Electric System's net pension liability (asset) was measured as of September 30, 2024, 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 September 30, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Measurement Date	October 1, 2024
Discount Rate	7%
Mortality	Pub-2010 General Amount – Weighted table fully-generational with projection scale MP-2021 for all participants except beneficiaries. Beneficiaries are valued using the Pub-2010 Amount-Weighted Contingent Survivor fully generational with projection scale MP-2021
Incidence of Disability	1985 CIDA Table – Class 2
Termination	For all Employees: Sarason T-3 table
Salary Scale	3.5%
Assumed Retirement Age	20% at age 55 with 15 years of service; otherwise, 100% at age 62.
Marriage	Assumed that 50% of Participants are Married and a Male is 3 Years Older than his Female Spouse
Cost of Living Increase	N/A
Date of Participation Freeze	November 22, 1988

The actuarial assumptions used in the September 30, 2024, actuarial valuation were based on the results of an actuarial experience study performed for the period October 1, 2023, through

September 30, 2024. 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 Central Service Association. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
Fixed Income	4.5 to 5.5 %	50 %
Large Cap	9 to 11	20
Mid Cap	8.5 to 10.5	10
Small Cap	8 to 10	8
Real Estate	3.5 to 5.5	2
International Equity	3.5 to 5.5	10
Total		100 %

*Discount Rate.* The discount rate used to measure the total pension liability was seven percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current contribution rate and the employer will continue to contribute the actuarially determined contribution in accordance with the plan's current funding policy on an annual basis. Based on that assumption, the pension plan's fiduciary net position is projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### Changes in the Net Pension Liability (Asset)

	Increase/Decrease		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at October 1, 2023	\$ 7,557,926	\$ 4,783,324	\$ 2,774,602
Changes for the Year:			
Interest Cost	\$ 501,764	\$ 0	\$ 501,764
Difference Between Expected and Actual Experience	(153,170)	0	(153,170)
Employer - Contributions	0	389,716	(389,716)
Net Investment Income	0	796,425	(796,425)
Benefit Payments	(779,727)	(779,727)	0
Other Changes	0	(10,872)	10,872
Net Changes	\$ (431,133)	\$ 395,542	\$ (826,675)
Balance, October 1, 2024	\$ 7,126,793	\$ 5,178,866	\$ 1,947,927



*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the net pension liability (asset) of Benton County Electric System calculated using the discount rate of seven percent, as well as what the net pension liability (asset) would be if it was calculated using a discount rate that is one percentage point lower (6%) or one percentage point higher (8%) than the current rate:

	1%	Current	1%
Benton County	Decrease	Discount	Increase
Electric System	6%	Rate	8%
		7%	
Net Pension Liability	\$ 2,492,729	\$ 1,947,927	\$ 1,472,992

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

*Pension Expense (Negative Pension Expense).* Under GASB Statement No. 68 the annual pension expense is intended to recognize certain changes in the net pension liability compared to the previous measurement date. Changes not recorded as a pension expense will be recorded and tracked separately as deferred inflows and outflows to be recognized in a future period's pension expense. Changes in the total pension liability due to differences between actual experience and assumptions are recognized over a closed period equal to the future remaining service of plan participants. Differences between actual and expected investment performance are recognized over a five-year period. Any changes due to plan amendment or other benefit changes will be recognized in the year of adoption.

Interest on the Total Pension Liability	\$ 501,764
Recognized Liability (Gains)/Losses	102,068
Change in Assumptions	50,606
Projected Earnings on Pension	
Plan Investments	(320,802)
Recognized Assets (Gains)/Losses	43,365
Administrative Expenses	10,872
Total Pension Expense	<u>\$ 387,873</u>

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2025, Benton County Electric System reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 195,579	\$ 122,536
Change of Assumptions	2,454	0
Net Difference Between Projected and Actual Earnings in Pension Investments	30,332	0
Contributions Subsequent to the Measurement Date of October 1, 2024 (1)	302,714	N/A
Total	<u>\$ 531,079</u>	<u>\$ 122,536</u>

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of October 1, 2024,” will be recognized as a reduction to net pension liability in the subsequent fiscal period.

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

Year Ending June 30	Amount
2026	\$ 130,837
2027	208,576
2028	(107,827)
2029	(125,757)
Thereafter	0

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

## 2. Pension Plan – Tennessee Consolidated Retirement System

*Plan Description.* Employees of Benton County Electric System are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the Tennessee Consolidated Retirement System (TCRS). The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of 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 on the [Tennessee Department of Treasury website](#).

*Benefits Provided.* TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member’s highest five consecutive year average compensation and the member’s years of service credit. Reduced benefits for early retirement are available to vested members at age 55. Members vest with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of

service is required for nonservice-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

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

Employee membership data related to the plan, as of June 30, 2024, was as follows:

Inactive Employees or Beneficiaries Currently Receiving Benefits	40
Inactive Employees Entitled to But Not Yet Receiving Benefits	113
Active Employees	85
Total	<u>238</u>

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Benton County Electric System makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2025, the employer contributions for the electric system were \$207,785 based on a rate of 6.28 percent of covered payroll. By law, employer contributions are required to be paid. The employer’s actuarially determined contributions (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

**Net Pension Liability (Asset)**

Benton County Electric System’s net pension liability (asset) was measured as of June 30, 2024, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date. The utility’s proportion of the net position liability was based on census data of the utility’s employees relative to all employees covered under Benton County’s plan. On the June 30, 2024, measurement date, the utility’s proportion was 25.96 percent.

*Actuarial Assumptions.* The total pension liability as of the June 30, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the June 30, 2024, 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 investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

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

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

*Discount Rate.* The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee

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

#### Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance, July 1, 2023	\$ 9,906,720	\$ 9,925,715	\$ (18,995)
Change in allocation	(659,023)	(660,286)	1,263
Changes for the Year:			
Service Cost	\$ 301,194	\$ 0	\$ 301,194
Interest	634,159	0	634,159
Differences Between Expected and Actual Experience	292,398	0	292,398
Contributions - Employer	0	206,209	(206,209)
Contributions - Employees	0	166,946	(166,946)
Net Investment Income	0	907,258	(907,258)
Benefit Payments, Including Refunds of Employee Contributions	(307,909)	(307,909)	0
Administrative Expense	0	(9,250)	9,250
Net Changes	\$ 919,842	\$ 963,254	\$ (43,412)
Balance, June 30, 2024	\$ 10,167,539	\$ 10,228,683	\$ (61,144)

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

Benton County Electric System	1% Decrease 5.75%	Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	\$ 1,433,683	\$ (61,144)	\$ (1,275,849)

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

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2025, Benton County Electric System recognized pension expense (negative pension expense) of \$269,751.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2025, Benton County Electric System reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 353,533	\$ 15,658
Change of Assumptions	140,357	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	107,350
Contributions Subsequent to the Measurement Date of June 30, 2024 (1)	207,785	N/A
Total	<u>\$ 701,675</u>	<u>\$ 123,008</u>

(1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2024,” will be recognized as a reduction (increase) to net pension liability (asset) in the subsequent fiscal period.

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

Year Ending June 30	Amount
2026	\$ 96,975
2027	236,694
2028	34,722
2029	2,490
2030	0
Thereafter	0

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

### 3. Power Contract

The electric system has a power contract with the Tennessee Valley Authority (TVA), whereby the electric system purchases all its electric power from TVA and is subject to certain restrictions and conditions as provided for in the power contract. Such restrictions include, but are not limited to, prohibitions against furnishings, advancing, lending, pledging, or otherwise diverting electric system funds, revenues, or property to other operations of the

county and the purchase or payment of, or providing security for indebtedness on other obligations applicable to such other operations.

#### 4. Risk Management

The electric system is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended June 30, 2025, the electric system purchased commercial insurance for all of the above risks.

Settled claims have not exceeded this commercial coverage in any of the past three years and there has been no significant reduction in the amount of coverage provided.

#### 5. Other Postemployment Benefits (OPEB)

##### Plan Description

Benton County Electric System sponsors a single-employer postemployment benefit plan. The plan provides medical, prescription, and dental benefits to eligible retirees and their families. The system covers the employee at 100 percent and families at 75 percent. The retirees are offered the option to maintain health insurance after they retire (including subsidized beneficial coverage). The retiree must be older than 55 and have at least 20 years of service with the electric system and benefits end when they reach 65 for employees hired prior to December 23, 2013. For employees hired December 23, 2013, and after, the retiree must be 60 years old and have at least 30 years of service until age 65 or eligible for Medicare.

##### Annual OPEB Cost and Net OPEB Obligation

Changes in the system's net OPEB liability measured on June 30, 2025, are detailed in the following table. The table shows the net OPEB liability as of June 30, 2025, which is reported in the financial statements in accordance with GASB Statement No. 75.

	Total OPEB Liability
Balance July 1, 2024	\$ 1,277,832
Changes for the Year:	
Service Cost	\$ 41,206
Interest	51,784
Difference between Actual and Expected	(407,281)
Changes in Assumptions	(43,417)
Benefit Payments	(36,127)
Net Changes	\$ (393,835)
Balance June 30, 2025	\$ 883,997

##### Actuarial Methods and Assumptions

The valuation was based on information provided by the electric system as of July 1, 2025.

	Total
Active Employees	44
Retired Members Medical, Dental & Vision	2
Retired Spouses Medical, Dental & Vision	2
Retired Spouses Dental & Vision Only	1
Total	49

### Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2025, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary Scale	3%
Mortality	Pub-2010 General Employee Headcount-weighted with MP-2021.
Trend	Per-capita claims costs are projected to increase at an initial rate of 7.5% with an annual decline of .25% until an ultimate rate of 4.5% is achieved.
Marital Assumption	80% of active employees are assumed to be married at retirement with male spouses assumed to be 3 years older than female spouses. It is assumed that participating retirees do not have covered children based the plan design and experience.
Discount Rate:	The discount rate used to measure the total OPEB liability was 4.81 percent. Because the plan is unfunded, the plan's projected benefits are discounted back using rates equivalent to Aa 20-year municipal bonds. The S&P Municipal Bond 20 Year Index was used to approximate yields as of June 30, 2025.
Changes Since Prior Valuation	1) Discount rate was updated from 4.11 to 4.81 percent. 2) The healthcare cost trend assumption was updated to 7.5 percent for 2025 decreasing by .25 percent until it reaches 4.5 percent.

The actuarial assumption used in the June 30, 2025, valuation were based on the results of an actuarial experience study for the period ending July 1, 2025.



## Discount Rate

The discount rate used to measure the total OPEB liability was 4.81 percent. The projection of cash flows used to determine the discount rate assumed that the system's contributions will be made at rates equal to the actuarially determined contribution rates.

*Sensitivity of net OPEB Liability to Changes in the Healthcare Cost Trend Rate:* 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 one percentage point lower or one percentage point higher than the assumed trend rates:

Healthcare Cost Trend Rate			
	1% Decrease 6.5% to 3.5%	Current Trend Rate 7.5% to 4.5%	1% Increase 8.5% to 5.5%
Net OPEB Liability (Asset)	\$ 788,480	\$ 883,997	\$ 998,108

*Sensitivity of 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 OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the assumed trend rates:

Discount Rate			
	1% Decrease 3.81%	Current Discount Rate 4.81%	1% Increase 5.81%
Net OPEB Liability (Asset)	\$ 974,244	\$ 883,997	\$ 803,737

## OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources

For the year ended June 30, 2025, the system recognized OPEB expense of \$84,378. On June 30, 2025, the system reported deferred outflows and inflows as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 93,318	\$ 557,369
Change of Assumptions	302,917	121,399
Total	<u>\$ 396,235</u>	<u>\$ 678,768</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows as of the fiscal year ending June 30, 2025:

Year Ending June 30	Amortized
2026	\$ (8,612)
2027	(8,612)
2028	(8,612)
2029	(8,612)
2030	(8,612)
Thereafter	(239,473)

Plan contributions are made, and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to discount, trend rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions, it is reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Benefits are recorded when the participant has met all of the plan requirements to receive a benefit. On June 30, 2025, no benefits were payable.

Qualified plan administrative expenses are paid by the plan. During the year ended June 30, 2025, administrative expenses were \$0.

## REQUIRED SUPPLEMENTARY INFORMATION SECTION

**BENTON COUNTY, TENNESSEE****Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on  
Participation in the Public Employee Pension Plan of TCRS**

Primary Government

**For the Fiscal Year Ended June 30**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Total Pension Liability</b>										
Service Cost	\$ 641,580	\$ 714,173	\$ 709,313	\$ 755,052	\$ 795,100	\$ 822,981	\$ 863,794	\$ 981,299	\$ 1,113,564	\$ 1,160,223
Interest	1,344,807	1,452,356	1,529,740	1,604,466	1,693,587	1,798,978	1,916,697	2,081,366	2,246,911	2,442,828
Differences Between Actual and Expected Experience	80,395	(349,859)	(253,080)	(349,852)	(217,024)	(166,465)	(301,570)	234,748	611,441	1,126,342
Changes in Assumptions	0	0	507,675	0	0	0	2,703,343	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(662,762)	(748,016)	(812,019)	(798,692)	(842,223)	(849,553)	(895,641)	(908,192)	(1,046,112)	(1,186,092)
Net Change in Total Pension Liability	\$ 1,404,020	\$ 1,068,654	\$ 1,681,629	\$ 1,210,974	\$ 1,429,440	\$ 1,605,941	\$ 4,286,623	\$ 2,389,221	\$ 2,925,804	\$ 3,543,301
Total Pension Liability, Beginning	17,620,562	19,024,582	20,093,236	21,774,865	22,985,839	24,415,279	26,021,220	30,307,843	32,697,064	35,622,868
Total Pension Liability, Ending (a)	\$ 19,024,582	\$ 20,093,236	\$ 21,774,865	\$ 22,985,839	\$ 24,415,279	\$ 26,021,220	\$ 30,307,843	\$ 32,697,064	\$ 35,622,868	\$ 39,166,169
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer	\$ 519,956	\$ 547,712	\$ 550,601	\$ 561,895	\$ 586,873	\$ 439,867	\$ 455,446	\$ 455,667	\$ 707,234	\$ 794,335
Contributions - Employee	394,506	415,564	417,758	426,327	444,784	468,686	492,669	495,577	567,272	643,089
Net Investment Income	565,945	508,180	2,247,083	1,844,577	1,804,170	1,296,217	7,083,628	(1,322,272)	2,241,682	3,494,829
Benefit Payments, Including Refunds of Employee Contributions	(662,762)	(748,016)	(812,019)	(798,692)	(842,223)	(849,553)	(895,641)	(908,192)	(1,046,112)	(1,186,092)
Administrative Expense	(14,340)	(21,504)	(24,440)	(26,867)	(25,444)	(25,705)	(25,645)	(28,356)	(27,610)	(35,631)
Net Change in Plan Fiduciary Net Position	\$ 803,305	\$ 701,936	\$ 2,378,983	\$ 2,007,240	\$ 1,968,160	\$ 1,329,512	\$ 7,110,457	\$ (1,307,576)	\$ 2,442,466	\$ 3,710,530
Plan Fiduciary Net Position, Beginning	18,256,689	19,059,994	19,761,930	22,140,913	24,148,153	26,116,313	27,445,825	34,556,282	33,248,706	35,691,172
Plan Fiduciary Net Position, Ending (b)	\$ 19,059,994	\$ 19,761,930	\$ 22,140,913	\$ 24,148,153	\$ 26,116,313	\$ 27,445,825	\$ 34,556,282	\$ 33,248,706	\$ 35,691,172	\$ 39,401,702
Net Pension Liability (Asset), Ending (a - b)	\$ (35,412)	\$ 331,306	\$ (366,048)	\$ (1,162,314)	\$ (1,701,034)	\$ (1,424,605)	\$ (4,248,439)	\$ (551,642)	\$ (68,304)	\$ (235,533)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	100.19%	98.35%	101.68%	105.06%	106.97%	105.47%	114.02%	101.69%	100.19%	100.60%
Covered Payroll	\$ 7,890,076	\$ 8,324,374	\$ 8,355,105	\$ 8,532,375	\$ 8,892,018	\$ 9,358,841	\$ 9,690,312	\$ 10,388,261	\$ 11,261,681	\$ 12,648,644
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(0.45)%	3.98%	(4.38)%	(13.62)%	(19.13)%	(15.22)%	(43.84)%	(5.31)%	(0.61)%	(1.86)%

Note: The agent plan is a single plan reported under one account with the Tennessee Consolidated Retirement System. This plan covers employees of the primary government, employees of the Benton County Electric System (proprietary fund), and non-certified employees of the discretely presented school department.

**BENTON COUNTY, TENNESSEE****Schedule of Contributions Based on Participation in the Public****Employee Pension Plan of TCRS**

Primary Government

**For the Fiscal Year Ended June 30**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially Determined Contribution	\$ 547,712	\$ 550,601	\$ 561,895	\$ 586,873	\$ 439,867	\$ 455,446	\$ 455,667	\$ 707,234	\$ 794,335	\$ 846,485
Less: Contributions in Relation to the Actuarially Determined Contribution	(547,712)	(550,601)	(561,895)	(586,873)	(439,867)	(455,446)	(455,667)	(707,234)	(794,335)	(846,485)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 8,324,374	\$ 8,355,105	\$ 8,532,375	\$ 8,892,018	\$ 9,358,841	\$ 9,690,312	\$ 10,388,261	\$ 11,261,681	\$ 12,648,644	\$ 13,483,458
Contributions as a Percentage of Covered Payroll	6.58%	6.59%	6.59%	6.60%	4.70%	4.70%	4.39%	6.28%	6.28%	6.28%

Note: The agent plan is a single plan reported under one account with the Tennessee Consolidated Retirement System. This plan covers employees of the primary government, employees of the Benton County Electric System (proprietary fund), and non-certified employees of the discretely presented school department.

**BENTON COUNTY, TENNESSEE****Schedule of Contributions Based on Participation in the Teacher****Retirement Plan of TCRS**

Discretely Presented Benton County School Department

**For the Fiscal Year Ended June 30**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 26,870	\$ 29,455	\$ 16,191	\$ 25,729	\$ 35,654	\$ 37,921	\$ 47,873	\$ 78,874	\$ 104,064	\$ 122,762
Less: Contributions in Relation to the Contractually Required Contribution	(26,870)	(29,455)	(39,714)	(25,729)	(35,654)	(37,921)	(47,873)	(78,874)	(104,064)	(122,762)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ (23,523)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 671,732	\$ 774,297	\$ 992,843	\$ 1,326,277	\$ 1,756,368	\$ 1,877,267	\$ 2,380,256	\$ 2,748,226	\$ 3,527,555	\$ 4,085,740
Contributions as a Percentage of Covered Payroll	4.00%	3.80%	4.00%	1.94%	2.03%	2.02%	2.01%	2.87%	2.95%	3.00%

Note: Beginning in FY 2019, the school department placed the actuarially determined contribution rate of covered payroll into the pension plan and placed the remainder of the four percent contractually required contribution into the Pension Stabilization Reserve Trust (SRT).

