TENNESSEE COMPTROLLER OF THE TREASURY

ANNUAL FINANCIAL REPORT

Cannon County, Tennessee

For the Year Ended June 30, 2025

Jason E. Mumpower
Comptroller of the Treasury

DIVISION OF LOCAL GOVERNMENT AUDIT

ANNUAL FINANCIAL REPORT

CANNON 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

STEVE REEDER, CPA, CGFM, CFE
Audit Manager

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

CANNON COUNTY, TENNESSEE
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Summary of Audit Findings

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

Scope

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

Results

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

Our audit resulted in no findings.

TENNESSEE COMPTROLLER OF THE TREASURY

Introductory Section

CANNON COUNTY OFFICIALS

June 30, 2025

Officials

Greg Mitchell, County Executive
Wayne Hancock, Road Supervisor
Bonnie Patterson, Director of Schools
Norma Knox, Trustee
Angela Schwartz, Assessor of Property
Lana Jones, County Clerk
Katina George, Circuit and General Sessions Courts Clerk
Dana Davenport, Clerk and Master
Sandy Hollandsworth, Register of Deeds
Darrell Young, Sheriff
Diane Hickman, Finance Director

Board of County Commissioners

Greg Mitchell, County Executive, Chairman
Kristal Alexander
Karen Ashford
Brent Brandon
Tony Burnett
Randy Gannon
Curtis George
Eddie Mears
Nathan Sanders
Chris Singleton
Vacant

Board of Education

Derrick Mullins, Chairman
Jessica Curtis
Wade McMackins
Aletha Thomas
Rebecca Tramel

Highway Commission

Terry Horn, Chairman
Roger Parker
Jimmy Williams

Financial Management Committee

Greg Mitchell, County Executive, Chairman
Bonnie Patterson, Director of Schools
Wayne Hancock, Road Supervisor
Karen Ashford
Brent Brandon
Tony Burnett
Randy Gannon

Audit Committee

Kim Williams, Chairman
John Haggerty
Tim Spry
Vacant
Vacant

Financial Section

TENNESSEE COMPTROLLER OF THE TREASURY

JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

Cannon County Executive and
Board of County Commissioners
Cannon County, Tennessee

To the County Executive and Board of County Commissioners:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cannon 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cannon County, Tennessee, as of June 30, 2025, and the respective changes in financial position and the respective budgetary comparison for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Internal School Fund of the Cannon County School Department (a discretely presented component unit), which represent 1.88 percent, 2.12 percent, and 5.71 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 the amounts included for the discretely presented Cannon 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 Cannon 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.

CORDELL HULL BUILDING | 425 Rep. John Lewis Way N. | Nashville, Tennessee 37243

Changes in Accounting Principle

As described in Note V.B., Cannon 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.10. to the financial statements, which describes restatements to the beginning Governmental Activities net position totaling ($48,711) for the primary government and ($137,904) for the discretely presented Cannon 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 Cannon 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 Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Cannon 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 Cannon County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require that the schedule of changes in the county's net pension liability (asset) and related ratios, schedules of county and school contributions, schedules of school's proportionate share of the net pension liability (asset), and schedule of school changes in the total OPEB 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 Cannon County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds, combining and individual fund financial statements of the Cannon 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 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, combining and individual fund financial statements of the Cannon 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 October 7, 2025, on our consideration of Cannon 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 Cannon 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 Cannon County's internal control over financial reporting and compliance.

Very truly yours,

Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

October 7, 2025

JEM/gc

Basic Financial Statements Section

CANNON COUNTY, TENNESSEE
Statement of Net Position
June 30, 2025

	Primary Government	Component Unit
	Governmental Activities	Cannon County School Department
ASSETS		
Cash	$ 11,842	$ 531,474
Equity in Pooled Cash and Investments	10,290,392	10,049,541
Accounts Receivable	2,872,230	100
Allowance for Uncollectibles	(2,564,870)	0
Due from Other Governments	1,431,270	938,267
Property Taxes Receivable	5,924,825	2,194,390
Allowance for Uncollectible Property Taxes	(116,858)	(46,621)
Notes Receivable - Long-term	24,701	0
Net Pension Asset - Agent Plan	230,385	93,462
Net Pension Asset - Teacher Retirement Plan	0	104,543
Net Pension Asset - Teacher Legacy Pension Plan	0	3,166,843
Restricted Assets - Amounts Accumulated for Pension Benefits	0	371,595
Capital Assets:		
Assets Not Depreciated:		
Land	265,039	169,629
Construction in Progress	325,355	0
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	3,275,437	8,113,171
Infrastructure	11,402,380	0
Other Capital Assets	2,594,947	2,533,663
Total Assets	$ 35,967,075	$ 28,220,057
DEFERRED OUTFLOWS OF RESOURCES		
Pension Changes in Experience	$ 365,219	$ 1,001,311
Pension Changes in Assumptions	267,442	150,039
Pension Changes in Proportion	0	228,891
Pension Changes in Contributions after Measurement Date	359,213	632,769
OPEB Changes in Experience	0	488,445
OPEB Changes in Proportion	0	22,524
OPEB Changes in Assumptions	0	377,195
OPEB Contributions after Measurement Date	0	89,039
Total Deferred Outflows of Resources	$ 991,874	$ 2,990,213

(Continued)

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

	Primary Government Governmental Activities	Component Unit Cannon County School Department
LIABILITIES		
Accounts Payable	$ 352,719	$ 0
Accrued Payroll	0	27,830
Payroll Deductions Payable	8,066	0
Due to State of Tennessee	488	525
Due to Other Governments	548,711	0
Noncurrent Liabilities:		
Due Within One Year - Debt	91,668	0
Due Within One Year - Other	59,997	165,356
Due in More Than One Year - Debt	1,136,570	0
Due in More Than One Year - Other	140,501	2,346,099
Total Liabilities	$ 2,338,720	$ 2,539,810
DEFERRED INFLOWS OF RESOURCES		
Deferred Current Property Taxes	$ 5,700,821	$ 2,102,361
Pension Changes in Experience	71,733	61,219
Pension Changes in Investment Earnings	180,246	707,529
Pension Changes in Proportion	0	151,496
OPEB Changes in Experience	0	298,341
OPEB Changes in Proportion	0	89,942
OPEB Changes in Assumptions	0	175,651
Total Deferred Inflows of Resources	$ 5,952,800	$ 3,586,539
NET POSITION		
Net Investment in Capital Assets	$ 17,863,158	$ 10,816,463
Restricted for:		
General Government	151,823	0
Finance	30,163	0
Administration of Justice	66,516	0
Public Safety	459,966	0
Public Health and Welfare	635,572	0
Highway/Public Works	3,478,634	0
Education	0	754,235
Debt Service	624,252	0
Capital Outlay	1,229,274	0
Pensions	230,385	3,736,443
Unrestricted	3,897,686	9,776,780
Total Net Position	$ 28,667,429	$ 25,083,921

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

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

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Total Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Component Unit: Cannon County School Department
Primary Government:						
Governmental Activities:						
General Government	$ 1,192,293	$ 392,359	$ 89,502	$ 0	$ (710,432)	$ 0
Finance	1,109,782	523,709	0	0	(586,073)	0
Administration of Justice	820,754	375,864	9,000	0	(435,890)	0
Public Safety	5,339,862	137,374	413,422	661,279	(4,127,787)	0
Public Health and Welfare	3,563,477	1,006,290	984,487	133,586	(1,439,114)	0
Social, Cultural, and Recreational Services	379,141	55,018	4,650	0	(319,473)	0
Agriculture and Natural Resources	104,625	0	0	48,403	(56,222)	0
Highways/Public Works	2,798,893	5,153	2,111,882	1,016,646	334,788	0
Education	75,550	0	97,560	0	22,010	0
Interest on Long-term Debt	9,123	0	0	0	(9,123)	0
Total Governmental Activities	$ 15,393,500	$ 2,495,767	$ 3,710,503	$ 1,859,914	$ (7,327,316)	$ 0
Component Unit:						
Cannon County School Department	$ 23,514,123	$ 73,478	$ 4,650,751	$ 0	$ 0	$ (18,789,894)
Total Component Unit	$ 23,514,123	$ 73,478	$ 4,650,751	$ 0	$ 0	$ (18,789,894)

(Continued)

CANNON COUNTY, TENNESSEE
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Total Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Component Unit: Cannon County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					$ 5,719,080	$ 2,145,366
Property Taxes Levied for Debt Service					64,819	0
Local Option Sales Taxes					971,361	1,980,539
Wheel Tax					372,194	0
Litigation Tax					150,355	0
Business Tax					137,902	0
Wholesale Beer Tax					62,624	0
Mineral Severance Tax					105,893	0
Adequate Facilities/Development Tax					192,196	0
Mixed Drink Tax					0	316
Hotel/Motel Taxes					14,588	0
Grants and Contributions Not Restricted to Specific Programs					377,816	15,483,963
Unrestricted Investment Earnings					781,870	32,518
Sale of Equipment					0	6,908
Miscellaneous					22,578	47,188
Total General Revenues					$ 8,973,276	$ 19,696,798
Insurance Recovery					$ 8,844	$ 40,744
Change in Net Position					$ 1,654,804	$ 947,648
Net Position, July 1, 2024					27,061,336	24,274,177
Restatement - see Note I.D.10.					(48,711)	(137,904)
Net Position, June 30, 2025					$ 28,667,429	$ 25,083,921

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

CANNON COUNTY, TENNESSEE
Balance Sheet - Governmental Funds
June 30, 2025

	Major Funds		Nonmajor Funds	
	General	Highway / Public Works	Other Govern-mental Funds	Total Governmental Funds
ASSETS				
Cash	$ 230	$ 0	$ 11,612	$ 11,842
Equity in Pooled Cash and Investments	4,288,697	3,138,072	2,863,623	10,290,392
Accounts Receivable	2,868,360	30	3,840	2,872,230
Allowance for Uncollectibles	(2,564,870)	0	0	(2,564,870)
Due from Other Governments	395,576	363,951	671,743	1,431,270
Due from Other Funds	12,184	0	0	12,184
Property Taxes Receivable	5,635,932	0	288,893	5,924,825
Allowance for Uncollectible Property Taxes	(109,624)	0	(7,234)	(116,858)
Notes Receivable - Long-term	0	0	24,701	24,701
Total Assets	$ 10,526,485	$ 3,502,053	$ 3,857,178	$ 17,885,716
LIABILITIES				
Accounts Payable	$ 255,843	$ 14,865	$ 82,011	$ 352,719
Payroll Deductions Payable	0	8,066	0	8,066
Due to Other Funds	0	0	12,184	12,184
Due to State of Tennessee	0	488	0	488
Due to Other Governments	0	0	548,711	548,711
Total Liabilities	$ 255,843	$ 23,419	$ 642,906	$ 922,168

(Continued)

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

	Major Funds		Nonmajor Funds	
	General	Highway / Public Works	Other Govern-mental Funds	Total Governmental Funds
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	$ 5,427,025	$ 0	$ 273,796	$ 5,700,821
Deferred Delinquent Property Taxes	84,533	0	7,112	91,645
Other Deferred/Unavailable Revenue	270,094	168,190	38,157	476,441
Total Deferred Inflows of Resources	$ 5,781,652	$ 168,190	$ 319,065	$ 6,268,907
FUND BALANCES				
Restricted:				
Restricted for General Government	$ 2,360	$ 0	$ 0	$ 2,360
Restricted for Finance	30,163	0	0	30,163
Restricted for Administration of Justice	66,516	0	0	66,516
Restricted for Public Safety	402,017	0	57,949	459,966
Restricted for Public Health and Welfare	235,953	0	396,581	632,534
Restricted for Other Operations	149,463	0	0	149,463
Restricted for Highways/Public Works	0	3,310,444	0	3,310,444
Restricted for Capital Outlay	0	0	1,226,411	1,226,411
Restricted for Debt Service	0	0	623,042	623,042
Committed:				
Committed for Public Safety	28,653	0	0	28,653
Committed for Social, Cultural, and Recreational Services	25,774	0	0	25,774
Committed for Capital Projects	0	0	320,303	320,303
Assigned:				
Assigned for General Government	0	0	246,220	246,220
Assigned for Debt Service	0	0	24,701	24,701
Unassigned	3,548,091	0	0	3,548,091
Total Fund Balances	$ 4,488,990	$ 3,310,444	$ 2,895,207	$ 10,694,641
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 10,526,485	$ 3,502,053	$ 3,857,178	$ 17,885,716

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

CANNON 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)			$ 10,694,641
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	$	265,039	
Add: construction in progress		325,355	
Add: buildings and improvements net of accumulated depreciation		3,275,437	
Add: infrastructure net of accumulated depreciation		11,402,380	
Add: other capital assets net of accumulated depreciation		2,594,947	17,863,158
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: other loans payable	$	(1,228,238)	
Less: compensated absences payable		(200,498)	(1,428,736)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years.			
Add: deferred outflows of resources related to pensions	$	991,874	
Less: deferred inflows of resources related to pensions		(251,979)	739,895
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.			230,385
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			568,086
Net position of governmental activities (Exhibit A)			$ 28,667,429

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

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

	Major Funds				Nonmajor Funds	
	General	*Formerly Major* Ambulance Service	*Formerly Major* Other General Government Fund	Highway / Public Works	Other Govern-mental Funds	Total Governmental Funds
Revenues						
Local Taxes	$ 6,360,929	$ 0	$ 0	$ 107,393	$ 1,358,030	$ 7,826,352
Licenses and Permits	983	0	0	0	0	983
Fines, Forfeitures, and Penalties	88,728	0	0	0	55,315	144,043
Charges for Current Services	1,324,346	0	0	0	43,374	1,367,720
Other Local Revenues	1,138,050	0	0	5,237	(9,271)	1,134,016
Fees Received From County Officials	778,239	0	0	0	0	778,239
State of Tennessee	1,331,183	0	0	3,129,269	89,201	4,549,653
Federal Government	248,201	0	0	0	879,613	1,127,814
Other Governments and Citizens Groups	54,938	0	0	0	97,560	152,498
Total Revenues	$ 11,325,597	$ 0	$ 0	$ 3,241,899	$ 2,513,822	$ 17,081,318
Expenditures						
Current:						
General Government	$ 1,071,252	$ 0	$ 0	$ 0	$ 245,192	$ 1,316,444
Finance	1,086,196	0	0	0	0	1,086,196
Administration of Justice	796,755	0	0	0	0	796,755
Public Safety	4,551,859	0	0	0	101,176	4,653,035
Public Health and Welfare	2,226,771	0	0	0	580,709	2,807,480
Social, Cultural, and Recreational Services	355,612	0	0	0	0	355,612
Agriculture and Natural Resources	93,765	0	0	0	0	93,765
Other Operations	755,200	0	0	0	1,297,643	2,052,843
Highways	0	0	0	2,976,775	266,930	3,243,705
Support Services	0	0	0	0	71,297	71,297

(Continued)

CANNON COUNTY, TENNESSEE

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

	Major Funds				Nonmajor Funds	
	General	*Formerly Major* Ambulance Service	*Formerly Major* Other General Government Fund	Highway / Public Works	Other Govern-mental Funds	Total Governmental Funds
Expenditures (Cont.)						
Debt Service:						
Principal on Debt	$ 0	$ 0	$ 0	$ 0	$ 1,575,212	$ 1,575,212
Interest on Debt	0	0	0	0	18,917	18,917
Other Debt Service	0	0	0	0	5,789	5,789
Total Expenditures	$ 10,937,410	$ 0	$ 0	$ 2,976,775	$ 4,162,865	$ 18,077,050
Excess (Deficiency) of Revenues Over Expenditures	$ 388,187	$ 0	$ 0	$ 265,124	$ (1,649,043)	$ (995,732)
Other Financing Sources (Uses)						
Insurance Recovery	$ 0	$ 0	$ 0	$ 0	$ 8,844	$ 8,844
Transfers In	0	0	0	0	1,596,569	1,596,569
Transfers Out	0	0	0	0	(1,596,569)	(1,596,569)
Total Other Financing Sources (Uses)	$ 0	$ 0	$ 0	$ 0	$ 8,844	$ 8,844
Net Change in Fund Balances	$ 388,187	$ 0	$ 0	$ 265,124	$ (1,640,199)	$ (986,888)
Change to or Within the Reporting Entity	333,428	(333,428)	(982,799)	0	982,799	0
Fund Balance, July 1, 2024	3,767,375	333,428	982,799	3,045,320	3,552,607	11,681,529
Fund Balance, June 30, 2025	$ 4,488,990	$ 0	$ 0	$ 3,310,444	$ 2,895,207	$ 10,694,641

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

CANNON 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)			$ (986,888)
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:			
Add: capital assets purchased in the current period	$ 2,429,548		
Less: current-year depreciation expense	(1,235,097)		1,194,451
(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			(8,123)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.			
Add: deferred delinquent property taxes and other deferred June 30, 2025	$ 568,086		
Less: deferred delinquent property taxes and other deferred June 30, 2024	(492,724)		75,362
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.			
Add: principal payments on bonds	$ 1,484,000		
Add: principal payments on other loans	91,212		1,575,212
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in accrued interest payable	$ 9,794		
Change in compensated absences payable	(31,355)		
Change in net pension liability/asset	556,715		
Change in deferred outflows related to pensions	(482,009)		
Change in deferred inflows related to pensions	(248,355)		(195,210)
Change in net position of governmental activities (Exhibit B)			$ 1,654,804

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

CANNON COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget
General Fund
For the Year Ended June 29, 2025

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 6,360,929	$ 6,007,210	$ 6,013,710	$ 347,219
Licenses and Permits	983	750	750	233
Fines, Forfeitures, and Penalties	88,728	75,150	75,150	13,578
Charges for Current Services	1,324,346	1,202,266	1,249,016	75,330
Other Local Revenues	1,138,050	908,250	1,044,634	93,416
Fees Received From County Officials	778,239	757,500	757,500	20,739
State of Tennessee	1,331,183	941,711	1,446,117	(114,934)
Federal Government	248,201	162,785	507,187	(258,986)
Other Governments and Citizens Groups	54,938	85,457	85,457	(30,519)
Total Revenues	$ 11,325,597	$ 10,141,079	$ 11,179,521	$ 146,076
Expenditures				
General Government				
County Commission	$ 11,716	$ 15,418	$ 15,418	$ 3,702
Other Boards and Committees	0	34	34	34
County Mayor/Executive	162,361	168,778	167,578	5,217
Personnel Office	12,000	17,500	16,000	4,000
County Attorney	46,347	65,000	65,000	18,653
Election Commission	199,292	207,471	206,641	7,349
Register of Deeds	150,749	155,233	154,788	4,039
Codes Compliance	185,532	146,158	185,558	26
County Buildings	244,491	251,828	276,263	31,772
Other Facilities	58,384	0	109,720	51,336
Preservation of Records	380	14,000	1,000	620
Finance				
Accounting and Budgeting	421,397	425,041	425,041	3,644
Property Assessor's Office	181,627	195,910	194,925	13,298
County Trustee's Office	193,935	203,848	202,863	8,928
County Clerk's Office	268,125	261,964	272,392	4,267
Data Processing	21,112	26,500	25,250	4,138
Administration of Justice				
Circuit Court	287,603	293,825	292,421	4,818
General Sessions Court	139,115	139,626	139,626	511
Chancery Court	162,608	179,293	176,797	14,189

