



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.

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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

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

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Benton County School Department
ASSETS				
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	\$ 46,647,641	\$ 43,947,227	\$ 90,594,868	\$ 41,683,421
DEFERRED OUTFLOWS OF RESOURCES				
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	\$ 1,417,273	\$ 1,628,989	\$ 3,046,262	\$ 3,588,810

(Continued)

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

	Primary Government			Component Unit	
	Governmental Activities	Business-type Activities	Total	Benton County School Department	
LIABILITIES					
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	\$ 7,531,452	\$ 12,459,326	\$ 19,990,778	\$ 2,977,740	
DEFERRED INFLOWS OF RESOURCES					
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	\$ 5,732,435	\$ 924,312	\$ 6,656,747	\$ 4,781,662	
NET POSITION					
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	19,224,831	5,795,284	25,020,115	13,203,385	
Total Net Position	\$ 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
Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Net (Expense) Revenue and Changes in Net Position						Component Unit		
		Program Revenues			Primary Government					
		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.)

Functions/Programs	Expenses	Net (Expense) Revenue and Changes in Net Position						Component Unit Benton County School Department	
		Program Revenues			Primary Government				
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total		
General Revenues:									
Taxes:									
Property Taxes Leved for General Purposes					\$ 5,355,971	\$ 0	\$ 5,355,971	\$ 3,327,584	
Property Taxes Leved 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					\$ 2,496,572	\$ 2,073,486	\$ 4,570,058	\$ 2,587,650	
Net Position, July 1, 2024					32,311,690	30,119,092	62,430,782	35,023,440	
Restatement - See Note I.D.9.					(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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds		
ASSETS						
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	\$ 20,974,877	\$ 1,657,995	\$ 4,199,210	\$ 4,103,879	\$ 30,935,961	
LIABILITIES						
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	\$ 99,392	\$ 1,988	\$ 0	\$ 19,428	\$ 120,808	

(Continued)

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

	Major Funds		Nonmajor Funds		
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Govern- mental Funds
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	\$ 5,254,467	\$ 455,026	\$ 252,987	\$ 43,121	\$ 6,005,601

FUND BALANCES

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	\$ 15,621,018	\$ 1,200,981	\$ 3,946,223	\$ 4,041,330	\$ 24,809,552

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

\$ 20,974,877 \$ 1,657,995 \$ 4,199,210 \$ 4,103,879 \$ 30,935,961

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>\$ 34,801,027</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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	Formerly Nonmajor General Debt Service	Other Govern- mental Funds		
Revenues						
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	\$ 13,581,497	\$ 4,036,240	\$ 1,981,638	\$ 1,473,154	\$ 21,072,529	
Expenditures						
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.)**

	Major Funds			Nonmajor Funds		Total Governmental Funds
	<i>Formerly Nonmajor</i>	Highway / Public Works	General Debt Service	Other Govern- mental Funds		
Expenditures (Cont.)						
Debt Service:						
Principal on Debt	\$ 0	\$ 0	\$ 1,061,808	\$ 0	\$ 0	\$ 1,061,808
Interest on Debt	0	0	157,541	0	0	157,541
Other Debt Service	0	0	11,055	0	0	11,055
Capital Projects	0	0	0	1,245,879	1,245,879	1,245,879
Total Expenditures	\$ 13,636,324	\$ 3,867,874	\$ 1,230,404	\$ 3,102,797	\$ 21,837,399	
Excess (Deficiency) of Revenues Over Expenditures	\$ (54,827)	\$ 168,366	\$ 751,234	\$ (1,629,643)	\$ (764,870)	
Other Financing Sources (Uses)						
Notes Issued	\$ 480,000	\$ 0	\$ 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	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)	\$ 657,133	\$ 20,500	\$ 335,000	\$ 1,033,176	\$ 2,045,809	
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	15,018,712	1,012,115	0	7,497,786	23,528,613	
Fund Balance, June 30, 2025	\$ 15,621,018	\$ 1,200,981	\$ 3,946,223	\$ 4,041,330	\$ 24,809,552	

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)	\$ 2,496,572

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
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	\$ 13,581,497	\$ 12,751,940	\$ 12,895,287	\$ 686,210
Expenditures				
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.)

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Expenditures (Cont.)				
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.)

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)	
	Actual	Original	Final		
Expenditures (Cont.)					
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	\$ 13,636,324	\$ 12,296,126	\$ 15,250,874	\$ 1,614,550	
 Excess (Deficiency) of Revenues					
Over Expenditures	\$ (54,827)	\$ 455,814	\$ (2,355,587)	\$ 2,300,760	
 Other Financing Sources (Uses)					
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	\$ 657,133	\$ (428,488)	\$ 55,341	\$ 601,792	
 Net Change in Fund Balance					
Fund Balance, July 1, 2024	\$ 602,306	\$ 27,326	\$ (2,300,246)	\$ 2,902,552	
 Fund Balance, June 30, 2025					
	\$ 15,621,018	\$ 14,207,188	\$ 11,879,616	\$ 3,741,402	