2019: Pension - 1.94%, SRT - 2.02%

2020: Pension - 2.03%, SRT - 1.97%

2021: Pension - 2.02%, SRT - 1.98%

2022: Pension - 2.01%, SRT - 1.99%

2023: Pension - 2.87%, SRT - 1.13%

2024: Pension - 2.95%, SRT - 1.05%

2024: Pension - 3.00%, SRT - 1.00%

**BENTON COUNTY, TENNESSEE****Schedule of Contributions Based on Participation in the Teacher****Legacy Pension Plan of TCRS**

Discretely Presented Benton County School Department

**For the Fiscal Year Ended June 30**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 791,520	\$ 813,684	\$ 799,084	\$ 913,168	\$ 923,818	\$ 888,983	\$ 906,863	\$ 693,595	\$ 525,780	\$ 484,360
Less: Contributions in Relation to the Contractually Required Contribution	(791,520)	(813,684)	(799,084)	(913,168)	(923,818)	(888,983)	(906,863)	(693,595)	(525,780)	(484,360)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 8,755,754	\$ 8,963,010	\$ 8,800,476	\$ 8,730,671	\$ 8,690,666	\$ 8,656,124	\$ 8,804,475	\$ 7,981,535	\$ 7,720,696	\$ 7,617,236
Contributions as a Percentage of Covered Payroll	9.04%	9.08%	9.08%	10.46%	10.63%	10.27%	10.30%	8.69%	6.81%	6.36%

**BENTON COUNTY, TENNESSEE****Schedule of Proportionate Share of the Net Pension Asset  
in the Teacher Retirement Plan of TCRS**

Discretely Presented Benton County School Department

**For the Fiscal Year Ended June 30**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School Department's Proportion of the Net Pension Liability (Asset)	0.202402%	0.152666%	0.112194%	0.113613%	0.125331%	0.139182%	0.130076%	0.139384%	0.138168%	0.150164%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (8,143)	\$ (15,893)	\$ (29,601)	\$ (51,527)	\$ (70,747)	\$ (79,145)	\$ (140,900)	\$ (42,223)	\$ (58,588)	\$ (107,008)
Covered Payroll	\$ 420,533	\$ 671,732	\$ 774,297	\$ 992,843	\$ 1,326,277	\$ 1,756,368	\$ 1,877,267	\$ 2,380,256	\$ 2,748,226	\$ 3,527,555
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(3.82)%	(5.19)%	(5.33)%	(4.51)%	(7.51)%	(1.77)%	(2.13)%	(3.03)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	127.46%	121.88%	126.81%	126.97%	123.07%	116.52%	121.53%	104.55%	104.97%	106.49%



**BENTON COUNTY, TENNESSEE****Schedule of Proportionate Share of the Net Pension Asset  
in the Teacher Legacy Pension Plan of TCRS**

Discretely Presented Benton County School Department

**For the Fiscal Year Ended June 30**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School Department's Proportion of the Net Pension Liability (Asset)	0.235793%	0.242555%	0.254627%	0.251322%	0.260356%	0.261118%	0.263731%	0.267538%	0.245960%	0.234491%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ 96,589	\$ 1,515,835	\$ (83,310)	\$ (884,382)	\$ (2,676,924)	\$ (1,991,215)	\$ (11,375,371)	\$ (3,281,095)	\$ (2,899,810)	\$ (4,039,955)
Covered Payroll	\$ 8,826,916	\$ 8,755,754	\$ 8,963,010	\$ 8,800,476	\$ 8,730,671	\$ 8,690,666	\$ 8,656,124	\$ 8,804,475	\$ 7,981,535	\$ 7,720,696
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	1.094255%	17.31%	(.93)%	(10.05)%	(30.66)%	(22.91)%	(131.41)%	(37.27)%	(36.33)%	(52.33)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	99.81%	97.14%	100.14%	101.49%	104.28%	103.09%	116.13%	104.42%	104.11%	105.76%

**BENTON COUNTY, TENNESSEE****Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Government Plan**

Primary Government

**For the Fiscal Year Ended June 30****Highway Department Plan**

	2017	2018	2019	2020	2021	2022	2023	2024
<b>Total OPEB Liability</b>								
Service Cost	\$ 5,130	\$ 4,939	\$ 5,930	\$ 6,407	\$ 7,923	\$ 7,050	\$ 4,269	\$ 5,055
Interest	1,428	1,885	2,416	1,714	1,261	1,117	1,201	1,602
Differences Between Actual and Expected Experience	0	1,328	(27,641)	(3,819)	(702)	(7,689)	(6,413)	(3,937)
Changes in Assumptions or Other Inputs	(1,730)	5,662	1,662	3,144	(12,211)	(14,987)	10,346	6,012
Benefit Payments	0	(1,182)	(854)	(651)	(807)	(669)	(328)	(114)
Net Change in Total OPEB Liability	\$ 4,828	\$ 12,632	\$ (18,487)	\$ 6,795	\$ (4,536)	\$ (15,178)	\$ 9,075	\$ 8,618
Total OPEB Liability, Beginning	43,774	48,602	61,234	42,747	49,542	45,006	29,828	38,903
Total OPEB Liability, Ending	\$ 48,602	\$ 61,234	\$ 42,747	\$ 49,542	\$ 45,006	\$ 29,828	\$ 38,903	\$ 47,521
Covered Employee Payroll	\$ 872,104	\$ 873,485	\$ 968,277	\$ 1,003,809	\$ 1,071,915	\$ 1,092,771	\$ 1,220,000	\$ 1,232,105
Net OPEB Liability as a Percentage of Covered Employee Payroll	5.57%	7.01%	4.41%	4.94%	4.20%	2.73%	3.19%	3.86%

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

Note 2: Changes in assumptions.

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

2016	2.92%
2017	3.56%
2018	3.62%
2019	3.51%
2020	2.21%
2021	2.16%
2022	3.54%
2023	3.65%
2024	3.93%

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

For the 2019 plan year - from 5.4% to 6.75%  
For the 2020 plan year - from 6.75% to 6.03%  
For the 2021 plan year - from 6.03% to 9.02%  
For the 2021 plan year - from 9.02% to 7.36%  
For the 2022 plan year - from 7.36% to 8.37%  
For the 2023 plan year - from 8.37% to 10.31%  
For the 2024 plan year - from 10.31% to 10.68%

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

**BENTON COUNTY, TENNESSEE****Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Education Plan**

Discretely Presented Benton County School Department

**For the Fiscal Year Ended June 30**

	2017	2018	2019	2020	2021	2022	2023	2024
<b>Total OPEB Liability</b>								
Service Cost	\$ 181,097	\$ 167,365	\$ 159,781	\$ 154,502	\$ 204,074	\$ 272,455	\$ 209,612	\$ 221,004
Interest	79,679	98,488	98,374	101,453	76,975	98,549	156,655	178,301
Differences Between Actual and Expected Experience	0	(314,166)	233,189	(26,070)	42,130	68,366	(181,333)	(461,175)
Changes in Assumptions or Other Inputs	(130,461)	102,599	(215,609)	384,404	746,605	(429,488)	361,616	100,561
Benefit Payments	(68,665)	(88,919)	(103,406)	(91,597)	(50,404)	(67,134)	(101,793)	(94,712)
Net Change in Total OPEB Liability	\$ 61,650	\$ (34,633)	\$ 172,329	\$ 522,692	\$ 1,019,380	\$ (57,252)	\$ 444,757	\$ (56,021)
Total OPEB Liability, Beginning	2,581,966	2,643,616	2,608,983	2,781,312	3,304,004	4,323,384	4,266,132	4,710,889
Total OPEB Liability, Ending	\$ 2,643,616	\$ 2,608,983	\$ 2,781,312	\$ 3,304,004	\$ 4,323,384	\$ 4,266,132	\$ 4,710,889	\$ 4,654,868
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 905,444	\$ 889,394	\$ 990,189	\$ 1,112,987	\$ 1,529,189	\$ 1,596,254	\$ 1,836,152	\$ 1,784,921
Employer Proportionate Share of the Total OPEB Liability	1,738,172	1,719,589	1,791,123	2,191,017	2,794,195	2,669,878	2,874,737	2,869,947
Covered Employee Payroll	\$ 10,850,847	\$ 10,903,924	\$ 10,760,370	\$ 10,818,707	\$ 11,004,495	\$ 10,334,394	\$ 10,789,497	\$ 10,893,425
Net OPEB Liability as a Percentage of Covered Employee Payroll	16.02%	15.77%	16.65%	20.25%	25.39%	25.83%	26.64%	26.35%

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

Note 2: Changes in assumptions.

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

2016	2.92%
2017	3.56%
2018	3.62%
2019	3.51%
2020	2.21%
2021	2.16%
2022	3.54%
2023	3.65%
2024	3.93%

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

For the 2019 plan year - from 5.4% to 6.75%  
For the 2020 plan year - from 6.75% to 6.03%  
For the 2021 plan year - from 6.03% to 9.02%  
For the 2021 plan year - from 9.02% to 7.36%  
For the 2022 plan year - from 7.36% to 8.37%  
For the 2023 plan year - from 8.37% to 10.31%  
For the 2024 plan year - from 10.31% to 10.68%

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

**BENTON COUNTY, TENNESSEE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2025**

**TENNESSEE CONSOLIDATED RETIREMENT SYSTEM**

*Valuation Date:* Actuarially determined contribution rates for 2025 were calculated based on the June 30, 2023, actuarial valuation.

Methods and assumptions used to determine contribution rates:

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

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

## COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

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

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

**Other General Government Fund** – The Other General Government Fund is used to account for proceeds received from the American Rescue Plan Act.

**Other Special Revenue Fund** – The Other Special Revenue Fund is used to account for revenues generated by the Tennessee River Resort District and expended for tourism.

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

## CAPITAL PROJECTS FUNDS

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

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

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

**Capital Projects Public Improvement Fund** – The Capital Projects Public Improvement Fund is used to account for various public safety capital expenditures of the county.

**Other Capital Projects Fund** – The Other Capital Projects Fund is used to account for federal and state grant funds received for airport improvements.

**BENTON COUNTY, TENNESSEE**  
**Combining Balance Sheet - Nonmajor Governmental Funds**  
**June 30, 2025**

	Special Revenue Funds					Capital Projects Funds
	Drug Control	Other General Government	Other Special Revenue	Constitutional Officers - Fees	Total	General Capital Projects
<b>ASSETS</b>						
Cash	\$ 0	\$ 0	\$ 0	\$ 1,500	\$ 1,500	\$ 0
Equity in Pooled Cash and Investments	34,706	502,435	482,086	0	1,019,227	2,312,370
Accounts Receivable	0	0	0	16,283	16,283	0
Due from Other Governments	0	0	48,824	0	48,824	0
Due from Other Funds	0	0	0	0	0	342,771
Property Taxes Receivable	0	0	0	0	0	18,749
Allowance for Uncollectible Property Taxes	0	0	0	0	0	(311)
Total Assets	<u>\$ 34,706</u>	<u>\$ 502,435</u>	<u>\$ 530,910</u>	<u>\$ 17,783</u>	<u>\$ 1,085,834</u>	<u>\$ 2,673,579</u>
<b>LIABILITIES</b>						
Accounts Payable	\$ 0	\$ 0	\$ 605	\$ 0	\$ 605	\$ 0
Due to Other Funds	0	0	0	17,783	17,783	0
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 605</u>	<u>\$ 17,783</u>	<u>\$ 18,388</u>	<u>\$ 0</u>

(Continued)

**BENTON COUNTY, TENNESSEE****Combining Balance Sheet - Nonmajor Governmental Funds (Cont.)**

	Special Revenue Funds					Capital Projects Funds
	Drug Control	Other General Government	Other Special Revenue	Constitutional Officers - Fees	Total	General Capital Projects
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 17,893
Deferred Delinquent Property Taxes	0	0	0	0	0	474
Other Deferred/Unavailable Revenue	0	0	24,754	0	24,754	0
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 24,754</u>	<u>\$ 0</u>	<u>\$ 24,754</u>	<u>\$ 18,367</u>
<b>FUND BALANCES</b>						
Restricted:						
Restricted for General Government	\$ 0	\$ 502,435	\$ 0	\$ 0	\$ 502,435	\$ 0
Restricted for Public Safety	34,706	0	0	0	34,706	0
Restricted for Other Operations	0	0	505,551	0	505,551	0
Restricted for Capital Outlay	0	0	0	0	0	1,382,765
Committed:						
Committed for Capital Outlay	0	0	0	0	0	1,272,447
Total Fund Balances	<u>\$ 34,706</u>	<u>\$ 502,435</u>	<u>\$ 505,551</u>	<u>\$ 0</u>	<u>\$ 1,042,692</u>	<u>\$ 2,655,212</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 34,706</u>	<u>\$ 502,435</u>	<u>\$ 530,910</u>	<u>\$ 17,783</u>	<u>\$ 1,085,834</u>	<u>\$ 2,673,579</u>

(Continued)



**BENTON COUNTY, TENNESSEE****Combining Balance Sheet - Nonmajor Governmental Funds (Cont.)**

	<b>Capital Projects Funds (Cont.)</b>				<b>Total Nonmajor Governmental Funds</b>
	<b>Community Development/ Industrial Park</b>	<b>Capital Projects Public Improvement</b>	<b>Other Capital Projects</b>	<b>Total</b>	
<b>ASSETS</b>					
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,500
Equity in Pooled Cash and Investments	176,612	106,363	36,403	2,631,748	3,650,975
Accounts Receivable	10,000	0	0	10,000	26,283
Due from Other Governments	0	15,088	0	15,088	63,912
Due from Other Funds	0	0	0	342,771	342,771
Property Taxes Receivable	0	0	0	18,749	18,749
Allowance for Uncollectible Property Taxes	0	0	0	(311)	(311)
Total Assets	<u>\$ 186,612</u>	<u>\$ 121,451</u>	<u>\$ 36,403</u>	<u>\$ 3,018,045</u>	<u>\$ 4,103,879</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 0	\$ 0	\$ 1,040	\$ 1,040	\$ 1,645
Due to Other Funds	0	0	0	0	17,783
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,040</u>	<u>\$ 1,040</u>	<u>\$ 19,428</u>

(Continued)

**BENTON COUNTY, TENNESSEE****Combining Balance Sheet - Nonmajor Governmental Funds (Cont.)****DEFERRED INFLOWS OF RESOURCES**

	<b>Capital Projects Funds (Cont.)</b>				Total Nonmajor Governmental Funds
	Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects	Total	
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 17,893	\$ 17,893
Deferred Delinquent Property Taxes	0	0	0	474	474
Other Deferred/Unavailable Revenue	0	0	0	0	24,754
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 18,367</u>	<u>\$ 43,121</u>

**FUND BALANCES**

## Restricted:

Restricted for General Government	\$ 0	\$ 0	\$ 0	\$ 0	\$ 502,435
Restricted for Public Safety	0	0	0	0	34,706
Restricted for Other Operations	0	0	0	0	505,551
Restricted for Capital Outlay	0	121,451	0	1,504,216	1,504,216

## Committed:

Committed for Capital Outlay	186,612	0	35,363	1,494,422	1,494,422
Total Fund Balances	<u>\$ 186,612</u>	<u>\$ 121,451</u>	<u>\$ 35,363</u>	<u>\$ 2,998,638</u>	<u>\$ 4,041,330</u>

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

<u>\$ 186,612</u>	<u>\$ 121,451</u>	<u>\$ 36,403</u>	<u>\$ 3,018,045</u>	<u>\$ 4,103,879</u>
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**BENTON COUNTY, TENNESSEE****Combining Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Nonmajor Governmental Funds****For the Year Ended June 30, 2025**

	<b>Special Revenue Funds</b>					<b>Debt Service Fund</b>
	Drug Control	Other General Government	Other Special Revenue	Constitu - tional Officers - Fees	Total	<i>Formerly Nonmajor General Debt Service</i>
<b>Revenues</b>						
Local Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fines, Forfeitures, and Penalties	14,070	0	0	0	14,070	0
Charges for Current Services	0	0	0	5,400	5,400	0
Other Local Revenues	0	0	0	0	0	0
State of Tennessee	0	0	269,577	0	269,577	0
Federal Government	0	205,105	0	0	205,105	0
Total Revenues	\$ 14,070	\$ 205,105	\$ 269,577	\$ 5,400	\$ 494,152	\$ 0
<b>Expenditures</b>						
Current:						
Administration of Justice	\$ 0	\$ 0	\$ 0	\$ 5,400	\$ 5,400	\$ 0
Public Safety	23,362	0	0	0	23,362	0
Other Operations	131	1,614,967	212,958	0	1,828,056	0
Capital Projects	0	0	0	0	0	0
Total Expenditures	\$ 23,493	\$ 1,614,967	\$ 212,958	\$ 5,400	\$ 1,856,818	\$ 0

(Continued)

**BENTON COUNTY, TENNESSEE****Combining Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Nonmajor Governmental Funds (Cont.)**

	<b>Special Revenue Funds</b>					<b>Debt Service Fund</b>
	<b>Drug Control</b>	<b>Other General Government</b>	<b>Other Special Revenue</b>	<b>Constitu - tional Officers - Fees</b>	<b>Total</b>	<i>Formerly Nonmajor General Debt Service</i>
Excess (Deficiency) of Revenues Over Expenditures	\$ (9,423)	\$ (1,409,862)	\$ 56,619	\$ 0	\$ (1,362,666)	\$ 0
<b>Other Financing Sources (Uses)</b>						
Proceeds from Sale of Capital Assets	\$ 0	\$ 750,000	\$ 0	\$ 0	\$ 750,000	\$ 0
Transfers In	0	0	0	0	0	0
Transfers Out	0	(188,260)	0	0	(188,260)	0
Total Other Financing Sources (Uses)	\$ 0	\$ 561,740	\$ 0	\$ 0	\$ 561,740	\$ 0
Net Change in Fund Balances	\$ (9,423)	\$ (848,122)	\$ 56,619	\$ 0	\$ (800,926)	\$ 0
Change to or Within the Reporting Entity	0	0	0	0	0	(2,859,989)
Fund Balance, July 1, 2024	44,129	1,350,557	448,932	0	1,843,618	2,859,989
Fund Balance, June 30, 2025	\$ 34,706	\$ 502,435	\$ 505,551	\$ 0	\$ 1,042,692	\$ 0

(Continued)

**BENTON COUNTY, TENNESSEE****Combining Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Nonmajor Governmental Funds (Cont.)**

<b>Capital Projects Funds</b>						
	General Capital Projects	Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects	Total	Total Nonmajor Governmental Funds
<b>Revenues</b>						
Local Taxes	\$ 18,746	\$ 0	\$ 0	\$ 0	\$ 18,746	\$ 18,746
Fines, Forfeitures, and Penalties	0	0	0	0	0	14,070
Charges for Current Services	0	0	0	0	0	5,400
Other Local Revenues	0	10,000	2,334	0	12,334	12,334
State of Tennessee	0	0	212,605	9,695	222,300	491,877
Federal Government	659,836	8,289	0	57,497	725,622	930,727
Total Revenues	<u>\$ 678,582</u>	<u>\$ 18,289</u>	<u>\$ 214,939</u>	<u>\$ 67,192</u>	<u>\$ 979,002</u>	<u>\$ 1,473,154</u>
<b>Expenditures</b>						
Current:						
Administration of Justice	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,400
Public Safety	0	0	0	0	0	23,362
Other Operations	0	100	0	0	100	1,828,156
Capital Projects	759,964	130,619	204,592	150,704	1,245,879	1,245,879
Total Expenditures	<u>\$ 759,964</u>	<u>\$ 130,719</u>	<u>\$ 204,592</u>	<u>\$ 150,704</u>	<u>\$ 1,245,979</u>	<u>\$ 3,102,797</u>

(Continued)

**BENTON COUNTY, TENNESSEE****Combining Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Nonmajor Governmental Funds (Cont.)**

	<b>Capital Projects Funds</b>					
	General Capital Projects	Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects	Total	Total Nonmajor Governmental Funds
Excess (Deficiency) of Revenues Over Expenditures	\$ (81,382)	\$ (112,430)	\$ 10,347	\$ (83,512)	\$ (266,977)	\$ (1,629,643)
<b>Other Financing Sources (Uses)</b>						
Proceeds from Sale of Capital Assets	\$ 189,688	\$ 0	\$ 0	\$ 0	\$ 189,688	\$ 939,688
Transfers In	342,771	100,000	0	50,000	492,771	492,771
Transfers Out	0	0	(211,023)	0	(211,023)	(399,283)
Total Other Financing Sources (Uses)	\$ 532,459	\$ 100,000	\$ (211,023)	\$ 50,000	\$ 471,436	\$ 1,033,176
Net Change in Fund Balances	\$ 451,077	\$ (12,430)	\$ (200,676)	\$ (33,512)	\$ 204,459	\$ (596,467)
Change to or Within the Reporting Entity	0	0	0	0	0	(2,859,989)
Fund Balance, July 1, 2024	2,204,135	199,042	322,127	68,875	2,794,179	7,497,786
Fund Balance, June 30, 2025	\$ 2,655,212	\$ 186,612	\$ 121,451	\$ 35,363	\$ 2,998,638	\$ 4,041,330

**BENTON COUNTY, TENNESSEE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
Drug Control Fund  
**For the Year Ended June 30, 2025**

		<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Fines, Forfeitures, and Penalties	\$ 14,070	\$ 12,056	\$ 12,553	\$ 1,517
Total Revenues	<u>\$ 14,070</u>	<u>\$ 12,056</u>	<u>\$ 12,553</u>	<u>\$ 1,517</u>
<b>Expenditures</b>				
Public Safety				
Drug Enforcement	\$ 23,362	\$ 19,500	\$ 32,804	\$ 9,442
Other Operations				
Other Charges	131	122	122	(9)
Total Expenditures	<u>\$ 23,493</u>	<u>\$ 19,622</u>	<u>\$ 32,926</u>	<u>\$ 9,433</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (9,423)</u>	<u>\$ (7,566)</u>	<u>\$ (20,373)</u>	<u>\$ 10,950</u>
Net Change in Fund Balance	\$ (9,423)	\$ (7,566)	\$ (20,373)	\$ 10,950
Fund Balance, July 1, 2024	<u>44,129</u>	<u>20,373</u>	<u>20,373</u>	<u>23,756</u>
Fund Balance, June 30, 2025	<u><u>\$ 34,706</u></u>	<u><u>\$ 12,807</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 34,706</u></u>

**BENTON COUNTY, TENNESSEE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
Other General Government Fund  
**For the Year Ended June 30, 2025**

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
State of Tennessee	\$ 0	\$ 0	\$ 5,872	\$ (5,872)
Federal Government	205,105	0	86,136	118,969
Total Revenues	\$ 205,105	\$ 0	\$ 92,008	\$ 113,097
Expenditures				
Other Operations				
Other Charges	\$ 7,500	\$ 0	\$ 0	\$ (7,500)
American Rescue Plan Act Grant #1	1,607,467	2,192,479	2,284,487	677,020
Total Expenditures	\$ 1,614,967	\$ 2,192,479	\$ 2,284,487	\$ 669,520
Excess (Deficiency) of Revenues Over Expenditures				
	\$ (1,409,862)	\$ (2,192,479)	\$ (2,192,479)	\$ 782,617
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	\$ 750,000	\$ 750,000	\$ 750,000	\$ 0
Transfers Out	(188,260)	(188,260)	(188,260)	0
Total Other Financing Sources	\$ 561,740	\$ 561,740	\$ 561,740	\$ 0
Net Change in Fund Balance	\$ (848,122)	\$ (1,630,739)	\$ (1,630,739)	\$ 782,617
Fund Balance, July 1, 2024	1,350,557	1,630,739	1,630,739	(280,182)
Fund Balance, June 30, 2025	\$ 502,435	\$ 0	\$ 0	\$ 502,435



**BENTON COUNTY, TENNESSEE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
Other Special Revenue Fund  
**For the Year Ended June 30, 2025**