(Continued)

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

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)				
Administration of Justice (Cont.)				
Juvenile Court	$ 61,535	$ 56,395	$ 63,015	$ 1,480
Judicial Commissioners	63,931	66,110	66,110	2,179
Probation Services	81,715	97,429	97,429	15,714
Victim Assistance Programs	248	1,300	1,300	1,052
Public Safety				
Sheriff's Department	1,754,531	1,799,247	1,766,705	12,174
Special Patrols	375,000	375,000	375,000	0
Administration of the Sexual Offender Registry	0	2,000	2,000	2,000
Jail	1,535,760	1,463,622	1,565,400	29,640
Fire Prevention and Control	161,942	167,352	167,352	5,410
Rural Fire Protection	420,000	0	420,000	0
Other Emergency Management	31,680	32,646	32,646	966
County Coroner/Medical Examiner	26,005	38,400	38,400	12,395
Other Public Safety	246,941	1	368,160	121,219
Public Health and Welfare				
Local Health Center	40,506	39,859	40,859	353
Ambulance/Emergency Medical Services	1,823,740	1,875,625	1,875,625	51,885
Alcohol and Drug Programs	149,909	152,044	152,044	2,135
Regional Mental Health Center	4,074	37,600	37,600	33,526
General Welfare Assistance	26,467	30,000	30,000	3,533
Sanitation Management	44,200	44,200	44,200	0
Other Public Health and Welfare	137,875	239,139	239,139	101,264
Social, Cultural, and Recreational Services				
Libraries	293,453	291,277	311,337	17,884
Parks and Fair Boards	62,159	31,000	63,946	1,787
Agriculture and Natural Resources				
Agricultural Extension Service	93,765	98,905	98,905	5,140
Other Operations				
Veterans' Services	18,174	20,534	20,534	2,360
Other Charges	371,947	345,194	372,022	75
Contributions to Other Agencies	329,812	331,812	331,812	2,000
Employee Benefits	7,768	8,912	8,912	1,144
Miscellaneous	27,499	25,500	32,000	4,501
Total Expenditures	$ 10,937,410	$ 10,438,530	$ 11,549,767	$ 612,357

(Continued)

CANNON 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	
Excess (Deficiency) of Revenues Over Expenditures	$ 388,187	$ (297,451)	$ (370,246)	$ 758,433
Other Financing Sources (Uses)				
Transfers In	$ 0	$ 0	$ 4,251	$ (4,251)
Transfers Out	0	0	(4,251)	4,251
Total Other Financing Sources	$ 0	$ 0	$ 0	$ 0
Net Change in Fund Balance	$ 388,187	$ (297,451)	$ (370,246)	$ 758,433
Change to or Within the Reporting Entity	333,428	0	0	333,428
Fund Balance, July 1, 2024	3,767,375	3,724,224	3,724,224	43,151
Fund Balance, June 30, 2025	$ 4,488,990	$ 3,426,773	$ 3,353,978	$ 1,135,012

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

CANNON COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balance - Actual (Budgetary Basis) and Budget
Highway/Public Works Fund
For the Year Ended June 30, 2025

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Revenues						
Local Taxes	$ 107,393	$ 0	$ 107,393	$ 109,000	$ 416,370	$ (308,977)
Other Local Revenues	5,237	0	5,237	31,500	31,500	(26,263)
State of Tennessee	3,129,269	0	3,129,269	5,552,909	5,552,909	(2,423,640)
Federal Government	0	0	0	300,000	300,000	(300,000)
Total Revenues	$ 3,241,899	$ 0	$ 3,241,899	$ 5,993,409	$ 6,300,779	$ (3,058,880)
Expenditures						
Highways						
Administration	$ 199,625	$ 0	$ 199,625	$ 235,227	$ 235,227	$ 35,602
Highway and Bridge Maintenance	1,341,291	0	1,341,291	2,141,500	2,341,500	1,000,209
Operation and Maintenance of Equipment	292,832	(1,300)	291,532	534,750	538,920	247,388
Other Charges	137,539	0	137,539	138,500	141,700	4,161
Employee Benefits	86,715	0	86,715	129,000	129,000	42,285
Capital Outlay	918,773	0	918,773	3,599,831	3,699,831	2,781,058
Total Expenditures	$ 2,976,775	$ (1,300)	$ 2,975,475	$ 6,778,808	$ 7,086,178	$ 4,110,703
Excess (Deficiency) of Revenues Over Expenditures	$ 265,124	$ 1,300	$ 266,424	$ (785,399)	$ (785,399)	$ 1,051,823
Net Change in Fund Balance	$ 265,124	$ 1,300	$ 266,424	$ (785,399)	$ (785,399)	$ 1,051,823
Fund Balance, July 1, 2024	3,045,320	(1,300)	3,044,020	3,880,762	3,880,762	(836,742)
Fund Balance, June 30, 2025	$ 3,310,444	$ 0	$ 3,310,444	$ 3,095,363	$ 3,095,363	$ 215,081

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

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

	Custodial Funds
ASSETS	
Cash	$ 901,216
Investments	66,605
Due from Other Governments	172,832
Total Assets	$ 1,140,653
LIABILITIES	
Due to Other Taxing Units	$ 172,832
Total Liabilities	$ 172,832
NET POSITION	
Restricted for Individuals, Organizations, and Other Governments	$ 967,821
Total Net Position	$ 967,821

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

CANNON 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	$ 1,008,223
Fines/Fees and Other Collections	4,682,335
Total Additions	$ 5,690,558
DEDUCTIONS	
Payment of Sales Tax Collections to Other Governments	$ 1,008,223
Payments to State	2,205,101
Payments to Cities, Individuals and Others	1,947,875
Total Deductions	$ 5,161,199
Net Increase (Decrease) in Fiduciary in Net Position	$ 529,359
Net Position, July 1, 2024	438,462
Net Position, June 30, 2025	$ 967,821

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

CANNON COUNTY, TENNESSEE
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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cannon 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 Cannon County:

A. Reporting Entity

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

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

The Cannon County School Department operates the public school system in the county, and the voters of Cannon 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 Cannon County Industrial Development Board provides assistance in industrial recruitment in Cannon County, and the Cannon County Commission appoints its seven-member board. The board is fiscally dependent on the county because its budget is subject to the county commission's approval. The board is funded primarily through lease payments collected from industries that lease buildings from the Industrial Development Board. The financial statements of the Cannon County Industrial Development Board were not material to the component units' opinion unit and therefore have been omitted from this report.

The Cannon County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Cannon County, and the Cannon 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 Cannon County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

The Cannon 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 Cannon County Industrial Development Board and the Cannon County Emergency Communications District can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Cannon County Industrial Development Board
1424 John Bragg Highway
Woodbury, TN 37190

Cannon County Emergency Communications District
P.O. Box 475
Woodbury, TN 37190

B. Government-wide and Fund Financial Statements

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

Cannon County issues all debt for the discretely presented Cannon 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 and fiduciary funds. The fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

Fund financial statements of Cannon 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. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is

placed on major funds within the governmental category. Cannon County has no proprietary funds to report.

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

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

The 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.

Cannon 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.

Additionally, Cannon County reports the following fund types:

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

Capital Projects Funds – These 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.

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

The discretely presented Cannon 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 Cannon County School Department reports the following fund type:

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

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The current year (FY 25) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior year balances (FY 24) are presented in this report. We do not believe using the prior year balances will affect the independent auditor's opinion on the Aggregate Discretely Presented Component Units. A more detailed reporting of the fund activities at each individual school may be found 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 and the discretely presented Cannon 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. Cannon County and the school department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost.

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

Investments in the State Treasurer's Intermediate Term Investment Fund are reported at amortized cost using a floating net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Intermediate Term Investment Fund complied with accounting principles generally accepted in the United States of America. Cannon 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 ambulance and property taxes receivables are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to 1.08 percent of total taxes levied.

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

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

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

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

3. Restricted Assets

Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of the discretely presented Cannon 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 Cannon County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Cannon 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, infrastructure assets (e.g., roads, bridges, and similar items) are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of $10,000 or more and an estimated useful life of more than five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

Assets	Years
Buildings and Improvements	10 - 40
Infrastructure	20 - 50
Other Capital Assets	5 - 30

5. Deferred Outflows/Inflows of Resources

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

the items are reported in the government-wide Statement of Net Position. These items are for pension and OPEB changes in experience, assumptions, and proportionate share of contributions; and employer contributions made to the pension and OPEB plans after the measurement date.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The 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 and proportionate share of contributions; pension changes in investment earnings; OPEB changes in assumptions; and various receivables for revenues, which do not meet the availability criteria in governmental funds. These amounts are deferred and recognized as inflows of resources in the period that the amounts become available.

6. Compensated Absences

Primary Government

It is the county's policy (except for the highway department, which does not allow for the accumulation of unused vacation leave beyond year-end) to permit employees to accumulate a limited amount of vacation benefits and an unlimited amount of sick pay benefits. All vacation pay is 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 Cannon County does not have a policy 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 or sick leave is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements and payable under the county's policies.

Discretely Presented Cannon County School Department

The general policy of the school department is to permit employees to accumulate 20 days of vacation benefits, which will be paid to employees upon separation from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements for the discretely presented school department.

The school department's policy allows professional personnel (teachers) to accumulate sick days at varying rates depending upon their position. The granting of sick leave has no guaranteed payment attached and therefore is not required to be accrued or recorded. 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 Cannon County does not have a policy 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 or sick leave is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements and payable under the county's 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 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 other loans payable, is recognized as a liability and expenditure in the governmental fund financial statements. Liabilities and expenditures for other long-term obligations, including compensated absences and other postemployment benefits, are recognized to the extent that the liabilities have matured (come due for payment) each period.

8. Net Position and Fund Balance

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

a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

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

The government-wide Statement of Net Position reports $6,906,585 of restricted net position, of which $658,755 is restricted by enabling legislation.

As of June 30, 2025, Cannon County had $1,228,238 in outstanding debt for capital purposes for the discretely presented Cannon County School Department. This debt is a liability of Cannon County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Cannon County has incurred a liability significantly decreasing its unrestricted net assets 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/Finance 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. Minimum Fund Balance Policy

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

General Fund – 25 percent of current-year appropriations.

Solid Waste/Sanitation Fund – 25 percent of current-year appropriations.

Ambulance Service Fund – 25 percent of current-year appropriations.

Debt Service Funds – 50 percent of current-year appropriations.

10. Restatements

With the implementation of GASB Statement 101, *Compensated Absences,* Cannon County must recognize a restatement to the beginning net position in the Government-wide financial statements for the Primary Government and the discretely presented Cannon County School Department to record compensated absences liabilities. A restatement of ($48,711) has been presented to reflect the beginning balance of the Primary Government and ($137,904) for the discretely presented Cannon County School Department. The following table reflects the restatement amounts necessary to implement this standard:

	Government Wide - Governmental Activities	
	Primary Government	Discretely Presented Cannon County School Department
Net Position, as previously reported	$ 27,061,336	$ 24,274,177
Adjustments for GASB 101 Implementation:		
Compensated Absences Liability	(48,711)	(137,904)
Net Change in Beginning Net Position	$ (48,711)	$ (137,904)
Net Position, June 30, 2024, Restated	$ 27,012,625	$ 24,136,273

11. Change 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:

In fiscal year 2024, the Ambulance Service Fund was reported as a major governmental fund. During fiscal year 2025, the fund was closed, and its remaining fund balance transferred to the General Fund, which continues to be reported as a major governmental fund.

The Other General Government Fund no longer met the quantitative thresholds and is presented as a nonmajor governmental fund. Prior-year amounts have been restated to reflect the fund within the Nonmajor Governmental Funds column.

In the discretely presented Cannon County School Department, the School Federal Projects Fund no longer met the quantitative thresholds and is presented as a nonmajor governmental fund. Prior-year amounts have 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 Funds:			
General	$ 3,767,375	$ 333,428	$ 4,100,803
Ambulance Service	333,428	(333,428)	0
Other General Government	982,799	(982,799)	0
Nonmajor Funds	3,552,607	982,799	4,535,406
Total Governmental Funds	$ 8,636,209	$ 0	$ 8,636,209
Discretely Presented Cannon County School Department			
Major Funds:			
School Federal Projects	$ 1,150,000	$ (1,150,000)	$ 0
Nonmajor Funds	872,817	1,150,000	2,022,817
Total Governmental Funds Discretely Presented Cannon County School Department	$ 2,022,817	$ 0	$ 2,022,817

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

Discretely Presented Cannon 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 Cannon 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 Cannon County School Department

Exhibit H-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 Cannon County School Department

Exhibit H-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

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. All annual appropriations lapse at fiscal year-end.

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

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

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

On June 30, 2025, the discretely presented Cannon County School Department's General Purpose School Fund reported outstanding encumbrances totaling $281,968.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Cannon County and the Cannon 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 and investments reflected on the balance sheets or statements of net position represent 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, Cannon County had the following nonpooled investments in the Constitutional Officers – Custodial Fund. These investments were established by court orders requiring the funds to be held by the county clerk on behalf of litigants. These investments do not expose the county to any risk; therefore, further disclosure is not required.

Investment		Amounts
Nonpooled:		
Constitutional Officers - Custodial Fund:		
County Clerk:		
Farm Bureau - Annuities	$	44,649
Edward Jones - Mutual Funds		21,956
Total Nonpooled Investments	$	66,605

Pooled Investments – As of June 30, 2025, Cannon County had the following investments carried at fair value within the fair value hierarchy established by generally accepted accounting principles. All investments are in U.S. Treasury Bills. Separate disclosures concerning pooled investments cannot be made for Cannon County and the discretely presented Cannon County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity	Maturities	Fair Value
U.S. Treasury Bills	N/A	7-10-25	$ 998,950
U.S. Treasury Bills	N/A	7-8-25	2,997,570
U.S. Treasury Bills	N/A	8-12-25	2,984,940
U.S. Treasury Bills	N/A	8-7-25	995,630
U.S. Treasury Bills	N/A	9-4-25	992,310
U.S. Treasury Bills	N/A	9-9-25	2,975,374
U.S. Treasury Bills	N/A	10-2-25	989,080
U.S. Treasury Bills	N/A	10-30-25	985,940
U.S. Treasury Bills	N/A	11-28-25	982,810
U.S. Treasury Bills	N/A	1-22-26	977,140
U.S. Treasury Bills	N/A	12-26-25	979,680
U.S. Treasury Bills	N/A	2-19-26	974,600
U.S. Treasury Bills	N/A	3-19-26	971,730
Total			$ 18,805,754

		Fair Value Measurements Using		
Investment by Fair Value Level	Fair Value 6-30-25	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Treasury Bills	$ 18,805,754	$ 18,805,754	$ 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. Cannon 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. Cannon County has no investment policy that would further limit its investment choices.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the county's investment in a single issuer. Cannon County places no limit on the

amount the county may invest in one issuer. More than five percent of the county's investments are in U.S. Treasury Bills. These investments are 100 percent of the county's total investments.

Custodial Credit Risk. Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the county will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Cannon County does not have a formal policy that limits custodial credit risk for investment. However, 100 percent of the county's total investments are in in U.S. Treasury Bills which would limit the county's exposure to custodial risk.

TCRS Stabilization Trust

Legal Provisions. The Cannon 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 Cannon 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 Cannon 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	$ 115,194
Developed Market International Equity	N/A	N/A	52,023
Emerging Market International Equity	N/A	N/A	14,864
U.S. Fixed Income	N/A	N/A	74,319
Real Estate	N/A	N/A	37,160
Short-term Securities	N/A	N/A	3,716
NAV - Private Equity and Strategic Lending	N/A	N/A	74,319
Total			$ 371,595

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. Notes Receivable

Notes receivable in the General Debt Service Fund resulted from the issuance of $100,000 in capital outlay notes for a building on behalf of the Cannon County Emergency Communications District in prior years. This debt was retired by the county in 2012; however, the district is repaying the county in accordance with an agreed-upon payment schedule. Under the terms of this agreement, the loan

bears no interest and matures in the fiscal year ending June 30, 2030. The district's building is pledged as collateral on the indebtedness until the existing principal is paid in full. The balance of notes receivable is $24,701 on June 30, 2025.

C. *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	$ 265,389	$ 0	$ (350)	$ 265,039
Construction in Progress	287,862	155,216	(117,723)	325,355
Total Capital Assets Not Depreciated	$ 553,251	$ 155,216	$ (118,073)	$ 590,394
Capital Assets Depreciated:				
Buildings and Improvements	$ 7,997,782	$ 950,774	$ (42,019)	$ 8,906,537
Infrastructure	29,339,063	894,367	0	30,233,430
Other Capital Assets	4,960,768	546,914	(77,734)	5,429,948
Total Capital Assets Depreciated	$ 42,297,613	$ 2,392,055	$ (119,753)	$ 44,569,915
Less Accumulated Depreciation For:				
Buildings and Improvements	$ 5,529,297	$ 143,822	$ (42,019)	$ 5,631,100
Infrastructure	18,192,050	639,000	0	18,831,050
Other Capital Assets	2,452,687	452,275	(69,961)	2,835,001
Total Accumulated Depreciation	$ 26,174,034	$ 1,235,097	$ (111,980)	$ 27,297,151
Total Capital Assets Depreciated, Net	$ 16,123,579	$ 1,156,958	$ (7,773)	$ 17,272,764
Governmental Activities Capital Assets, Net	$ 16,676,830	$ 1,312,174	$ (125,846)	$ 17,863,158

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

Governmental Activities:

General Government	$ 93,393
Public Safety	267,531
Public Health and Welfare	105,420
Social, Cultural, and Recreational Services	11,347
Highways/Public Works	757,406
Total Depreciation Expense - Governmental Activities	$ 1,235,097

Discretely Presented Cannon County School Department

Governmental Activities:

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	$ 169,629	$ 0	$ 0	$ 169,629
Total Capital Assets Not Depreciated	$ 169,629	$ 0	$ 0	$ 169,629
Capital Assets Depreciated:				
Buildings and Improvements	$ 20,227,529	$ 37,245	$ 0	$ 20,264,774
Other Capital Assets	3,372,597	813,841	(291,271)	3,895,167
Total Capital Assets Depreciated	$ 23,600,126	$ 851,086	$ (291,271)	$ 24,159,941
Less Accumulated Depreciation For:				
Buildings and Improvements	$ 11,756,478	$ 395,125	$ 0	$ 12,151,603
Other Capital Assets	1,289,446	343,079	(271,021)	1,361,504
Total Accumulated Depreciation	$ 13,045,924	$ 738,204	$ (271,021)	$ 13,513,107
Total Capital Assets Depreciated, Net	$ 10,554,202	$ 112,882	$ (20,250)	$ 10,646,834
Governmental Activities Capital Assets, Net	$ 10,723,831	$ 112,882	$ (20,250)	$ 10,816,463

Depreciation expense was charged to functions of the school department as follows:

Governmental Activities:

Instruction	$ 505,839
Support Services	232,365
Total Depreciation Expense - Governmental Activities	$ 738,204

D. Insurance Recoveries

The county received insurance proceeds of $8,844 for seized vehicles awarded to the sheriff's department and housed in the department's impound lot that were affected by flooding.