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

		Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Actual	Original	Final		
Revenues					
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	\$ 4,036,240	\$ 3,067,660	\$ 3,117,385	\$ 918,855	
Expenditures					
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	\$ 3,867,874	\$ 3,400,390	\$ 3,450,115	\$ (417,759)	
Excess (Deficiency) of Revenues Over Expenditures	\$ 168,366	\$ (332,730)	\$ (332,730)	\$ 501,096	
Other Financing Sources (Uses)					
Transfers In	\$ 20,500	\$ 20,500	\$ 20,500	\$ 0	
Total Other Financing Sources	\$ 20,500	\$ 20,500	\$ 20,500	\$ 0	
Net Change in Fund Balance	\$ 188,866	\$ (312,230)	\$ (312,230)	\$ 501,096	
Fund Balance, July 1, 2024	1,012,115	890,335	890,335	121,780	
Fund Balance, June 30, 2025	\$ 1,200,981	\$ 578,105	\$ 578,105	\$ 622,876	

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

Business-type Activities
Major Enterprise Fund
Benton County Electric System

ASSETS

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>

DEFERRED OUTFLOWS

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	\$ 6,214,918

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	\$ 6,244,408
Total Liabilities	\$ 12,459,326

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	\$ 924,312

NET POSITION

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

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

	Business-type Activities
	Major Enterprise Fund
Benton County Electric System	
Operating Revenues	
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	<u>\$ 29,281,407</u>
Operating Expenses	
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.)**

	Business-type Activities
	Major Enterprise Fund
	Benton County Electric System
Operating Expenses (Cont.)	
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>
Nonoperating Revenues (Expenses)	
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	(614,111)
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

	Business-type Activities
	Major Enterprise Fund
	Benton County Electric System
Cash Flows from Operating Activities	
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><u>\$ 4,849,765</u></u>
Cash Flows from Capital and Related Financing Activities	
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><u>\$ (2,860,406)</u></u>
Cash Flows from Noncapital Financing Activities	
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><u>\$ (628,016)</u></u>
Cash Flows from Investing Activities	
Collection of Notes Receivable	\$ 8,709
Interest Earned	370,780
Net Cash Provided By (Used In) Investing Activities	<u><u>\$ 379,489</u></u>
Net Increase (Decrease) in Cash	\$ 1,740,832
Cash, July 1, 2024	<u><u>6,115,645</u></u>
Cash, June 30, 2025	<u><u><u>\$ 7,856,477</u></u></u>

(Continued)

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

Business-type Activities
Major Enterprise Fund
Benton County Electric System

**Reconciliation of Operating Income (Loss) to Net Cash
Provided By (Used In) Operating Activities**

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><u>\$ 4,849,765</u></u>

Reconciliation of Cash With the Statement of Net Position

Cash Per Net Position	\$ 7,178,475
Other Restricted Assets Per Net Position	<u><u>678,002</u></u>
Cash, June 30, 2025	<u><u>\$ 7,856,477</u></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

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

	Custodial Funds
ADDITIONS	
Sales Tax Collections for Other Governments	\$ 2,533,723
Fines/Fees and Other Collections	5,030,583
Total Additions	<u><u>\$ 7,564,306</u></u>
DEDUCTIONS	
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><u>\$ 7,418,435</u></u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ 145,871
Net Position, July 1, 2024	<u><u>1,603,088</u></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.

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		
	Discretely Presented	
	Primary Government	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
Primary Government			
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>
Discretely Presented			
Benton County School Department			
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:

Fund/Major Appropriation Category	Amount Overspent
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 Measurements Using				
	Quoted Prices in Active Markets for Identical Assets				
	Fair Value 6-30-25	Significant Inputs (Level 1)	Significant Inputs (Level 2)	Significant 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	<u>3,447,645</u>	<u>3,447,645</u>	0	0	
Total	<u>\$ 6,942,460</u>	<u>\$ 6,942,460</u>	0	0	

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

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

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	<u>61,863</u>
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	\$ 1,312,723	\$ 126,179	\$ 0	\$ 1,438,902
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	\$ 48,133,255	\$ 2,958,750	\$ (974,047)	\$ 50,117,958
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	\$ 34,732,698	\$ 1,528,683	\$ (316,547)	\$ 35,944,834
Total Capital Assets Depreciated, Net	\$ 13,400,557	\$ 1,430,067	\$ (657,500)	\$ 14,173,124
Governmental Activities Capital Assets, Net	\$ 14,713,280	\$ 1,556,246	\$ (657,500)	\$ 15,612,026

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>\$ 1,528,683</u>

Net Investment in Capital Assets

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>\$ 11,018,249</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>\$ 14,331,300</u>	<u>\$ 2,180,288</u>	<u>\$ (34,553)</u>	<u>\$ 16,477,035</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>\$ 1,137,665</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	\$ 1,448,985	\$ 117,097	\$ 1,566,082

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
Other Loan Payable - Contributions from the General Purpose School Fund	
Energy Efficient School Initiative	\$ 1,448,985
Total	\$ 1,448,985

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:	Other		
	Notes - Direct	Loans - Direct	Other Placement
	Bonds	Placement	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	\$ 2,070,000	\$ 3,372,000	\$ 1,448,985
Balance Due Within One Year	\$ 240,000	\$ 570,312	\$ 127,312

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>6,102,138</u>
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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:

Governmental Activities:	Compensated Absences*	Net OPEB Liability
Balance, July 1, 2024	\$ 196,828	\$ 38,903
Additions	92,133	12,669
Reductions	0	<u>(4,051)</u>
Balance, June 30, 2025	\$ 288,961	<u>\$ 47,521</u>
Balance Due Within One Year	\$ 85,309	<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>\$ 250,911</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:

Governmental Activities:	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	 <u>\$ 107,107</u>	 <u>\$ 2,869,947</u>
 Balance Due Within One Year	 <u>\$ 107,107</u>	 <u>\$ 61,870</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	\$ 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	917

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

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

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	<u>\$ 3,543,301</u>	<u>\$ 3,710,530</u>	<u>\$ (167,229)</u>
Balance, June 30, 2024	<u>\$ 39,166,169</u>	<u>\$ 39,401,702</u>	<u>\$ (235,533)</u>

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	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%	<u>9,470,380</u>	<u>9,527,332</u>	<u>(56,952)</u>
Total		<u>\$ 39,166,169</u>	<u>\$ 39,401,702</u>	<u>\$ (235,533)</u>

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	\$ 2,748,989	\$ 473,837

(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	\$ 2,748,989	\$ 473,837

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	<u>122,762</u>	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	4.88	% 31 %
Developed Market		
International Equity	5.37	14
Emerging Market		
International Equity	6.09	4
Private Equity and		
Strategic Lending	6.57	20
U.S. Fixed Income	1.20	20
Real Estate	4.38	10
Short-term Securities	0.00	1
 Total	 100	 %

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 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	 \$ 1,931,034	 \$ 802,812

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 <u>June 30</u>	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	4.88	%
Developed Market		31
International Equity	5.37	14
Emerging Market		
International Equity	6.09	4
Private Equity and		
Strategic Lending	6.57	20
U.S. Fixed Income	1.20	20
Real Estate	4.38	10
Short-term Securities	0.00	1
 Total		 100 _____ % _____

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 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)	\$ 5,132,143	\$ (4,039,955)	\$ (11,646,959)

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>19</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

	Highway Department
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	\$ 12,991	\$ 22,488

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	Current		
	1% Decrease	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	Current		
	1% Decrease	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>204</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		
	Benton County School Department 61.6547%	State of TN 38.3453%	Total OPEB Liability
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	Current		
	1% Decrease	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	Current		
	1% Decrease	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>\$ 2,886,066</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>\$ 678,002</u>

The total of these funds is represented by:

Certificates of Deposit and Bank Accounts \$ 678,002

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		\$ 2,545,000

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	\$ 5,795,284
Total Net Position	<u><u>\$ 32,192,578</u></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	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:

Benton County Electric System	1%	Current Discount Rate	1%
	Decrease 6%	7%	Increase 8%
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	<u>10,872</u>
 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)	<u>302,714</u>	N/A
 Total	 <u>\$ 531,079</u>	 \$ 122,536

(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
<hr/> Total	<hr/> 238

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	4.88 %	31 %
Developed Market International Equity	5.37	14
Emerging Market International Equity	6.09	4
Private Equity and Strategic Lending	6.57	20
U.S. Fixed Income	1.20	20
Real Estate	4.38	10
Short-term Securities	0.00	1
Total	100	%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 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	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(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	<u>\$ 10,167,539</u>	<u>\$ 10,228,683</u>	<u>\$ (61,144)</u>

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%	Discount	1%
	Decrease 5.75%	Rate 6.75%	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)	<u>207,785</u>	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.

	<u>Total OPEB Liability</u>
Balance July 1, 2024	<u>\$ 1,277,832</u>
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	<u>\$ (393,835)</u>
Balance June 30, 2025	<u>\$ 883,997</u>

Actuarial Methods and Assumptions

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

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

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 on 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	<ol style="list-style-type: none"> 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	Current		
	1%	Trend	1%
	Decrease	Rate	Increase
	6.5% to 3.5%	7.5% to 4.5%	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	Current		
	1%	Discount	1%
	Decrease	Rate	Increase
	3.81%	4.81%	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	Deferred
	Outflows	Inflows
	of	of
	Resources	Resources
Difference Between Expected and Actual Experience	\$ 93,318	\$ 557,369
Change of Assumptions	<u>302,917</u>	<u>121,399</u>
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:

<u>Year Ending</u>	
<u>June 30</u>	<u>Amortized</u>
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
Total Pension Liability										
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
Plan Fiduciary Net Position										
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)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>						
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
Total OPEB Liability								
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
Total OPEB Liability								
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	<u>\$ 2,643,616</u>	<u>\$ 2,608,983</u>	<u>\$ 2,781,312</u>	<u>\$ 3,304,004</u>	<u>\$ 4,323,384</u>	<u>\$ 4,266,132</u>	<u>\$ 4,710,889</u>	<u>\$ 4,654,868</u>
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

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

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	Constitu-tional Officers - Fees	Total	General Capital Projects
ASSETS						
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	\$ 34,706	\$ 502,435	\$ 530,910	\$ 17,783	\$ 1,085,834	\$ 2,673,579
LIABILITIES						
Accounts Payable	\$ 0	\$ 0	\$ 605	\$ 0	\$ 605	\$ 0
Due to Other Funds	0	0	0	17,783	17,783	0
Total Liabilities	\$ 0	\$ 0	\$ 605	\$ 17,783	\$ 18,388	\$ 0