		<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
State of Tennessee	\$ 269,577	\$ 230,000	\$ 230,000	\$ 39,577
Total Revenues	<u>\$ 269,577</u>	<u>\$ 230,000</u>	<u>\$ 230,000</u>	<u>\$ 39,577</u>
<b>Expenditures</b>				
Other Operations				
Tourism	\$ 210,276	\$ 213,308	\$ 260,308	\$ 50,032
Other Charges	2,682	2,293	2,293	(389)
Total Expenditures	<u>\$ 212,958</u>	<u>\$ 215,601</u>	<u>\$ 262,601</u>	<u>\$ 49,643</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 56,619</u>	<u>\$ 14,399</u>	<u>\$ (32,601)</u>	<u>\$ 89,220</u>
Net Change in Fund Balance	\$ 56,619	\$ 14,399	\$ (32,601)	\$ 89,220
Fund Balance, July 1, 2024	<u>448,932</u>	<u>545,394</u>	<u>545,394</u>	<u>(96,462)</u>
Fund Balance, June 30, 2025	<u><u>\$ 505,551</u></u>	<u><u>\$ 559,793</u></u>	<u><u>\$ 512,793</u></u>	<u><u>\$ (7,242)</u></u>

**BENTON COUNTY, TENNESSEE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
 General Capital Projects Fund  
**For the Year Ended June 30, 2025**

		<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Local Taxes	\$ 18,746	\$ 18,174	\$ 18,174	\$ 572
Federal Government	659,836	0	463,845	195,991
Total Revenues	<u>\$ 678,582</u>	<u>\$ 18,174</u>	<u>\$ 482,019</u>	<u>\$ 196,563</u>
<b>Expenditures</b>				
Capital Projects				
General Administration Projects	\$ 521,740	\$ 51,120	\$ 540,492	\$ 18,752
Public Safety Projects	0	0	21,870	21,870
Public Health and Welfare Projects	238,224	0	637,000	398,776
Agriculture and Natural Resources Projects	0	0	150,000	150,000
Total Expenditures	<u>\$ 759,964</u>	<u>\$ 51,120</u>	<u>\$ 1,349,362</u>	<u>\$ 589,398</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (81,382)</u>	<u>\$ (32,946)</u>	<u>\$ (867,343)</u>	<u>\$ 785,961</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Capital Assets	\$ 189,688	\$ 200,000	\$ 200,000	\$ (10,312)
Transfers In	342,771	342,771	342,771	0
Transfers Out	0	(60)	(60)	60
Total Other Financing Sources	<u>\$ 532,459</u>	<u>\$ 542,711</u>	<u>\$ 542,711</u>	<u>\$ (10,252)</u>
Net Change in Fund Balance	\$ 451,077	\$ 509,765	\$ (324,632)	\$ 775,709
Fund Balance, July 1, 2024	<u>2,204,135</u>	<u>1,134,095</u>	<u>1,134,095</u>	<u>1,070,040</u>
Fund Balance, June 30, 2025	<u><u>\$ 2,655,212</u></u>	<u><u>\$ 1,643,860</u></u>	<u><u>\$ 809,463</u></u>	<u><u>\$ 1,845,749</u></u>

**BENTON COUNTY, TENNESSEE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
**Capital Projects Public Improvement Fund**  
**For the Year Ended June 30, 2025**

		<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Other Local Revenues	\$ 2,334	\$ 0	\$ 0	\$ 2,334
State of Tennessee	212,605	225,000	225,000	(12,395)
Total Revenues	<u>\$ 214,939</u>	<u>\$ 225,000</u>	<u>\$ 225,000</u>	<u>\$ (10,061)</u>
<b>Expenditures</b>				
Other Operations				
Contributions to Other Agencies	\$ 0	\$ 100,000	\$ 100,000	\$ 100,000
Capital Projects				
Public Safety Projects	190,598	225,000	225,000	34,402
Social, Cultural, and Recreation Projects	13,994	75,000	75,000	61,006
Total Expenditures	<u>\$ 204,592</u>	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ 195,408</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 10,347</u>	<u>\$ (175,000)</u>	<u>\$ (175,000)</u>	<u>\$ 185,347</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	\$ (211,023)	\$ (211,023)	\$ (211,023)	\$ 0
Total Other Financing Sources	<u>\$ (211,023)</u>	<u>\$ (211,023)</u>	<u>\$ (211,023)</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ (200,676)	\$ (386,023)	\$ (386,023)	\$ 185,347
Fund Balance, July 1, 2024	<u>322,127</u>	<u>807,097</u>	<u>807,097</u>	<u>(484,970)</u>
Fund Balance, June 30, 2025	<u><u>\$ 121,451</u></u>	<u><u>\$ 421,074</u></u>	<u><u>\$ 421,074</u></u>	<u><u>\$ (299,623)</u></u>

## MAJOR GOVERNMENTAL FUND

### GENERAL DEBT SERVICE FUND

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

**BENTON COUNTY, TENNESSEE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
General Debt Service Fund  
**For the Year Ended June 30, 2025**

		<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Local Taxes	\$ 757,747	\$ 738,809	\$ 738,809	\$ 18,938
Other Local Revenues	9,945	3,328	3,328	6,617
State of Tennessee	815,962	0	0	815,962
Other Governments and Citizens Groups	397,984	425,000	822,984	(425,000)
Total Revenues	<u>\$ 1,981,638</u>	<u>\$ 1,167,137</u>	<u>\$ 1,565,121</u>	<u>\$ 416,517</u>
<b>Expenditures</b>				
Principal on Debt				
General Government	\$ 490,000	\$ 490,000	\$ 490,000	\$ 0
Education	571,808	319,256	697,064	125,256
Interest on Debt				
General Government	108,833	108,833	108,833	0
Education	48,708	28,532	48,708	0
Other Debt Service				
General Government	11,055	9,790	11,290	235
Education	0	23,578	23,578	23,578
Total Expenditures	<u>\$ 1,230,404</u>	<u>\$ 979,989</u>	<u>\$ 1,379,473</u>	<u>\$ 149,069</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 751,234</u>	<u>\$ 187,148</u>	<u>\$ 185,648</u>	<u>\$ 565,586</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	\$ 485,000	\$ 485,000	\$ 485,000	\$ 0
Transfers Out	(150,000)	(150,000)	(150,000)	0
Total Other Financing Sources	<u>\$ 335,000</u>	<u>\$ 335,000</u>	<u>\$ 335,000</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 1,086,234	\$ 522,148	\$ 520,648	\$ 565,586
Changes to or Within the Financial Reporting Entity	2,859,989	0	0	2,859,989
Fund Balance, July 1, 2024	<u>0</u>	<u>2,722,587</u>	<u>2,722,587</u>	<u>(2,722,587)</u>
Fund Balance, June 30, 2025	<u><u>\$ 3,946,223</u></u>	<u><u>\$ 3,244,735</u></u>	<u><u>\$ 3,243,235</u></u>	<u><u>\$ 702,988</u></u>

## CUSTODIAL FUNDS

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

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

**Community Development - Custodial Fund** – The Community Development- Custodial Fund is used to account for the purchase of property and construction of the Morris Chapel Fire Department funded through the sale of the prior fire department site.

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

**BENTON COUNTY, TENNESSEE**  
**Combining Statement of Net Position - Custodial Funds**  
**June 30, 2025**

	<b>Custodial Funds</b>			
	Cities - Sales Tax	Community Development Custodial	Constitu - tional Officers - Custodial	Total
<b>ASSETS</b>				
Cash	\$ 0	\$ 0	\$ 1,746,016	\$ 1,746,016
Equity in Pooled Cash and Investments	106,746	2,434	0	109,180
Accounts Receivable	0	0	509	509
Due from Other Governments	442,357	0	0	442,357
Total Assets	<u>\$ 549,103</u>	<u>\$ 2,434</u>	<u>\$ 1,746,525</u>	<u>\$ 2,298,062</u>
<b>LIABILITIES</b>				
Due to Other Taxing Units	\$ 549,103	\$ 0	\$ 0	\$ 549,103
Total Liabilities	<u>\$ 549,103</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 549,103</u>
<b>NET POSITION</b>				
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 2,434	\$ 1,746,525	\$ 1,748,959
Total Net Position	<u>\$ 0</u>	<u>\$ 2,434</u>	<u>\$ 1,746,525</u>	<u>\$ 1,748,959</u>

**BENTON COUNTY, TENNESSEE****Combining Statement of Changes in Net Position - Custodial Funds****For the Year Ended June 30, 2025**

	<b>Custodial Funds</b>			
	Cities - Sales Tax	Community Development - Custodial	Constitu - tional Officers - Custodial	Total
<b>Additions</b>				
Sales Tax Collections for Other Governments	\$ 2,533,723	\$ 0	\$ 0	\$ 2,533,723
Fines/Fees and Other Collections	0	0	5,030,583	5,030,583
Total Additions	<u>\$ 2,533,723</u>	<u>\$ 0</u>	<u>\$ 5,030,583</u>	<u>\$ 7,564,306</u>
<b>Deductions</b>				
Payment of Sales Tax Collections for Other Governments	\$ 2,533,723	\$ 0	\$ 0	\$ 2,533,723
Payments to State	0	0	2,502,028	2,502,028
Payments to Cities, Individuals, and Others	0	0	2,382,684	2,382,684
Total Deductions	<u>\$ 2,533,723</u>	<u>\$ 0</u>	<u>\$ 4,884,712</u>	<u>\$ 7,418,435</u>
Change in Net Position	\$ 0	\$ 0	\$ 145,871	\$ 145,871
Net Position July 1, 2024	0	2,434	1,600,654	1,603,088
Net Position June 30, 2025	<u>\$ 0</u>	<u>\$ 2,434</u>	<u>\$ 1,746,525</u>	<u>\$ 1,748,959</u>



## BENTON COUNTY SCHOOL DEPARTMENT

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

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

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

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

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

**BENTON COUNTY, TENNESSEE****Statement of Activities**

Discretely Presented Benton County School Department

**For the Year Ended June 30, 2025**

Functions/Programs	Expenses	Program Revenues		Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Total Governmental Activities
Governmental Activities:				
Instruction	\$ 17,934,110	\$ 0	\$ 3,537,724	\$ (14,396,386)
Support Services	9,276,537	35,143	1,777,079	(7,464,315)
Operation of Non-instructional Services	3,067,094	129,724	3,065,636	128,266
Total Governmental Activities	<u>\$ 30,277,741</u>	<u>\$ 164,867</u>	<u>\$ 8,380,439</u>	<u>\$ (21,732,435)</u>
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				\$ 3,327,584
Local Option Sales Taxes				3,809,780
Other Local Taxes				6,154
Grants and Contributions Not Restricted to Specific Programs				17,049,080
Unrestricted Investment Earnings				84,912
Miscellaneous				42,575
Total General Revenues				<u>\$ 24,320,085</u>
Change in Net Position				\$ 2,587,650
Net Position, July 1, 2024				35,023,440
Restatement - See Note I.D.9.				<u>(98,261)</u>
Net Position, June 30, 2025				<u>\$ 37,512,829</u>

**BENTON COUNTY, TENNESSEE****Balance Sheet - Governmental Funds**

Discretely Presented Benton County School Department

**June 30, 2025**

	<u>Major Fund</u>	<u>Nonmajor Funds</u>	
	General Purpose School	Other Govern- mental Funds	Total Governmental Funds
<b>ASSETS</b>			
Cash	\$ 0	\$ 680,880	\$ 680,880
Equity in Pooled Cash and Investments	13,937,417	1,651,095	15,588,512
Due from Other Governments	1,115,929	202,627	1,318,556
Property Taxes Receivable	3,159,054	0	3,159,054
Allowance for Uncollectible Property Taxes	(53,845)	0	(53,845)
Restricted Assets	309,314	0	309,314
Total Assets	<u>\$ 18,467,869</u>	<u>\$ 2,534,602</u>	<u>\$ 21,002,471</u>
<b>LIABILITIES</b>			
Accounts Payable	\$ 0	\$ 686	\$ 686
Total Liabilities	<u>\$ 0</u>	<u>\$ 686</u>	<u>\$ 686</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Current Property Taxes	\$ 3,008,468	\$ 0	\$ 3,008,468
Deferred Delinquent Property Taxes	84,189	0	84,189
Other Deferred/Unavailable Revenue	342,145	0	342,145
Total Deferred Inflows of Resources	<u>\$ 3,434,802</u>	<u>\$ 0</u>	<u>\$ 3,434,802</u>
<b>FUND BALANCES</b>			
Restricted:			
Restricted for Education	\$ 0	\$ 679,906	\$ 679,906
Restricted for Operation of Non-instructional Services	0	1,385,481	1,385,481
Restricted for Debt Service	1,253,793	0	1,253,793
Restricted for Hybrid Retirement Stabilization Funds	309,314	0	309,314
Committed:			
Committed for Education	4,847,775	0	4,847,775
Assigned:			
Assigned for Education	0	468,529	468,529
Unassigned	8,622,185	0	8,622,185
Total Fund Balances	<u>\$ 15,033,067</u>	<u>\$ 2,533,916</u>	<u>\$ 17,566,983</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 18,467,869</u>	<u>\$ 2,534,602</u>	<u>\$ 21,002,471</u>

**BENTON COUNTY, TENNESSEE****Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position**

Discretely Presented Benton County School Department

**June 30, 2025**

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

Total fund balances - balance sheet - governmental funds (Exhibit J-2)		\$	17,566,983
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	507,205	
Add: buildings and improvements net of accumulated depreciation		11,059,450	
Add: other capital assets net of accumulated depreciation		<u>4,910,380</u>	16,477,035
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: net OPEB liability	\$	(2,869,947)	
Less: compensated absences payable		<u>(107,107)</u>	(2,977,054)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$	2,777,107	
Less: deferred inflows of resources related to pensions		(986,707)	
Add: deferred outflows of resources related to OPEB		811,703	
Less: deferred inflows of resources related to OPEB		<u>(786,487)</u>	1,815,616
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent plan	\$	56,952	
Add: net pension asset - teacher retirement plan		107,008	
Add: net pension asset - teacher legacy pension plan		<u>4,039,955</u>	4,203,915
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>426,334</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>37,512,829</u></u>

**BENTON COUNTY, TENNESSEE**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances - Governmental Funds**  
Discretely Presented Benton County School Department  
**For the Year Ended June 30, 2025**

	<u>Major Funds</u>		<u>Nonmajor Funds</u>	
	General Purpose School	<i>Formerly Major</i> School Federal Projects	Other Govern-mental Funds	Total Governmental Funds
<b>Revenues</b>				
Local Taxes	\$ 7,115,843	\$ 0	\$ 0	\$ 7,115,843
Licenses and Permits	1,739	0	0	1,739
Charges for Current Services	32,735	0	132,132	164,867
Other Local Revenues	70,916	0	798,237	869,153
State of Tennessee	19,012,300	0	11,591	19,023,891
Federal Government	419,211	0	4,976,903	5,396,114
Other Governments and Citizens Groups	129,956	0	0	129,956
Total Revenues	<u>\$ 26,782,700</u>	<u>\$ 0</u>	<u>\$ 5,918,863</u>	<u>\$ 32,701,563</u>
<b>Expenditures</b>				
Current:				
Instruction	\$ 14,971,826	\$ 0	\$ 1,897,278	\$ 16,869,104
Support Services	7,938,985	0	815,219	8,754,204
Operation of Non-Instructional Services	324,948	0	2,692,227	3,017,175
Capital Outlay	2,369,212	0	235,656	2,604,868
Debt Service:				
Other Debt Service	397,984	0	0	397,984
Total Expenditures	<u>\$ 26,002,955</u>	<u>\$ 0</u>	<u>\$ 5,640,380</u>	<u>\$ 31,643,335</u>

(Continued)

**BENTON COUNTY, TENNESSEE****Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Governmental Funds**

Discretely Presented Benton County School Department (Cont.)

	<b>Major Funds</b>		<b>Nonmajor Funds</b>	
	General Purpose School	<i>Formerly Major School Federal Projects</i>	Other Govern- mental Funds	Total Governmental Funds
Excess (Deficiency) of Revenues Over Expenditures	\$ 779,745	\$ 0	\$ 278,483	\$ 1,058,228
<b>Other Financing Sources (Uses)</b>				
Insurance Recovery	\$ 49,294	\$ 0	\$ 0	\$ 49,294
Transfers In	1,000	0	280,000	281,000
Transfers Out	(280,000)	0	(1,000)	(281,000)
Total Other Financing Sources (Uses)	\$ (229,706)	\$ 0	\$ 279,000	\$ 49,294
Net Change in Fund Balances	\$ 550,039	\$ 0	\$ 557,483	\$ 1,107,522
Change to or Within the Reporting Entity	0	(218,337)	218,337	0
Fund Balance, July 1, 2024	14,483,028	218,337	1,758,096	16,459,461
Fund Balance, June 30, 2025	\$ 15,033,067	\$ 0	\$ 2,533,916	\$ 17,566,983

**BENTON COUNTY, TENNESSEE****Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
of Governmental Funds to the Statement of Activities**

Discretely Presented Benton County School Department

**For the Year Ended June 30, 2025**

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

Net change in fund balances - total governmental funds (Exhibit J-4)		\$ 1,107,522
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 3,317,953	
Less: current-year depreciation expense	<u>(1,137,665)</u>	2,180,288
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Less: book value of capital assets disposed		(34,553)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2025	\$ 426,334	
Less: deferred delinquent property taxes and other deferred June 30, 2024	<u>(397,717)</u>	28,617
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in compensated absences payable	\$ (8,846)	
Change in net pension asset - agent plan	42,622	
Change in net pension asset - teacher retirement plan	48,420	
Change in net pension asset - teacher legacy pension plan	1,140,145	
Change in deferred outflows related to pensions	(996,411)	
Change in deferred inflows related to pensions	(736,140)	
Change in net OPEB liability	4,790	
Change in deferred outflows related to OPEB	(49,923)	
Change in deferred inflows related to OPEB	<u>(138,881)</u>	<u>(694,224)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 2,587,650</u>

**BENTON COUNTY, TENNESSEE****Combining Balance Sheet - Nonmajor Governmental Funds**

Discretely Presented Benton County School Department

**June 30, 2025****ASSETS**

Cash  
 Equity in Pooled Cash and Investments  
 Due from Other Governments

Total Assets

**LIABILITIES**

Accounts Payable  
 Total Liabilities

**FUND BALANCES**

Restricted:

Restricted for Education

Restricted for Operation of Non-instructional Services

Assigned:

Assigned for Education

Total Fund Balances

Total Liabilities and Fund Balances

**Special Revenue Funds**

			Total Nonmajor Governmental Funds	
School Federal Projects	Central Cafeteria	Internal School		
\$ 0	\$ 974	\$ 679,906	\$	680,880
407,684	1,243,411	0		1,651,095
60,845	141,782	0		202,627
\$ 468,529	\$ 1,386,167	\$ 679,906	\$	2,534,602
\$ 0	\$ 686	\$ 0	\$	686
\$ 0	\$ 686	\$ 0	\$	686
\$ 0	\$ 0	\$ 679,906	\$	679,906
0	1,385,481	0		1,385,481
468,529	0	0		468,529
\$ 468,529	\$ 1,385,481	\$ 679,906	\$	2,533,916
\$ 468,529	\$ 1,386,167	\$ 679,906	\$	2,534,602



**BENTON COUNTY, TENNESSEE****Combining Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Nonmajor Governmental Funds**

Discretely Presented Benton County School Department

**For the Year Ended June 30, 2025**

	<b>Special Revenue Funds</b>			
	<i>Formerly Major School Federal Projects</i>	<i>Central Cafeteria</i>	<i>Internal School</i>	<i>Total Nonmajor Governmental Funds</i>
<b>Revenues</b>				
Charges for Current Services	\$ 0	\$ 132,132	\$ 0	\$ 132,132
Other Local Revenues	0	56,571	741,666	798,237
State of Tennessee	0	11,591	0	11,591
Federal Government	2,919,345	2,057,558	0	4,976,903
Total Revenues	<u>\$ 2,919,345</u>	<u>\$ 2,257,852</u>	<u>\$ 741,666</u>	<u>\$ 5,918,863</u>
<b>Expenditures</b>				
Current:				
Instruction	\$ 1,897,278	\$ 0	\$ 0	\$ 1,897,278
Support Services	815,219	0	0	815,219
Operation of Non-Instructional Services	0	1,999,071	693,156	2,692,227
Capital Outlay	235,656	0	0	235,656
Total Expenditures	<u>\$ 2,948,153</u>	<u>\$ 1,999,071</u>	<u>\$ 693,156</u>	<u>\$ 5,640,380</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (28,808)</u>	<u>\$ 258,781</u>	<u>\$ 48,510</u>	<u>\$ 278,483</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	\$ 280,000	\$ 0	\$ 0	\$ 280,000
Transfers Out	(1,000)	0	0	(1,000)
Total Other Financing Sources (Uses)	<u>\$ 279,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 279,000</u>
Net Change in Fund Balances	\$ 250,192	\$ 258,781	\$ 48,510	\$ 557,483
Change to or Within the Reporting Entity	218,337	0	0	218,337
Fund Balance, July 1, 2024	<u>0</u>	<u>1,126,700</u>	<u>631,396</u>	<u>1,758,096</u>
Fund Balance, June 30, 2025	<u>\$ 468,529</u>	<u>\$ 1,385,481</u>	<u>\$ 679,906</u>	<u>\$ 2,533,916</u>

**BENTON COUNTY, TENNESSEE****Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget**

Discretely Presented Benton County School Department

General Purpose School Fund

**For the Year Ended June 30, 2025**

			<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>		<b>Original</b>	<b>Final</b>	
<b>Revenues</b>					
Local Taxes	\$ 7,115,843	\$	6,424,782	\$ 6,424,782	\$ 691,061
Licenses and Permits	1,739		1,200	1,200	539
Charges for Current Services	32,735		54,000	54,000	(21,265)
Other Local Revenues	70,916		5,700	24,700	46,216
State of Tennessee	19,012,300		18,652,399	21,553,969	(2,541,669)
Federal Government	419,211		0	443,390	(24,179)
Other Governments and Citizens Groups	129,956		10,000	139,956	(10,000)
Total Revenues	<u>\$ 26,782,700</u>	<u>\$</u>	<u>25,148,081</u>	<u>\$ 28,641,997</u>	<u>\$ (1,859,297)</u>
<b>Expenditures</b>					
Instruction					
Regular Instruction Program	\$ 11,797,999	\$	12,908,565	\$ 14,400,874	\$ 2,602,875
Special Education Program	1,603,047		1,809,615	2,044,069	441,022
Career and Technical Education Program	1,570,780		1,879,707	3,127,240	1,556,460
Support Services					
Attendance	102,933		104,332	113,916	10,983
Health Services	202,554		525,572	534,011	331,457
Other Student Support	497,901		398,745	557,419	59,518
Regular Instruction Program	943,450		1,066,534	1,149,029	205,579
Special Education Program	103,401		203,881	129,879	26,478
Career and Technical Education Program	25,274		47,200	55,700	30,426
Technology	382,311		446,287	425,548	43,237
Other Programs	46,532		0	46,532	0
Board of Education	498,174		584,211	602,211	104,037
Director of Schools	173,246		191,189	202,330	29,084
Office of the Principal	1,360,035		1,341,232	1,401,571	41,536
Fiscal Services	206,269		238,713	240,713	34,444
Operation of Plant	1,530,613		1,757,798	1,786,732	256,119
Maintenance of Plant	753,466		814,624	972,154	218,688
Transportation	1,112,826		1,513,037	1,624,768	511,942
Operation of Non-Instructional Services					
Food Service	74,021		59,414	76,275	2,254
Community Services	6,000		6,000	6,000	0

(Continued)

**BENTON COUNTY, TENNESSEE****Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget**Discretely Presented Benton County School Department  
General Purpose School Fund (Cont.)