The discretely presented school department received insurance proceeds of $39,994 for damages to the East Side school building, $500 for damages due to a school bus, and $250 for damages to a window.

E. 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	$ 12,184

This balance 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.

Interfund Transfers:

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

Primary Government

	Transfers-In	
Transfers Out	Nonmajor governmental funds	Purpose
Nonmajor governmental funds	$ 1,496,569	Debt payment
"	100,000	Reimbursement
Total	$ 1,596,569	

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.

The $100,000 transfer from the General Debt Service Fund to the Education Capital Projects Fund reflects an amount appropriated by the county commission to reimburse for wheel tax revenue from past years that should have been used for school debt but was used for other debt of Cannon County. In the fiscal year ending June 30, 2016, the General Debt Service Fund transferred $2,128,971 to create the Education Debt Service Fund. County officials stated that it was the county's intention to reimburse another $1,000,000 from the General Debt Service Fund to the Education Debt Service Fund over a ten-year period to fully return the estimated amount of wheel tax funds that were used in error. The appropriation of this $100,000 transfer and the actual transfer of funds during the period appear to support the county officials' statement of intent; however, no formal documentation of a liability between the funds could be produced by the county. Therefore, no receivable or payable between the funds has been reflected on the financial statements of this report. In February 2023, the county transferred the Education Debt Service Fund's fund balance to the

Education Capital Projects Fund in order to close the Education Debt Service Fund. From July 1, 2017, through June 30, 2025, the General Debt Service Fund has reimbursed the Education Debt Service Fund or the Education Capital Projects Fund $900,000 of the planned $1,000,000 reimbursement.

F. Long-term Debt

Primary Government

General Obligation Bonds and Other Loans

General Obligation Bonds – Cannon 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 an original term of four years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. During the year, all outstanding bonds were retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements - Cannon County issues other loans to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. Other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Other loans outstanding were issued for original terms of up to 18 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. Other loans included in long-term debt as of June 30, 2025, will be retired from the General Debt Service Fund.

Other loans 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
Direct Borrowing and Direct Placement:				
Other Loans	0.5 %	6-1-38	$ 1,500,506	$ 1,228,238

The annual requirements to amortize all other loans outstanding as of June 30, 2025, including interest payments, are presented in the following tables:

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2026	$ 91,668	$ 5,892	$ 97,560
2027	92,124	5,436	97,560
2028	92,592	4,968	97,560
2029	93,060	4,500	97,560
2030	93,516	4,044	97,560
2031-2035	474,684	13,116	487,800
2036-2038	290,594	2,114	292,708
Total	$ 1,228,238	$ 40,070	$ 1,268,308

There is $647,743 available in the General Debt Service Fund to service long-term debt. Total debt per capita, including other loans, totaled $85 based on the 2020 federal census.

Changes in Long-term Debt

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

Governmental Activities:	Bonds	Other Loans - Direct Placement
Balance, July 1, 2024	$ 1,484,000	$ 1,319,450
Reductions	(1,484,000)	(91,212)
Balance, June 30, 2025	$ 0	$ 1,228,238
Balance Due Within One Year	$ 0	$ 91,668

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2025	$ 1,228,238
Less: Balance Due Within One Year - Debt	(91,668)
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	$ 1,136,570

G. 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 Pension Liability - Agent Plan^
Balance, July 1, 2024	$ 169,143	$ 326,330
Additions	31,355	1,587,053
Reductions	0	(2,143,768)
Balance, June 30, 2025	$ 200,498	$ (230,385)
Balance Due Within One Year	$ 59,997	$ 0

* Restated beginning balance – See Note I.D.10. The change in compensated absences is presented as a net change.
^ On June 30, 2025, the agent plan had a net pension asset.

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2025	$ 200,498
Less: Balance Due Within One Year - Other	(59,997)
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	$ 140,501

Compensated absences will be paid from the employing funds, primarily the General Fund.

Discretely Presented Cannon County School Department

Changes in Long-term Obligations

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

Governmental Activities:	Compensated Absences*	Other Postemployment Benefits	Net Pension Liability - Agent Plan^
Balance, July 1, 2024	$ 203,966	$ 1,917,239	$ 138,792
Additions	30,223	437,066	641,985
Reductions	0	(77,039)	(874,239)
Balance, June 30, 2025	$ 234,189	$ 2,277,266	$ (93,462)
Balance Due Within One Year	$ 76,317	$ 89,039	$ 0

* Restated beginning balance – See Note I.D.10. The change in compensated absences is presented as a net change.
^ On June 30, 2025, the agent plan had a net pension asset.

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2025	$ 2,511,455
Less: Balance Due Within One Year - Other	(165,356)
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	$ 2,346,099

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

H. On-Behalf Payments

Discretely Presented Cannon County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Cannon County School Department. These payments are made by the state to the Local Education Group Insurance Plan. This plan is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan

for the year ended June 30, 2025, were $64,745. 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

Cannon County and the Cannon County 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 county and the school department pay annual premiums to the TN-RMT for their 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.

Primary Government

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

Discretely Presented Typical County School Department

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

B. Accounting Changes

GASB Statement No. 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.

There are several pending lawsuits in which the government is involved. Attorneys and county officials estimate that the potential claims not covered by insurance resulting from such litigation

against the county and the school department would not materially affect the financial statements of the government.

D. *Joint Venture*

Cannon County is a participant with Coffee, Rutherford, and Warren counties in a multi-county Municipal Solid Waste Planning Region. This entity was created to promote the preparation of municipal solid waste regional plans to effectively and efficiently manage solid waste. This entity is governed by a 13-member board comprising appointees from Cannon County (2), Coffee County (2), Rutherford County (3), Warren County (2), the city of Manchester (1), the city of McMinnville (1), the city of Murfreesboro (1), and the city of Woodbury (1). Funding is provided from member contributions and grants. There are no separately issued financial statements for the Municipal Solid Waste Planning Region. Rutherford County has been designated as the fiscal agent for the Planning Region and accounts for its activities through the Joint Venture Fund (agency fund), which is included in the financial statements reflected in Rutherford County's comprehensive annual financial report. Cannon County does not have an equity interest in this joint venture.

E. *Retirement Commitments*

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Cannon County and non-certified employees of the discretely presented Cannon County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 71.14 percent, the non-certified employees of the discretely presented school department comprise 28.86 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	146
Inactive Employees Entitled to But Not Yet Receiving Benefits	383
Active Employees	217
Total	746

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 their salary to the plan. Cannon 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 Cannon County was $486,475 based on a rate of 5.76 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Cannon 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)

Cannon 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 historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity	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 Cannon 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	$ 22,131,749	$ 21,666,627	$ 465,122
Changes for the Year:			
Service Cost	$ 689,535	$ 0	$ 689,535
Interest	1,508,028	0	1,508,028
Differences Between Expected and Actual Experience	(130,999)	0	(130,999)
Contributions-Employer	0	400,078	(400,078)
Contributions-Employees	0	377,432	(377,432)
Net Investment Income	0	2,104,940	(2,104,940)
Benefit Payments, Including Refunds of Employee Contributions	(960,258)	(960,258)	0
Administrative Expense	0	(26,917)	26,917
Net Changes	$ 1,106,306	$ 1,895,275	$ (788,969)
Balance, June 30, 2024	$ 23,238,055	$ 23,561,902	$ (323,847)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	71.14%	$ 16,531,552	$ 16,761,937	$ (230,385)
School Department	28.86%	6,706,503	6,799,965	(93,462)
Total		$ 23,238,055	$ 23,561,902	$ (323,847)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Cannon 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 percent) or one percentage point higher (7.75 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Cannon County	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	$ 2,849,748	$ (323,847)	$ (2,921,836)

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, Cannon County recognized pension expense (negative pension expense) of $765,912.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, Cannon 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	$ 513,381	$ 100,833
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	253,368
Changes in Assumptions	375,937	0
Contributions Subsequent to the Measurement Date of June 30, 2024 (1)	486,475	N/A
Total	$ 1,375,793	$ 354,201

(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 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	$ 991,874	$ 251,979
School Department	383,919	102,222
Total	$ 1,375,793	$ 354,201

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	$ 285,119
2027	417,427
2028	(37,524)
2029	(129,904)
2030	0
Thereafter	0

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

Discretely Presented Cannon County School Department - Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Cannon County and non-certified employees of the discretely presented Cannon County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 71.14 percent and the non-certified employees of the discretely presented school department comprise 28.86 percent of the plan based on contribution data.

Discretely Presented Cannon County School Department - Certified Employees – Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the Cannon 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 $116,299, which is three percent of covered payroll. In addition, employer contributions of $38,688, 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 ($104,543) 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 .146706 percent. The proportion as of June 30, 2023, was .145664 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, the school department recognized (negative pension expense) of $87,228.

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	$ 8,636	$ 32,119
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	17,635
Changes in Assumptions	41,544	0
Changes in Proportion of Net Pension Liability (Asset)	17,220	16,184
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	116,299	N/A
Total	$ 183,699	$ 65,938

The school department's employer contributions of $116,299 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the 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	$ (10,341)
2027	14,057
2028	(6,629)
2029	(6,532)
2030	2,091
Thereafter	8,816

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

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity	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 percent) or one percentage point higher (7.75 percent) 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)	$ 275,715	$ (104,543)	$ (387,535)

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 Cannon County School Department – Certified Employees - Teacher Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Teachers of the Cannon 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 Cannon County School Department for the year ended June 30, 2024, to the Teacher Legacy Pension Plan were $389,208, 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.

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 ($3,166,843) 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 .183813 percent. The proportion measured as of June 30, 2023, was .175342 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, the school department recognized pension expense (negative pension expense) of $735,451.

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	$ 844,513	$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	616,772
Changes in Proportion of Net Pension Liability (Asset)	211,671	135,312
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	389,208	N/A
Total	$ 1,445,392	$ 752,084

The school department's employer contributions of $389,208 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	$ (327,390)
2027	1,278,014
2028	(321,789)
2029	(324,734)
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 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 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 historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity	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 percent) or one percentage point higher (7.75 percent) 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)	$ 4,022,988	$ (3,166,843)	$ (9,129,826)

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 $219,547 and teachers contributed $78,463 to this deferred compensation pension plan.

F. Other Postemployment Benefits (OPEB)

Discretely Presented Cannon County School Department

The discretely presented Cannon County School Department provides OPEB benefits to its retirees through 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.

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

The school department's total OPEB liability for the 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%, based on the daily rate of Bond Buyer's 20-year Municipal GO AA index closest to but not later than the measurement date.

Mortality rates were based on the results of a statewide experience study undertaken on behalf of the Tennessee Consolidated Retirement System (TCRS). These mortality rates were used in the July 1, 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, 2020, Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (TCRS). These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-weighted employee mortality table for non-disabled pre-retirement mortality projected generationally with MP-2021 from 2010. Post-retirement rates are headcount-weighted below median healthy annuitant and adjusted with a 19 percent load for males and an 18 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.

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

Plan Description. Employees of the Cannon 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 Cannon County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with *TCA* 8-27-301 establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. The school 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 Benefit Payments	15
Inactive Employees Entitled To But Not Yet Receiving Benefit Payments	0
Active Employees Eligible for Benefits	134
Total	149

A state insurance committee, created in accordance with *TCA* 8-27-301, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid $89,039 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	Share of Collective Liability		
	Cannon County School Department 60.83%	State of TN 39.17%	Total OPEB Liability
Balance July 1, 2023	$ 1,917,239	$ 1,242,403	$ 3,159,642
Changes for the Year:			
Service Cost	$ 84,229	$ 54,230	$ 138,459
Interest	71,838	46,252	118,090
Difference between Expected and Actual Experience	238,915	153,822	392,737
Change in Proportion	4,885	(4,885)	0
Changes in Assumption	37,199	23,948	61,147
Benefit Payments	(77,039)	(49,594)	(126,633)
Net Changes	$ 360,027	$ 223,773	$ 583,800
Balance June 30, 2024	$ 2,277,266	$ 1,466,176	$ 3,743,442

The Cannon 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 Cannon County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized $162,019 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Cannon County School Department's proportionate share of the collective OPEB liability was 60.83 percent and the State of Tennessee's share was 39.17 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 $383,652, 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	$ 488,445	$ 298,341
Changes in Proportion	22,524	89,942
Changes of Assumptions	377,195	175,651
Benefits Paid After the Measurement Date of June 30, 2024	89,039	0
Total	$ 977,203	$ 563,934

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	$ 65,566
2027	65,566
2028	70,100
2029	62,605
2030	31,889
Thereafter	28,504

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

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

Discount Rate	1% Decrease 2.93%	Current Discount Rate 3.93%	1% Increase 4.93%
Proportionate Share of the Collective Total OPEB Liability	$ 2,431,496	$ 2,277,266	$ 2,129,231

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

Healthcare Cost Trend Rate

	1% Decrease 9.68 to 3.5%	Current Rate 10.68 to 4.5%	1% Increase 11.68 to 5.5%
Proportionate Share of the Collective Total OPEB Liability	$ 2,069,288	$ 2,277,266	$ 2,514,385

G. Office of Central Accounting, Budgeting, and Purchasing

Cannon County operates under the provisions of the County Financial Management System of 1981. This act provides for a central system of accounting, budgeting, and purchasing for all county departments. The act also provides for the creation of a finance department operated under the direction of the finance director.

H. Purchasing Law

The County Financial Management System of 1981 provides for the finance director, or a deputy appointed by her, to serve as the county purchasing agent. The finance director serves as the purchasing agent for Cannon County, and all purchase orders are issued by the finance department. Purchases exceeding $25,000 are required to be competitively bid.

I. Subsequent Event

Director of Schools Bonnie Patterson left office effective June 30, 2025, and was succeeded by Julie Vincent.

Required Supplementary Information Section

CANNON 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	$ 370,691	$ 410,650	$ 394,333	$ 422,188	$ 420,680	$ 419,484	$ 459,158	$ 575,243	$ 590,023	$ 689,535
Interest	865,340	930,251	976,138	1,035,483	1,039,361	1,113,356	1,172,613	1,279,476	1,387,925	1,508,028
Differences Between Actual and Expected Experience	87,733	(213,266)	65,662	(743,223)	268,436	55,497	(12,912)	565,748	619,908	(130,999)
Changes in Assumptions	0	0	390,178	0	0	0	1,879,677	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(529,698)	(466,784)	(532,188)	(641,453)	(677,443)	(735,872)	(885,478)	(781,305)	(875,883)	(960,258)
Net Change in Total Pension Liability	$ 794,066	$ 660,851	$ 1,294,123	$ 72,995	$ 1,051,034	$ 852,465	$ 2,613,058	$ 1,639,162	$ 1,721,973	$ 1,106,306
Total Pension Liability, Beginning	11,432,022	12,226,088	12,886,939	14,181,062	14,254,057	15,305,091	16,157,556	18,770,614	20,409,776	22,131,749
Total Pension Liability, Ending (a)	$ 12,226,088	$ 12,886,939	$ 14,181,062	$ 14,254,057	$ 15,305,091	$ 16,157,556	$ 18,770,614	$ 20,409,776	$ 22,131,749	$ 23,238,055
Plan Fiduciary Net Position										
Contributions - Employer	$ 418,337	$ 438,698	$ 443,053	$ 419,280	$ 415,081	$ 102,295	$ 111,072	$ 121,477	$ 339,964	$ 400,078
Contributions - Employee	245,660	270,198	259,096	245,193	245,228	264,258	286,268	313,933	348,738	377,432
Net Investment Income	375,154	337,733	1,502,700	1,231,935	1,195,770	845,467	4,500,247	(822,869)	1,371,230	2,104,940
Benefit Payments, Including Refunds of Employee Contributions	(529,698)	(466,784)	(532,188)	(641,453)	(677,443)	(735,872)	(885,478)	(781,305)	(875,883)	(960,258)
Administrative Expense	(10,271)	(15,075)	(16,324)	(18,041)	(16,126)	(16,781)	(17,668)	(19,815)	(21,113)	(26,917)
Net Change in Plan Fiduciary Net Position	$ 499,182	$ 564,770	$ 1,656,337	$ 1,236,914	$ 1,162,510	$ 459,367	$ 3,994,441	$ (1,188,579)	$ 1,162,936	$ 1,895,275
Plan Fiduciary Net Position, Beginning	12,118,749	12,617,931	13,182,701	14,839,038	16,075,952	17,238,462	17,697,829	21,692,270	20,503,691	21,666,627
Plan Fiduciary Net Position, Ending (b)	$ 12,617,931	$ 13,182,701	$ 14,839,038	$ 16,075,952	$ 17,238,462	$ 17,697,829	$ 21,692,270	$ 20,503,691	$ 21,666,627	$ 23,561,902
Net Pension Liability (Asset), Ending (a - b)	$ (391,843)	$ (295,762)	$ (657,976)	$ (1,821,895)	$ (1,933,371)	$ (1,540,273)	$ (2,921,656)	$ (93,915)	$ 465,122	$ (323,847)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	103.20%	102.30%	104.64%	112.78%	112.63%	109.53%	115.57%	100.46%	97.90%	101.39%
Covered Payroll	$ 4,892,826	$ 5,130,974	$ 4,970,589	$ 4,910,211	$ 4,854,743	$ 5,272,942	$ 5,725,691	$ 6,261,687	$ 6,924,199	$ 7,548,625
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(8.01)%	(5.76)%	(13.24)%	(37.10)%	(39.82)%	(29.21)%	(51.03)%	(1.50)%	6.72%	(4.29)%

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 and non-certified employees of the discretely presented school department.