(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	Constitu-tional Officers - Fees	Total	General Capital Projects
DEFERRED INFLOWS OF RESOURCES						
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	\$ 0	\$ 0	\$ 24,754	\$ 0	\$ 24,754	\$ 18,367
FUND BALANCES						
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	\$ 34,706	\$ 502,435	\$ 505,551	\$ 0	\$ 1,042,692	\$ 2,655,212
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 34,706	\$ 502,435	\$ 530,910	\$ 17,783	\$ 1,085,834	\$ 2,673,579

(Continued)

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

	Capital Projects Funds (Cont.)				
	Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects	Total	Total Nonmajor Governmental Funds
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	 \$ 186,612	 \$ 121,451	 \$ 36,403	 \$ 3,018,045	 \$ 4,103,879

LIABILITIES

Accounts Payable	\$ 0	\$ 0	\$ 1,040	\$ 1,040	\$ 1,645
Due to Other Funds	0	0	0	0	17,783
Total Liabilities	\$ 0	\$ 0	\$ 1,040	\$ 1,040	\$ 19,428

(Continued)

BENTON COUNTY, TENNESSEE

Combining Balance Sheet - Nonmajor Governmental Funds (Cont.)

DEFERRED INFLOWS OF RESOURCES

Deferred Current Property Taxes
 Deferred Delinquent Property Taxes
 Other Deferred/Unavailable Revenue
 Total Deferred Inflows of Resources

Capital Projects Funds (Cont.)					Total Nonmajor Governmental Funds
Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects	Total		
\$ 0	\$ 0	\$ 0	\$ 17,893	\$ 17,893	43,121
0	0	0	474	474	
0	0	0	0	24,754	
\$ 0	\$ 0	\$ 0	\$ 18,367	\$ 18,367	

FUND BALANCES

Restricted:

Restricted for General Government
 Restricted for Public Safety
 Restricted for Other Operations
 Restricted for Capital Outlay

\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 502,435
0	0	0	0	0	34,706
0	0	0	0	0	505,551
0	121,451		0	1,504,216	1,504,216

Committed:

Committed for Capital Outlay
 Total Fund Balances

186,612	0	35,363	1,494,422	1,494,422
\$ 186,612	\$ 121,451	\$ 35,363	\$ 2,998,638	\$ 4,041,330

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

\$ 186,612	\$ 121,451	\$ 36,403	\$ 3,018,045	\$ 4,103,879
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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

	Special Revenue Funds					Debt Service Fund <i>Formerly Nonmajor General Debt Service</i>
	Drug Control	Other General Government	Other Special Revenue	Constitu- tional Officers - Fees	Total	
Revenues						
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
Expenditures						
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.)**

	Special Revenue Funds					Debt Service Fund <i>Formerly Nonmajor General Debt Service</i>
	Drug Control	Other General Government	Other Special Revenue	Constitu-tional Officers - Fees	Total	
Excess (Deficiency) of Revenues Over Expenditures	\$ (9,423)	\$ (1,409,862)	\$ 56,619	\$ 0	\$ (1,362,666)	0
Other Financing Sources (Uses)						
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.)**

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

(Continued)

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

Capital Projects Funds						
	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)
Other Financing Sources (Uses)						
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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
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>
Expenditures				
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				
Fund Balance, July 1, 2024	\$ 44,129	\$ 20,373	\$ 20,373	\$ 23,756
Fund Balance, June 30, 2025	<u>\$ 34,706</u>	<u>\$ 12,807</u>	<u>\$ 0</u>	<u>\$ 34,706</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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
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>
Expenditures				
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	<u>\$ 56,619</u>	<u>\$ 14,399</u>	<u>\$ (32,601)</u>	<u>\$ 89,220</u>
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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Local Taxes	\$ 18,746	\$ 18,174	\$ 18,174	\$ 572
Federal Government	659,836	0	463,845	195,991
Total Revenues	\$ 678,582	\$ 18,174	\$ 482,019	\$ 196,563
Expenditures				
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	\$ 759,964	\$ 51,120	\$ 1,349,362	\$ 589,398
Excess (Deficiency) of Revenues				
Over Expenditures	\$ (81,382)	\$ (32,946)	\$ (867,343)	\$ 785,961
Other Financing Sources (Uses)				
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	\$ 532,459	\$ 542,711	\$ 542,711	\$ (10,252)
Net Change in Fund Balance	\$ 451,077	\$ 509,765	\$ (324,632)	\$ 775,709
Fund Balance, July 1, 2024	2,204,135	1,134,095	1,134,095	1,070,040
Fund Balance, June 30, 2025	\$ 2,655,212	\$ 1,643,860	\$ 809,463	\$ 1,845,749