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Expenditures (Cont.)</b>				
Operation of Non-Instructional Services (Cont.)				
Early Childhood Education	\$ 244,927	\$ 268,896	\$ 274,503	\$ 29,576
Capital Outlay				
Regular Capital Outlay	2,369,212	445,000	2,883,312	514,100
Principal on Debt				
Education	0	425,000	27,016	27,016
Other Debt Service				
Education	397,984	0	397,984	0
Total Expenditures	<u>\$ 26,002,955</u>	<u>\$ 27,035,552</u>	<u>\$ 33,079,786</u>	<u>\$ 7,076,831</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 779,745</u>	<u>\$ (1,887,471)</u>	<u>\$ (4,437,789)</u>	<u>\$ 5,217,534</u>
<b>Other Financing Sources (Uses)</b>				
Insurance Recovery	\$ 49,294	\$ 100	\$ 29,621	\$ 19,673
Transfers In	1,000	15,000	15,000	(14,000)
Transfers Out	(280,000)	0	(280,000)	0
Total Other Financing Sources	<u>\$ (229,706)</u>	<u>\$ 15,100</u>	<u>\$ (235,379)</u>	<u>\$ 5,673</u>
Net Change in Fund Balance	\$ 550,039	\$ (1,872,371)	\$ (4,673,168)	\$ 5,223,207
Fund Balance, July 1, 2024	<u>14,483,028</u>	<u>14,980,978</u>	<u>14,980,978</u>	<u>(497,950)</u>
Fund Balance, June 30, 2025	<u>\$ 15,033,067</u>	<u>\$ 13,108,607</u>	<u>\$ 10,307,810</u>	<u>\$ 4,725,257</u>

**BENTON COUNTY, TENNESSEE****Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget**Discretely Presented Benton County School Department  
School Federal Projects Fund**For the Year Ended June 30, 2025**

		<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Federal Government	\$ 2,919,345	\$ 2,834,101	\$ 4,109,972	\$ (1,190,627)
Total Revenues	<u>\$ 2,919,345</u>	<u>\$ 2,834,101</u>	<u>\$ 4,109,972</u>	<u>\$ (1,190,627)</u>
<b>Expenditures</b>				
Instruction				
Regular Instruction Program	\$ 1,132,514	\$ 702,114	\$ 1,381,188	\$ 248,674
Special Education Program	737,585	621,561	858,326	120,741
Career and Technical Education Program	27,179	21,234	27,179	0
Support Services				
Health Services	356,613	1,079,444	1,085,044	728,431
Other Student Support	139,097	139,964	151,715	12,618
Regular Instruction Program	159,245	131,735	188,237	28,992
Special Education Program	77,009	49,000	87,807	10,798
Career and Technical Education Program	824	4,500	824	0
Technology	26,490	0	26,490	0
Transportation	55,941	84,650	66,705	10,764
Capital Outlay				
Regular Capital Outlay	235,656	0	235,656	0
Total Expenditures	<u>\$ 2,948,153</u>	<u>\$ 2,834,202</u>	<u>\$ 4,109,171</u>	<u>\$ 1,161,018</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (28,808)</u>	<u>\$ (101)</u>	<u>\$ 801</u>	<u>\$ (29,609)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	\$ 280,000	\$ 0	\$ 280,000	\$ 0
Transfers Out	(1,000)	(100)	(1,000)	0
Total Other Financing Sources	<u>\$ 279,000</u>	<u>\$ (100)</u>	<u>\$ 279,000</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 250,192	\$ (201)	\$ 279,801	\$ (29,609)
Changes to or Within the Financial Reporting Entity	218,337	0	0	218,337
Fund Balance, July 1, 2024	<u>0</u>	<u>218,337</u>	<u>218,337</u>	<u>(218,337)</u>
Fund Balance, June 30, 2025	<u>\$ 468,529</u>	<u>\$ 218,136</u>	<u>\$ 498,138</u>	<u>\$ (29,609)</u>

**BENTON COUNTY, TENNESSEE****Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget**Discretely Presented Benton County School Department  
Central Cafeteria Fund**For the Year Ended June 30, 2025**

			<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>		<b>Original</b>	<b>Final</b>	
<b>Revenues</b>					
Charges for Current Services	\$ 132,132	\$ 328,336	\$ 328,336	\$ (196,204)	
Other Local Revenues	56,571	53,500	53,500	3,071	
State of Tennessee	11,591	22,000	33,591	(22,000)	
Federal Government	2,057,558	1,441,000	1,521,000	536,558	
Total Revenues	<u>\$ 2,257,852</u>	<u>\$ 1,844,836</u>	<u>\$ 1,936,427</u>	<u>\$ 321,425</u>	
<b>Expenditures</b>					
Operation of Non-Instructional Services					
Food Service	\$ 1,999,071	\$ 1,844,836	\$ 2,066,427	\$ 67,356	
Total Expenditures	<u>\$ 1,999,071</u>	<u>\$ 1,844,836</u>	<u>\$ 2,066,427</u>	<u>\$ 67,356</u>	
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 258,781</u>	<u>\$ 0</u>	<u>\$ (130,000)</u>	<u>\$ 388,781</u>	
Net Change in Fund Balance	\$ 258,781	\$ 0	\$ (130,000)	\$ 388,781	
Fund Balance, July 1, 2024	<u>1,126,700</u>	<u>960,425</u>	<u>960,425</u>	<u>166,275</u>	
Fund Balance, June 30, 2025	<u><u>\$ 1,385,481</u></u>	<u><u>\$ 960,425</u></u>	<u><u>\$ 830,425</u></u>	<u><u>\$ 555,056</u></u>	

## MISCELLANEOUS SCHEDULES

**BENTON COUNTY, TENNESSEE****Schedule of Changes in Long-term Notes, Other Loan, and Bonds****For the Year Ended June 30, 2025**

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-24	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-25
<b>NOTES PAYABLE</b>								
Payable through General Debt Service Fund								
Capital Outlay Notes, Series 2015	\$ 1,200,000	2.489 %	8-20-15	8-1-27	\$ 440,000	\$ 0	\$ 105,000	\$ 335,000
School System Capital Outlay Note, Series 2021	2,000,000	1.98	4-14-21	4-1-31	1,441,000	0	444,000	997,000
Capital Outlay Notes, Series 2021	2,000,000	1.3867	10-22-21	6-1-34	1,710,000	0	150,000	1,560,000
General Obligation Capital Outlay Notes, Series 2024	480,000	7.5	10-16-24	10-16-28	0	480,000	0	480,000
Total Notes Payable					<u>\$ 3,591,000</u>	<u>\$ 480,000</u>	<u>\$ 699,000</u>	<u>\$ 3,372,000</u>
<b>OTHER LOAN PAYABLE</b>								
Payable through General Debt Service Fund								
Energy Efficient School Initiative	1,989,061	1.5	7-17-19	2-1-36	<u>\$ 1,576,793</u>	<u>\$ 0</u>	<u>\$ 127,808</u>	<u>\$ 1,448,985</u>
Total Other Loan Payable					<u>\$ 1,576,793</u>	<u>\$ 0</u>	<u>\$ 127,808</u>	<u>\$ 1,448,985</u>
<b>BONDS PAYABLE</b>								
Payable through General Debt Service Fund								
General Obligation Refunding Bonds, Series 2017	3,615,000	2 to 2.75	8-24-17	9-1-32	<u>\$ 2,305,000</u>	<u>\$ 0</u>	<u>\$ 235,000</u>	<u>\$ 2,070,000</u>
Total Bonds Payable					<u>\$ 2,305,000</u>	<u>\$ 0</u>	<u>\$ 235,000</u>	<u>\$ 2,070,000</u>

**BENTON COUNTY, TENNESSEE**  
**Schedule of Long-term Debt Requirements by Year**

Year Ending June 30	Notes		
	Principal	Interest	Total
2026	\$ 570,312	\$ 109,085	\$ 679,397
2027	587,361	88,178	675,539
2028	609,013	66,326	675,339
2029	513,314	44,936	558,250
2030	357,000	23,979	380,979
2031	180,000	16,241	196,241
2032	180,000	8,325	188,325
2033	185,000	5,625	190,625
2034	190,000	2,850	192,850
Total	\$ 3,372,000	\$ 365,545	\$ 3,737,545

Year Ending June 30	Other Loan		
	Principal	Interest	Total
2026	\$ 127,312	\$ 20,672	\$ 147,984
2027	129,234	18,750	147,984
2028	131,181	16,803	147,984
2029	133,163	14,821	147,984
2030	135,170	12,814	147,984
2031	137,213	10,771	147,984
2032	139,291	8,693	147,984
2033	141,393	6,591	147,984
2034	143,521	4,463	147,984
2035	145,664	2,320	147,984
2036	85,843	399	86,242
Total	\$ 1,448,985	\$ 117,097	\$ 1,566,082

Year Ending June 30	Bonds		
	Principal	Interest	Total
2026	\$ 240,000	\$ 47,013	\$ 287,013
2027	245,000	42,010	287,010
2028	250,000	36,594	286,594
2029	255,000	30,913	285,913
2030	260,000	24,794	284,794
2031	265,000	18,231	283,231
2032	275,000	11,309	286,309
2033	280,000	3,850	283,850
Total	\$ 2,070,000	\$ 214,714	\$ 2,284,714



**BENTON COUNTY, TENNESSEE****Schedule of Transfers**

Primary Government and Discretely Presented Benton County School Department

**For the Year Ended June 30, 2025**

From Fund	To Fund	Purpose	Amount
<b>PRIMARY GOVERNMENT</b>			
Benton County Electric System	General	Payment in-lieu-of taxes	\$ 593,611
"	Highway/Public Works	"	20,500
General	General Debt Service	Debt Retirement	485,000
General Debt Service	Community Development/Industrial Park	Capital outlay	100,000
"	Other Capital Projects	"	50,000
Other General Government	General Capital Projects	"	131,748
"	General	"	56,512
Capital Projects Public Improvement	General Capital Projects	"	211,023
Total Transfers Primary Government			<u>\$ 1,648,394</u>
<b>DISCRETELY PRESENTED BENTON COUNTY SCHOOL DEPARTMENT</b>			
General Purpose School	School Federal Projects	Cash flow funds	\$ 280,000
School Federal Projects	General Purpose School	Indirect costs	<u>1,000</u>
Total Transfers Discretely Presented Benton County School Department			<u>\$ 281,000</u>

**BENTON COUNTY, TENNESSEE****Schedule of Salaries and Official Bonds of Principal Officials**

Primary Government and Discretely Presented Benton County School Department

**For the Year Ended June 30, 2025**

<b>Official</b>	<b>Salary</b>	<b>Authorization</b>	<b>Bond</b>	<b>Surety</b>
<b>County Mayor</b>				
Base salary/Total compensation	<u>\$ 105,396</u>	Section 8-24-102, <i>TCA</i>	\$ (1)	Tennessee Risk Management Trust
<b>Road Supervisor</b>				
Base salary/Total compensation	<u>\$ 100,377</u>	Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
<b>Director of Schools</b>				
Base salary	\$ 111,257	State Board of Education and County Board of Education	(1)	Tennessee Risk Management Trust
Vehicle allowance	10,100			
Chief executive officer training supplement	500			
Total compensation	<u>\$ 121,857</u>			
<b>Trustee</b>				
Base salary/Total compensation	<u>\$ 91,252</u>	Section 8-24-102, <i>TCA</i>	987,889	RLI Insurance Company
<b>Assessor of Property</b>				
Base salary/Total compensation	<u>\$ 91,252</u>	Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
<b>County Clerk</b>				
Base salary/Total compensation	<u>\$ 91,252</u>	Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
<b>Circuit and General Sessions Courts Clerk</b>				
Base salary/Total compensation	<u>\$ 91,252</u>	Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
<b>Clerk and Master</b>				
Base salary	\$ 91,252	Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	(1)	Tennessee Risk Management Trust
Special commissioner fees	5,400			
Total compensation	<u>\$ 96,652</u>			
<b>Register of Deeds</b>				
Base salary/Total compensation	<u>\$ 91,252</u>	Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
<b>Sheriff</b>				
Base salary	\$ 100,377	Section 8-24-102, <i>TCA</i>	(1)	Tennessee Risk Management Trust
Law enforcement training supplement	1,600			
Total compensation	<u>\$ 101,977</u>			
<b>Administrator of Elections</b>				
Base salary/Total compensation	<u>\$ 82,127</u>	Section 2-12-208, <i>TCA</i>	(1)	Tennessee Risk Management Trust
Employee Blanket Bonds:				
Employee Fidelity - County Departments			400,000	Tennessee Risk Management Trust
Employee Fidelity - School Department			400,000	"

(1) Official is under the employee fidelity insurance coverage.

**BENTON COUNTY, TENNESSEE****Schedule of Detailed Revenues -****All Governmental Fund Types****For the Year Ended June 30, 2025**

	Special Revenue Funds					
	General	Drug Control	Other General Government	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works
<b>Local Taxes</b>						
County Property Taxes						
Current Property Tax	\$ 4,752,887	\$ 0	\$ 0	\$ 0	\$ 0	\$ 247,963
Trustee's Collections - Prior Year	153,997	0	0	0	0	7,839
Circuit Clerk/Clerk and Master Collections - Prior Years	140,538	0	0	0	0	7,322
Interest and Penalty	29,978	0	0	0	0	1,540
Payments in-Lieu-of Taxes - T.V.A.	7,320	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	1,520	0	0	0	0	75
County Local Option Taxes						
Local Option Sales Tax	700,088	0	0	0	0	0
Hotel/Motel Tax	119,514	0	0	0	0	0
Litigation Tax - General	50,028	0	0	0	0	0
Litigation Tax - Special Purpose	30,897	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	22,834	0	0	0	0	0
Business Tax	193,880	0	0	0	0	0
Mixed Drink Tax	6,161	0	0	0	0	0
Mineral Severance Tax	69	0	0	0	0	159,077
Statutory Local Taxes						
Bank Excise Tax	263,642	0	0	0	0	0
Wholesale Beer Tax	73,365	0	0	0	0	0

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Revenues -**  
**All Governmental Fund Types (Cont.)**

	Special Revenue Funds					
	General	Drug Control	Other General Government	Other Special Revenue	Constitutional - Officers - Fees	Highway / Public Works
<b>Local Taxes (Cont.)</b>						
Statutory Local Taxes (Cont.)						
Beer Privilege Tax	\$ 1,100	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Local Taxes	\$ 6,547,818	\$ 0	\$ 0	\$ 0	\$ 0	\$ 423,816
<b>Licenses and Permits</b>						
Licenses						
Animal Vaccination	\$ 22,540	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Cable TV Franchise	11,818	0	0	0	0	0
Permits						
Beer Permits	750	0	0	0	0	0
Other Permits	100	0	0	0	0	0
Total Licenses and Permits	\$ 35,208	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Fines, Forfeitures, and Penalties</b>						
Circuit Court						
Fines	\$ 12,917	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	2,596	0	0	0	0	0
Drug Control Fines	0	2,265	0	0	0	0
Drug Court Fees	1,257	0	0	0	0	0

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Revenues -**  
**All Governmental Fund Types (Cont.)**

	Special Revenue Funds					
	General	Drug Control	Other General Government	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works
<b>Fines, Forfeitures, and Penalties (Cont.)</b>						
Circuit Court (Cont.)						
Jail Fees	\$ 4,039	\$ 0	\$ 0	\$ 0	\$ 0	0
DUI Treatment Fines	950	0	0	0	0	0
Data Entry Fee - Circuit Court	780	0	0	0	0	0
General Sessions Court						
Fines	13,369	0	0	0	0	0
Officers Costs	50,246	0	0	0	0	0
Drug Control Fines	0	11,308	0	0	0	0
Drug Court Fees	5,871	0	0	0	0	0
Jail Fees	33,363	0	0	0	0	0
DUI Treatment Fines	8,493	0	0	0	0	0
Data Entry Fee - General Sessions Court	6,876	0	0	0	0	0
Courtroom Security Fee	4	0	0	0	0	0
Victims Assistance Assessments	17,101	0	0	0	0	0
Juvenile Court						
Fines	2,680	0	0	0	0	0
Chancery Court						
Officers Costs	995	0	0	0	0	0
Data Entry Fee - Chancery Court	7,164	0	0	0	0	0
Courtroom Security Fee	45,983	0	0	0	0	0

(Continued)

**BENTON COUNTY, TENNESSEE****Schedule of Detailed Revenues -****All Governmental Fund Types (Cont.)**

	Special Revenue Funds					
	General	Drug Control	Other General Government	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works
<b>Fines, Forfeitures, and Penalties (Cont.)</b>						
Judicial District Drug Program						
Drug Task Force Forfeitures and Seizures	\$ 0	\$ 497	\$ 0	\$ 0	\$ 0	\$ 0
Total Fines, Forfeitures, and Penalties	\$ 214,684	\$ 14,070	\$ 0	\$ 0	\$ 0	\$ 0
<b>Charges for Current Services</b>						
General Service Charges						
Surcharge - Host Agency	\$ 615,641	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Surcharge - Waste Tire Disposal	18,358	0	0	0	0	0
Fees						
Copy Fees	425	0	0	0	0	0
Archives and Records Management Fee	7,753	0	0	0	0	0
Greenbelt Late Application Fee	500	0	0	0	0	0
Telephone Commissions	35,330	0	0	0	0	0
Additional Fees - Titling and Registration	17,049	0	0	0	0	0
Constitutional Officers' Fees and Commissions	3,110	0	0	0	5,400	0
Data Processing Fee - Register	6,472	0	0	0	0	0
Data Processing Fee - Sheriff	684	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	3,900	0	0	0	0	0
Data Processing Fee - County Clerk	1,797	0	0	0	0	0

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Revenues -**  
**All Governmental Fund Types (Cont.)**

	Special Revenue Funds					
	General	Drug Control	Other General Government	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works
<b>Charges for Current Services (Cont.)</b>						
Fees (Cont.)						
Vehicle Insurance Coverage and Reinstatement Fees	\$ 3,760	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Charges for Current Services	\$ 714,779	\$ 0	\$ 0	\$ 0	\$ 5,400	\$ 0
<b>Other Local Revenues</b>						
Recurring Items						
Investment Income	\$ 1,656,606	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Lease/Rentals/PPP	84,608	0	0	0	0	0
Sale of Materials and Supplies	27	0	0	0	0	5,872
Commissary Sales	22,105	0	0	0	0	0
Sale of Gasoline	177,378	0	0	0	0	40,068
Miscellaneous Refunds	32,060	0	0	0	0	790
Nonrecurring Items						
Sale of Equipment	2,446	0	0	0	0	4,452
Sale of Property	9,596	0	0	0	0	0
Damages Recovered from Individuals	1,132	0	0	0	0	108
Contributions and Gifts	5,345	0	0	0	0	0
Other Local Revenues						
Other Local Revenues	0	0	0	0	0	0
Total Other Local Revenues	\$ 1,991,303	\$ 0	\$ 0	\$ 0	\$ 0	\$ 51,290

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Revenues -**  
**All Governmental Fund Types (Cont.)**