CANNON 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	$ 438,698	$ 343,965	$ 419,280	$ 171,858	$ 102,295	$ 111,072	$ 121,477	$ 339,964	$ 400,078	$ 486,475
Less: Contributions in Relation to the Actuarially Determined Contribution	(438,698)	(443,053)	(419,280)	(415,081)	(102,295)	(111,072)	(121,477)	(339,964)	(400,078)	(486,475)
Contribution Deficiency (Excess)	$ 0	$ (99,088)	$ 0	$ (243,223)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Covered Payroll	$ 5,130,974	$ 4,970,589	$ 4,910,211	$ 4,854,743	$ 5,272,942	$ 5,725,691	$ 6,261,687	$ 6,924,199	$ 7,548,625	$ 8,453,802
Contributions as a Percentage of Covered Payroll	8.55%	8.91%	8.54%	8.55%	1.94%	1.94%	1.94%	4.91%	5.30%	5.76%

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 and non-certified employees of the discretely presented school department.

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	$ 20,475	$ 36,777	$ 53,451	$ 35,584	$ 41,854	$ 44,794	$ 57,939	$ 83,153	$ 101,667	$ 116,299
Less: Contributions in Relation to the Contractually Required Contribution	(20,475)	(36,777)	(53,451)	(35,584)	(41,854)	(44,794)	(57,939)	(83,153)	(101,667)	(116,299)
Contribution Deficiency (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Covered Payroll	$ 511,869	$ 919,431	$ 1,336,278	$ 1,834,221	$ 2,061,783	$ 2,217,537	$ 2,882,513	$ 2,897,297	$ 3,446,317	$ 3,876,594
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	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%

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	$ 648,617	$ 643,024	$ 639,814	$ 738,528	$ 726,303	$ 643,809	$ 665,737	$ 494,455	$ 402,477	$ 389,208
Less: Contributions in Relation to the Contractually Required Contribution	(648,617)	(643,024)	(639,814)	(738,528)	(726,303)	(643,809)	(665,737)	(494,455)	(402,477)	(389,208)
Contribution Deficiency (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Covered Payroll	$ 7,174,965	$ 7,113,092	$ 7,040,046	$ 7,060,490	$ 6,832,577	$ 6,268,823	$ 6,463,471	$ 5,689,937	$ 5,910,085	$ 6,119,623
Contributions as a Percentage of Covered Payroll	9.04%	9.04%	9.09%	10.46%	10.63%	10.27%	10.30%	8.69%	6.81%	6.36%

CANNON COUNTY, TENNESSEE
Schedule of Proportionate Share of the Net Pension Asset in the Teacher Retirement Plan of TCRS
Discretely Presented Cannon 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)	0.096305%	0.116333%	0.140085%	0.152913%	0.173335%	0.163383%	0.153652%	0.168795%	0.145664%	0.146706%
School Department's Proportionate Share of the Net Pension Liability (Asset)	$ (3,956)	$ (12,111)	$ (36,960)	$ (69,350)	$ (97,845)	$ (92,907)	$ (166,438)	$ (51,132)	$ (61,766)	$ (104,543)
Covered Payroll	$ 204,315	$ 511,869	$ 919,431	$ 1,336,278	$ 1,834,221	$ 2,061,783	$ 2,217,537	$ 2,882,513	$ 2,897,297	$ 3,446,317
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.02)%	(5.19)%	(5.33)%	(4.51)%	(7.51)%	(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%

CANNON COUNTY, TENNESSEE
Schedule of Proportionate Share of the Net Pension Asset in the Teacher Legacy Pension Plan of TCRS
Discretely Presented Cannon 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)	0.197295%	0.198764%	0.201222%	0.201230%	0.210564%	0.205290%	0.190996%	0.196402%	0.175342%	0.183813%
School Department's Proportionate Share of the Net Pension Liability (Asset)	$ 80,819	$ 1,242,163	$ (65,837)	$ (708,110)	$ (2,164,973)	$ (1,565,487)	$ (8,238,132)	$ (2,408,685)	$ (2,067,237)	$ (3,166,843)
Covered Payroll	$ 7,385,732	$ 7,174,965	$ 7,113,092	$ 7,040,046	$ 7,060,490	$ 6,832,577	$ 6,268,823	$ 6,463,471	$ 5,689,937	$ 5,910,085
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	1.09%	17.31%	(0.93)%	(10.06)%	(30.66)%	(22.91)%	(131.41)%	(37.27)%	(36.33)%	(53.58)%
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%

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

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service Cost	$ 126,075	$ 116,731	$ 100,552	$ 105,319	$ 133,375	$ 182,386	$ 145,655	$ 138,459
Interest	58,386	71,813	62,094	71,240	56,471	69,611	118,300	118,090
Differences Between Actual and Expected Experience	0	(451,591)	407,755	166,647	51,146	363,228	(459,577)	392,737
Changes in Assumptions or Other Inputs	(95,069)	56,195	(163,023)	269,614	494,625	(340,456)	223,601	61,147
Benefit Payments	(55,243)	(69,443)	(89,104)	(106,668)	(123,649)	(110,562)	(127,854)	(126,633)
Net Change in Total OPEB Liability	$ 34,149	$ (276,295)	$ 318,274	$ 506,152	$ 611,968	$ 164,207	$ (99,875)	$ 583,800
Total OPEB Liability, Beginning	1,901,062	1,935,211	1,658,916	1,977,190	2,483,342	3,095,310	3,259,517	3,159,642
Total OPEB Liability, Ending	$ 1,935,211	$ 1,658,916	$ 1,977,190	$ 2,483,342	$ 3,095,310	$ 3,259,517	$ 3,159,642	$ 3,743,442
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	$ 687,228	$ 567,253	$ 697,224	$ 842,076	$ 1,103,576	$ 1,200,739	$ 1,242,403	$ 1,466,176
Employer Proportionate Share of the Total OPEB Liability	1,247,983	1,091,663	1,279,966	1,641,266	1,991,734	2,058,778	1,917,239	2,277,266
Covered Employee Payroll	$ 9,755,232	$ 10,674,368	$ 10,752,418	$ 10,256,770	$ 11,372,646	$ 10,653,230	$ 11,534,991	$ 12,205,629
Net OPEB Liability as a Percentage of Covered Employee Payroll	19.84%	15.54%	18.39%	24.21%	27.22%	30.60%	27.39%	30.67%

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:

Plan year 2019 - from 5.4% to 6.75%
Plan year 2020 - from 6.75% to 6.03%
Plan year 2021 - from 6.03% to 9.02%
Plan year 2022 - from 9.02% to 7.36%
Plan year 2023 - from 7.36% to 8.37%
Plan year 2024 - from 8.37% to 10.31%
Plan year 2025 - 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.

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for fiscal year 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 2.5 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.

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions relating to the disposal of solid waste.

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 transactions involving the American Rescue Plan Act Grant.

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.

DEBT SERVICE FUNDS

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

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

CAPITAL PROJECTS FUNDS

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

General Capital Projects Fund – The General Capital Projects Fund is used to account for general capital expenditures of the county. This fund also accounts for debt issued by Cannon County that is subsequently contributed to the discretely presented Cannon County School Department for construction and renovation projects.

Education Capital Projects Fund – The Education Capital Projects Fund accounts for the accumulation of the school adequate facilities tax on residential development and county wheel tax for funding capital expenditures for education.

Other Capital Projects Fund – The Other Capital Projects Fund accounts for the accumulation of commissary revenues at the jail and future debt to be issued for the eventual expansion of the county's jail facility.

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

	Special Revenue Funds					Debt Service Fund
	Solid Waste / Sanitation	Drug Control	Other General Government Fund	Constitu - tional Officers - Fees	Total	General Debt Service
ASSETS						
Cash	$ 0	$ 0	$ 0	$ 11,612	$ 11,612	$ 0
Equity in Pooled Cash and Investments	378,701	90,422	245,740	0	714,863	622,869
Accounts Receivable	3,268	0	0	572	3,840	0
Due from Other Governments	82,339	0	549,191	0	631,530	0
Property Taxes Receivable	69,287	0	0	0	69,287	66,358
Allowance for Uncollectible Property Taxes	(2,510)	0	0	0	(2,510)	(1,415)
Notes Receivable - Long-term	0	0	0	0	0	24,701
Total Assets	$ 531,085	$ 90,422	$ 794,931	$ 12,184	$ 1,428,622	$ 712,513
LIABILITIES						
Accounts Payable	$ 29,748	$ 32,473	$ 0	$ 0	$ 62,221	$ 0
Due to Other Funds	0	0	0	12,184	12,184	0
Due to Other Governments	0	0	548,711	0	548,711	0
Total Liabilities	$ 29,748	$ 32,473	$ 548,711	$ 12,184	$ 623,116	$ 0

(Continued)

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

	Special Revenue Funds					Debt Service Fund
	Solid Waste / Sanitation	Drug Control	Other General Government Fund	Constitu - tional Officers - Fees	Total	General Debt Service
DEFERRED INFLOWS OF RESOURCES						
Deferred Current Property Taxes	$ 63,560	$ 0	$ 0	$ 0	$ 63,560	$ 63,560
Deferred Delinquent Property Taxes	3,039	0	0	0	3,039	1,210
Other Deferred/Unavailable Revenue	38,157	0	0	0	38,157	0
Total Deferred Inflows of Resources	$ 104,756	$ 0	$ 0	$ 0	$ 104,756	$ 64,770
FUND BALANCES						
Restricted:						
Restricted for Public Safety	$ 0	$ 57,949	$ 0	$ 0	$ 57,949	$ 0
Restricted for Public Health and Welfare	396,581	0	0	0	396,581	0
Restricted for Capital Outlay	0	0	0	0	0	0
Restricted for Debt Service	0	0	0	0	0	623,042
Committed:						
Committed for Capital Projects	0	0	0	0	0	0
Assigned:						
Assigned for General Government	0	0	246,220	0	246,220	0
Assigned for Debt Service	0	0	0	0	0	24,701
Total Fund Balances	$ 396,581	$ 57,949	$ 246,220	$ 0	$ 700,750	$ 647,743
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 531,085	$ 90,422	$ 794,931	$ 12,184	$ 1,428,622	$ 712,513

(Continued)

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

	Capital Projects Funds				
	General Capital Projects	Education Capital Projects	Other Capital Projects	Total	Total Nonmajor Governmental Funds
ASSETS					
Cash	$ 0	$ 0	$ 0	$ 0	$ 11,612
Equity in Pooled Cash and Investments	546,833	658,755	320,303	1,525,891	2,863,623
Accounts Receivable	0	0	0	0	3,840
Due from Other Governments	40,213	0	0	40,213	671,743
Property Taxes Receivable	153,248	0	0	153,248	288,893
Allowance for Uncollectible Property Taxes	(3,309)	0	0	(3,309)	(7,234)
Notes Receivable - Long-term	0	0	0	0	24,701
Total Assets	$ 736,985	$ 658,755	$ 320,303	$ 1,716,043	$ 3,857,178
LIABILITIES					
Accounts Payable	$ 19,790	$ 0	$ 0	$ 19,790	$ 82,011
Due to Other Funds	0	0	0	0	12,184
Due to Other Governments	0	0	0	0	548,711
Total Liabilities	$ 19,790	$ 0	$ 0	$ 19,790	$ 642,906

(Continued)

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

	Capital Projects Funds				
	General Capital Projects	Education Capital Projects	Other Capital Projects	Total	Total Nonmajor Governmental Funds
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	$ 146,676	$ 0	$ 0	$ 146,676	$ 273,796
Deferred Delinquent Property Taxes	2,863	0	0	2,863	7,112
Other Deferred/Unavailable Revenue	0	0	0	0	38,157
Total Deferred Inflows of Resources	$ 149,539	$ 0	$ 0	$ 149,539	$ 319,065
FUND BALANCES					
Restricted:					
Restricted for Public Safety	$ 0	$ 0	$ 0	$ 0	$ 57,949
Restricted for Public Health and Welfare	0	0	0	0	396,581
Restricted for Capital Outlay	567,656	658,755	0	1,226,411	1,226,411
Restricted for Debt Service	0	0	0	0	623,042
Committed:					
Committed for Capital Projects	0	0	320,303	320,303	320,303
Assigned:					
Assigned for General Government	0	0	0	0	246,220
Assigned for Debt Service	0	0	0	0	24,701
Total Fund Balances	$ 567,656	$ 658,755	$ 320,303	$ 1,546,714	$ 2,895,207
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 736,985	$ 658,755	$ 320,303	$ 1,716,043	$ 3,857,178

CANNON 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
	Solid Waste / Sanitation	Drug Control	*Formerly Major* Other General Government Fund	Total	General Debt Service
Revenues					
Local Taxes	$ 550,540	$ 0	$ 0	$ 550,540	$ 91,678
Fines, Forfeitures, and Penalties	0	55,315	0	55,315	0
Charges for Current Services	43,374	0	0	43,374	0
Other Local Revenues	0	200	(16,921)	(16,721)	0
State of Tennessee	40,798	0	0	40,798	0
Federal Government	0	0	844,915	844,915	0
Other Governments and Citizens Groups	0	0	0	0	97,560
Total Revenues	$ 634,712	$ 55,515	$ 827,994	$ 1,518,221	$ 189,238
Expenditures					
Current:					
General Government	$ 0	$ 0	$ 0	$ 0	$ 0
Public Safety	0	101,176	0	101,176	0
Public Health and Welfare	580,709	0	0	580,709	0
Other Operations	0	0	1,297,643	1,297,643	0
Highways	0	0	266,930	266,930	0
Support Services	0	0	0	0	0

(Continued)

CANNON COUNTY, TENNESSEE

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

	Special Revenue Funds				Debt Service Fund
	Solid Waste / Sanitation	Drug Control	*Formerly Major* Other General Government Fund	Total	General Debt Service
Expenditures (Cont.)					
Debt Service:					
Principal on Debt	$ 0	$ 0	$ 0	$ 0	$ 1,575,212
Interest on Debt	0	0	0	0	18,917
Other Debt Service	0	0	0	0	1,536
Total Expenditures	$ 580,709	$ 101,176	$ 1,564,573	$ 2,246,458	$ 1,595,665
Excess (Deficiency) of Revenues Over Expenditures	$ 54,003	$ (45,661)	$ (736,579)	$ (728,237)	$ (1,406,427)
Other Financing Sources (Uses)					
Insurance Recovery	$ 0	$ 8,844	$ 0	$ 8,844	$ 0
Transfers In	0	0	0	0	1,496,569
Transfers Out	0	0	0	0	(100,000)
Total Other Financing Sources (Uses)	$ 0	$ 8,844	$ 0	$ 8,844	$ 1,396,569
Net Change in Fund Balances	$ 54,003	$ (36,817)	$ (736,579)	$ (719,393)	$ (9,858)
Change to or Within the Reporting Entity	0	0	982,799	982,799	0
Fund Balance, July 1, 2024	342,578	94,766	0	437,344	657,601
Fund Balance, June 30, 2025	$ 396,581	$ 57,949	$ 246,220	$ 700,750	$ 647,743

(Continued)

CANNON COUNTY, TENNESSEE

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

	Capital Projects Funds				
	General Capital Projects	Education Capital Projects	Other Capital Projects	Total	Total Nonmajor Governmental Funds
Revenues					
Local Taxes	$ 151,422	$ 564,390	$ 0	$ 715,812	$ 1,358,030
Fines, Forfeitures, and Penalties	0	0	0	0	55,315
Charges for Current Services	0	0	0	0	43,374
Other Local Revenues	0	0	7,450	7,450	(9,271)
State of Tennessee	48,403	0	0	48,403	89,201
Federal Government	34,698	0	0	34,698	879,613
Other Governments and Citizens Groups	0	0	0	0	97,560
Total Revenues	$ 234,523	$ 564,390	$ 7,450	$ 806,363	$ 2,513,822
Expenditures					
Current:					
General Government	$ 245,192	$ 0	$ 0	$ 245,192	$ 245,192
Public Safety	0	0	0	0	101,176
Public Health and Welfare	0	0	0	0	580,709
Other Operations	0	0	0	0	1,297,643
Highways	0	0	0	0	266,930
Support Services	0	71,297	0	71,297	71,297

(Continued)

CANNON COUNTY, TENNESSEE

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

	Capital Projects Funds				
	General Capital Projects	Education Capital Projects	Other Capital Projects	Total	Total Nonmajor Governmental Funds
Expenditures (Cont.)					
Debt Service:					
Principal on Debt	$ 0	$ 0	$ 0	$ 0	$ 1,575,212
Interest on Debt	0	0	0	0	18,917
Other Debt Service	0	4,253	0	4,253	5,789
Total Expenditures	$ 245,192	$ 75,550	$ 0	$ 320,742	$ 4,162,865
Excess (Deficiency) of Revenues Over Expenditures	$ (10,669)	$ 488,840	$ 7,450	$ 485,621	$ (1,649,043)
Other Financing Sources (Uses)					
Insurance Recovery	$ 0	$ 0	$ 0	$ 0	$ 8,844
Transfers In	0	100,000	0	100,000	1,596,569
Transfers Out	0	(1,496,569)	0	(1,496,569)	(1,596,569)
Total Other Financing Sources (Uses)	$ 0	$ (1,396,569)	$ 0	$ (1,396,569)	$ 8,844
Net Change in Fund Balances	$ (10,669)	$ (907,729)	$ 7,450	$ (910,948)	$ (1,640,199)
Change to or Within the Reporting Entity	0	0	0	0	982,799
Fund Balance, July 1, 2024	578,325	1,566,484	312,853	2,457,662	3,552,607
Fund Balance, June 30, 2025	$ 567,656	$ 658,755	$ 320,303	$ 1,546,714	$ 2,895,207

CANNON COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget
Solid Waste/Sanitation Fund
For the Year Ended June 30, 2025

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	$ 550,540	$ 526,200	$ 526,200	$ 24,340
Charges for Current Services	43,374	20,500	35,500	7,874
State of Tennessee	40,798	0	40,798	0
Total Revenues	$ 634,712	$ 546,700	$ 602,498	$ 32,214
Expenditures				
Public Health and Welfare				
Sanitation Management	$ 580,709	$ 538,342	$ 604,140	$ 23,431
Total Expenditures	$ 580,709	$ 538,342	$ 604,140	$ 23,431
Excess (Deficiency) of Revenues Over Expenditures	$ 54,003	$ 8,358	$ (1,642)	$ 55,645
Net Change in Fund Balance	$ 54,003	$ 8,358	$ (1,642)	$ 55,645
Fund Balance, July 1, 2024	342,578	327,432	327,432	15,146
Fund Balance, June 30, 2025	$ 396,581	$ 335,790	$ 325,790	$ 70,791