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Other Local Revenues	\$ 2,334	\$ 0	\$ 0	\$ 2,334
State of Tennessee	212,605	225,000	225,000	(12,395)
Total Revenues	\$ 214,939	\$ 225,000	\$ 225,000	\$ (10,061)
Expenditures				
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	\$ 204,592	\$ 400,000	\$ 400,000	\$ 195,408
Excess (Deficiency) of Revenues				
Over Expenditures	\$ 10,347	\$ (175,000)	\$ (175,000)	\$ 185,347
Other Financing Sources (Uses)				
Transfers Out	\$ (211,023)	\$ (211,023)	\$ (211,023)	0
Total Other Financing Sources	\$ (211,023)	\$ (211,023)	\$ (211,023)	0
Net Change in Fund Balance				
Fund Balance, July 1, 2024	\$ (200,676)	\$ (386,023)	\$ (386,023)	\$ 185,347
	322,127	807,097	807,097	(484,970)
Fund Balance, June 30, 2025	\$ 121,451	\$ 421,074	\$ 421,074	\$ (299,623)

MAJOR GOVERNMENTAL FUND

GENERAL DEBT SERVICE FUND

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

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

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
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	\$ 1,981,638	\$ 1,167,137	\$ 1,565,121	\$ 416,517
Expenditures				
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	\$ 1,230,404	\$ 979,989	\$ 1,379,473	\$ 149,069
Excess (Deficiency) of Revenues Over Expenditures	\$ 751,234	\$ 187,148	\$ 185,648	\$ 565,586
Other Financing Sources (Uses)				
Transfers In	\$ 485,000	\$ 485,000	\$ 485,000	\$ 0
Transfers Out	(150,000)	(150,000)	(150,000)	\$ 0
Total Other Financing Sources	\$ 335,000	\$ 335,000	\$ 335,000	\$ 0
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	0	2,722,587	2,722,587	(2,722,587)
Fund Balance, June 30, 2025	\$ 3,946,223	\$ 3,244,735	\$ 3,243,235	\$ 702,988

CUSTODIAL FUNDS

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

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

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

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

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

Custodial Funds			
Cities -	Community	Constitu -	
Sales	Development -	tional	
Tax	Custodial	Officers -	
		Custodial	Total

Additions

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	\$ 2,533,723	\$ 0	\$ 5,030,583	\$ 7,564,306

Deductions

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	\$ 2,533,723	\$ 0	\$ 4,884,712	\$ 7,418,435
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	\$ 0	\$ 2,434	\$ 1,746,525	\$ 1,748,959

BENTON COUNTY SCHOOL DEPARTMENT

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	 \$ 30,277,741	 \$ 164,867	 \$ 8,380,439	 \$	 (21,732,435)
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				\$ 24,320,085	
 Change in Net Position				\$ 2,587,650	
Net Position, July 1, 2024					35,023,440
Restatement - See Note I.D.9.					(98,261)
 Net Position, June 30, 2025	 \$	 37,512,829			

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

Discretely Presented Benton County School Department

June 30, 2025

	Major Fund	Nonmajor Funds		
		General	Other Govern- mental Funds	Total Governmental Funds
		Purpose School		
ASSETS				
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		\$ 18,467,869	\$ 2,534,602	\$ 21,002,471
LIABILITIES				
Accounts Payable		\$ 0	\$ 686	\$ 686
Total Liabilities		\$ 0	\$ 686	\$ 686
DEFERRED INFLOWS OF RESOURCES				
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		\$ 3,434,802	\$ 0	\$ 3,434,802
FUND BALANCES				
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		\$ 15,033,067	\$ 2,533,916	\$ 17,566,983
Total Liabilities, Deferred Inflows of Resources, and Fund Balances		\$ 18,467,869	\$ 2,534,602	\$ 21,002,471

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>	<u>16,477,035</u>
(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>	<u>(2,977,054)</u>
(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>	<u>1,815,616</u>
(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>	<u>4,203,915</u>
(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>\$ 37,512,829</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

	Major Funds			Nonmajor Funds	
	<i>Formerly Major</i>		<i>Other Govern- mental Funds</i>	<i>Total Governmental Funds</i>	
	<i>General Purpose School</i>	<i>School Federal Projects</i>		<i>Govern- mental Funds</i>	<i>Total Governmental Funds</i>
Revenues					
Local Taxes	\$ 7,115,843	\$ 0	\$ 0	\$ 0	\$ 7,115,843
Licenses and Permits	1,739	0	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	\$ 26,782,700	\$ 0	\$ 5,918,863	\$ 32,701,563	
Expenditures					
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	\$ 26,002,955	\$ 0	\$ 5,640,380	\$ 31,643,335	

(Continued)

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

Discretely Presented Benton County School Department (Cont.)

	Major Funds			Nonmajor Funds	
	<i>Formerly Major</i>	General Purpose School	School Federal Projects	Other Govern- mental Funds	Total Governmental Funds
Excess (Deficiency) of Revenues Over Expenditures	\$ 779,745	\$ 0	\$ 278,483	\$ 1,058,228	
Other Financing Sources (Uses)					
Insurance Recovery	\$ 49,294	\$ 0	\$ 0	\$ 0	\$ 49,294
Transfers In		1,000		280,000	281,000
Transfers Out		(280,000)		(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> (694,224)
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