	Special Revenue Funds					
	General	Drug Control	Other General Government	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works
<b>Fees Received From County Officials</b>						
Fees In-Lieu-of Salary						
County Clerk	\$ 190,989	\$ 0	\$ 0	\$ 0	\$ 0	0
Circuit Court Clerk	57,500	0	0	0	0	0
General Sessions Court Clerk	118,682	0	0	0	0	0
Clerk and Master	120,605	0	0	0	0	0
Register	96,046	0	0	0	0	0
Sheriff	21,004	0	0	0	0	0
Trustee	385,019	0	0	0	0	0
Total Fees Received From County Officials	<u>\$ 989,845</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
<b>State of Tennessee</b>						
General Government Grants						
Juvenile Services Program	\$ 98,956	\$ 0	\$ 0	\$ 0	\$ 0	0
Airport Maintenance Program	0	0	0	0	0	0
Aging Programs	5,060	0	0	0	0	0
Public Safety Grants						
Law Enforcement Training Programs	32,800	0	0	0	0	0
School Resource Officer Grants	150,000	0	0	0	0	0
Other Public Safety Grants	11,274	0	0	0	0	0

(Continued)



**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Revenues -**  
**All Governmental Fund Types (Cont.)**

	Special Revenue Funds					Highway / Public Works
	General	Drug Control	Other General Government	Other Special Revenue	Constitu - tional Officers - Fees	
<b>State of Tennessee (Cont.)</b>						
Public Works Grants						
State Aid Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,107,982
Litter Program	9,706	0	0	0	0	0
Other State Revenues						
Resort District Sales Tax	269,577	0	0	269,577	0	0
Vehicle Certificate of Title Fees	6,189	0	0	0	0	0
Alcoholic Beverage Tax	59,223	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	63,286	0	0	0	0	0
State Revenue Sharing - T.V.A.	1,915,359	0	0	0	0	50,000
State Revenue Sharing - Telecommunications	24,766	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	25,572	0	0	0	0	0
Contracted Prisoner Boarding	175,931	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	2,315,014
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	0	27,902
Petroleum Special Tax	0	0	0	0	0	10,511
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	15,498	0	0	0	0	7,028
Other State Revenues	2,342	0	0	0	0	0
Total State of Tennessee	\$ 2,880,703	\$ 0	\$ 0	\$ 269,577	\$ 0	\$ 3,518,437

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Revenues -**  
**All Governmental Fund Types (Cont.)**

	Special Revenue Funds					
	General	Drug Control	Other General Government	Other Special Revenue	Constitutional Officers - Fees	Highway / Public Works
<b>Federal Government</b>						
Federal Through State						
Community Development	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Homeland Security Grants	6,927	0	0	0	0	0
American Rescue Plan Act Grant #1	0	0	86,136	0	0	0
American Rescue Plan Act Grant #2	0	0	2,445	0	0	0
American Rescue Plan Act Grant #3	0	0	116,524	0	0	0
Other Federal through State	80,367	0	0	0	0	42,697
Total Federal Government	<u>\$ 87,294</u>	<u>\$ 0</u>	<u>\$ 205,105</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 42,697</u>
<b>Other Governments and Citizens Groups</b>						
Other Governments						
Contributions	\$ 21,400	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Citizens Groups						
Donations	21,452	0	0	0	0	0
Other						
Other	71	0	0	0	0	0
Opioid Settlement Funds - Past Remediation	76,940	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 119,863</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total	<u><u>\$ 13,581,497</u></u>	<u><u>\$ 14,070</u></u>	<u><u>\$ 205,105</u></u>	<u><u>\$ 269,577</u></u>	<u><u>\$ 5,400</u></u>	<u><u>\$ 4,036,240</u></u>

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Revenues -**  
**All Governmental Fund Types (Cont.)**

	Debt Service Fund	Capital Projects Funds				
	General Debt Service	General Capital Projects	Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects	Total
<b>Local Taxes</b>						
County Property Taxes						
Current Property Tax	\$ 121,704	\$ 17,558	\$ 0	\$ 0	\$ 0	\$ 5,140,112
Trustee's Collections - Prior Year	20	591	0	0	0	162,447
Circuit Clerk/Clerk and Master Collections - Prior Years	3,595	483	0	0	0	151,938
Interest and Penalty	183	109	0	0	0	31,810
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	0	7,320
Payments in-Lieu-of Taxes - Other	37	5	0	0	0	1,637
County Local Option Taxes						
Local Option Sales Tax	559,779	0	0	0	0	1,259,867
Hotel/Motel Tax	0	0	0	0	0	119,514
Litigation Tax - General	0	0	0	0	0	50,028
Litigation Tax - Special Purpose	0	0	0	0	0	30,897
Litigation Tax - Jail, Workhouse, or Courthouse	72,429	0	0	0	0	95,263
Business Tax	0	0	0	0	0	193,880
Mixed Drink Tax	0	0	0	0	0	6,161
Mineral Severance Tax	0	0	0	0	0	159,146
Statutory Local Taxes						
Bank Excise Tax	0	0	0	0	0	263,642
Wholesale Beer Tax	0	0	0	0	0	73,365

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Revenues -**  
**All Governmental Fund Types (Cont.)**

	Debt Service Fund	Capital Projects Funds					
	General Debt Service	General Capital Projects	Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects		Total
<b>Local Taxes (Cont.)</b>							
Statutory Local Taxes (Cont.)							
Beer Privilege Tax	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	1,100
Total Local Taxes	\$ 757,747	\$ 18,746	\$ 0	\$ 0	\$ 0	\$ 0	7,748,127
<b>Licenses and Permits</b>							
Licenses							
Animal Vaccination	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	22,540
Cable TV Franchise	0	0	0	0	0	0	11,818
Permits							
Beer Permits	0	0	0	0	0	0	750
Other Permits	0	0	0	0	0	0	100
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	35,208
<b>Fines, Forfeitures, and Penalties</b>							
Circuit Court							
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	12,917
Officers Costs	0	0	0	0	0	0	2,596
Drug Control Fines	0	0	0	0	0	0	2,265
Drug Court Fees	0	0	0	0	0	0	1,257

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Revenues -**  
**All Governmental Fund Types (Cont.)**

	Debt Service Fund	Capital Projects Funds					
	General Debt Service	General Capital Projects	Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects		Total
<b>Fines, Forfeitures, and Penalties (Cont.)</b>							
Circuit Court (Cont.)							
Jail Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	4,039
DUI Treatment Fines	0	0	0	0	0	0	950
Data Entry Fee - Circuit Court	0	0	0	0	0	0	780
General Sessions Court							
Fines	0	0	0	0	0	0	13,369
Officers Costs	0	0	0	0	0	0	50,246
Drug Control Fines	0	0	0	0	0	0	11,308
Drug Court Fees	0	0	0	0	0	0	5,871
Jail Fees	0	0	0	0	0	0	33,363
DUI Treatment Fines	0	0	0	0	0	0	8,493
Data Entry Fee - General Sessions Court	0	0	0	0	0	0	6,876
Courtroom Security Fee	0	0	0	0	0	0	4
Victims Assistance Assessments	0	0	0	0	0	0	17,101
Juvenile Court							
Fines	0	0	0	0	0	0	2,680
Chancery Court							
Officers Costs	0	0	0	0	0	0	995
Data Entry Fee - Chancery Court	0	0	0	0	0	0	7,164
Courtroom Security Fee	0	0	0	0	0	0	45,983

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Revenues -**  
**All Governmental Fund Types (Cont.)**

	Debt Service Fund	Capital Projects Funds					
	General Debt Service	General Capital Projects	Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects		Total
<b>Fines, Forfeitures, and Penalties (Cont.)</b>							
Judicial District Drug Program							
Drug Task Force Forfeitures and Seizures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	497
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	228,754
<b>Charges for Current Services</b>							
General Service Charges							
Surcharge - Host Agency	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	615,641
Surcharge - Waste Tire Disposal	0	0	0	0	0	0	18,358
Fees							
Copy Fees	0	0	0	0	0	0	425
Archives and Records Management Fee	0	0	0	0	0	0	7,753
Greenbelt Late Application Fee	0	0	0	0	0	0	500
Telephone Commissions	0	0	0	0	0	0	35,330
Additional Fees - Titling and Registration	0	0	0	0	0	0	17,049
Constitutional Officers' Fees and Commissions	0	0	0	0	0	0	8,510
Data Processing Fee - Register	0	0	0	0	0	0	6,472
Data Processing Fee - Sheriff	0	0	0	0	0	0	684
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0	0	3,900
Data Processing Fee - County Clerk	0	0	0	0	0	0	1,797

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Revenues -**  
**All Governmental Fund Types (Cont.)**

	Debt Service Fund	Capital Projects Funds				
	General Debt Service	General Capital Projects	Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects	Total
<b>Charges for Current Services (Cont.)</b>						
Fees (Cont.)						
Vehicle Insurance Coverage and Reinstatement Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,760
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 720,179
<b>Other Local Revenues</b>						
Recurring Items						
Investment Income	\$ 0	\$ 0	\$ 10,000	\$ 0	\$ 0	\$ 1,666,606
Lease/Rentals/PPP	0	0	0	0	0	84,608
Sale of Materials and Supplies	0	0	0	0	0	5,899
Commissary Sales	0	0	0	0	0	22,105
Sale of Gasoline	0	0	0	0	0	217,446
Miscellaneous Refunds	0	0	0	0	0	32,850
Nonrecurring Items						
Sale of Equipment	0	0	0	2,334	0	9,232
Sale of Property	0	0	0	0	0	9,596
Damages Recovered from Individuals	0	0	0	0	0	1,240
Contributions and Gifts	0	0	0	0	0	5,345
Other Local Revenues						
Other Local Revenues	9,945	0	0	0	0	9,945
Total Other Local Revenues	\$ 9,945	\$ 0	\$ 10,000	\$ 2,334	\$ 0	\$ 2,064,872

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Revenues -**  
**All Governmental Fund Types (Cont.)**

	Debt Service Fund	Capital Projects Funds					
	General Debt Service	General Capital Projects	Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects		Total
<b>Fees Received From County Officials</b>							
Fees In-Lieu-of Salary							
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	190,989
Circuit Court Clerk	0	0	0	0	0	0	57,500
General Sessions Court Clerk	0	0	0	0	0	0	118,682
Clerk and Master	0	0	0	0	0	0	120,605
Register	0	0	0	0	0	0	96,046
Sheriff	0	0	0	0	0	0	21,004
Trustee	0	0	0	0	0	0	385,019
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	989,845
<b>State of Tennessee</b>							
General Government Grants							
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	98,956
Airport Maintenance Program	0	0	0	0	6,175	0	6,175
Aging Programs	0	0	0	0	0	0	5,060
Public Safety Grants							
Law Enforcement Training Programs	0	0	0	0	0	0	32,800
School Resource Officer Grants	0	0	0	0	0	0	150,000
Other Public Safety Grants	0	0	0	0	0	0	11,274

(Continued)



**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Revenues -**  
**All Governmental Fund Types (Cont.)**

	Debt Service Fund	Capital Projects Funds					
	General Debt Service	General Capital Projects	Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects		Total
<b>State of Tennessee (Cont.)</b>							
Public Works Grants							
State Aid Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$	1,107,982
Litter Program	0	0	0	0	0		9,706
Other State Revenues							
Resort District Sales Tax	0	0	0	0	0		539,154
Vehicle Certificate of Title Fees	0	0	0	0	0		6,189
Alcoholic Beverage Tax	0	0	0	0	0		59,223
Opioid Settlement Funds - TN Abatement Council	0	0	0	0	0		63,286
State Revenue Sharing - T.V.A.	0	0	0	0	0		1,965,359
State Revenue Sharing - Telecommunications	0	0	0	0	0		24,766
State Shared Sports Gaming Privilege Tax	0	0	0	0	0		25,572
Contracted Prisoner Boarding	0	0	0	212,605	0		388,536
Gasoline and Motor Fuel Tax	0	0	0	0	0		2,315,014
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	0		27,902
Petroleum Special Tax	0	0	0	0	0		10,511
Registrar's Salary Supplement	0	0	0	0	0		15,164
Other State Grants	0	0	0	0	3,520		26,046
Other State Revenues	815,962	0	0	0	0		818,304
Total State of Tennessee	\$ 815,962	\$ 0	\$ 0	\$ 212,605	\$ 9,695	\$	7,706,979

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Revenues -**  
**All Governmental Fund Types (Cont.)**

	Debt Service Fund	Capital Projects Funds				
	General Debt Service	General Capital Projects	Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects	Total
<b>Federal Government</b>						
Federal Through State						
Community Development	\$ 0	\$ 0	\$ 8,289	\$ 0	\$ 0	\$ 8,289
Homeland Security Grants	0	0	0	0	0	6,927
American Rescue Plan Act Grant #1	0	463,845	0	0	0	549,981
American Rescue Plan Act Grant #2	0	195,991	0	0	0	198,436
American Rescue Plan Act Grant #3	0	0	0	0	0	116,524
Other Federal through State	0	0	0	0	57,497	180,561
Total Federal Government	\$ 0	\$ 659,836	\$ 8,289	\$ 0	\$ 57,497	\$ 1,060,718
<b>Other Governments and Citizens Groups</b>						
Other Governments						
Contributions	\$ 397,984	\$ 0	\$ 0	\$ 0	\$ 0	\$ 419,384
Citizens Groups						
Donations	0	0	0	0	0	21,452
Other						
Other	0	0	0	0	0	71
Opioid Settlement Funds - Past Remediation	0	0	0	0	0	76,940
Total Other Governments and Citizens Groups	\$ 397,984	\$ 0	\$ 0	\$ 0	\$ 0	\$ 517,847
Total	\$ 1,981,638	\$ 678,582	\$ 18,289	\$ 214,939	\$ 67,192	\$ 21,072,529

**BENTON COUNTY, TENNESSEE****Schedule of Detailed Revenues -****All Governmental Fund Types**

Discretely Presented Benton County School Department

**For the Year Ended June 30, 2025**

	Special Revenue Funds					
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 3,117,608	\$ 0	\$ 0	\$ 0	\$ 3,117,608	
Trustee's Collections - Prior Year	96,622	0	0	0	96,622	
Circuit Clerk/Clerk and Master Collections - Prior Years	91,857	0	0	0	91,857	
Interest and Penalty	20,076	0	0	0	20,076	
Payments in-Lieu-of Taxes - Other	942	0	0	0	942	
County Local Option Taxes						
Local Option Sales Tax	3,782,578	0	0	0	3,782,578	
Mixed Drink Tax	6,160	0	0	0	6,160	
Total Local Taxes	\$ 7,115,843	\$ 0	\$ 0	\$ 0	\$ 7,115,843	
Licenses and Permits						
Licenses						
Marriage Licenses	\$ 1,320	\$ 0	\$ 0	\$ 0	\$ 1,320	
Permits						
Other Permits	419	0	0	0	419	
Total Licenses and Permits	\$ 1,739	\$ 0	\$ 0	\$ 0	\$ 1,739	
Charges for Current Services						
Education Charges						
Lunch Payments - Children	\$ 0	\$ 0	\$ 59,025	\$ 0	\$ 59,025	
Lunch Payments - Adults	0	0	53,919	0	53,919	
A la Carte Sales	0	0	16,780	0	16,780	
Receipts from Individual Schools	32,735	0	2,408	0	35,143	
Total Charges for Current Services	\$ 32,735	\$ 0	\$ 132,132	\$ 0	\$ 164,867	
Other Local Revenues						
Recurring Items						
Investment Income	\$ 28,341	\$ 0	\$ 56,571	\$ 0	\$ 84,912	
Miscellaneous Refunds	9,682	0	0	0	9,682	
Nonrecurring Items						
Sale of Equipment	20,418	0	0	0	20,418	
Damages Recovered from Individuals	975	0	0	0	975	
Contributions and Gifts	11,500	0	0	0	11,500	
Other Local Revenues						
Other Local Revenues	0	0	0	741,666	741,666	
Total Other Local Revenues	\$ 70,916	\$ 0	\$ 56,571	\$ 741,666	\$ 869,153	

(Continued)

**BENTON COUNTY, TENNESSEE****Schedule of Detailed Revenues -****All Governmental Fund Types**

Discretely Presented Benton County School Department (Cont.)

	Special Revenue Funds					
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
State of Tennessee						
General Government Grants						
On-behalf Contributions for OPEB	\$ 46,532	\$ 0	\$ 0	\$ 0	\$ 46,532	
State Education Funds						
Tennessee Investment in Student Achievement	16,890,348	0	0	0	16,890,348	
TISA - On-behalf Payments	26,095	0	0	0	26,095	
Early Childhood Education	248,057	0	0	0	248,057	
School Food Service	0	0	11,591	0	11,591	
Other State Education Funds	106,505	0	0	0	106,505	
Paid Parental Leave	66,987	0	0	0	66,987	
Career Ladder Program	29,795	0	0	0	29,795	
Other Vocational	1,219,608	0	0	0	1,219,608	
Other State Revenues						
Other State Grants	378,373	0	0	0	378,373	
Total State of Tennessee	\$ 19,012,300	\$ 0	\$ 11,591	\$ 0	\$ 19,023,891	
Federal Government						
Federal Through State						
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,274,473	\$ 0	\$ 1,274,473	
USDA - Commodities	0	0	108,622	0	108,622	
Breakfast	0	0	594,463	0	594,463	
USDA - Other	0	0	80,000	0	80,000	
Vocational Education - Basic Grants to States	0	54,984	0	0	54,984	
Title I Grants to Local Education Agencies	0	828,160	0	0	828,160	
Special Education - Grants to States	0	844,045	0	0	844,045	
Special Education Preschool Grants	0	27,493	0	0	27,493	
Rural Education	0	60,426	0	0	60,426	
Eisenhower Professional Development State Grants	0	130,993	0	0	130,993	
American Rescue Plan Act Grant #1	291,561	433,817	0	0	725,378	
American Rescue Plan Act Grant #2	0	277,613	0	0	277,613	
Other Federal through State	127,650	20,348	0	0	147,998	
Direct Federal Revenue						
Public Safety Partnership and Community Policing - COPS	0	241,466	0	0	241,466	
Total Federal Government	\$ 419,211	\$ 2,919,345	\$ 2,057,558	\$ 0	\$ 5,396,114	
Other Governments and Citizens Groups						
Other Governments						
Contributions	\$ 129,956	\$ 0	\$ 0	\$ 0	\$ 129,956	
Total Other Governments and Citizens Groups	\$ 129,956	\$ 0	\$ 0	\$ 0	\$ 129,956	
Total	\$ 26,782,700	\$ 2,919,345	\$ 2,257,852	\$ 741,666	\$ 32,701,563	

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types**  
**For the Year Ended June 30, 2025**

**General Fund**

General Government

**County Commission**

Board and Committee Members Fees	\$	28,062	
Social Security		1,740	
Employer Medicare		406	
Audit Services		6,980	
Fiscal Agent Charges		15,000	
Travel		2,000	
Total County Commission			\$ 54,188

**Board of Equalization**

Board and Committee Members Fees	\$	2,100	
Social Security		130	
Employer Medicare		30	
Total Board of Equalization			2,260

**Beer Board**

Board and Committee Members Fees	\$	225	
Social Security		14	
Pensions		1,881	
Employer Medicare		4	
Total Beer Board			2,124

**County Mayor/Executive**

County Official/Administrative Officer	\$	105,396	
Accountants/Bookkeepers		60,654	
Secretary(ies)		45,000	
Clerical Personnel		54,328	
Social Security		15,672	
Pensions		16,842	
Unemployment Compensation		280	
Employer Medicare		3,665	
Advertising		4,239	
Data Processing Services		42,736	
Engineering Services		18,835	
Lease/SBITA Payments		5,534	
Maintenance Agreements		3,812	
Pauper Burials		3,097	

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**General Fund (Cont.)**

General Government (Cont.)

**County Mayor/Executive (Cont.)**

Postal Charges	\$	17,773	
Printing, Stationery, and Forms		2,798	
Data Processing Supplies		106	
Duplicating Supplies		474	
Office Supplies		626	
In Service/Staff Development		1,020	
Other Charges		86,755	
Data Processing Equipment		6,360	
Furniture and Fixtures		1,435	
Total County Mayor/Executive			\$ 497,437

**County Attorney**

Legal Services	\$	24,489	
Total County Attorney			24,489

**Election Commission**

County Official/Administrative Officer	\$	82,127	
Deputy(ies)		33,715	
Part-time Personnel		6,551	
Election Commission		5,000	
Election Workers		11,774	
Social Security		7,208	
Pensions		7,543	
Unemployment Compensation		56	
Employer Medicare		1,686	
Advertising		2,097	
Data Processing Services		21,688	
Lease/SBITA Payments		2,160	
Postal Charges		1,825	
Printing, Stationery, and Forms		8,618	
Travel		601	
Data Processing Supplies		207	
Office Supplies		292	
Other Supplies and Materials		266	
In Service/Staff Development		1,925	
Other Charges		896	
Voting Machines		13,072	
Total Election Commission			209,307

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**General Fund (Cont.)**

General Government (Cont.)

**Register of Deeds**

County Official/Administrative Officer	\$	91,252	
Deputy(ies)		88,300	
Social Security		10,699	
Pensions		11,685	
Unemployment Compensation		112	
Employer Medicare		2,502	
Contracts with Private Agencies		701	
Data Processing Services		6,710	
Dues and Memberships		125	
Lease/SBITA Payments		1,956	
Travel		1,175	
Other Contracted Services		1,236	
Data Processing Supplies		30	
Duplicating Supplies		189	
Office Supplies		100	
Other Supplies and Materials		1,014	
In Service/Staff Development		440	
Other Charges		29	
Office Equipment		141	
Total Register of Deeds			\$ 218,396

**County Buildings**

Supervisor/Director	\$	37,188
Salary Supplements		500
Custodial Personnel		44,190
Part-time Personnel		14,040
Social Security		5,842
Pensions		4,827
Unemployment Compensation		243
Employer Medicare		1,366
Communication		46,950
Legal Services		5,096
Maintenance and Repair Services - Buildings		37,896
Maintenance and Repair Services - Equipment		595
Maintenance and Repair Services - Vehicles		601
Pest Control		2,765

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**General Fund (Cont.)**

General Government (Cont.)