CANNON 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	$ 55,315	$ 19,000	$ 19,000	$ 36,315
Other Local Revenues	200	0	0	200
Total Revenues	$ 55,515	$ 19,000	$ 19,000	$ 36,515
Expenditures				
Public Safety				
Sheriff's Department	$ 101,176	$ 121,619	$ 121,619	$ 20,443
Total Expenditures	$ 101,176	$ 121,619	$ 121,619	$ 20,443
Excess (Deficiency) of Revenues Over Expenditures	$ (45,661)	$ (102,619)	$ (102,619)	$ 56,958
Other Financing Sources (Uses)				
Insurance Recovery	$ 8,844	$ 0	$ 0	$ 8,844
Total Other Financing Sources	$ 8,844	$ 0	$ 0	$ 8,844
Net Change in Fund Balance	$ (36,817)	$ (102,619)	$ (102,619)	$ 65,802
Fund Balance, July 1, 2024	94,766	127,575	127,575	(32,809)
Fund Balance, June 30, 2025	$ 57,949	$ 24,956	$ 24,956	$ 32,993

CANNON 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				
Other Local Revenues	$ (16,921)	$ 0	$ 0	$ (16,921)
Federal Government	844,915	2,999,146	2,999,146	(2,154,231)
Total Revenues	$ 827,994	$ 2,999,146	$ 2,999,146	$ (2,171,152)
Expenditures				
Other Operations				
American Rescue Plan Act Grant #1	$ 412,868	$ 0	$ 412,868	$ 0
American Rescue Plan Act Grant #2	92,250	0	92,250	0
American Rescue Plan Act Grant #3	5,700	0	5,700	0
American Rescue Plan Act Grant #4	786,825	0	786,825	0
Highways				
American Rescue Plan Act Grant #1	266,930	1,355,472	844,654	577,724
American Rescue Plan Act Grant #2	0	2,999,146	2,212,321	2,212,321
Total Expenditures	$ 1,564,573	$ 4,354,618	$ 4,354,618	$ 2,790,045
Excess (Deficiency) of Revenues Over Expenditures	$ (736,579)	$ (1,355,472)	$ (1,355,472)	$ 618,893
Net Change in Fund Balance	$ (736,579)	$ (1,355,472)	$ (1,355,472)	$ 618,893
Change to or Within the Reporting Entity	982,799	0	0	982,799
Fund Balance, July 1, 2024	0	1,451,862	1,451,862	(1,451,862)
Fund Balance, June 30, 2025	$ 246,220	$ 96,390	$ 96,390	$ 149,830

CANNON 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

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 91,678	$ 102,400	$ 102,400	$ (10,722)
Other Governments and Citizens Groups	97,560	0	97,560	0
Total Revenues	$ 189,238	$ 102,400	$ 199,960	$ (10,722)
Expenditures				
Principal on Debt				
Education	$ 1,575,212	$ 0	$ 1,575,212	$ 0
Interest on Debt				
Education	18,917	0	18,917	0
Other Debt Service				
General Government	1,536	2,000	2,000	464
Total Expenditures	$ 1,595,665	$ 2,000	$ 1,596,129	$ 464
Excess (Deficiency) of Revenues Over Expenditures	$ (1,406,427)	$ 100,400	$ (1,396,169)	$ (10,258)
Other Financing Sources (Uses)				
Transfers In	$ 1,496,569	$ 0	$ 1,496,569	$ 0
Transfers Out	(100,000)	(100,000)	(100,000)	0
Total Other Financing Sources	$ 1,396,569	$ (100,000)	$ 1,396,569	$ 0
Net Change in Fund Balance	$ (9,858)	$ 400	$ 400	$ (10,258)
Fund Balance, July 1, 2024	657,601	657,693	657,693	(92)
Fund Balance, June 30, 2025	$ 647,743	$ 658,093	$ 658,093	$ (10,350)

CANNON 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	$ 151,422	$ 153,300	$ 153,300	$ (1,878)
State of Tennessee	48,403	64,817	121,817	(73,414)
Federal Government	34,698	78,756	78,756	(44,058)
Total Revenues	$ 234,523	$ 296,873	$ 353,873	$ (119,350)
Expenditures				
General Government				
County Buildings	$ 245,192	$ 564,775	$ 663,231	$ 418,039
Capital Outlay				
Regular Capital Outlay	0	78,756	78,756	78,756
Total Expenditures	$ 245,192	$ 643,531	$ 741,987	$ 496,795
Excess (Deficiency) of Revenues Over Expenditures	$ (10,669)	$ (346,658)	$ (388,114)	$ 377,445
Other Financing Sources (Uses)				
Insurance Recovery	$ 0	$ 0	$ 36,559	$ (36,559)
Total Other Financing Sources	$ 0	$ 0	$ 36,559	$ (36,559)
Net Change in Fund Balance	$ (10,669)	$ (346,658)	$ (351,555)	$ 340,886
Fund Balance, July 1, 2024	578,325	547,081	547,081	31,244
Fund Balance, June 30, 2025	$ 567,656	$ 200,423	$ 195,526	$ 372,130

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	$ 564,390	$ 875,000	$ 975,000	$ (410,610)
Total Revenues	$ 564,390	$ 875,000	$ 975,000	$ (410,610)
Expenditures				
Support Services				
Operation of Plant	$ 71,297	$ 52,900	$ 152,900	$ 81,603
Principal on Debt				
Education	0	1,484,000	0	0
Interest on Debt				
Education	0	30,000	17,431	17,431
Other Debt Service				
Education	4,253	8,000	8,000	3,747
Total Expenditures	$ 75,550	$ 1,574,900	$ 178,331	$ 102,781
Excess (Deficiency) of Revenues Over Expenditures	$ 488,840	$ (699,900)	$ 796,669	$ (307,829)
Other Financing Sources (Uses)				
Transfers In	$ 100,000	$ 100,000	$ 100,000	$ 0
Transfers Out	(1,496,569)	0	(1,496,569)	0
Total Other Financing Sources	$ (1,396,569)	$ 100,000	$ (1,396,569)	$ 0
Net Change in Fund Balance	$ (907,729)	$ (599,900)	$ (599,900)	$ (307,829)
Fund Balance, July 1, 2024	1,566,484	1,516,718	1,516,718	49,766
Fund Balance, June 30, 2025	$ 658,755	$ 916,818	$ 916,818	$ (258,063)

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Other Local Revenues	$ 7,450	$ 48,000	$ 48,000	$ (40,550)
Total Revenues	$ 7,450	$ 48,000	$ 48,000	$ (40,550)
Expenditures				
Public Safety				
Jail	$ 0	$ 110,000	$ 110,000	$ 110,000
Total Expenditures	$ 0	$ 110,000	$ 110,000	$ 110,000
Excess (Deficiency) of Revenues Over Expenditures	$ 7,450	$ (62,000)	$ (62,000)	$ 69,450
Net Change in Fund Balance	$ 7,450	$ (62,000)	$ (62,000)	$ 69,450
Fund Balance, July 1, 2024	312,853	317,699	317,699	(4,846)
Fund Balance, June 30, 2025	$ 320,303	$ 255,699	$ 255,699	$ 64,604

CUSTODIAL FUNDS

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

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

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

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

	Custodial Funds		
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Total
ASSETS			
Cash	$ 0	$ 901,216	$ 901,216
Investments	0	66,605	66,605
Due from Other Governments	172,832	0	172,832
Total Assets	$ 172,832	$ 967,821	$ 1,140,653
LIABILITIES			
Due to Other Taxing Units	$ 172,832	$ 0	$ 172,832
Total Liabilities	$ 172,832	$ 0	$ 172,832
NET POSITION			
Restricted for Individuals, Organizations, and Other Governments	$ 0	$ 967,821	$ 967,821
Total Net Position	$ 0	$ 967,821	$ 967,821

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

	Custodial Funds		
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Total
Additions			
Sales Tax Collections for Other Governments	$ 1,008,223	$ 0	$ 1,008,223
Fines/Fees and Other Collections	0	4,682,335	4,682,335
Total Additions	$ 1,008,223	$ 4,682,335	$ 5,690,558
Deductions			
Payment of Sales Tax Collections for Other Governments	$ 1,008,223	$ 0	$ 1,008,223
Payments to State	0	2,205,101	2,205,101
Payments to Cities, Individuals and Others	0	1,947,875	1,947,875
Total Deductions	$ 1,008,223	$ 4,152,976	$ 5,161,199
Change in Net Position	$ 0	$ 529,359	$ 529,359
Net Position July 1, 2024	0	438,462	438,462
Net Position June 30, 2025	$ 0	$ 967,821	$ 967,821

CANNON COUNTY SCHOOL DEPARTMENT

This section presents combining and individual fund financial statements for the Cannon 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.

CANNON COUNTY, TENNESSEE
Statement of Activities
Discretely Presented Cannon County School Department
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Total Governmental Activities
Governmental Activities:				
Instruction	$ 12,472,775	$ 6,000	$ 1,022,787	$ (11,443,988)
Support Services	7,958,071	22,496	2,143,483	(5,792,092)
Operation of Non-instructional Services	3,076,929	44,982	1,484,481	(1,547,466)
Interest on Long-term Debt	6,348	0	0	(6,348)
Total Governmental Activities	$ 23,514,123	$ 73,478	$ 4,650,751	$ (18,789,894)
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				$ 2,145,366
Local Option Sales Taxes				1,980,539
Mixed Drink Tax				316
Grants and Contributions Not Restricted to Specific Programs				15,483,963
Unrestricted Investment Earnings				32,518
Sale of Equipment				6,908
Miscellaneous				47,188
Total General Revenues				$ 19,696,798
Insurance Recovery				$ 40,744
Change in Net Position				$ 947,648
Net Position, July 1, 2024				24,274,177
Restatement - See Note I.D.10.				(137,904)
Net Position, June 30, 2025				$ 25,083,921

CANNON COUNTY, TENNESSEE
Balance Sheet - Governmental Funds
Discretely Presented Cannon County School Department
June 30, 2025

	Major Fund	Nonmajor Funds	
	General Purpose School	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash	$ 0	$ 531,474	$ 531,474
Equity in Pooled Cash and Investments	8,834,613	1,214,928	10,049,541
Accounts Receivable	0	100	100
Due from Other Governments	734,838	203,429	938,267
Property Taxes Receivable	2,194,390	0	2,194,390
Allowance for Uncollectible Property Taxes	(46,621)	0	(46,621)
Restricted Assets	371,595	0	371,595
Total Assets	$ 12,088,815	$ 1,949,931	$ 14,038,746
LIABILITIES			
Accrued Payroll	$ 14,234	$ 13,596	$ 27,830
Due to State of Tennessee	0	525	525
Total Liabilities	$ 14,234	$ 14,121	$ 28,355
DEFERRED INFLOWS OF RESOURCES			
Deferred Current Property Taxes	$ 2,102,361	$ 0	$ 2,102,361
Deferred Delinquent Property Taxes	39,685	0	39,685
Other Deferred/Unavailable Revenue	174,603	0	174,603
Total Deferred Inflows of Resources	$ 2,316,649	$ 0	$ 2,316,649
FUND BALANCES			
Restricted:			
Restricted for Education	$ 3,425	$ 750,810	$ 754,235
Restricted for Hybrid Retirement Stabilization Funds	371,595	0	371,595
Committed:			
Committed for Education	0	1,185,000	1,185,000
Assigned:			
Assigned for Education	281,968	0	281,968
Unassigned	9,100,944	0	9,100,944
Total Fund Balances	$ 9,757,932	$ 1,935,810	$ 11,693,742
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 12,088,815	$ 1,949,931	$ 14,038,746

CANNON COUNTY, TENNESSEE

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

Discretely Presented Cannon 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 H-2)			$ 11,693,742
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	$	169,629	
Add: buildings and improvements net of accumulated depreciation		8,113,171	
Add: other capital assets net of accumulated depreciation		2,533,663	10,816,463
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: compensated absences payable	$	(234,189)	
Less: net OPEB liability		(2,277,266)	(2,511,455)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	$	2,013,010	
Less: deferred inflows of resources related to pensions		(920,244)	
Add: deferred outflows of resources related to OPEB		977,203	
Less: deferred inflows of resources related to OPEB		(563,934)	1,506,035
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent plan	$	93,462	
Add: net pension asset - teacher retirement plan		104,543	
Add: net pension asset - teacher legacy pension plan		3,166,843	3,364,848
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			214,288
Net position of governmental activities (Exhibit A)			$ 25,083,921

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

	Major Funds		Nonmajor Funds	
	General Purpose School	*Formerly Major* School Federal Projects	Other Govern-mental Funds	Total Governmental Funds
Revenues				
Local Taxes	$ 4,124,502	$ 0	$ 0	$ 4,124,502
Licenses and Permits	508	0	0	508
Charges for Current Services	28,496	0	44,982	73,478
Other Local Revenues	322,197	0	1,401,516	1,723,713
State of Tennessee	15,719,441	0	8,522	15,727,963
Federal Government	0	0	2,614,234	2,614,234
Other Governments and Citizens Groups	51,335	0	0	51,335
Total Revenues	$ 20,246,479	$ 0	$ 4,069,254	$ 24,315,733
Expenditures				
Current:				
Instruction	$ 10,538,668	$ 0	$ 975,915	$ 11,514,583
Support Services	7,503,703	0	583,409	8,087,112
Operation of Non-Instructional Services	480,207	0	2,596,937	3,077,144
Capital Outlay	159,334	0	0	159,334
Debt Service:				
Principal on Debt	91,212	0	0	91,212
Interest on Debt	6,348	0	0	6,348
Total Expenditures	$ 18,779,472	$ 0	$ 4,156,261	$ 22,935,733
Excess (Deficiency) of Revenues Over Expenditures	$ 1,467,007	$ 0	$ (87,007)	$ 1,380,000
Other Financing Sources (Uses)				
Insurance Recovery	$ 40,744	$ 0	$ 0	$ 40,744
Total Other Financing Sources (Uses)	$ 40,744	$ 0	$ 0	$ 40,744
Net Change in Fund Balances	$ 1,507,751	$ 0	$ (87,007)	$ 1,420,744
Change to or Within the Reporting Entity	0	(1,150,000)	1,150,000	0
Fund Balance, July 1, 2024	8,250,181	1,150,000	872,817	10,272,998
Fund Balance, June 30, 2025	$ 9,757,932	$ 0	$ 1,935,810	$ 11,693,742

CANNON COUNTY, TENNESSEE

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

Discretely Presented Cannon 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 H-4)		$ 1,420,744
(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	$ 851,086	
Less: current-year depreciation expense	(738,204)	112,882
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net assets.		
Less: book value of capital assets disposed		(20,250)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2025	$ 214,288	
Less: deferred delinquent property taxes and other deferred June 30, 2024	(206,268)	8,020
(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	$ (30,223)	
Change in net pension liability/asset - agent plan	232,254	
Change in net pension asset - teacher retirement plan	42,777	
Change in net pension asset - teacher legacy pension plan	1,099,606	
Change in deferred outflows related to pensions	(1,061,950)	
Change in deferred inflows related to pensions	(723,618)	
Change in net OPEB liability	(360,027)	
Change in deferred outflows related to OPEB	106,846	
Change in deferred inflows related to OPEB	120,587	(573,748)
Change in net position of governmental activities (Exhibit B)		$ 947,648

CANNON COUNTY, TENNESSEE
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Cannon County School Department
June 30, 2025

	Special Revenue Funds			
	School Federal Projects	Central Cafeteria	Internal School	Total Nonmajor Governmental Funds
ASSETS				
Cash	$ 0	$ 19	$ 531,455	$ 531,474
Equity in Pooled Cash and Investments	1,049,747	165,181	0	1,214,928
Accounts Receivable	0	0	100	100
Due from Other Governments	114,284	89,145	0	203,429
Total Assets	$ 1,164,031	$ 254,345	$ 531,555	$ 1,949,931
LIABILITIES				
Accrued Payroll	$ 13,596	$ 0	$ 0	$ 13,596
Due to State of Tennessee	435	90	0	525
Total Liabilities	$ 14,031	$ 90	$ 0	$ 14,121
FUND BALANCES				
Restricted:				
Restricted for Education	$ 0	$ 219,255	$ 531,555	$ 750,810
Committed:				
Committed for Education	1,150,000	35,000	0	1,185,000
Total Fund Balances	$ 1,150,000	$ 254,255	$ 531,555	$ 1,935,810
Total Liabilities and Fund Balances	$ 1,164,031	$ 254,345	$ 531,555	$ 1,949,931

CANNON COUNTY, TENNESSEE
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds
Discretely Presented Cannon County School Department
For the Year Ended June 30, 2025

	Special Revenue Funds			
	Formerly Major School Federal Projects	Central Cafeteria	Internal School	Total Nonmajor Governmental Funds
Revenues				
Charges for Current Services	$ 0	$ 44,982	$ 0	$ 44,982
Other Local Revenues	0	6,235	1,395,281	1,401,516
State of Tennessee	0	8,522	0	8,522
Federal Government	1,608,484	1,005,750	0	2,614,234
Total Revenues	$ 1,608,484	$ 1,065,489	$ 1,395,281	$ 4,069,254
Expenditures				
Current:				
Instruction	$ 975,915	$ 0	$ 0	$ 975,915
Support Services	583,409	0	0	583,409
Operation of Non-Instructional Services	49,160	1,177,222	1,370,555	2,596,937
Total Expenditures	$ 1,608,484	$ 1,177,222	$ 1,370,555	$ 4,156,261
Excess (Deficiency) of Revenues Over Expenditures	$ 0	$ (111,733)	$ 24,726	$ (87,007)
Net Change in Fund Balances	$ 0	$ (111,733)	$ 24,726	$ (87,007)
Change to or Within the Reporting Entity	1,150,000	0	0	1,150,000
Fund Balance, July 1, 2024	0	365,988	506,829	872,817
Fund Balance, June 30, 2025	$ 1,150,000	$ 254,255	$ 531,555	$ 1,935,810

CANNON COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Cannon County School Department
General Purpose School Fund
For the Year Ended June 30, 2025