	Special Revenue Funds			Total
	School Federal Projects	Central Cafeteria	Internal School	Nonmajor Governmental Funds
ASSETS				
Cash	\$ 0	\$ 974	\$ 679,906	\$ 680,880
Equity in Pooled Cash and Investments	407,684	1,243,411	0	1,651,095
Due from Other Governments	60,845	141,782	0	202,627
Total Assets	\$ 468,529	\$ 1,386,167	\$ 679,906	\$ 2,534,602
LIABILITIES				
Accounts Payable	\$ 0	\$ 686	\$ 0	\$ 686
Total Liabilities	\$ 0	\$ 686	\$ 0	\$ 686
FUND BALANCES				
Restricted:				
Restricted for Education	\$ 0	\$ 0	\$ 679,906	\$ 679,906
Restricted for Operation of Non-instructional Services	0	1,385,481	0	1,385,481
Assigned:				
Assigned for Education	468,529	0	0	468,529
Total Fund Balances	\$ 468,529	\$ 1,385,481	\$ 679,906	\$ 2,533,916
Total Liabilities and Fund Balances	\$ 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

	Special Revenue Funds				
	<i>Formerly</i> <i>Major</i> School	Federal Projects	Central Cafeteria	Internal School	Total Nonmajor Governmental Funds
Revenues					
Charges for Current Services	\$ 0	\$ 132,132	\$ 0	\$ 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	\$ 2,919,345	\$ 2,257,852	\$ 741,666	\$ 5,918,863	
Expenditures					
Current:					
Instruction	\$ 1,897,278	\$ 0	\$ 0	\$ 0	\$ 1,897,278
Support Services	815,219	0	0	0	815,219
Operation of Non-Instructional Services	0	1,999,071	693,156		2,692,227
Capital Outlay	235,656	0	0	0	235,656
Total Expenditures	\$ 2,948,153	\$ 1,999,071	\$ 693,156	\$ 5,640,380	
Excess (Deficiency) of Revenues Over Expenditures	\$ (28,808)	\$ 258,781	\$ 48,510	\$ 278,483	
Other Financing Sources (Uses)					
Transfers In	\$ 280,000	\$ 0	\$ 0	\$ 0	\$ 280,000
Transfers Out	(1,000)	0	0	0	(1,000)
Total Other Financing Sources (Uses)	\$ 279,000	\$ 0	\$ 0	\$ 279,000	
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	0	1,126,700	631,396	1,758,096	
Fund Balance, June 30, 2025	\$ 468,529	\$ 1,385,481	\$ 679,906	\$ 2,533,916	

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

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

					Variance with Final Budget - Positive (Negative)
				Budgeted Amounts	
		Actual	Original	Final	
Expenditures (Cont.)					
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	\$ 26,002,955	\$ 27,035,552	\$ 33,079,786	\$ 7,076,831	
Excess (Deficiency) of Revenues Over Expenditures	\$ 779,745	\$ (1,887,471)	\$ (4,437,789)	\$ 5,217,534	
Other Financing Sources (Uses)					
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	\$ (229,706)	\$ 15,100	\$ (235,379)	\$ 5,673	
Net Change in Fund Balance	\$ 550,039	\$ (1,872,371)	\$ (4,673,168)	\$ 5,223,207	
Fund Balance, July 1, 2024	14,483,028	14,980,978	14,980,978	(497,950)	
Fund Balance, June 30, 2025	\$ 15,033,067	\$ 13,108,607	\$ 10,307,810	\$ 4,725,257	

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**

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
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>
Expenditures				
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>
Other Financing Sources (Uses)				
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	0	218,337	218,337	(218,337)
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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
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>
Expenditures				
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	1,126,700	960,425	960,425	166,275
Fund Balance, June 30, 2025	<u>\$ 1,385,481</u>	<u>\$ 960,425</u>	<u>\$ 830,425</u>	<u>\$ 555,056</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							
NOTES PAYABLE																
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					\$ 3,591,000	\$ 480,000	\$ 699,000	\$ 3,372,000								
OTHER LOAN PAYABLE																
Payable through General Debt Service Fund																
Energy Efficient School Initiative	1,989,061	1.5	7-17-19	2-1-36	\$ 1,576,793	\$ 0	\$ 127,808	\$ 1,448,985								
Total Other Loan Payable					\$ 1,576,793	\$ 0	\$ 127,808	\$ 1,448,985								
BONDS PAYABLE																
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	\$ 2,305,000	\$ 0	\$ 235,000	\$ 2,070,000								
Total Bonds Payable					\$ 2,305,000	\$ 0	\$ 235,000	\$ 2,070,000								

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
PRIMARY GOVERNMENT			
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	"	<u>211,023</u>
Total Transfers Primary Government			<u>\$ 1,648,394</u>
DISCRETELY PRESENTED BENTON COUNTY SCHOOL DEPARTMENT			
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

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

Employee Blanket Bonds:

Employee Fidelity - County Departments
Employee Fidelity - School Department

400,000 Tennessee Risk Management Trust
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
Local Taxes						
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	Constitu - tional Officers - Fees	Highway / Public Works
Local Taxes (Cont.)						
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
Licenses and Permits						
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
Fines, Forfeitures, and Penalties						
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	Constitu - tional Officers - Fees	Highway / Public Works
Fines, Forfeitures, and Penalties (Cont.)						
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	Constitu - tional Officers - Fees	Highway / Public Works
Fines, Forfeitures, and Penalties (Cont.)						
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
Charges for Current Services						
General Service Charges						
Surcharge - Host Agency	\$ 615,641	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Surcharge - Waste Tire Disposal		\$ 18,358				
Fees						
Copy Fees		425	0	0	0	0
Archives and Records Management Fee		7,753	0	0	0	0
Greenbelt Late Application Fee		500	0	0	0	0
Telephone Commissions		35,330	0	0	0	0
Additional Fees - Titling and Registration		17,049	0	0	0	0
Constitutional Officers' Fees and Commissions		3,110	0	0	5,400	0
Data Processing Fee - Register		6,472	0	0	0	0
Data Processing Fee - Sheriff		684	0	0	0	0
Sexual Offender Registration Fee - Sheriff		3,900	0	0	0	0
Data Processing Fee - County Clerk		1,797	0	0	0	0

(Continued)

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

	Special Revenue Funds					
	General	Drug Control	Other	Other	Constitu -	Highway /
			General Government	Special Revenue	tional Officers - Fees	Public Works
Charges for Current Services (Cont.)						
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
Other Local Revenues						
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
Fees Received From County Officials						
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>
State of Tennessee						
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					
	General	Drug Control	Other General Government	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works
State of Tennessee (Cont.)						
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	Constitu - tional Officers - Fees	Highway / Public Works
Federal Government						
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	\$ 87,294	\$ 0	\$ 205,105	\$ 0	\$ 0	\$ 42,697
Other Governments and Citizens Groups						
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	\$ 119,863	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total	\$ 13,581,497	\$ 14,070	\$ 205,105	\$ 269,577	\$ 5,400	\$ 4,036,240

(Continued)

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

	Debt Service Fund	Capital Projects Funds					Total
		General Debt Service	General Capital Projects	Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects	
Local Taxes							
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					Total		
		General Debt Service	General Capital Projects	Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects			
Local Taxes (Cont.)									
Statutory Local Taxes (Cont.)									
Beer Privilege Tax		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,100		
Total Local Taxes		\$ 757,747	\$ 18,746	\$ 0	\$ 0	\$ 0	\$ 7,748,127		
Licenses and Permits									
Licenses									
Animal Vaccination		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 22,540		
Cable TV Franchise		0	0	0	0	0	11,818		
Permits									
Beer Permits		0	0	0	0	0	750		
Other Permits		0	0	0	0	0	100		
Total Licenses and Permits		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 35,208		
Fines, Forfeitures, and Penalties									
Circuit Court									
Fines		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 12,917		
Officers Costs		0	0	0	0	0	2,596		
Drug Control Fines		0	0	0	0	0	2,265		
Drug Court Fees		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					Total
		General Debt Service	General Capital Projects	Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects	
Fines, Forfeitures, and Penalties (Cont.)							
Circuit Court (Cont.)							
Jail Fees		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	4,039
DUI Treatment Fines		0	0	0	0	0	950
Data Entry Fee - Circuit Court		0	0	0	0	0	780
General Sessions Court							
Fines		0	0	0	0	0	13,369
Officers Costs		0	0	0	0	0	50,246
Drug Control Fines		0	0	0	0	0	11,308
Drug Court Fees		0	0	0	0	0	5,871
Jail Fees		0	0	0	0	0	33,363
DUI Treatment Fines		0	0	0	0	0	8,493
Data Entry Fee - General Sessions Court		0	0	0	0	0	6,876
Courtroom Security Fee		0	0	0	0	0	4
Victims Assistance Assessments		0	0	0	0	0	17,101
Juvenile Court							
Fines		0	0	0	0	0	2,680
Chancery Court							
Officers Costs		0	0	0	0	0	995
Data Entry Fee - Chancery Court		0	0	0	0	0	7,164
Courtroom Security Fee		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					Total
		General Debt Service	General Capital Projects	Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects	
Fines, Forfeitures, and Penalties (Cont.)							
Judicial District Drug Program							
Drug Task Force Forfeitures and Seizures		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	497
Total Fines, Forfeitures, and Penalties		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	228,754
Charges for Current Services							
General Service Charges							
Surcharge - Host Agency		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	615,641
Surcharge - Waste Tire Disposal		0	0	0	0	0	18,358
Fees							
Copy Fees		0	0	0	0	0	425
Archives and Records Management Fee		0	0	0	0	0	7,753
Greenbelt Late Application Fee		0	0	0	0	0	500
Telephone Commissions		0	0	0	0	0	35,330
Additional Fees - Titling and Registration		0	0	0	0	0	17,049
Constitutional Officers' Fees and Commissions		0	0	0	0	0	8,510
Data Processing Fee - Register		0	0	0	0	0	6,472
Data Processing Fee - Sheriff		0	0	0	0	0	684
Sexual Offender Registration Fee - Sheriff		0	0	0	0	0	3,900
Data Processing Fee - County Clerk		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					Total
	General Debt Service	General Capital Projects	Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects	
Charges for Current Services (Cont.)						
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
Other Local Revenues						
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					Total
		General Debt Service	General Capital Projects	Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects	
Fees Received From County Officials							
Fees In-Lieu-of Salary							
County Clerk		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 190,989
Circuit Court Clerk			0	0	0	0	57,500
General Sessions Court Clerk			0	0	0	0	118,682
Clerk and Master			0	0	0	0	120,605
Register			0	0	0	0	96,046
Sheriff			0	0	0	0	21,004
Trustee			0	0	0	0	385,019
Total Fees Received From County Officials			<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 989,845</u>
State of Tennessee							
General Government Grants							
Juvenile Services Program		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 98,956
Airport Maintenance Program			0	0	0	6,175	6,175
Aging Programs			0	0	0	0	5,060
Public Safety Grants							
Law Enforcement Training Programs			0	0	0	0	32,800
School Resource Officer Grants			0	0	0	0	150,000
Other Public Safety Grants			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					Total
		General Debt Service	General Capital Projects	Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects	
State of Tennessee (Cont.)							
Public Works Grants							
State Aid Program	\$	0	\$	0	\$	0	\$
Litter Program		0		0		0	9,706
Other State Revenues							
Resort District Sales Tax		0		0		0	539,154
Vehicle Certificate of Title Fees		0		0		0	6,189
Alcoholic Beverage Tax		0		0		0	59,223
Opioid Settlement Funds - TN Abatement Council		0		0		0	63,286
State Revenue Sharing - T.V.A.		0		0		0	1,965,359
State Revenue Sharing - Telecommunications		0		0		0	24,766
State Shared Sports Gaming Privilege Tax		0		0		0	25,572
Contracted Prisoner Boarding		0		0	212,605	0	388,536
Gasoline and Motor Fuel Tax		0		0		0	2,315,014
Hybrid/Electric Vehicle Registration Fee		0		0		0	27,902
Petroleum Special Tax		0		0		0	10,511
Registrar's Salary Supplement		0		0		0	15,164
Other State Grants		0		0		3,520	26,046
Other State Revenues		815,962		0		0	818,304
Total State of Tennessee	\$	815,962	\$	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					Total
		General Debt Service	General Capital Projects	Community Development/ Industrial Park	Capital Projects Public Improvement	Other Capital Projects	
Federal Government							
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
Other Governments and Citizens Groups							
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	<u>33,047</u>
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	<u>166</u>
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	<u>31,012</u>
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	<u>147</u>
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	<u>3,745</u>
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	14,695
Total Drug Enforcement	\$ 23,362