**County Buildings (Cont.)**

Internet Connectivity	\$	13,302	
Other Contracted Services		12,010	
Custodial Supplies		7,317	
Electricity		81,845	
Gasoline		2,231	
Natural Gas		15,097	
Small Tools		159	
Water and Sewer		11,236	
Other Supplies and Materials		2,511	
Other Charges		5,566	
Site Development		1,452,985	
Building Purchases		480,000	
Other Equipment		476	
Total County Buildings			\$ 2,286,834

**Other General Administration**

Dues and Memberships	\$	10,296	
Maintenance Agreements		4,784	
Liability Insurance		303,771	
Workers' Compensation Insurance		78,317	
Total Other General Administration			397,168

Finance

**Property Assessor's Office**

County Official/Administrative Officer	\$	91,252	
Deputy(ies)		43,600	
Clerical Personnel		68,400	
Social Security		12,444	
Pensions		13,242	
Unemployment Compensation		168	
Employer Medicare		2,910	
Audit Services		4,750	
Data Processing Services		8,488	
Legal Notices, Recording, and Court Costs		96	
Maintenance Agreements		3,475	
Printing, Stationery, and Forms		101	

(Continued)



**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**General Fund (Cont.)**

Finance (Cont.)

**Property Assessor's Office (Cont.)**

Travel	\$	956	
Data Processing Supplies		223	
Office Supplies		194	
In Service/Staff Development		625	
Total Property Assessor's Office			\$ 250,924

**Reappraisal Program**

Data Processing Services	\$	3,153	
Postal Charges		9,661	
Total Reappraisal Program			12,814

**County Trustee's Office**

County Official/Administrative Officer	\$	91,252	
Deputy(ies)		131,456	
Social Security		13,658	
Pensions		14,487	
Unemployment Compensation		214	
Employer Medicare		3,194	
Advertising		1,068	
Data Processing Services		14,790	
Dues and Memberships		200	
Maintenance Agreements		941	
Postal Charges		5,500	
Printing, Stationery, and Forms		4,656	
Travel		1,063	
Duplicating Supplies		323	
Office Supplies		301	
In Service/Staff Development		555	
Total County Trustee's Office			283,658

**County Clerk's Office**

County Official/Administrative Officer	\$	91,252	
Deputy(ies)		178,259	
Social Security		16,355	
Pensions		17,547	
Unemployment Compensation		325	

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**General Fund (Cont.)**

Finance (Cont.)

**County Clerk's Office (Cont.)**

Employer Medicare	\$	3,825	
Data Processing Services		23,316	
Dues and Memberships		100	
Lease/SBITA Payments		1,800	
Printing, Stationery, and Forms		1,248	
Data Processing Supplies		1,514	
Duplicating Supplies		495	
Office Supplies		2,246	
Other Supplies and Materials		83	
Other Charges		338	
Office Equipment		146	
Total County Clerk's Office			\$ 338,849

Administration of Justice

**Circuit Court**

County Official/Administrative Officer	\$	91,252	
Deputy(ies)		166,189	
Jury and Witness Expense		6,607	
Social Security		15,289	
Pensions		16,575	
Unemployment Compensation		357	
Employer Medicare		3,576	
Data Processing Services		19,228	
Dues and Memberships		175	
Legal Notices, Recording, and Court Costs		252	
Printing, Stationery, and Forms		1,371	
Travel		165	
Data Processing Supplies		17	
Office Supplies		1,735	
Other Charges		430	
Data Processing Equipment		10,236	
Office Equipment		47	
Total Circuit Court			333,501

**General Sessions Judge**

Judge(s)	\$	113,926	
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(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**General Fund (Cont.)**

Administration of Justice (Cont.)

**General Sessions Judge (Cont.)**

Assistant(s)	\$	38,400	
Deputy(ies)		20,141	
Social Security		10,599	
Pensions		9,921	
Unemployment Compensation		158	
Employer Medicare		2,479	
Dues and Memberships		405	
Maintenance Agreements		362	
Travel		1,942	
Office Supplies		68	
In Service/Staff Development		550	
Furniture and Fixtures		325	
Total General Sessions Judge			\$ 199,276

**Chancery Court**

County Official/Administrative Officer	\$	91,252	
Deputy(ies)		89,138	
Social Security		11,048	
Pensions		11,725	
Unemployment Compensation		137	
Employer Medicare		2,584	
Data Processing Services		14,395	
Dues and Memberships		175	
Lease/SBITA Payments		844	
Travel		92	
Office Supplies		486	
Other Supplies and Materials		1,714	
Premiums on Corporate Surety Bonds		173	
Data Processing Equipment		650	
Furniture and Fixtures		1,209	
Total Chancery Court			225,622

**Juvenile Court**

Youth Service Officer(s)	\$	19,619	
Social Security		1,216	
Pensions		1,279	

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**General Fund (Cont.)**

Administration of Justice (Cont.)

**Juvenile Court (Cont.)**

Unemployment Compensation	\$	21	
Employer Medicare		284	
Contracts with Government Agencies		125	
Data Processing Services		3,750	
Drugs and Medical Supplies		778	
Total Juvenile Court			\$ 27,072

Public Safety

**Sheriff's Department**

County Official/Administrative Officer	\$	100,377
Supervisor/Director		122,209
Deputy(ies)		464,943
Investigator(s)		90,647
Lieutenant(s)		52,966
Sergeant(s)		189,513
Accountants/Bookkeepers		72,618
Paraprofessionals		37,053
Salary Supplements		25,400
Dispatchers/Radio Operators		349,033
Secretary(ies)		35,360
Part-time Personnel		26,384
School Resource Officer		75,997
Overtime Pay		232,573
Other Salaries and Wages		5,450
Social Security		114,607
Pensions		121,255
Unemployment Compensation		2,522
Employer Medicare		26,803
Communication		26,939
Data Processing Services		36,650
Dues and Memberships		1,500
Freight Expenses		942
Lease/SBITA Payments		580
Licenses		6,845
Maintenance Agreements		2,362
Maintenance and Repair Services - Equipment		58

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**General Fund (Cont.)**

Public Safety (Cont.)

**Sheriff's Department (Cont.)**

Maintenance and Repair Services - Vehicles	\$	35,245	
Postal Charges		1,168	
Printing, Stationery, and Forms		2,155	
Towing Services		11,375	
Travel		6,876	
Data Processing Supplies		5,725	
Duplicating Supplies		1,484	
Gasoline		74,011	
Law Enforcement Supplies		5,678	
Office Supplies		2,147	
Tires and Tubes		15,003	
Uniforms		20,726	
Other Supplies and Materials		2,153	
Premiums on Corporate Surety Bonds		100	
In Service/Staff Development		5,017	
Other Charges		3,981	
Data Processing Equipment		2,051	
Furniture and Fixtures		278	
Law Enforcement Equipment		7,291	
Other Equipment		186	
Total Sheriff's Department			\$ 2,424,236

**Administration of the Sexual Offender Registry**

Freight Expenses	\$	241	
Remittance of Revenue Collected		2,550	
Uniforms		214	
Other Charges		2,243	
Furniture and Fixtures		1,463	
Total Administration of the Sexual Offender Registry			6,711

**Jail**

Supervisor/Director	\$	56,008	
Lieutenant(s)		99,647	
Sergeant(s)		180,494	
Paraprofessionals		48,055	
Guards		771,488	

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**General Fund (Cont.)**

Public Safety (Cont.)

**Jail (Cont.)**

Cafeteria Personnel	\$	35,337
Maintenance Personnel		39,856
Part-time Personnel		19,345
Overtime Pay		59,301
Social Security		79,914
Pensions		83,989
Unemployment Compensation		2,273
Employer Medicare		18,690
Contracts with Private Agencies		179,596
Freight Expenses		349
Maintenance Agreements		6,273
Maintenance and Repair Services - Buildings		19,057
Maintenance and Repair Services - Equipment		3,556
Pest Control		3,551
Travel		3,102
Disposal Fees		1,335
Custodial Supplies		24,774
Data Processing Supplies		1,669
Drugs and Medical Supplies		20,579
Duplicating Supplies		483
Electricity		87,228
Food Preparation Supplies		3,013
Food Supplies		155,301
Law Enforcement Supplies		1,847
Natural Gas		15,796
Office Supplies		2,438
Prisoners Clothing		2,589
Uniforms		2,847
Water and Sewer		32,452
Other Supplies and Materials		8,631
Medical Claims		183,452
Surcharge		689
In Service/Staff Development		100
Other Charges		12,295
Communication Equipment		834
Data Processing Equipment		1,862

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**General Fund (Cont.)**

Public Safety (Cont.)

**Jail (Cont.)**

Food Service Equipment	\$	1,110	
Furniture and Fixtures		109	
Law Enforcement Equipment		4,920	
Motor Vehicles		33,047	
Total Jail			\$ 2,309,281

**Juvenile Services**

Supervisor/Director	\$	33,383	
Youth Service Officer(s)		36,500	
Social Security		4,279	
Pensions		4,558	
Unemployment Compensation		91	
Employer Medicare		1,001	
Dues and Memberships		130	
Travel		1,131	
Office Supplies		275	
In Service/Staff Development		320	
Other Charges		166	
Total Juvenile Services			81,834

**Fire Prevention and Control**

Contributions	\$	2,000	
Total Fire Prevention and Control			2,000

**Rural Fire Protection**

Contributions	\$	196,500	
Total Rural Fire Protection			196,500

**Rescue Squad**

Contributions	\$	20,000	
Total Rescue Squad			20,000

**Other Emergency Management**

Supervisor/Director	\$	28,539	
Social Security		1,769	
Unemployment Compensation		56	

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**General Fund (Cont.)**

Public Safety (Cont.)

**Other Emergency Management (Cont.)**

Employer Medicare	\$	414	
Communication		11,643	
Dues and Memberships		55	
Maintenance Agreements		465	
Maintenance and Repair Services - Equipment		1,375	
Maintenance and Repair Services - Vehicles		258	
Travel		246	
Data Processing Supplies		99	
Gasoline		1,432	
Office Supplies		73	
Tires and Tubes		904	
In Service/Staff Development		450	
Data Processing Equipment		472	
Other Equipment		8,232	
Total Other Emergency Management			\$ 56,482

**County Coroner/Medical Examiner**

Other Per Diem and Fees	\$	56,220	
Social Security		3,486	
Employer Medicare		815	
Contracts with Government Agencies		33,796	
Contracts with Private Agencies		368	
Other Supplies and Materials		2,033	
Total County Coroner/Medical Examiner			96,718

Public Health and Welfare

**Local Health Center**

Custodial Personnel	\$	15,444	
Social Security		958	
Unemployment Compensation		63	
Employer Medicare		224	
Communication		1,478	
Contracts with Government Agencies		14,896	
Dues and Memberships		375	
Maintenance and Repair Services - Buildings		631	
Pest Control		359	

(Continued)



**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**General Fund (Cont.)**

Public Health and Welfare (Cont.)

**Local Health Center (Cont.)**

Custodial Supplies	\$	1,319	
Drugs and Medical Supplies		235	
Office Supplies		1,565	
Utilities		9,089	
Other Supplies and Materials		1,031	
Other Charges		343	
Total Local Health Center			\$ 48,010

**Rabies and Animal Control**

Assistant(s)	\$	32,019	
Supervisor/Director		33,558	
Part-time Personnel		32,117	
Social Security		5,996	
Pensions		4,225	
Unemployment Compensation		386	
Employer Medicare		1,402	
Data Processing Services		2,750	
Maintenance and Repair Services - Buildings		80	
Maintenance and Repair Services - Vehicles		3,707	
Veterinary Services		30,615	
Animal Food and Supplies		3,628	
Custodial Supplies		354	
Gasoline		1,664	
Office Supplies		619	
Tires and Tubes		271	
Uniforms		261	
Utilities		13,199	
Other Supplies and Materials		353	
Other Charges		387	
Motor Vehicles		21,789	
Other Equipment		373	
Total Rabies and Animal Control			189,753

**Ambulance/Emergency Medical Services**

Contributions	\$	662,000	
Total Ambulance/Emergency Medical Services			662,000

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**General Fund (Cont.)**

Public Health and Welfare (Cont.)

**Alcohol and Drug Programs**

Contributions	\$	24,110	
Other Contracted Services		31,012	
Total Alcohol and Drug Programs			\$ 55,122

**Sanitation Management**

Laborers	\$	32,019	
Social Security		1,958	
Pensions		2,089	
Unemployment Compensation		56	
Employer Medicare		458	
Other Contracted Services		32,820	
Utilities		1,914	
Other Supplies and Materials		147	
Total Sanitation Management			71,461

**Sanitation Education/Information**

Laborers	\$	5,296	
Social Security		328	
Unemployment Compensation		15	
Employer Medicare		77	
Maintenance and Repair Services - Vehicles		246	
Gasoline		2,216	
Instructional Supplies and Materials		5,292	
Tires and Tubes		1,983	
Other Supplies and Materials		1,659	
Other Charges		1,924	
Other Equipment		3,745	
Total Sanitation Education/Information			22,781

Social, Cultural, and Recreational Services

**Senior Citizens Assistance**

Supervisor/Director	\$	32,482	
Deputy(ies)		40,500	
Social Workers		31,777	
Other Salaries and Wages		27,938	
Social Security		7,843	

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**General Fund (Cont.)**

Social, Cultural, and Recreational Services (Cont.)

**Senior Citizens Assistance (Cont.)**

Pensions	\$	6,796	
Unemployment Compensation		309	
Employer Medicare		1,834	
Contracts with Other Public Agencies		4,735	
Lease/SBITA Payments		715	
Licenses		810	
Postal Charges		117	
Travel		5,202	
Custodial Supplies		1,451	
Food Supplies		4,529	
Office Supplies		642	
Other Supplies and Materials		5,780	
Other Charges		2,621	
Total Senior Citizens Assistance			\$ 176,081

**Libraries**

Librarians	\$	176,585	
Part-time Personnel		43,515	
Social Security		12,708	
Pensions		11,528	
Unemployment Compensation		392	
Employer Medicare		2,972	
Communication		9,966	
Lease/SBITA Payments		3,300	
Maintenance Agreements		11,391	
Custodial Supplies		1,202	
Library Books/Media		2,253	
Office Supplies		1,928	
Utilities		24,392	
Other Supplies and Materials		2,174	
Other Charges		1,116	
Total Libraries			305,422

**Parks and Fair Boards**

Other Salaries and Wages	\$	2,154	
Social Security		134	

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**General Fund (Cont.)**

Social, Cultural, and Recreational Services (Cont.)

**Parks and Fair Boards (Cont.)**

Unemployment Compensation	\$	17	
Employer Medicare		31	
Maintenance and Repair Services - Buildings		368	
Maintenance and Repair Services - Equipment		77	
Custodial Supplies		295	
Electricity		3,931	
Gasoline		177	
Other Supplies and Materials		65	
Other Charges		2,000	
Other Equipment		350	
Total Parks and Fair Boards			\$ 9,599

**Other Social, Cultural, and Recreational**

Other Contracted Services	\$	6,780	
Office Supplies		2,249	
Total Other Social, Cultural, and Recreational			9,029

Agriculture and Natural Resources

**Agricultural Extension Service**

Salary Supplements	\$	79,854	
Dues and Memberships		375	
Printing, Stationery, and Forms		2,987	
Travel		5,999	
Custodial Supplies		2,517	
Office Supplies		2,500	
Data Processing Equipment		974	
Total Agricultural Extension Service			95,206

**Soil Conservation**

Contributions	\$	15,000	
Total Soil Conservation			15,000

Other Operations

**Tourism**

Contributions	\$	35,000	
Total Tourism			35,000

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**General Fund (Cont.)**

Other Operations (Cont.)

**Industrial Development**

Other Charges	\$ 7,498	
Total Industrial Development		\$ 7,498

**Other Economic and Community Development**

Supervisor/Director	\$ 58,000	
Social Security	3,548	
Pensions	3,782	
Unemployment Compensation	56	
Employer Medicare	830	
Rentals	2,400	
Travel	1,859	
Total Other Economic and Community Development		70,475

**Airport**

Supervisor/Director	\$ 65,000
Maintenance Personnel	31,452
Social Security	5,908
Pensions	6,292
Unemployment Compensation	112
Employer Medicare	1,382
Contributions	20,000
Data Processing Services	1,200
Dues and Memberships	400
Maintenance Agreements	1,675
Maintenance and Repair Services - Buildings	901
Maintenance and Repair Services - Equipment	5,017
Maintenance and Repair Services - Vehicles	807
Rentals	7,000
Travel	1,917
Remittance of Revenue Collected	20,279
Other Contracted Services	1,000
Custodial Supplies	625
Equipment and Machinery Parts	669
Gasoline	139,760
Office Supplies	1,051
Utilities	14,762

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**General Fund (Cont.)**

Other Operations (Cont.)

**Airport (Cont.)**

Other Supplies and Materials	\$	5,094	
In Service/Staff Development		525	
Other Charges		725	
Data Processing Equipment		150	
Maintenance Equipment		1,173	
Site Development		1,800	
Total Airport			\$ 336,676

**Veterans' Services**

Supervisor/Director	\$	14,492	
Social Security		898	
Unemployment Compensation		53	
Employer Medicare		210	
Travel		169	
Total Veterans' Services			15,822

**Other Charges**

Maintenance and Repair Services - Vehicles	\$	7,789	
Electricity		2,667	
Trustee's Commission		172,952	
Total Other Charges			183,408

**Contributions to Other Agencies**

Contributions	\$	109,591	
Total Contributions to Other Agencies			109,591

**Employee Benefits**

Handling Charges and Administrative Costs	\$	225	
Life Insurance		10,562	
Medical Insurance		415,041	
Other Fringe Benefits		234,881	
Total Employee Benefits			660,709

Total General Fund \$ 13,636,324

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**Drug Control Fund**

Public Safety

**Drug Enforcement**

Dues and Memberships	\$	465	
Veterinary Services		1,637	
Animal Food and Supplies		5,128	
Law Enforcement Supplies		751	
Other Supplies and Materials		51	
In Service/Staff Development		600	
Other Charges		35	
Law Enforcement Equipment		<u>14,695</u>	
Total Drug Enforcement			\$ 23,362

Other Operations

**Other Charges**

Trustee's Commission	\$	<u>131</u>	
Total Other Charges			<u>131</u>

Total Drug Control Fund \$ 23,493

**Other General Government Fund**

Other Operations

**Other Charges**

Trustee's Commission	\$	<u>7,500</u>	
Total Other Charges			\$ 7,500

**American Rescue Plan Act Grant #1**

Consultants	\$	6,500	
Contributions		1,094,565	
Engineering Services		4,731	
Building Improvements		411,748	
Communication Equipment		7,260	
Data Processing Equipment		66,650	
Law Enforcement Equipment		10,138	
Site Development		<u>5,875</u>	
Total American Rescue Plan Act Grant #1			<u>1,607,467</u>

Total Other General Government Fund 1,614,967

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**Other Special Revenue Fund**

Other Operations

**Tourism**

Contributions	\$ 210,276	
Total Tourism		\$ 210,276

**Other Charges**

Trustee's Commission	\$ 2,682	
Total Other Charges		2,682

Total Other Special Revenue Fund \$ 212,958

**Constitutional Officers - Fees Fund**

Administration of Justice

**Chancery Court**

Special Commissioner Fees	\$ 5,400	
Total Chancery Court		\$ 5,400

Total Constitutional Officers - Fees Fund 5,400

**Highway/Public Works Fund**

Highways

**Administration**

County Official/Administrative Officer	\$ 100,377
Accountants/Bookkeepers	46,114
Secretary(ies)	46,114
Other Salaries and Wages	4,482
Advertising	228
Communication	4,371
Data Processing Services	11,408
Dues and Memberships	3,336
Maintenance and Repair Services - Office Equipment	311
Pest Control	192
Postal Charges	496
Printing, Stationery, and Forms	192
Travel	1,551
Other Contracted Services	790
Electricity	11,070
Natural Gas	1,464

(Continued)



**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**Highway/Public Works Fund (Cont.)**

Highways (Cont.)

**Administration (Cont.)**

Office Supplies	\$	789	
Water and Sewer		2,246	
Other Supplies and Materials		203	
In Service/Staff Development		900	
Data Processing Equipment		3,819	
Total Administration			\$ 240,453

**Highway and Bridge Maintenance**

Equipment Operators	\$	321,574	
Truck Drivers		572,277	
Laborers		29,120	
Other Salaries and Wages		36,944	
Medical and Dental Services		1,405	
Permits		90	
Other Contracted Services		12,805	
Asphalt		320,180	
Concrete		2,123	
Crushed Stone		201,502	
Pipe - Metal		55,857	
Road Signs		7,455	
Wood Products		120	
Other Supplies and Materials		653	
Other Charges		2,802	
Other Equipment		8,348	
Total Highway and Bridge Maintenance			1,573,255

**Operation and Maintenance of Equipment**

Mechanic(s)	\$	87,329	
Other Salaries and Wages		1,092	
Diesel Fuel		96,601	
Equipment and Machinery Parts		65,116	
Garage Supplies		248	
Gasoline		41,573	
Lubricants		9,258	
Small Tools		439	
Tires and Tubes		10,989	

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**Highway/Public Works Fund (Cont.)**

Highways (Cont.)