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Local Taxes	$ 4,124,502	$ 0	$ 0	$ 4,124,502	$ 3,526,566	$ 3,526,566	$ 597,936
Licenses and Permits	508	0	0	508	400	400	108
Charges for Current Services	28,496	0	0	28,496	26,000	26,000	2,496
Other Local Revenues	322,197	0	0	322,197	28,000	290,800	31,397
State of Tennessee	15,719,441	0	0	15,719,441	15,016,068	16,281,994	(562,553)
Federal Government	0	0	0	0	75,000	104,897	(104,897)
Other Governments and Citizens Groups	51,335	0	0	51,335	0	0	51,335
Total Revenues	$ 20,246,479	$ 0	$ 0	$ 20,246,479	$ 18,672,034	$ 20,230,657	$ 15,822
Expenditures							
Instruction							
Regular Instruction Program	$ 8,048,554	$ (14,793)	$ 222,477	$ 8,256,238	$ 8,721,719	$ 9,071,772	$ 815,534
Alternative Instruction Program	152,789	0	0	152,789	152,814	152,814	25
Special Education Program	1,459,572	0	0	1,459,572	1,552,771	1,552,771	93,199
Career and Technical Education Program	877,753	(1,112)	0	876,641	786,911	1,348,736	472,095
Support Services							
Attendance	113,821	0	0	113,821	134,881	134,881	21,060
Health Services	308,238	(7,005)	982	302,215	312,950	312,950	10,735
Other Student Support	494,752	(4,317)	2,630	493,065	588,974	588,974	95,909

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)							
Support Services (Cont.)							
Regular Instruction Program	$ 685,217	$ (1,868)	$ 0	$ 683,349	$ 694,847	$ 708,543	$ 25,194
Special Education Program	194,183	0	0	194,183	144,129	195,449	1,266
Career and Technical Education Program	100,574	0	0	100,574	101,053	343,458	242,884
Technology	473,955	(9,249)	7,807	472,513	456,144	472,963	450
Other Programs	64,745	0	0	64,745	0	64,745	0
Board of Education	372,791	(5,400)	5,128	372,519	352,517	376,554	4,035
Director of Schools	329,816	(165)	170	329,821	317,490	329,959	138
Office of the Principal	1,318,441	(2,333)	0	1,316,108	1,335,641	1,360,454	44,346
Fiscal Services	125,450	0	0	125,450	125,450	125,450	0
Operation of Plant	935,419	(23,008)	5,591	918,002	1,074,740	1,080,008	162,006
Maintenance of Plant	384,453	(39,217)	25,426	370,662	403,661	403,661	32,999
Transportation	1,601,848	(419,601)	700	1,182,947	1,173,085	1,296,179	113,232
Operation of Non-Instructional Services							
Food Service	6,923	0	0	6,923	0	6,926	3
Community Services	51,444	0	0	51,444	78,246	78,246	26,802
Early Childhood Education	421,840	(10,288)	0	411,552	405,313	412,654	1,102
Capital Outlay							
Regular Capital Outlay	159,334	(31,561)	11,057	138,830	350,000	404,500	265,670

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)							
Principal on Debt							
Education	$ 91,212	$ 0	$ 0	$ 91,212	$ 91,212	$ 91,212	$ 0
Interest on Debt							
Education	6,348	0	0	6,348	6,348	6,348	0
Total Expenditures	$ 18,779,472	$ (569,917)	$ 281,968	$ 18,491,523	$ 19,360,896	$ 20,920,207	$ 2,428,684
Excess (Deficiency) of Revenues Over Expenditures	$ 1,467,007	$ 569,917	$ (281,968)	$ 1,754,956	$ (688,862)	$ (689,550)	$ 2,444,506
Other Financing Sources (Uses)							
Insurance Recovery	$ 40,744	$ 0	$ 0	$ 40,744	$ 0	$ 0	$ 40,744
Transfers In	0	0	0	0	50,000	50,000	(50,000)
Total Other Financing Sources	$ 40,744	$ 0	$ 0	$ 40,744	$ 50,000	$ 50,000	$ (9,256)
Net Change in Fund Balance	$ 1,507,751	$ 569,917	$ (281,968)	$ 1,795,700	$ (638,862)	$ (639,550)	$ 2,435,250
Fund Balance, July 1, 2024	8,250,181	(569,917)	0	7,680,264	6,229,163	6,229,163	1,451,101
Fund Balance, June 30, 2025	$ 9,757,932	$ 0	$ (281,968)	$ 9,475,964	$ 5,590,301	$ 5,589,613	$ 3,886,351

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

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Federal Government	$ 1,608,484	$ 1,456,576	$ 1,999,266	$ (390,782)
Total Revenues	$ 1,608,484	$ 1,456,576	$ 1,999,266	$ (390,782)
Expenditures				
Instruction				
Regular Instruction Program	$ 670,331	$ 548,910	$ 703,614	$ 33,283
Special Education Program	235,341	285,788	352,960	117,619
Career and Technical Education Program	70,243	65,921	70,243	0
Support Services				
Other Student Support	59,437	42,003	81,694	22,257
Regular Instruction Program	155,906	215,222	164,926	9,020
Special Education Program	343,864	171,536	472,902	129,038
Career and Technical Education Program	5,637	6,620	5,637	0
Transportation	18,565	56,358	85,462	66,897
Operation of Non-Instructional Services				
Food Service	3,106	4,496	3,106	0
Community Services	40,054	50,001	50,001	9,947
Early Childhood Education	6,000	5,000	6,000	0
Total Expenditures	$ 1,608,484	$ 1,451,855	$ 1,996,545	$ 388,061
Excess (Deficiency) of Revenues Over Expenditures	$ 0	$ 4,721	$ 2,721	$ (2,721)
Other Financing Sources (Uses)				
Transfers Out	$ 0	$ (4,724)	$ (2,724)	$ 2,724
Total Other Financing Sources	$ 0	$ (4,724)	$ (2,724)	$ 2,724
Net Change in Fund Balance	$ 0	$ (3)	$ (3)	$ 3
Changes to or Within the Financial Reporting Entity	1,150,000	0	0	1,150,000
Fund Balance, July 1, 2024	0	3	3	(3)
Fund Balance, June 30, 2025	$ 1,150,000	$ 0	$ 0	$ 1,150,000

CANNON COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget
Discretely Presented Cannon 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	$ 44,982	$ 94,000	$ 94,000	$ (49,018)
Other Local Revenues	6,235	9,100	9,100	(2,865)
State of Tennessee	8,522	9,000	9,000	(478)
Federal Government	1,005,750	1,236,370	1,236,370	(230,620)
Total Revenues	$ 1,065,489	$ 1,348,470	$ 1,348,470	$ (282,981)
Expenditures				
Operation of Non-Instructional Services				
Food Service	$ 1,177,222	$ 1,321,024	$ 1,321,024	$ 143,802
Total Expenditures	$ 1,177,222	$ 1,321,024	$ 1,321,024	$ 143,802
Excess (Deficiency) of Revenues Over Expenditures	$ (111,733)	$ 27,446	$ 27,446	$ (139,179)
Net Change in Fund Balance	$ (111,733)	$ 27,446	$ 27,446	$ (139,179)
Fund Balance, July 1, 2024	365,988	533,754	533,754	(167,766)
Fund Balance, June 30, 2025	$ 254,255	$ 561,200	$ 561,200	$ (306,945)

Miscellaneous Schedules

CANNON COUNTY, TENNESSEE
Schedule of Changes in Long-term Bonds and Other Loans
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	Paid and/or Matured During Period	Outstanding 6-30-25
BONDS PAYABLE							
Payable through General Debt Service Fund							
G.O. School Refunding Bonds, Series 2022	$ 2,911,000	1.98 %	3-18-22	11-5-24	$ 1,484,000	$ 1,484,000	$ 0
Total Bonds Payable					$ 1,484,000	$ 1,484,000	$ 0
OTHER LOANS PAYABLE							
Payable through General Debt Service Fund							
Energy Efficient Schools Initiative	1,500,506	0.5	11-24-20	6-1-38	$ 1,319,450	$ 91,212	$ 1,228,238
Total Other Loans Payable					$ 1,319,450	$ 91,212	$ 1,228,238

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

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2026	$ 91,668	$ 5,892	$ 97,560
2027	92,124	5,436	97,560
2028	92,592	4,968	97,560
2029	93,060	4,500	97,560
2030	93,516	4,044	97,560
2031	93,984	3,576	97,560
2032	94,464	3,096	97,560
2033	94,932	2,628	97,560
2034	95,412	2,148	97,560
2035	95,892	1,668	97,560
2036	96,372	1,188	97,560
2037	96,852	708	97,560
2038	97,370	218	97,588
Total	$ 1,228,238	$ 40,070	$ 1,268,308

CANNON COUNTY, TENNESSEE
Schedule of Investments
June 30, 2025

Fund and Type		Amount
Fiduciary Fund		
Constitutional Officers - Custodial Fund		
Office of County Clerk		
Farm Bureau Annuities	$	44,649
Edward Jones Mutual Funds		21,956
Total Investments	$	66,605

CANNON COUNTY, TENNESSEE
Schedule of Notes Receivable
June 30, 2025

Description	Debtor	Original Amount of Note	Date of Issue	Date of Maturity	Interest Rate	Balance 6-30-25
General Debt Service Fund						
Repayment of E-911 building renovation costs	Cannon County Emergency Communications District (E-911)	$ 100,000 (1)	12-19-08	6-30-30	0 %	$ 24,701
Total Notes Receivable						$ 24,701

(1) Cannon County issued a $100,000 USDA Rural Development Loan in 2008 to fund the renovation of the county's E-911 building. The E-911 District agreed to repay the county the amount of this loan in annual installments.

CANNON COUNTY, TENNESSEE
Schedule of Transfers
For the Year Ended June 30, 2025

From Fund	To Fund	Purpose	Amount
Education Capital Projects	General Debt Service	Debt payment	$ 1,496,569
General Debt Service	Education Capital Projects	Reimbursement	100,000
Total Transfers Primary Government			$ 1,596,569

CANNON COUNTY, TENNESSEE
Schedule of Salaries and Official Bonds of Principal Officials
Primary Government and Discretely Presented Cannon County School Department
For the Year Ended June 30, 2025

Official	Salary	Authorization	Bond	Surety
County Executive		Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	$ 105,396			
Road Supervisor		Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	$ 100,377			
Director of Schools		State Board of Education and	(1)	Tennessee Risk Management Trust
Base salary	$ 121,942	County Board of Education		
Chief executive officer training supplement	1,000			
Total compensation	$ 122,942			
Trustee		Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	$ 91,252			
Assessor of Property		Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	$ 91,252			
County Clerk		Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	$ 91,252			
Circuit and General Sessions Courts Clerk		Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	$ 91,252			
Clerk and Master		Section 8-24-102, *TCA, and*	(1)	Tennessee Risk Management Trust
Base salary	$ 91,252	Chancery Court Judge		
Special commissioner fees	2,800			
Total compensation	$ 94,052			
Register of Deeds		Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	$ 91,252			
Sheriff		Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary	$ 100,377			
Law enforcement training supplement	1,600			
Total compensation	$ 101,977			
Administrator of Elections		Section 2-12-208, *TCA*	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	$ 82,127			
Finance Director		County Commission	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	$ 92,055			
Employee Blanket Bonds:				
Employee Fidelity - County Departments			$ 400,000	Tennessee Risk Management Trust
Employee Fidelity - School Department			400,000	"

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

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

	General	Special Revenue Funds				Debt Service Fund
		Solid Waste / Sanitation	Drug Control	Other General Government Fund	Highway / Public Works	General Debt Service
Local Taxes						
County Property Taxes						
Current Property Tax	$ 5,280,009	$ 61,869	$ 0	$ 0	$ 0	$ 61,839
Trustee's Collections - Prior Year	112,743	3,355	0	0	0	1,438
Circuit Clerk/Clerk and Master Collections - Prior Years	107,266	3,405	0	0	0	1,359
Interest and Penalty	22,102	560	0	0	0	276
Payments in-Lieu-of Taxes - Other	5,422	63	0	0	0	63
County Local Option Taxes						
Local Option Sales Tax	485,149	481,161	0	0	0	0
Hotel/Motel Tax	14,588	0	0	0	0	0
Wheel Tax	0	0	0	0	0	0
Litigation Tax - General	33,488	0	0	0	0	0
Litigation Tax - Special Purpose	54,539	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	6,811	0	0	0	0	26,138
Litigation Tax - Courthouse Security	28,942	0	0	0	0	437
Business Tax	136,402	0	0	0	1,500	0
Mineral Severance Tax	0	0	0	0	105,893	0
Adequate Facilities/Development Tax	0	0	0	0	0	0
Statutory Local Taxes						
Bank Excise Tax	10,844	127	0	0	0	128

(Continued)

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

		Special Revenue Funds				Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Other General Government Fund	Highway / Public Works	General Debt Service
Local Taxes (Cont.)						
Statutory Local Taxes (Cont.)						
Wholesale Beer Tax	$ 62,624	$ 0	$ 0	$ 0	$ 0	$ 0
Total Local Taxes	$ 6,360,929	$ 550,540	$ 0	$ 0	$ 107,393	$ 91,678
Licenses and Permits						
Licenses						
Marriage Licenses	$ 508	$ 0	$ 0	$ 0	$ 0	$ 0
Permits						
Beer Permits	475	0	0	0	0	0
Total Licenses and Permits	$ 983	$ 0	$ 0	$ 0	$ 0	$ 0
Fines, Forfeitures, and Penalties						
Circuit Court						
Fines	$ 19,944	$ 0	$ 0	$ 0	$ 0	$ 0
Drug Control Fines	0	0	6,978	0	0	0
Drug Court Fees	166	0	0	0	0	0
DUI Treatment Fines	285	0	0	0	0	0
Data Entry Fee - Circuit Court	367	0	0	0	0	0

(Continued)

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

		Special Revenue Funds				Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Other General Government Fund	Highway / Public Works	General Debt Service
Fines, Forfeitures, and Penalties (Cont.)						
General Sessions Court						
Fines	$ 32,440	$ 0	$ 246	$ 0	$ 0	$ 0
Officers Costs	1,031	0	0	0	0	0
Game and Fish Fines	362	0	0	0	0	0
Drug Control Fines	0	0	3,134	0	0	0
Drug Court Fees	931	0	0	0	0	0
DUI Treatment Fines	1,520	0	0	0	0	0
Data Entry Fee - General Sessions Court	4,484	0	0	0	0	0
Courtroom Security Fee	12,324	0	0	0	0	0
Juvenile Court						
Victims Assistance Assessments	953	0	0	0	0	0
Chancery Court						
Officers Costs	532	0	0	0	0	0
Data Entry Fee - Chancery Court	674	0	0	0	0	0
Other Courts - In-county						
Fines	4,275	0	0	0	0	0
Drug Court Fees	8,440	0	0	0	0	0
Other Fines, Forfeitures, and Penalties						
Proceeds from Confiscated Property	0	0	44,957	0	0	0
Total Fines, Forfeitures, and Penalties	$ 88,728	$ 0	$ 55,315	$ 0	$ 0	$ 0

(Continued)

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Other General Government Fund	Highway / Public Works	General Debt Service
Charges for Current Services						
General Service Charges						
Commercial and Industrial Waste Collection Charge	$ 0	$ 30,739	$ 0	$ 0	$ 0	$ 0
Convenience Waste Centers Collection Charge	0	10,018	0	0	0	0
Surcharge - Waste Tire Disposal	0	2,617	0	0	0	0
Patient Charges	878,076	0	0	0	0	0
Other General Service Charges	3,650	0	0	0	0	0
Fees						
Subdivision Lot Fees	251,541	0	0	0	0	0
Copy Fees	140	0	0	0	0	0
Library Fees	55,018	0	0	0	0	0
Archives and Records Management Fee	31,247	0	0	0	0	0
Greenbelt Late Application Fee	50	0	0	0	0	0
Telephone Commissions	44,893	0	0	0	0	0
Data Processing Fee - Register	5,748	0	0	0	0	0
Probation Fees	43,528	0	0	0	0	0
Data Processing Fee - Sheriff	2,921	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	3,150	0	0	0	0	0
Data Processing Fee - County Clerk	1,794	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	2,590	0	0	0	0	0
Total Charges for Current Services	$ 1,324,346	$ 43,374	$ 0	$ 0	$ 0	$ 0

(Continued)

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

		Special Revenue Funds				Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Other General Government Fund	Highway / Public Works	General Debt Service
Other Local Revenues						
Recurring Items						
Investment Income	$ 835,291	$ 0	$ 0	$ 16,303	$ 0	$ 0
Lease/Rentals/PPP	30,000	0	0	0	0	0
Sale of Materials and Supplies	0	0	0	0	3,921	0
Commissary Sales	8,876	0	0	0	0	0
Net Increase/Decrease in Fair Value of Investments	(20,197)	0	0	(33,224)	0	0
Sale of Recycled Materials	0	0	0	0	1,232	0
Miscellaneous Refunds	22,494	0	0	0	84	0
Nonrecurring Items						
Sale of Equipment	1,116	0	0	0	0	0
Sale of Property	109,720	0	0	0	0	0
Damages Recovered from Individuals	300	0	200	0	0	0
Contributions and Gifts	150,450	0	0	0	0	0
Total Other Local Revenues	$ 1,138,050	$ 0	$ 200	$ (16,921)	$ 5,237	$ 0
Fees Received From County Officials						
Fees In-Lieu-of Salary						
County Clerk	$ 210,291	$ 0	$ 0	$ 0	$ 0	$ 0
Circuit Court Clerk	41,631	0	0	0	0	0

(Continued)

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

	General	Special Revenue Funds: Solid Waste / Sanitation	Special Revenue Funds: Drug Control	Special Revenue Funds: Other General Government Fund	Special Revenue Funds: Highway / Public Works	Debt Service Fund: General Debt Service
Fees Received From County Officials (Cont.)						
Fees In-Lieu-of Salary (Cont.)						
General Sessions Court Clerk	$ 78,212	$ 0	$ 0	$ 0	$ 0	$ 0
Clerk and Master	68,450	0	0	0	0	0
Register	90,789	0	0	0	0	0
Sheriff	11,637	0	0	0	0	0
Trustee	277,229	0	0	0	0	0
Total Fees Received From County Officials	$ 778,239	$ 0	$ 0	$ 0	$ 0	$ 0
State of Tennessee						
General Government Grants						
Juvenile Services Program	$ 9,000	$ 0	$ 0	$ 0	$ 0	$ 0
Public Safety Grants						
Law Enforcement Training Programs	26,400	0	0	0	0	0
Health and Welfare Grants						
Health Department Programs	4,057	0	0	0	0	0
Emergency Medical Services Training Programs	8,800	0	0	0	0	0
Public Works Grants						
Bridge Program	0	0	0	0	1,016,646	0
Litter Program	37,527	0	0	0	0	0