Other Operations

Other Charges

Trustee's Commission	\$ 131
Total Other Charges	131

Total Drug Control Fund

\$ 23,493

Other General Government Fund

Other Operations

Other Charges

Trustee's Commission	\$ 7,500
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	5,875
Total American Rescue Plan Act Grant #1	1,607,467

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	<u>\$ 210,276</u>	
Total Tourism		\$ 210,276
Other Charges		
Trustee's Commission	<u>\$ 2,682</u>	
Total Other Charges		<u>2,682</u>
Total Other Special Revenue Fund		\$ 212,958

Constitutional Officers - Fees Fund

Administration of Justice		
Chancery Court		
Special Commissioner Fees	<u>\$ 5,400</u>	
Total Chancery Court		<u>\$ 5,400</u>
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	<u>3,819</u>
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	<u>8,348</u>
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	11,055

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	238,224

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

 Total Other Charges

\$ 100
\$ 100

Capital Projects

General Administration Projects

 Contributions

 Maintenance Agreements

 Total General Administration Projects

\$ 100,000
\$ 30,619
\$ 130,619

Total Community Development/Industrial Park Fund

\$ 130,719

Capital Projects Public Improvement Fund

Capital Projects

Public Safety Projects

 Motor Vehicles

 Total Public Safety Projects

\$ 190,598
\$ 190,598

Social, Cultural, and Recreation Projects

 Engineering Services

 Total Social, Cultural, and Recreation Projects

\$ 13,994
\$ 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	<u>8,566</u>
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	<u>747,899</u>
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	<u>1,095</u>
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	<u>7,459</u>
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	<u>5,155</u>
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	<u>1,000</u>
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		<u>397,984</u>

Total General Purpose School Fund

\$ 26,002,955

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	<u>350,132</u>
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	<u>16,912</u>
Total Special Education Program	737,585

Career and Technical Education Program

Software	\$ 3,600
Vocational Instruction Equipment	<u>23,579</u>
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	<u>3,567</u>
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	<u>20,684</u>
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	<u>36,468</u>
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	<u>\$ 1,999,071</u>

Total Central Cafeteria Fund

\$ 1,999,071

Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$ 693,156
Total Community Services	<u>\$ 693,156</u>

Total Internal School Fund

693,156

Total Governmental Funds - Benton County School Department

\$ 31,643,335

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.)

Federal/Pass-through Agency/State Grantor Program Title	Assistance Listing Number	Passed-through Entity Identifying Number	Amount Passed-through to Subrecipients	Amount Expenditures
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><u>\$ 359,161</u></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><u>\$ 82,981</u></u>
Total Expenditures of Federal Grants				<u><u>\$ 6,496,639</u></u>
State Grants				
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><u>\$ 2,153,255</u></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

Subrecipient	ALN	Amount Provided to Subrecipient
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><u>\$ 453,755</u></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
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OFFICE OF COUNTY MAYOR

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.

BENTON COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

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 and 10.555 Child Nutrition Cluster: School Breakfast Program 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

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.

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
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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

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

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

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.

Brian Hicks
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.