**Operation and Maintenance of Equipment (Cont.)**

Other Supplies and Materials	\$	1,695	
Other Charges		<u>1,228</u>	
Total Operation and Maintenance of Equipment			\$ 315,568

**Other Charges**

Trustee's Commission	\$	31,028	
Workers' Compensation Insurance		<u>53,863</u>	
Total Other Charges			84,891

**Employee Benefits**

Social Security	\$	94,868	
Pensions		77,377	
Employee and Dependent Insurance		224,348	
Unemployment Compensation		<u>6,225</u>	
Total Employee Benefits			402,818

**Capital Outlay**

Maintenance and Repair Services - Buildings	\$	2,005	
Highway Equipment		140,902	
State Aid Projects		<u>1,107,982</u>	
Total Capital Outlay			<u>1,250,889</u>

Total Highway/Public Works Fund \$ 3,867,874

**General Debt Service Fund**

Principal on Debt

**General Government**

Principal on Bonds	\$	235,000	
Principal on Notes		<u>255,000</u>	
Total General Government			\$ 490,000

**Education**

Principal on Notes	\$	444,000	
Principal on Other Loans		<u>127,808</u>	
Total Education			571,808

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**General Debt Service Fund (Cont.)**

Interest on Debt

**General Government**

Interest on Bonds	\$ 51,763	
Interest on Notes	<u>57,070</u>	
Total General Government		\$ 108,833

**Education**

Interest on Notes	\$ 28,532	
Interest on Other Loans	<u>20,176</u>	
Total Education		48,708

Other Debt Service

**General Government**

Bank Charges	\$ 2,850	
Trustee's Commission	<u>8,205</u>	
Total General Government		<u>11,055</u>

Total General Debt Service Fund \$ 1,230,404

**General Capital Projects Fund**

Capital Projects

**General Administration Projects**

Consultants	\$ 24,000	
Contributions	453,755	
Trustee's Commission	2,264	
Data Processing Equipment	10,852	
Furniture and Fixtures	9,963	
Heating and Air Conditioning Equipment	11,956	
Site Development	<u>8,950</u>	
Total General Administration Projects		\$ 521,740

**Public Health and Welfare Projects**

Engineering Services	\$ 60,864	
Building Improvements	<u>177,360</u>	
Total Public Health and Welfare Projects		<u>238,224</u>

Total General Capital Projects Fund 759,964

(Continued)

**BENTON COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types (Cont.)**

**Community Development/Industrial Park Fund**

Other Operations

**Other Charges**

Trustee's Commission	\$ 100	
Total Other Charges		\$ 100

Capital Projects

**General Administration Projects**

Contributions	\$ 100,000	
Maintenance Agreements	30,619	
Total General Administration Projects		130,619

Total Community Development/Industrial Park Fund \$ 130,719

**Capital Projects Public Improvement Fund**

Capital Projects

**Public Safety Projects**

Motor Vehicles	\$ 190,598	
Total Public Safety Projects		\$ 190,598

**Social, Cultural, and Recreation Projects**

Engineering Services	\$ 13,994	
Total Social, Cultural, and Recreation Projects		13,994

Total Capital Projects Public Improvement Fund 204,592

**Other Capital Projects Fund**

Capital Projects

**General Administration Projects**

Advertising	\$ 414	
Engineering Services	60,632	
Other Charges	19,463	
Land	65,546	
Other Equipment	4,649	
Total General Administration Projects		\$ 150,704

Total Other Capital Projects Fund 150,704

Total Governmental Funds - Primary Government \$ 21,837,399

**BENTON COUNTY, TENNESSEE****Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Benton County School Department

**For the Year Ended June 30, 2025****General Purpose School Fund**

## Instruction

**Regular Instruction Program**

Teachers	\$ 7,193,075	
Career Ladder Program	33,990	
Homebound Teachers	3,728	
Clerical Personnel	47,761	
Educational Assistants	344,240	
Other Salaries and Wages	106,526	
Social Security	456,832	
Pensions	523,221	
Medical Insurance	1,574,444	
Employer Medicare	106,854	
Communication	2,161	
Evaluation and Testing	336	
Contracts for Substitute Teachers - Non-certified	402,829	
Other Contracted Services	237,268	
Instructional Supplies and Materials	127,522	
Textbooks - Bound	452,260	
Software	67,780	
Fee Waivers	5,920	
TISA - On-behalf Payments	26,095	
Other Charges	3,567	
Regular Instruction Equipment	81,590	
Total Regular Instruction Program		\$ 11,797,999

**Special Education Program**

Teachers	\$ 959,596
Career Ladder Program	1,000
Homebound Teachers	5,445
Educational Assistants	32,168
Speech Pathologist	63,645
Social Security	62,921
Pensions	79,859
Medical Insurance	220,446
Unemployment Compensation	400
Employer Medicare	14,715
Communication	1,000

(Continued)

**BENTON COUNTY, TENNESSEE****Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Benton County School Department (Cont.)

**General Purpose School Fund (Cont.)**

## Instruction (Cont.)

**Special Education Program (Cont.)**

Maintenance and Repair Services - Equipment	\$	189	
Contracts for Substitute Teachers - Non-certified		66,089	
Other Contracted Services		87,008	
Instructional Supplies and Materials		8,566	
Total Special Education Program			\$ 1,603,047

**Career and Technical Education Program**

Teachers	\$	609,296	
Social Security		37,366	
Pensions		47,230	
Medical Insurance		100,320	
Employer Medicare		8,739	
Maintenance and Repair Services - Equipment		500	
Contracts for Substitute Teachers - Non-certified		8,534	
Other Contracted Services		4,437	
Instructional Supplies and Materials		6,459	
Vocational Instruction Equipment		747,899	
Total Career and Technical Education Program			1,570,780

## Support Services

**Attendance**

Supervisor/Director	\$	76,664	
Social Workers		4,900	
Social Security		5,023	
Pensions		5,184	
Medical Insurance		8,892	
Employer Medicare		1,175	
In Service/Staff Development		1,095	
Total Attendance			102,933

**Health Services**

Supervisor/Director	\$	42,000	
Medical Personnel		50,667	
Paraprofessionals		22,700	
Social Security		6,932	

(Continued)

**BENTON COUNTY, TENNESSEE****Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Benton County School Department (Cont.)

**General Purpose School Fund (Cont.)**

## Support Services (Cont.)

**Health Services (Cont.)**

Pensions	\$	8,130	
Medical Insurance		27,607	
Unemployment Compensation		10	
Employer Medicare		1,621	
Maintenance and Repair Services - Equipment		297	
Postal Charges		500	
Travel		557	
Contracts for Substitute Teachers - Non-certified		150	
Other Contracted Services		2,411	
Drugs and Medical Supplies		16,608	
Instructional Supplies and Materials		13,363	
In Service/Staff Development		3,441	
Health Equipment		5,560	
Total Health Services			\$ 202,554

**Other Student Support**

Guidance Personnel	\$	244,650	
Other Salaries and Wages		30,300	
Social Security		14,970	
Pensions		15,560	
Medical Insurance		41,328	
Employer Medicare		3,940	
Evaluation and Testing		11,252	
Internet Connectivity		129,956	
Travel		2,713	
Other Charges		3,232	
Total Other Student Support			497,901

**Regular Instruction Program**

Supervisor/Director	\$	294,603	
Career Ladder Program		8,300	
Librarians		296,884	
Other Salaries and Wages		93,075	
Social Security		39,084	
Pensions		41,345	

(Continued)

**BENTON COUNTY, TENNESSEE****Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Benton County School Department (Cont.)

**General Purpose School Fund (Cont.)**

## Support Services (Cont.)

**Regular Instruction Program (Cont.)**

Medical Insurance	\$	109,389	
Employer Medicare		9,761	
Legal Notices, Recording, and Court Costs		336	
Postal Charges		300	
Travel		4,912	
Library Books/Media		29,121	
In Service/Staff Development		16,340	
Total Regular Instruction Program			\$ 943,450

**Special Education Program**

Supervisor/Director	\$	68,444	
Clerical Personnel		15,500	
Social Security		5,075	
Pensions		5,327	
Medical Insurance		4,446	
Unemployment Compensation		93	
Employer Medicare		1,187	
Travel		2,869	
In Service/Staff Development		460	
Total Special Education Program			103,401

**Career and Technical Education Program**

Secretary(ies)	\$	13,025	
Social Security		794	
Pensions		818	
Medical Insurance		10,318	
Employer Medicare		186	
In Service/Staff Development		133	
Total Career and Technical Education Program			25,274

**Technology**

Supervisor/Director	\$	66,200	
Computer Programmer(s)		108,180	
Social Security		10,270	
Pensions		11,006	

(Continued)



**BENTON COUNTY, TENNESSEE****Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Benton County School Department (Cont.)

**General Purpose School Fund (Cont.)**

## Support Services (Cont.)

**Technology (Cont.)**

Medical Insurance	\$	33,068	
Employer Medicare		2,402	
Communication		1,026	
Internet Connectivity		33,394	
Travel		4,416	
Other Contracted Services		52,360	
Other Supplies and Materials		9,996	
Other Equipment		49,993	
Total Technology			\$ 382,311

**Other Programs**

On-behalf Payments to OPEB	\$	46,532	
Total Other Programs			46,532

**Board of Education**

Secretary to Board	\$	1,200	
Board and Committee Members Fees		16,620	
Social Security		1,105	
Pensions		75	
Employer Medicare		258	
Audit Services		24,600	
Dues and Memberships		8,007	
Legal Services		5,725	
Travel		49	
Building and Contents Insurance		201,559	
Trustee's Commission		134,942	
Workers' Compensation Insurance		80,481	
In Service/Staff Development		10,276	
Criminal Investigation of Applicants - TBI		6,069	
Refund to Applicant for Criminal Investigation		74	
Other Charges		7,134	
Total Board of Education			498,174

**Director of Schools**

County Official/Administrative Officer	\$	111,257	
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(Continued)

**BENTON COUNTY, TENNESSEE****Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Benton County School Department (Cont.)

**General Purpose School Fund (Cont.)**

## Support Services (Cont.)

**Director of Schools (Cont.)**

Other Salaries and Wages	\$	10,600	
Social Security		7,397	
Pensions		7,750	
Life Insurance		967	
Medical Insurance		11,108	
Employer Medicare		1,730	
Communication		676	
Dues and Memberships		2,271	
Maintenance and Repair Services - Equipment		14,381	
Postal Charges		845	
Travel		182	
In Service/Staff Development		4,082	
Total Director of Schools			\$ 173,246

**Office of the Principal**

Principals	\$	481,365	
Career Ladder Program		5,000	
Accountants/Bookkeepers		4,000	
Assistant Principals		366,110	
Secretary(ies)		158,655	
Clerical Personnel		4,000	
Social Security		60,372	
Pensions		66,372	
Medical Insurance		181,479	
Employer Medicare		14,119	
Communication		9,163	
Postal Charges		4,400	
Other Charges		5,000	
Total Office of the Principal			1,360,035

**Fiscal Services**

Accountants/Bookkeepers	\$	48,000	
Clerical Personnel		88,700	
Social Security		8,380	
Pensions		8,585	

(Continued)

**BENTON COUNTY, TENNESSEE****Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Benton County School Department (Cont.)

**General Purpose School Fund (Cont.)**

## Support Services (Cont.)

**Fiscal Services (Cont.)**

Medical Insurance	\$	31,122	
Employer Medicare		1,960	
Data Processing Services		19,430	
In Service/Staff Development		92	
Total Fiscal Services			\$ 206,269

**Operation of Plant**

Custodial Personnel	\$	399,561	
Social Security		24,220	
Pensions		22,690	
Medical Insurance		174,024	
Employer Medicare		5,664	
Janitorial Services		13,673	
Pest Control		1,053	
Disposal Fees		14,599	
Permits		935	
Contracts for Substitute Teachers - Non-certified		5,699	
Custodial Supplies		98,205	
Electricity		547,030	
Natural Gas		94,094	
Water and Sewer		90,453	
Other Supplies and Materials		2,120	
Other Charges		27,847	
Plant Operation Equipment		8,746	
Total Operation of Plant			1,530,613

**Maintenance of Plant**

Supervisor/Director	\$	45,800	
Maintenance Personnel		282,053	
Social Security		19,839	
Pensions		20,589	
Medical Insurance		102,811	
Employer Medicare		4,640	
Maintenance and Repair Services - Equipment		46,305	
Maintenance and Repair Services - Vehicles		4,675	

(Continued)

**BENTON COUNTY, TENNESSEE****Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Benton County School Department (Cont.)

**General Purpose School Fund (Cont.)**

## Support Services (Cont.)

**Maintenance of Plant (Cont.)**

Other Contracted Services	\$	28,794	
Diesel Fuel		39	
Equipment and Machinery Parts		32,017	
Gasoline		10,234	
Other Supplies and Materials		39,849	
Administration Equipment		108,362	
Maintenance Equipment		7,459	
Total Maintenance of Plant			\$ 753,466

**Transportation**

Supervisor/Director	\$	2,000	
Mechanic(s)		6,000	
Bus Drivers		271,736	
Social Security		16,914	
Pensions		15,929	
Medical Insurance		103,186	
Employer Medicare		3,956	
Other Fringe Benefits		2,514	
Communication		526	
Contracts with Vehicle Owners		559,051	
Maintenance and Repair Services - Vehicles		35,390	
Other Contracted Services		39,825	
Diesel Fuel		28,414	
Other Charges		22,230	
Transportation Equipment		5,155	
Total Transportation			1,112,826

## Operation of Non-Instructional Services

**Food Service**

Supervisor/Director	\$	2,000	
Cafeteria Personnel		11,920	
Social Security		863	
Pensions		874	
Medical Insurance		57,162	
Employer Medicare		202	
Food Supplies		1,000	
Total Food Service			74,021

(Continued)

**BENTON COUNTY, TENNESSEE****Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Benton County School Department (Cont.)

**General Purpose School Fund (Cont.)**

Operation of Non-Instructional Services (Cont.)

**Community Services**

Contributions	\$ 6,000	
Total Community Services		\$ 6,000

**Early Childhood Education**

Teachers	\$ 113,944	
Educational Assistants	51,004	
Social Security	9,948	
Pensions	11,824	
Medical Insurance	54,184	
Unemployment Compensation	496	
Employer Medicare	2,327	
Other Charges	1,200	
Total Early Childhood Education		244,927

Capital Outlay

**Regular Capital Outlay**

Other Contracted Services	\$ 221,327	
Building Improvements	1,941,610	
Heating and Air Conditioning Equipment	63,807	
Site Development	142,468	
Total Regular Capital Outlay		2,369,212

Other Debt Service

**Education**

Debt Service Contribution to Primary Government	\$ 397,984	
Total Education		397,984

Total General Purpose School Fund		\$ 26,002,955
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**School Federal Projects Fund**

Instruction

**Regular Instruction Program**

Teachers	\$ 348,786	
Educational Assistants	134,677	
Social Security	28,120	

(Continued)

**BENTON COUNTY, TENNESSEE****Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Benton County School Department (Cont.)

**School Federal Projects Fund (Cont.)**

## Instruction (Cont.)

**Regular Instruction Program (Cont.)**

Pensions	\$	31,452	
Medical Insurance		136,441	
Unemployment Compensation		183	
Employer Medicare		6,576	
Contracts for Substitute Teachers - Non-certified		6,767	
Instructional Supplies and Materials		89,380	
Regular Instruction Equipment		350,132	
Total Regular Instruction Program			\$ 1,132,514

**Special Education Program**

Teachers	\$	3,262	
Educational Assistants		360,824	
Other Salaries and Wages		42,000	
Social Security		24,224	
Pensions		26,076	
Medical Insurance		184,404	
Unemployment Compensation		301	
Employer Medicare		5,665	
Contracts for Substitute Teachers - Non-certified		6,943	
Other Contracted Services		61,170	
Instructional Supplies and Materials		5,804	
Special Education Equipment		16,912	
Total Special Education Program			737,585

**Career and Technical Education Program**

Software	\$	3,600	
Vocational Instruction Equipment		23,579	
Total Career and Technical Education Program			27,179

## Support Services

**Health Services**

Supervisor/Director	\$	41,983	
Social Workers		35,442	
Medical Personnel		181,355	
Social Security		15,252	

(Continued)

**BENTON COUNTY, TENNESSEE****Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Benton County School Department (Cont.)

**School Federal Projects Fund (Cont.)**

## Support Services (Cont.)

**Health Services (Cont.)**

Pensions	\$	18,682	
Medical Insurance		60,319	
Unemployment Compensation		13	
Employer Medicare		3,567	
Total Health Services			\$ 356,613

**Other Student Support**

Other Salaries and Wages	\$	63,645	
Social Security		3,926	
Pensions		4,048	
Medical Insurance		8,892	
Unemployment Compensation		13	
Employer Medicare		918	
Postal Charges		500	
Travel		1,082	
Other Contracted Services		25,558	
Other Supplies and Materials		3,533	
In Service/Staff Development		6,298	
Other Charges		20,684	
Total Other Student Support			139,097

**Regular Instruction Program**

Instructional Coaches	\$	97,451	
Other Salaries and Wages		6,750	
Social Security		4,087	
Pensions		4,335	
Medical Insurance		8,179	
Unemployment Compensation		26	
Employer Medicare		1,492	
Travel		457	
In Service/Staff Development		36,468	
Total Regular Instruction Program			159,245

**Special Education Program**

Other Salaries and Wages	\$	23,351	
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(Continued)

**BENTON COUNTY, TENNESSEE****Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Benton County School Department (Cont.)

**School Federal Projects Fund (Cont.)**

## Support Services (Cont.)

**Special Education Program (Cont.)**

Social Security	\$	1,442	
Pensions		1,466	
Medical Insurance		2,852	
Employer Medicare		337	
Evaluation and Testing		1,158	
Postal Charges		1,000	
Travel		593	
Other Contracted Services		19,660	
Other Supplies and Materials		7,006	
In Service/Staff Development		9,035	
Other Charges		504	
Other Equipment		8,605	
Total Special Education Program			\$ 77,009

**Career and Technical Education Program**

In Service/Staff Development	\$	824	
Total Career and Technical Education Program			824

**Technology**

Other Equipment	\$	26,490	
Total Technology			26,490

**Transportation**

Bus Drivers	\$	49,060	
Social Security		3,038	
Pensions		3,093	
Unemployment Compensation		39	
Employer Medicare		711	
Total Transportation			55,941

## Capital Outlay

**Regular Capital Outlay**

Plant Operation Equipment	\$	64,721	
Other Capital Outlay		170,935	
Total Regular Capital Outlay			235,656

Total School Federal Projects Fund			\$ 2,948,153
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(Continued)



**BENTON COUNTY, TENNESSEE****Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Benton County School Department (Cont.)

**Central Cafeteria Fund**

## Operation of Non-Instructional Services

**Food Service**

Supervisor/Director	\$	20,500	
Cafeteria Personnel		547,331	
Social Security		33,457	
Pensions		35,659	
Medical Insurance		240,492	
Unemployment Compensation		255	
Employer Medicare		7,825	
Laundry Service		593	
Maintenance and Repair Services - Equipment		25,729	
Travel		1,962	
Contracts for Substitute Teachers - Non-certified		14,259	
Other Contracted Services		24,723	
Food Preparation Supplies		59,766	
Food Supplies		821,023	
Office Supplies		2,770	
USDA - Commodities		108,622	
In Service/Staff Development		2,421	
Refund to Applicant for Criminal Investigation		529	
Other Charges		3,168	
Food Service Equipment		47,987	
Total Food Service			\$ 1,999,071

Total Central Cafeteria Fund			\$ 1,999,071
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**Internal School Fund**

## Operation of Non-Instructional Services

**Community Services**

Other Charges	\$	693,156	
Total Community Services			\$ 693,156

Total Internal School Fund			693,156
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Total Governmental Funds - Benton County School Department			\$ 31,643,335
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## SINGLE AUDIT SECTION



JASON E. MUMPOWER  
*Comptroller*

**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***

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Benton County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Benton County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated November 10, 2025. Our report includes references to other auditors who audited the financial statements of the Benton County Electric System (enterprise fund) and the Internal School Fund of the Benton County School Department (a discretely presented component unit) as described in our report on Benton County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Benton County's internal control over financial reporting (internal control) as a basis for determining 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 Benton County's internal control. Accordingly, we do not express an opinion on the effectiveness of Benton County'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 following deficiencies, described in the accompanying Schedule of Findings and Questioned Costs, to be material weaknesses: 2025-001 and 2025-002.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency, described in the accompanying Schedule of Findings and Questioned Costs, to be a significant deficiency: 2025-003(B).

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Benton County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2025-003(A), 2025-004, and 2025-005.