(Continued)

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

		Special Revenue Funds				Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Other General Government Fund	Highway / Public Works	General Debt Service
State of Tennessee (Cont.)						
Other State Revenues						
Beer Tax	$ 17,752	$ 0	$ 0	$ 0	$ 0	$ 0
Vehicle Certificate of Title Fees	19,686	0	0	0	0	0
Alcoholic Beverage Tax	45,989	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	70,004	0	0	0	0	0
State Revenue Sharing - Telecommunications	38,038	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	25,194	0	0	0	0	0
Contracted Prisoner Boarding	58,447	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	2,078,218	0
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	24,794	0
Petroleum Special Tax	0	0	0	0	9,611	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	474,346	40,798	0	0	0	0
Safe Schools	375,000	0	0	0	0	0
Other State Revenues	105,779	0	0	0	0	0
Total State of Tennessee	$ 1,331,183	$ 40,798	$ 0	$ 0	$ 3,129,269	$ 0

(Continued)

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

		Special Revenue Funds				Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Other General Government Fund	Highway / Public Works	General Debt Service
Federal Government						
Federal Through State						
Homeland Security Grants	$ 241,279	$ 0	$ 0	$ 0	$ 0	$ 0
American Rescue Plan Act Grant #1	0	0	0	58,090	0	0
American Rescue Plan Act Grant #2	0	0	0	786,825	0	0
American Rescue Plan Act Grant #3	0	0	0	0	0	0
Other Federal through State	6,922	0	0	0	0	0
Total Federal Government	$ 248,201	$ 0	$ 0	$ 844,915	$ 0	$ 0
Other Governments and Citizens Groups						
Other Governments						
Prisoner Board	$ 6,660	$ 0	$ 0	$ 0	$ 0	$ 0
Contributions	1,000	0	0	0	0	97,560
Other						
Opioid Settlement Funds - Past Remediation	47,278	0	0	0	0	0
Total Other Governments and Citizens Groups	$ 54,938	$ 0	$ 0	$ 0	$ 0	$ 97,560
Total	$ 11,325,597	$ 634,712	$ 55,515	$ 827,994	$ 3,241,899	$ 189,238

(Continued)

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

	Capital Projects Funds			
	General Capital Projects	Education Capital Projects	Other Capital Projects	Total
Local Taxes				
County Property Taxes				
Current Property Tax	$ 142,713	$ 0	$ 0	$ 5,546,430
Trustee's Collections - Prior Year	3,394	0	0	120,930
Circuit Clerk/Clerk and Master Collections - Prior Years	4,226	0	0	116,256
Interest and Penalty	649	0	0	23,587
Payments in-Lieu-of Taxes - Other	147	0	0	5,695
County Local Option Taxes				
Local Option Sales Tax	0	0	0	966,310
Hotel/Motel Tax	0	0	0	14,588
Wheel Tax	0	372,194	0	372,194
Litigation Tax - General	0	0	0	33,488
Litigation Tax - Special Purpose	0	0	0	54,539
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	32,949
Litigation Tax - Courthouse Security	0	0	0	29,379
Business Tax	0	0	0	137,902
Mineral Severance Tax	0	0	0	105,893
Adequate Facilities/Development Tax	0	192,196	0	192,196
Statutory Local Taxes				
Bank Excise Tax	293	0	0	11,392

(Continued)

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

	Capital Projects Funds			
	General Capital Projects	Education Capital Projects	Other Capital Projects	Total
Local Taxes (Cont.)				
Statutory Local Taxes (Cont.)				
Wholesale Beer Tax	$ 0	$ 0	$ 0	$ 62,624
Total Local Taxes	$ 151,422	$ 564,390	$ 0	$ 7,826,352
Licenses and Permits				
Licenses				
Marriage Licenses	$ 0	$ 0	$ 0	$ 508
Permits				
Beer Permits	0	0	0	475
Total Licenses and Permits	$ 0	$ 0	$ 0	$ 983
Fines, Forfeitures, and Penalties				
Circuit Court				
Fines	$ 0	$ 0	$ 0	$ 19,944
Drug Control Fines	0	0	0	6,978
Drug Court Fees	0	0	0	166
DUI Treatment Fines	0	0	0	285
Data Entry Fee - Circuit Court	0	0	0	367

(Continued)

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

	Capital Projects Funds			
	General Capital Projects	Education Capital Projects	Other Capital Projects	Total
Fines, Forfeitures, and Penalties (Cont.)				
General Sessions Court				
Fines	$ 0	$ 0	$ 0	$ 32,686
Officers Costs	0	0	0	1,031
Game and Fish Fines	0	0	0	362
Drug Control Fines	0	0	0	3,134
Drug Court Fees	0	0	0	931
DUI Treatment Fines	0	0	0	1,520
Data Entry Fee - General Sessions Court	0	0	0	4,484
Courtroom Security Fee	0	0	0	12,324
Juvenile Court				
Victims Assistance Assessments	0	0	0	953
Chancery Court				
Officers Costs	0	0	0	532
Data Entry Fee - Chancery Court	0	0	0	674
Other Courts - In-county				
Fines	0	0	0	4,275
Drug Court Fees	0	0	0	8,440
Other Fines, Forfeitures, and Penalties				
Proceeds from Confiscated Property	0	0	0	44,957
Total Fines, Forfeitures, and Penalties	$ 0	$ 0	$ 0	$ 144,043

(Continued)

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

	Capital Projects Funds			
	General Capital Projects	Education Capital Projects	Other Capital Projects	Total
Charges for Current Services				
General Service Charges				
Commercial and Industrial Waste Collection Charge	$ 0	$ 0	$ 0	$ 30,739
Convenience Waste Centers Collection Charge	0	0	0	10,018
Surcharge - Waste Tire Disposal	0	0	0	2,617
Patient Charges	0	0	0	878,076
Other General Service Charges	0	0	0	3,650
Fees				
Subdivision Lot Fees	0	0	0	251,541
Copy Fees	0	0	0	140
Library Fees	0	0	0	55,018
Archives and Records Management Fee	0	0	0	31,247
Greenbelt Late Application Fee	0	0	0	50
Telephone Commissions	0	0	0	44,893
Data Processing Fee - Register	0	0	0	5,748
Probation Fees	0	0	0	43,528
Data Processing Fee - Sheriff	0	0	0	2,921
Sexual Offender Registration Fee - Sheriff	0	0	0	3,150
Data Processing Fee - County Clerk	0	0	0	1,794
Vehicle Insurance Coverage and Reinstatement Fees	0	0	0	2,590
Total Charges for Current Services	$ 0	$ 0	$ 0	$ 1,367,720

(Continued)

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

	Capital Projects Funds			
	General Capital Projects	Education Capital Projects	Other Capital Projects	Total
Other Local Revenues				
Recurring Items				
Investment Income	$ 0	$ 0	$ 0	$ 851,594
Lease/Rentals/PPP	0	0	0	30,000
Sale of Materials and Supplies	0	0	0	3,921
Commissary Sales	0	0	7,450	16,326
Sale of Diesel	0	0	0	(53,421)
Sale of Recycled Materials	0	0	0	1,232
Miscellaneous Refunds	0	0	0	22,578
Nonrecurring Items				
Sale of Equipment	0	0	0	1,116
Sale of Property	0	0	0	109,720
Damages Recovered from Individuals	0	0	0	500
Contributions and Gifts	0	0	0	150,450
Total Other Local Revenues	$ 0	$ 0	$ 7,450	$ 1,134,016
Fees Received From County Officials				
Fees In-Lieu-of Salary				
County Clerk	$ 0	$ 0	$ 0	$ 210,291
Circuit Court Clerk	0	0	0	41,631

(Continued)

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

	Capital Projects Funds			
	General Capital Projects	Education Capital Projects	Other Capital Projects	Total
Fees Received From County Officials (Cont.)				
Fees In-Lieu-of Salary (Cont.)				
General Sessions Court Clerk	$ 0	$ 0	$ 0	$ 78,212
Clerk and Master	0	0	0	68,450
Register	0	0	0	90,789
Sheriff	0	0	0	11,637
Trustee	0	0	0	277,229
Total Fees Received From County Officials	$ 0	$ 0	$ 0	$ 778,239
State of Tennessee				
General Government Grants				
Juvenile Services Program	$ 0	$ 0	$ 0	$ 9,000
Public Safety Grants				
Law Enforcement Training Programs	0	0	0	26,400
Health and Welfare Grants				
Health Department Programs	0	0	0	4,057
Emergency Medical Services Training Programs	0	0	0	8,800
Public Works Grants				
Bridge Program	0	0	0	1,016,646
Litter Program	0	0	0	37,527

(Continued)

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

	Capital Projects Funds			
	General Capital Projects	Education Capital Projects	Other Capital Projects	Total
State of Tennessee (Cont.)				
Other State Revenues				
Beer Tax	$ 0	$ 0	$ 0	$ 17,752
Vehicle Certificate of Title Fees	0	0	0	19,686
Alcoholic Beverage Tax	0	0	0	45,989
Opioid Settlement Funds - TN Abatement Council	0	0	0	70,004
State Revenue Sharing - Telecommunications	0	0	0	38,038
State Shared Sports Gaming Privilege Tax	0	0	0	25,194
Contracted Prisoner Boarding	0	0	0	58,447
Gasoline and Motor Fuel Tax	0	0	0	2,078,218
Hybrid/Electric Vehicle Registration Fee	0	0	0	24,794
Petroleum Special Tax	0	0	0	9,611
Registrar's Salary Supplement	0	0	0	15,164
Other State Grants	48,403	0	0	563,547
Safe Schools	0	0	0	375,000
Other State Revenues	0	0	0	105,779
Total State of Tennessee	$ 48,403	$ 0	$ 0	$ 4,549,653

(Continued)

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

	Capital Projects Funds			
	General Capital Projects	Education Capital Projects	Other Capital Projects	Total
Federal Government				
Federal Through State				
Homeland Security Grants	$ 0	$ 0	$ 0	$ 241,279
American Rescue Plan Act Grant #1	0	0	0	58,090
American Rescue Plan Act Grant #2	0	0	0	786,825
American Rescue Plan Act Grant #3	34,698	0	0	34,698
Other Federal through State	0	0	0	6,922
Total Federal Government	$ 34,698	$ 0	$ 0	$ 1,127,814
Other Governments and Citizens Groups				
Other Governments				
Prisoner Board	$ 0	$ 0	$ 0	$ 6,660
Contributions	0	0	0	98,560
Other				
Opioid Settlement Funds - Past Remediation	0	0	0	47,278
Total Other Governments and Citizens Groups	$ 0	$ 0	$ 0	$ 152,498
Total	$ 234,523	$ 564,390	$ 7,450	$ 17,081,318

CANNON COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Cannon 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	$ 2,047,923	$ 0	$ 0	$ 0	$ 2,047,923
Trustee's Collections - Prior Year	48,111	0	0	0	48,111
Circuit Clerk/Clerk and Master Collections - Prior Years	45,769	0	0	0	45,769
Interest and Penalty	9,141	0	0	0	9,141
Payments in-Lieu-of Taxes - Other	2,100	0	0	0	2,100
County Local Option Taxes					
Local Option Sales Tax	1,966,941	0	0	0	1,966,941
Mixed Drink Tax	316	0	0	0	316
Statutory Local Taxes					
Bank Excise Tax	4,201	0	0	0	4,201
Total Local Taxes	$ 4,124,502	$ 0	$ 0	$ 0	$ 4,124,502
Licenses and Permits					
Licenses					
Marriage Licenses	$ 508	$ 0	$ 0	$ 0	$ 508
Total Licenses and Permits	$ 508	$ 0	$ 0	$ 0	$ 508

(Continued)

CANNON COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Cannon County School Department (Cont.)

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
Charges for Current Services					
Education Charges					
Tuition - Other	$ 6,000	$ 0	$ 0	$ 0	$ 6,000
Lunch Payments - Children	0	0	10,346	0	10,346
Lunch Payments - Adults	0	0	14,117	0	14,117
Income from Breakfast	0	0	1,847	0	1,847
A la Carte Sales	0	0	18,672	0	18,672
Receipts from Individual Schools	20,937	0	0	0	20,937
Other Charges for Services	1,559	0	0	0	1,559
Total Charges for Current Services	$ 28,496	$ 0	$ 44,982	$ 0	$ 73,478
Other Local Revenues					
Recurring Items					
Investment Income	$ 32,518	$ 0	$ 6,235	$ 0	$ 38,753
Miscellaneous Refunds	47,188	0	0	0	47,188
Nonrecurring Items					
Sale of Equipment	6,908	0	0	0	6,908
Contributions and Gifts	227,435	0	0	0	227,435

(Continued)

CANNON COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Cannon County School Department (Cont.)

	General Purpose School	Special Revenue Funds: School Federal Projects	Special Revenue Funds: Central Cafeteria	Special Revenue Funds: Internal School	Total
Other Local Revenues (Cont.)					
Other Local Revenues					
Other Local Revenues	$ 8,148	$ 0	$ 0	$ 1,395,281	$ 1,403,429
Total Other Local Revenues	$ 322,197	$ 0	$ 6,235	$ 1,395,281	$ 1,723,713
State of Tennessee					
General Government Grants					
On-behalf Contributions for OPEB	$ 64,745	$ 0	$ 0	$ 0	$ 64,745
State Education Funds					
Tennessee Investment in Student Achievement	14,191,812	0	0	0	14,191,812
TISA - On-behalf Payments	23,441	0	0	0	23,441
Early Childhood Education	463,974	0	0	0	463,974
School Food Service	0	0	8,522	0	8,522
Driver Education	8,728	0	0	0	8,728
Other State Education Funds	164,943	0	0	0	164,943
Paid Parental Leave	63,723	0	0	0	63,723
Career Ladder Program	21,094	0	0	0	21,094
Other Vocational	283,243	0	0	0	283,243

(Continued)

CANNON COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Cannon County School Department (Cont.)

	General Purpose School	Special Revenue Funds: School Federal Projects	Special Revenue Funds: Central Cafeteria	Special Revenue Funds: Internal School	Total
State of Tennessee (Cont.)					
Other State Revenues					
State Revenue Sharing - T.V.A.	$ 433,738	$ 0	$ 0	$ 0	$ 433,738
Total State of Tennessee	$ 15,719,441	$ 0	$ 8,522	$ 0	$ 15,727,963
Federal Government					
Federal Through State					
USDA School Lunch Program	$ 0	$ 0	$ 661,044	$ 0	$ 661,044
USDA - Commodities	0	0	86,370	0	86,370
Breakfast	0	0	244,114	0	244,114
USDA - Other	0	0	14,222	0	14,222
Vocational Education - Basic Grants to States	0	89,535	0	0	89,535
Title I Grants to Local Education Agencies	0	476,942	0	0	476,942
Special Education - Grants to States	0	586,691	0	0	586,691
Special Education Preschool Grants	0	2,171	0	0	2,171
21st Century Community Learning Centers	0	40,053	0	0	40,053
Eisenhower Professional Development State Grants	0	111,437	0	0	111,437
COVID-19 Grant D	0	87,800	0	0	87,800
American Rescue Plan Act Grant #1	0	141,551	0	0	141,551

(Continued)

CANNON COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Cannon County School Department (Cont.)

		Special Revenue Funds			
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
Federal Government (Cont.)					
Federal Through State (Cont.)					
American Rescue Plan Act Grant #4	$ 0	$ 9,883	$ 0	$ 0	$ 9,883
Other Federal through State	0	62,421	0	0	62,421
Total Federal Government	$ 0	$ 1,608,484	$ 1,005,750	$ 0	$ 2,614,234
Other Governments and Citizens Groups					
Other Governments					
Contributions	$ 51,335	$ 0	$ 0	$ 0	$ 51,335
Total Other Governments and Citizens Groups	$ 51,335	$ 0	$ 0	$ 0	$ 51,335
Total	$ 20,246,479	$ 1,608,484	$ 1,065,489	$ 1,395,281	$ 24,315,733

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

General Fund			
General Government			
County Commission			
County Official/Administrative Officer	$ 8,550		
Board and Committee Members Fees	860		
Social Security	561		
Employer Medicare	131		
Legal Notices, Recording, and Court Costs	1,614		
Total County Commission		$	11,716
County Mayor/Executive			
County Official/Administrative Officer	$ 105,396		
Secretary(ies)	33,714		
In-service Training	400		
Social Security	8,625		
Pensions	8,013		
Employer Medicare	2,017		
Communication	1,359		
Dues and Memberships	1,573		
Postal Charges	200		
Travel	735		
Office Supplies	329		
Total County Mayor/Executive			162,361
Personnel Office			
Other Contracted Services	$ 12,000		
Total Personnel Office			12,000
County Attorney			
Legal Services	$ 46,035		
Legal Notices, Recording, and Court Costs	312		
Total County Attorney			46,347
Election Commission			
County Official/Administrative Officer	$ 82,127		
Clerical Personnel	26,618		
Overtime Pay	131		
Election Commission	2,970		
Election Workers	25,430		

(Continued)

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

General Fund (Cont.)			
General Government (Cont.)			
Election Commission (Cont.)			
Social Security	$ 7,345		
Pensions	5,786		
Employee and Dependent Insurance	6,325		
Employer Medicare	1,718		
Communication	246		
Legal Notices, Recording, and Court Costs	1,428		
Maintenance Agreements	17,651		
Postal Charges	2,208		
Travel	116		
Office Supplies	2,611		
Building Improvements	16,582		
Total Election Commission		$	199,292
Register of Deeds			
County Official/Administrative Officer	$ 91,252		
Secretary(ies)	29,952		
Social Security	7,372		
Pensions	6,981		
Employee and Dependent Insurance	6,263		
Employer Medicare	1,724		
Communication	94		
Data Processing Services	5,987		
Dues and Memberships	255		
Postal Charges	197		
Office Supplies	672		
Total Register of Deeds			150,749
Codes Compliance			
Supervisor/Director	$ 51,000		
Clerical Personnel	30,259		
Social Security	5,038		
Pensions	4,681		
Employer Medicare	1,178		
Advertising	2,348		
Communication	427		
Contracts with Government Agencies	13,000		

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Codes Compliance (Cont.)			
Contracts with Private Agencies	$ 35,182		
Legal Services	31,050		
Legal Notices, Recording, and Court Costs	108		
Postal Charges	260		
Office Supplies	2,201		
Refunds	300		
Office Equipment	8,500		
Total Codes Compliance		$	185,532
County Buildings			
Maintenance Personnel	$ 36,400		
Social Security	3,622		
Pensions	3,803		
Employee and Dependent Insurance	12,882		
Employer Medicare	847		
Communication	19,756		
Contracts with Private Agencies	100		
Janitorial Services	29,618		
Maintenance Agreements	748		
Maintenance and Repair Services - Buildings	51,806		
Maintenance and Repair Services - Office Equipment	889		
Maintenance and Repair Services - Vehicles	4,304		
Pest Control	2,400		
Other Contracted Services	17,500		
Custodial Supplies	8,930		
Gasoline	16,483		
Utilities	34,403		
Total County Buildings			244,491
Other Facilities			
Contributions	$ 51,335		
Other Contracted Services	7,049		
Total Other Facilities			58,384
Preservation of Records			
Other Supplies and Materials	$ 380		
Total Preservation of Records			380

(Continued)

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

General Fund (Cont.)