## Benton County's Responses to the Findings

*Government Auditing Standards* requires the auditor to perform limited procedures on Benton County's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Benton County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

## Purpose of this Report

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

Very truly yours,

  
Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

November 10, 2025

JEM/gc



JASON E. MUMPOWER  
*Comptroller*

**Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

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

To the County Mayor and Board of County Commissioners:

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Benton County's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Benton County's major federal programs for the year ended June 30, 2025. Benton County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Benton County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

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

***Responsibilities of Management for Compliance***

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

## ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Benton County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 noncompliance 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 Benton County'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 Benton County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Benton County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Benton County's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Internal Control Over Compliance**

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

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


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

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

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Benton County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Benton County's basic financial statements. We issued our report thereon dated November 10, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,

  
Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

November 10, 2025

JEM/gc

**BENTON COUNTY, TENNESSEE, AND THE BENTON COUNTY SCHOOL DEPARTMENT**  
**Schedule of Expenditures of Federal Awards and State Grants (1) (2)**  
**For the Year-Ended June 30, 2025**

Federal/Pass-through Agency/State Grantor Program Title	Assistance Listing Number	Passed-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures
U.S. Department of Agriculture:				
Passed-through State Department of Education:				
Child Nutrition Cluster: (3)				
School Breakfast Program	10.553	N/A	\$ 0	\$ 594,463
National School Lunch Program	10.555	N/A	0	1,274,473 (5)
Child Nutrition Discretionary Grants Limited Availability	10.579	N/A	0	80,000
Passed-through State Department of Agriculture:				
Child Nutrition Cluster: (3)				
National School Lunch Program(Commodities - Noncash Assistance)	10.555	N/A	0	108,622 (5)
Total U.S. Department of Agriculture				<u>\$ 2,057,558</u>
U.S. Department of Housing and Urban Development:				
Passed-through State Department of Economic and Community Development:				
Community Development Block Grants/State's program	14.228	33004-16820	0	\$ 8,289
Total U.S. Department of Housing and Urban Development				<u>\$ 8,289</u>
U.S. Department of Justice:				
Direct Program:				
Public Safety Partnership and Community Policing Grants	16.710	N/A	0	\$ 241,466
Total U.S. Department of Justice				<u>\$ 241,466</u>
U.S. Department of Transportation:				
Passed-through State Department of Transportation:				
COVID 19 - Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs (ARP)	20.106	(4)	0	\$ 57,497
Passed-through State Department of Safety and Homeland Security:				
Alcohol Open Container Requirements	20.607	Z-25-THS-023	0	4,837
Total U.S. Department of Transportation				<u>\$ 62,334</u>
U.S. Department of the Treasury:				
Passed-through State Department of Environment and Conservation:				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds (ARP)	21.027	(4) (7)	453,755	\$ 549,981 (5)
Passed-through State Department of Economic and Community Development:				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds (ARP)	21.027	(4)	0	2,445 (5)
Passed-through State Department of Health:				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds (ARP)	21.027	(4)	0	598,979 (5)
Passed-through State Department of Education:				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds (ARP)	21.027	N/A	0	44,089 (5)
Total U.S. Department of the Treasury				<u>\$ 1,195,494</u>
U.S. National Foundation on the Arts and the Humanities:				
Passed-through Tennessee Secretary of State:				
Grants to States	45.310	(4)	0	\$ 4,763
Total U.S. National Foundation on the Arts and the Humanities				<u>\$ 4,763</u>
U.S. Department of Education:				
Passed-through State Department of Education:				
Title I Grants to Local Educational Agencies	84.010	N/A	0	\$ 828,159
Special Education Cluster (IDEA): (3)				
Special Education Grants to States	84.027	N/A	0	844,045
Special Education Preschool Grants	84.173	N/A	0	27,493
Career and Technical Education - Basic Grants to States	84.048	N/A	0	54,985
Rural Education	84.358	N/A	0	60,426
Supporting Effective Instruction State Grants	84.367	N/A	0	130,993
Student Support and Academic Enrichment Program	84.424	N/A	0	11,112
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	0	433,820
Passed-through State Department of Human Services:				
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	N/A	0	83,561
Passed-through The University of Tennessee:				
School-Based Mental Health Services Grant Program	84.184	N/A	0	9,999
Total U.S. Department of Education				<u>\$ 2,484,593</u>

(Continued)



**BENTON COUNTY, TENNESSEE, AND THE BENTON COUNTY SCHOOL DEPARTMENT**  
**Schedule of Expenditures of Federal Awards and State Grants (1) (2) (Cont.)**

<b>Federal/Pass-through Agency/State Grantor Program Title</b>	<b>Assistance Listing Number</b>	<b>Passed-through Entity Identifying Number</b>	<b>Amount Passed-through to Subrecipients</b>	<b>Expenditures</b>
U.S. Department of Health and Human Services:				
Passed-through Northwest Tennessee Development District:				
Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	(4)	\$ 0	\$ 100
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	(4)	0	3,310
Aging Cluster: (3)				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	(4)	0	34,000
Passed-through State Department of Health:				
COVID 19 - Immunization Cooperative Agreements	93.268	GG-24800-57-02	0	5,873 (6)
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)(ARP)	93.323	GG-24800-57-02	0	306,642 (6)
Passed-through State Department of Education:				
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	N/A	0	9,236
Total U.S. Department of Health and Human Services				<u>\$ 359,161</u>
U.S. Department of Homeland Security:				
Passed-through State Department of Military:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	(4)	0	\$ 49,624
Emergency Management Performance Grants	97.042	(4)	0	33,357
Total U.S. Department of Homeland Security				<u>\$ 82,981</u>
Total Expenditures of Federal Grants				<u>\$ 6,496,639</u>

		<b>Contract Number</b>		
<b>State Grants</b>				
State Senior Center - Northwest Tennessee Development District	N/A	(4)	0	\$ 5,060
TCAD Senior Center Grant - State Commission on Aging and Disability	N/A	34401-99475-37	0	8,000
Juvenile Custody Prevention - State Department of Children's Services	N/A	35910-08342	0	89,956
Tennessee Law Enforcement Hiring, Training and Recruitment Program - State Department of Commerce and Insurance	N/A	(4)	0	2,500
Early Childhood Education - State Department of Education	N/A	N/A	0	199,416
Innovative School Models - State Department of Education	N/A	N/A	0	1,219,608
Jobs for Tennessee Graduates - State Department of Education	N/A	N/A	0	71,477
Public School Security Grant - State Department of Education	N/A	N/A	0	108,362
State Special Education Preschool Grant - State Department of Education	N/A	N/A	0	48,641
COVID 19 - Summer Learning Camp - State Department of Education	N/A	N/A	0	157,047
COVID 19 - Summer Learning Camp Transportation - State Department of Education	N/A	N/A	0	36,487
Tennessee Educator Survey - State Department of Education	N/A	N/A	0	5,000
Statewide School Resource Officer Grant Program - State Department of Safety and Homeland Security	N/A	(4)	0	150,000
Airport Maintenance Grant - State Department of Transportation	N/A	40100-51199	0	6,175
Airport Improvement Program - State Department of Transportation	N/A	40100-51008	0	3,520
Litter Program - State Department of Transportation	N/A	(4)	0	9,706
Violent Crimes Intervention Funds Grant - State Office of Criminal Justice Programs	N/A	(4)	0	315
Juvenile Justice State Supplement - Tennessee Commission on Children and Youth	N/A	(4)	0	9,000
Training Equipment Grant - Tennessee Corrections Institute	N/A	(4)	0	8,459
Disaster Grants- Public Assistance - State Department of Military	N/A	34101-13925	0	7,028
Three Star Grant - State Department of Economic and Community Development	N/A	33007-26724	0	7,498
Total State Grants				<u>\$ 2,153,255</u>

ALN = Assistance Listing Number

N/A = Not Applicable

(1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.

(2) Benton County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.

(3) Child Nutrition Cluster total \$1,977,588; Special Education Cluster (IDEA) total \$871,538; Aging Cluster total \$34,000.

(4) Information not available.

(5) Total for ALN 10.555 is \$1,383,095; Total for ALN 21.027 is \$1,195,494.

(6) Total for GG-24800-57-02 is \$312,515.

(7) SUBRECIPIENT AMOUNTS

<b>Subrecipient</b>	<b>ALN</b>	<b>Amount Provided to Subrecipient</b>
Benton/Decatur Special Sewer District	21.027	\$ 85,050
Harbor Utility District	21.027	10,565
North Utility District	21.027	358,140
Total		<u>\$ 453,755</u>

**BENTON COUNTY, TENNESSEE**  
**Summary Schedule of Prior-year Findings**  
**For the Year Ended June 30, 2025**

*Government Auditing Standards* require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or not. Presented below are financial statement findings along with their current status from the Annual Financial Report for Benton County, Tennessee, for the year ended June 30, 2025.

**Prior-year Financial Statement Findings**

Fiscal Year	Page Number	Finding Number	Title of Finding	ALN	Current Status
<b>OFFICE OF COUNTY MAYOR</b>					
2024	214	2024-001	The General and General Debt Service funds required material audit adjustments for proper financial statement presentation.	N/A	Not Corrected - See Explanation on Corrective Action Plan
2024	214	2024-002	The animal shelter had operating deficiencies.	N/A	Corrected
2024	216	2024-003	A capital outlay note was not issued in compliance with state statutes.	N/A	Corrected

**Prior-year Federal Awards Findings**

There were no prior-year federal award findings to report.

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**BENTON COUNTY, TENNESSEE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2025**

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**PART I, SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements:**

1. Our report on the financial statements of Benton County is unmodified.
2. Internal Control Over Financial Reporting:
  - \* Material weakness identified? **YES**
  - \* Significant deficiency identified? **YES**
3. Noncompliance material to the financial statements noted? **NO**

**Federal Awards:**

4. Internal Control Over Major Federal Programs:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
  - \* Assistance Listing Numbers: 10.553      Child Nutrition Cluster: School Breakfast Program  
and 10.555      and National School Lunch Program
  - \* Assistance Listing Number: 84.010      Title I Grants to Local Educational Agencies
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **NO**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our audit, are presented below. We reviewed the findings and recommendations with management to provide an opportunity for their response. Written responses for the findings are paraphrased and presented below. Management’s corrective action plans, whether related to the financial statements or federal awards, are presented separately in the Management’s Corrective Action Plan in the Single Audit Section of this report. Findings relating specifically to the audit of federal awards, if any, are separately presented under Part III, Findings and Questioned Costs for Federal Awards.

OFFICE OF COUNTY MAYOR

FINDING 2025-001 THE GENERAL AND GENERAL CAPITAL PROJECTS FUNDS REQUIRED MATERIAL AUDIT ADJUSTMENTS FOR PROPER FINANCIAL STATEMENT PRESENTATION  
(Internal Control – Material Weakness Under *Government Auditing Standards*)

On June 30, 2025, certain general ledger account balances in the General and General Capital Projects funds were not materially correct, and audit adjustments for cash with trustee, accounts receivable, related deferred revenues, accounts payable, and restricted accounts totaling \$1,880,058 and \$345,733, respectively, were required for the financial statements to be materially correct at year-end. Generally accepted accounting principles require Benton County to have adequate internal controls over the maintenance of its accounting records. Material audit adjustments were required because the county’s financial reporting system did not prevent, detect, or correct potential misstatements in the accounting records. It is a strong indicator of a material weakness in internal controls if the county has ineffective controls over the maintenance of its accounting records, which are used to prepare the financial statements, including the related notes to the financial statements. This deficiency is the result of a lack of management oversight, management’s failure to correct the finding noted in the prior-year audit report, and management’s failure to implement their corrective action plan. We presented audit adjustments to management that they approved and posted to properly present the financial statements in this report.

RECOMMENDATION

Benton County should have appropriate processes in place to ensure its general ledgers are materially correct.

MANAGEMENT’S RESPONSE - COUNTY MAYOR

We concur with the finding. Accruals will be reviewed at year-end to ensure that accurate estimates of accounts receivables, deferred revenues, accounts payables, and restricted accounts have been made. Additionally, we will focus on our cash reconciliations to ensure revenues are properly posted and errors corrected in a timely manner.

FINDING 2025-002 BENTON COUNTY HAS A MATERIAL RECURRING AUDIT FINDING  
(Internal Control – Material Weakness Under *Government Auditing Standards*)

Benton County has a material audit finding that has been reported in its annual financial report for three or more consecutive years. This recurring material finding is listed below:

Finding Numbers	Description
2023-001, 2024-001, 2025-001	Material audit adjustments were required for proper financial statement presentation

The recurring nature of the above-noted finding indicates that management is either unwilling or unable to address the deficiency. Benton County appointed an audit committee in fiscal year 2013 to address financial and other reporting practices, internal control, compliance with laws and regulation, and ethics.

## RECOMMENDATION

Benton County should work with its audit committee to correct the above-noted weakness in internal control.

## MANAGEMENT'S RESPONSE - COUNTY MAYOR

We concur with the finding.

FINDING 2025-003

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### THE OFFICE HAD ACCOUNTING DEFICIENCIES

(A. - Noncompliance Under *Government Auditing Standards*; B. - Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The following deficiencies were noted during our examination of the office's accounting records. These deficiencies exist due to a lack of management oversight, a lack of understanding of internal controls, and the failure of management to take responsibility for the accounting records.

- A. The office did not properly reconcile the general ledger cash account in the General Fund with county trustee's reports. The office attempted to reconcile the cash accounts with the trustee's reports monthly; however, the account did not reconcile by \$1,069,321 on June 30, 2025, primarily due to investment income of \$843,890 that had not been posted. Section 9-2-138, *Tennessee Code Annotated*, requires officials to reconcile their respective fund accounts with the trustee's reports monthly. The failure to reconcile the general ledger cash accounts with the county trustee's reports increases the risks that errors may occur and are not detected.
- B. General ledger payroll liability accounts were not reconciled with subsidiary payroll records and payments each month in the General Fund. As a result, unidentified balances accumulated in the liability accounts for several payroll deductions. Sound business practices dictate that payroll liability accounts should be reconciled with payroll reports and payments monthly. The failure to regularly reconcile payroll liability accounts is a significant deficiency that increases the risk that errors will not be discovered and corrected in a timely manner.

## RECOMMENDATION

The office should reconcile its general ledger cash account with the county trustee's reports monthly as required by state statute, and any errors should be corrected promptly. General ledger payroll liability accounts should be reconciled monthly with payroll reports and payments, and any errors should be corrected promptly.

## MANAGEMENT'S RESPONSE - COUNTY MAYOR

We concur with the finding.

FINDING 2025-004

**COMPETITIVE BIDS WERE NOT SOLICITED FOR THE EMPLOYEE  
HEALTH INSURANCE EXCESS RISK PLAN**  
(Noncompliance Under *Government Auditing Standards*)

Competitive bids were not solicited for the employee health insurance excess risk plan totaling \$634,515. The state attorney general has opined in Opinion No. 22-10 that insurance purchased from a private corporation would require competitive bids. Furthermore, purchasing procedures for the County Mayor's Office are governed by provisions of Chapter 541, Private Acts 1939, as amended, and the County Purchasing Law, Sections 5-4-201 through 5-14-206, *Tennessee Code Annotated*, which requires purchases exceeding \$10,000 to be made after public advertisement and the solicitation of competitive bids. This deficiency is due to a lack of management oversight and a failure to follow state statutes.

**RECOMMENDATION**

All purchases should be made in compliance with the applicable state statutes.

**MANAGEMENT'S RESPONSE - COUNTY MAYOR**

We concur with the finding.

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**OFFICE OF ROAD SUPERVISOR**

FINDING 2025-005

**EXPENDITURES EXCEEDED APPROPRIATIONS**  
(Noncompliance Under *Government Auditing Standards*)

Expenditures exceeded total appropriations approved by the county commission in the Highway/Public Works Fund by \$417,759. Section 5-9-401, *Tennessee Code Annotated*, states that "All funds from whatever source derived, including, but not limited to, taxes, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs for the various departments, commissions, institutions, boards, offices, and agencies of county governments shall be appropriated to such use by the county legislative bodies." This deficiency exists because management failed to hold spending to the limits authorized by the county commission, which resulted in unauthorized expenditures.

**RECOMMENDATION**

Expenditures should be held within appropriations approved by the county commission.

**MANAGEMENT'S RESPONSE – BARRY CARTER, FORMER ROAD SUPERVISOR**

We concur with the finding. This was an oversight on our part.

### **PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

There were no findings and questioned costs related to federal awards for the year ended June 30, 2025.

**BENTON COUNTY, TENNESSEE**  
**Management's Corrective Action Plan**  
**For the Year Ended June 30, 2025**

We reviewed the financial statement and federal award findings and recommendations with management to provide an opportunity for their response as required by the auditee requirements within Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Management's corrective action plans for all financial statement findings and federal award findings are presented in this section and have been indexed below. The corrective action plans were prepared by management and have been presented as they were submitted.

Finding Number	Title of Finding	Corrective Action Plan Page Number
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**OFFICE OF COUNTY MAYOR**

2025-001	The General and General Capital Projects funds required material audit adjustments for proper financial statement presentation.	225
2025-002	Benton County has a material recurring audit finding.	226
2025-003	The office had accounting deficiencies.	227
2025-004	Competitive bids were not solicited for the employee health insurance excess risk plan.	228

**OFFICE OF ROAD SUPERVISOR**

2025-005	Expenditures exceeded appropriations.	229
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***Office of the Benton County Mayor***  
**BENTON COUNTY TENNESSEE**  
**Mark Ward, Mayor**

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***Corrective Action Plan***

***FINDING***

**THE GENERAL AND GENERAL CAPITAL PROJECTS FUNDS  
REQUIRED MATERIAL AUDIT ADJUSTMENTS FOR PROPER  
FINANCIAL STATEMENT PRESENTATION**

**Response and Corrective Action Plan Prepared by:**  
Mark Ward, County Mayor

**Person Responsible for Implementing the Corrective Action:**  
Mark Ward, County Mayor

**Anticipated Completion Date of Corrective Action:**  
August 31, 2026

**Repeat Finding:**  
Yes

**Reason Corrective Action was Not Taken in the Prior Year:**  
The bookkeeper failed to post the proper accruals at year-end and failed to accurately reconcile cash.

**Planned Corrective Action:**  
Accruals will be reviewed at year-end to ensure that accurate estimates of accounts receivables, deferred revenues, accounts payables, and restricted accounts have been made. Additionally, we will focus on our cash reconciliations to ensure revenues are properly posted and errors corrected in a timely manner.



***Office of the Benton County Mayor***  
**BENTON COUNTY TENNESSEE**  
**Mark Ward, Mayor**

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***Corrective Action Plan***

***FINDING***

**BENTON COUNTY HAS A MATERIAL RECURRING AUDIT FINDING**

**Response and Corrective Action Plan Prepared by:**

Mark Ward, County Mayor

**Person Responsible for Implementing the Corrective Action:**

Mark Ward, County Mayor

**Anticipated Completion Date of Corrective Action:**

June 30, 2025

**Repeat Finding:**

No

**Reason Corrective Action was Not Taken in the Prior Year:**

N/A

**Planned Corrective Action:**

We will focus on correcting the finding for material audit adjustments which also caused this finding. Accruals will be reviewed at year-end to ensure that accurate estimates of accounts receivables, deferred revenues, accounts payables, and restricted accounts have been made. Additionally, we will focus on our cash reconciliations to ensure revenues are properly posted and errors corrected in a timely manner.



***Office of the Benton County Mayor***  
**BENTON COUNTY TENNESSEE**  
**Mark Ward, Mayor**

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***Corrective Action Plan***

***FINDING***

**THE OFFICE HAD ACCOUNTING DEFICIENCIES**

**Response and Corrective Action Plan Prepared by:**

Mark Ward, County Mayor

**Person Responsible for Implementing the Corrective Action:**

Mark Ward, County Mayor

**Anticipated Completion Date of Corrective Action:**

June 30, 2026

**Repeat Finding:**

No

**Reason Corrective Action was Not Taken in the Prior Year:**

N/A

**Planned Corrective Action:**

Cash with trustee and payroll withholding accounts will be reconciled monthly. Going forward, we will promptly correct any errors noted.

***Office of the Benton County Mayor***  
**BENTON COUNTY TENNESSEE**  
**Mark Ward, Mayor**

***Corrective Action Plan***

***FINDING***

**COMPETITIVE BIDS WERE NOT SOLICITED FOR THE  
EMPLOYEE HEALTH INSURANCE EXCESS RISK PLAN**

**Response and Corrective Action Plan Prepared by:**

Mark Ward, County Mayor

**Person Responsible for Implementing the Corrective Action:**

Mark Ward, County Mayor

**Anticipated Completion Date of Corrective Action:**

June 30, 2026

**Repeat Finding:**

No

**Reason Corrective Action was Not Taken in the Prior Year:**

N/A

**Planned Corrective Action:**

We will solicit competitive bids through public advertisement for our employee health insurance excess risk plan.

  
Signature

**BENTON COUNTY HIGHWAY DEPARTMENT**

**3360 HWY 70 BYP.**

**CAMDEN, TENNESSEE 38320**

**BRIAN HICKS, INTERIM CAO**

**731-584-6145**

*Corrective Action Plan*

**FINDING: EXPENDITURES EXCEEDED APPROPRIATIONS**

**Response and Corrective Action Plan Prepared by:**

Brian Hicks, Road Supervisor

**Person Responsible for Implementing the Corrective Action:**

Brian Hicks, Road Supervisor

**Anticipated Completion Date of Corrective Action:**

June 30, 2026

**Repeat Finding:**

No

**Reason Corrective Action was Not Taken in the Prior Year:**

N/A

**Planned Corrective Action:**

We will submit budget amendments to the county commission for approval when appropriate to prevent this finding from happening in the future. This occurred due to an oversight on our part for fiscal year 2025.



Signature

## **BEST PRACTICE**

Accounting literature describes a best practice as a recommended policy, procedure, or technique that aids management in improving financial performance. Historically, a best practice has consistently shown superior results over conventional methods.

The Division of Local Government Audit strongly believes that the item noted below is a best practice that should be adopted by the governing body as a means of significantly improving accountability and the quality of services provided to the citizens of Benton County.

### **BENTON COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING**

Benton County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the county commission resulting in decentralization and some duplication of effort. We recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.