Finance

Accounting and Budgeting

County Official/Administrative Officer	$ 92,055		
Assistant(s)	63,345		
Accountants/Bookkeepers	155,960		
In-service Training	1,980		
Social Security	18,040		
Pensions	17,934		
Employee and Dependent Insurance	19,145		
Employer Medicare	4,219		
Audit Services	6,383		
Communication	558		
Contracts with Other Public Agencies	23,628		
Legal Notices, Recording, and Court Costs	4,331		
Maintenance Agreements	1,586		
Postal Charges	1,355		
Travel	1,353		
Office Supplies	5,676		
Other Supplies and Materials	3,849		
Total Accounting and Budgeting		$	421,397

Property Assessor's Office

County Official/Administrative Officer	$ 91,252		
Secretary(ies)	28,862		
Part-time Personnel	19,232		
Board and Committee Members Fees	1,250		
In-service Training	275		
Social Security	8,094		
Pensions	8,026		
Employee and Dependent Insurance	12,526		
Employer Medicare	1,893		
Audit Services	1,850		
Communication	94		
Data Processing Services	4,363		
Dues and Memberships	1,495		
Legal Notices, Recording, and Court Costs	87		
Postal Charges	1,287		
Travel	230		
Office Supplies	811		
Total Property Assessor's Office			181,627

(Continued)

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

General Fund (Cont.)
Finance (Cont.)

County Trustee's Office			
County Official/Administrative Officer	$ 91,252		
Deputy(ies)	36,283		
Part-time Personnel	10,438		
Social Security	8,310		
Pensions	7,947		
Employee and Dependent Insurance	12,526		
Employer Medicare	1,944		
Advertising	220		
Communication	94		
Data Processing Services	3,978		
Dues and Memberships	840		
Maintenance Agreements	14,057		
Postal Charges	2,900		
Travel	965		
Office Supplies	2,181		
Total County Trustee's Office		$	193,935
County Clerk's Office			
County Official/Administrative Officer	$ 91,252		
Deputy(ies)	35,576		
Clerical Personnel	35,548		
Attendants	24,117		
Part-time Personnel	5,064		
Other Salaries and Wages	12,470		
Social Security	12,405		
Pensions	11,227		
Employee and Dependent Insurance	12,526		
Employer Medicare	2,901		
Communication	212		
Dues and Memberships	540		
Maintenance Agreements	3,000		
Postal Charges	6,584		
Travel	469		
Office Supplies	7,377		
Data Processing Equipment	6,298		
Office Equipment	559		
Total County Clerk's Office			268,125

(Continued)

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

General Fund (Cont.)		
Finance (Cont.)		
Data Processing		
Maintenance Agreements	$ 2,152	
Other Contracted Services	18,960	
Total Data Processing		$ 21,112
Administration of Justice		
Circuit Court		
County Official/Administrative Officer	$ 91,252	
Deputy(ies)	32,781	
Secretary(ies)	32,760	
Clerical Personnel	35,082	
Part-time Personnel	27,383	
Jury and Witness Expense	1,536	
Social Security	13,304	
Pensions	12,478	
Employee and Dependent Insurance	6,263	
Employer Medicare	3,111	
Communication	216	
Contracts with Other Public Agencies	24,344	
Dues and Memberships	470	
Legal Notices, Recording, and Court Costs	142	
Maintenance Agreements	1,016	
Postal Charges	977	
Office Supplies	3,163	
Office Equipment	1,325	
Total Circuit Court		287,603
General Sessions Court		
Judge(s)	$ 118,706	
In-service Training	625	
Social Security	7,360	
Pensions	6,837	
Employer Medicare	1,721	
Dues and Memberships	530	
Travel	1,492	
Other Contracted Services	1,500	
Office Supplies	344	
Total General Sessions Court		139,115

(Continued)

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

General Fund (Cont.)
Administration of Justice (Cont.)

Chancery Court			
County Official/Administrative Officer	$ 91,252		
Deputy(ies)	32,772		
Part-time Personnel	8,267		
Social Security	8,366		
Pensions	7,620		
Employer Medicare	1,956		
Communication	84		
Contracts with Other Public Agencies	8,160		
Dues and Memberships	300		
Postal Charges	789		
Office Supplies	3,042		
Total Chancery Court		$	162,608
Juvenile Court			
Other Salaries and Wages	$ 45,000		
Social Security	2,556		
Pensions	2,592		
Employee and Dependent Insurance	6,619		
Employer Medicare	598		
Communication	353		
Dues and Memberships	60		
Other Contracted Services	725		
Drugs and Medical Supplies	156		
Office Supplies	1,161		
Building Improvements	1,715		
Total Juvenile Court			61,535
Judicial Commissioners			
Other Salaries and Wages	$ 56,000		
Social Security	3,472		
Pensions	2,419		
Employer Medicare	812		
Communication	900		
Dues and Memberships	300		
Office Supplies	28		
Total Judicial Commissioners			63,931

(Continued)

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

General Fund (Cont.)			
Administration of Justice (Cont.)			
Probation Services			
Probation Officer(s)	$ 54,508		
In-service Training	175		
Social Security	3,358		
Pensions	3,140		
Employer Medicare	785		
Communication	353		
Contracts with Private Agencies	2,154		
Data Processing Services	3,600		
Dues and Memberships	25		
Postal Charges	150		
Drugs and Medical Supplies	8,108		
Office Supplies	613		
Other Supplies and Materials	2,746		
Building Improvements	2,000		
Total Probation Services		$	81,715
Victim Assistance Programs			
Other Charges	$ 248		
Total Victim Assistance Programs			248
Public Safety			
Sheriff's Department			
County Official/Administrative Officer	$ 100,377		
Deputy(ies)	498,628		
Investigator(s)	106,096		
Captain(s)	59,191		
Sergeant(s)	115,926		
Accountants/Bookkeepers	39,353		
Salary Supplements	26,400		
Dispatchers/Radio Operators	30,833		
Clerical Personnel	8,474		
School Resource Officer	96,890		
Educational Incentive - Other County Employees	18,000		
Overtime Pay	20,797		
Other Salaries and Wages	72,410		
In-service Training	11,380		

(Continued)

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

General Fund (Cont.)
Public Safety (Cont.)
Sheriff's Department (Cont.)

Social Security	$ 71,088		
Pensions	118,553		
Employee and Dependent Insurance	90,884		
Employer Medicare	16,625		
Communication	10,484		
Dues and Memberships	1,605		
Maintenance Agreements	7,420		
Maintenance and Repair Services - Equipment	6,131		
Maintenance and Repair Services - Vehicles	31,616		
Postal Charges	652		
Gasoline	75,387		
Office Supplies	3,300		
Uniforms	21,549		
Other Supplies and Materials	1,419		
Vehicle and Equipment Insurance	61,000		
Other Charges	2,985		
Law Enforcement Equipment	14,078		
Motor Vehicles	15,000		
Total Sheriff's Department		$	1,754,531

Special Patrols

School Resource Officer	$ 260,000		
In-service Training	10,000		
Social Security	16,121		
Pensions	15,094		
Employee and Dependent Insurance	33,330		
Employer Medicare	3,770		
Maintenance and Repair Services - Vehicles	584		
Uniforms	11,901		
Other Supplies and Materials	24,200		
Total Special Patrols			375,000

Jail

Assistant(s)	$ 48,753		
Supervisor/Director	45,650		
Detective(s)	39,374		

(Continued)

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

General Fund (Cont.)		
Public Safety (Cont.)		
Jail (Cont.)		
Sergeant(s)	$ 85,369	
Truck Drivers	79,008	
Guards	560,707	
Maintenance Personnel	38,446	
Overtime Pay	17,500	
Social Security	55,086	
Employee and Dependent Insurance	102,030	
Employer Medicare	12,883	
Maintenance Agreements	15,746	
Maintenance and Repair Services - Buildings	38,559	
Medical and Dental Services	221,783	
Travel	1,002	
Custodial Supplies	13,641	
Food Supplies	94,628	
Utilities	53,732	
Other Supplies and Materials	8,001	
Food Service Equipment	2,028	
Office Equipment	1,834	
Total Jail		$ 1,535,760
Fire Prevention and Control		
In-service Training	$ 1,350	
Communication	1,271	
Consultants	10,000	
Contracts with Other Public Agencies	552	
Maintenance and Repair Services - Equipment	15,565	
Maintenance and Repair Services - Vehicles	32,323	
Gasoline	4,406	
Office Supplies	542	
Uniforms	31,521	
Utilities	22,287	
Other Supplies and Materials	7,950	
Vehicle and Equipment Insurance	5,775	
Other Charges	743	
Communication Equipment	27,657	
Total Fire Prevention and Control		161,942

(Continued)

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

General Fund (Cont.)		
Public Safety (Cont.)		
Rural Fire Protection		
Other Supplies and Materials	$ 420,000	
Total Rural Fire Protection		$ 420,000
Other Emergency Management		
Supervisor/Director	$ 15,000	
In-service Training	1,455	
Social Security	930	
Pensions	864	
Employer Medicare	218	
Communication	2,133	
Maintenance and Repair Services - Equipment	52	
Maintenance and Repair Services - Vehicles	5,785	
Other Contracted Services	1,750	
Gasoline	1,599	
Office Supplies	213	
Other Supplies and Materials	1,226	
Other Charges	259	
Other Equipment	196	
Total Other Emergency Management		31,680
County Coroner/Medical Examiner		
Contracts with Private Agencies	$ 13,625	
Travel	2,680	
Other Contracted Services	6,000	
Other Charges	3,700	
Total County Coroner/Medical Examiner		26,005
Other Public Safety		
Other Supplies and Materials	$ 9,500	
Other Charges	75,000	
Law Enforcement Equipment	10,693	
Other Equipment	76,305	
Other Capital Outlay	75,443	
Total Other Public Safety		246,941

(Continued)

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

General Fund (Cont.)			
Public Health and Welfare			
Local Health Center			
Communication	$ 3,938		
Contracts with Government Agencies	15,864		
Dues and Memberships	375		
Janitorial Services	9,360		
Maintenance and Repair Services - Buildings	860		
Utilities	9,924		
Other Charges	185		
Total Local Health Center		$	40,506
Ambulance/Emergency Medical Services			
Assistant(s)	$ 65,000		
Supervisor/Director	72,000		
Medical Personnel	1,073,983		
In-service Training	16,794		
Social Security	70,719		
Pensions	63,757		
Employee and Dependent Insurance	113,094		
Employer Medicare	16,801		
Communication	10,238		
Contracts with Private Agencies	51,862		
Dues and Memberships	2,605		
Maintenance Agreements	4,432		
Maintenance and Repair Services - Equipment	2,567		
Maintenance and Repair Services - Vehicles	9,440		
Postal Charges	22		
Travel	1,252		
Remittance of Revenue Collected	22,440		
Other Contracted Services	4,000		
Custodial Supplies	1,318		
Drugs and Medical Supplies	37,954		
Electricity	6,032		
Gasoline	25,530		
Natural Gas	1,245		
Office Supplies	7,119		
Tires and Tubes	2,508		
Uniforms	9,162		

(Continued)

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

General Fund (Cont.)
Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)			
Water and Sewer	$ 880		
Other Supplies and Materials	3,053		
Vehicle and Equipment Insurance	27,000		
Office Equipment	933		
Other Equipment	100,000		
Total Ambulance/Emergency Medical Services		$	1,823,740
Alcohol and Drug Programs			
Supervisor/Director	$ 47,500		
Part-time Personnel	16,464		
Other Salaries and Wages	40,000		
In-service Training	1,402		
Social Security	6,058		
Pensions	5,040		
Employee and Dependent Insurance	6,260		
Employer Medicare	1,417		
Communication	624		
Contracts with Private Agencies	16,916		
Dues and Memberships	75		
Rentals	1,160		
Travel	69		
Drugs and Medical Supplies	5,416		
Office Supplies	830		
Other Supplies and Materials	678		
Total Alcohol and Drug Programs			149,909
Regional Mental Health Center			
Other Salaries and Wages	$ 2,595		
Social Security	161		
Handling Charges and Administrative Costs	29		
Pensions	149		
Employer Medicare	38		
Contracts with Private Agencies	315		
Travel	661		
Other Supplies and Materials	126		
Total Regional Mental Health Center			4,074

(Continued)

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

General Fund (Cont.)		
Public Health and Welfare (Cont.)		
General Welfare Assistance		
Contributions	$ 26,467	
Total General Welfare Assistance		$ 26,467
Sanitation Management		
Laborers	$ 32,240	
Social Security	914	
Pensions	857	
Employer Medicare	392	
Maintenance and Repair Services - Vehicles	226	
Gasoline	3,506	
Instructional Supplies and Materials	6,065	
Total Sanitation Management		44,200
Other Public Health and Welfare		
Contributions	$ 137,875	
Total Other Public Health and Welfare		137,875
Social, Cultural, and Recreational Services		
Libraries		
Assistant(s)	$ 141,164	
Supervisor/Director	47,928	
In-service Training	941	
Social Security	11,253	
Pensions	9,328	
Employee and Dependent Insurance	19,174	
Employer Medicare	2,632	
Advertising	639	
Contributions	16,965	
Maintenance Agreements	8,049	
Postal Charges	131	
Remittance of Revenue Collected	1,729	
Data Processing Supplies	853	
Instructional Supplies and Materials	2,049	
Library Books/Media	3,421	
Office Supplies	2,827	
Utilities	802	

(Continued)

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

General Fund (Cont.)			
Social, Cultural, and Recreational Services (Cont.)			
Libraries (Cont.)			
Other Supplies and Materials	$ 20,258		
Other Charges	3,310		
Total Libraries		$	293,453
Parks and Fair Boards			
Maintenance and Repair Services - Buildings	$ 7,405		
Utilities	23,058		
Other Charges	31,696		
Total Parks and Fair Boards			62,159
Agriculture and Natural Resources			
Agricultural Extension Service			
Salary Supplements	$ 53,966		
Other Fringe Benefits	19,013		
Communication	2,293		
Dues and Memberships	680		
Maintenance Agreements	2,318		
Maintenance and Repair Services - Buildings	1,971		
Office Supplies	7,560		
Utilities	3,332		
Building Improvements	2,632		
Total Agricultural Extension Service			93,765
Other Operations			
Veterans' Services			
Other Salaries and Wages	$ 16,406		
Social Security	175		
Employer Medicare	238		
Communication	355		
Travel	626		
Office Supplies	374		
Total Veterans' Services			18,174
Other Charges			
Building and Contents Insurance	$ 109,854		
Premiums on Corporate Surety Bonds	1,125		

(Continued)

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

General Fund (Cont.)			
Other Operations (Cont.)			
Other Charges (Cont.)			
Trustee's Commission	$ 142,968		
Workers' Compensation Insurance	118,000		
Total Other Charges		$ 371,947	
Contributions to Other Agencies			
Contributions	$ 329,812		
Total Contributions to Other Agencies		329,812	
Employee Benefits			
Employee and Dependent Insurance	$ 7,768		
Total Employee Benefits		7,768	
Miscellaneous			
Legal Services	$ 12,429		
Other Charges	15,070		
Total Miscellaneous		27,499	
Total General Fund			$ 10,937,410
Solid Waste/Sanitation Fund			
Public Health and Welfare			
Sanitation Management			
Laborers	$ 98,917		
Social Security	5,954		
Pensions	1,506		
Employee and Dependent Insurance	6,325		
Employer Medicare	1,393		
Advertising	126		
Communication	598		
Contracts with Other Public Agencies	343,627		
Legal Notices, Recording, and Court Costs	220		
Maintenance Agreements	1,500		
Maintenance and Repair Services - Equipment	4,196		
Maintenance and Repair Services - Vehicles	3,177		
Gasoline	1,101		
Utilities	4,479		

(Continued)

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

Solid Waste/Sanitation Fund (Cont.)			
Public Health and Welfare (Cont.)			
Sanitation Management (Cont.)			
Other Supplies and Materials	$ 2,421		
Trustee's Commission	6,429		
Other Charges	40,798		
Motor Vehicles	31,500		
Site Development	8,958		
Solid Waste Equipment	17,484		
Total Sanitation Management		$ 580,709	
Total Solid Waste/Sanitation Fund			$ 580,709
Drug Control Fund			
Public Safety			
Sheriff's Department			
Trustee's Commission	$ 569		
Motor Vehicles	100,607		
Total Sheriff's Department		$ 101,176	
Total Drug Control Fund			101,176
Other General Government Fund			
Other Operations			
American Rescue Plan Act Grant #1			
Building Improvements	$ 412,868		
Total American Rescue Plan Act Grant #1		$ 412,868	
American Rescue Plan Act Grant #2			
Other Charges	$ 92,250		
Total American Rescue Plan Act Grant #2		92,250	
American Rescue Plan Act Grant #3			
Other Charges	$ 5,700		
Total American Rescue Plan Act Grant #3		5,700	
American Rescue Plan Act Grant #4			
Contributions	$ 786,825		
Total American Rescue Plan Act Grant #4		786,825	

(Continued)

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

Other General Government Fund (Cont.)			
Highways			
American Rescue Plan Act Grant #1			
Highway Equipment	$ 257,930		
Motor Vehicles	9,000		
Total American Rescue Plan Act Grant #1		$ 266,930	
Total Other General Government Fund			$ 1,564,573
Highway/Public Works Fund			
Highways			
Administration			
County Official/Administrative Officer	$ 100,377		
Secretary(ies)	52,416		
Board and Committee Members Fees	1,200		
Social Security	8,973		
Pensions	8,801		
Employer Medicare	2,099		
Communication	4,411		
Contributions	5,000		
Dues and Memberships	2,737		
Legal Notices, Recording, and Court Costs	2,992		
Licenses	26		
Postal Charges	136		
Printing, Stationery, and Forms	2,674		
Electricity	3,822		
Natural Gas	787		
Water and Sewer	399		
Other Supplies and Materials	2,775		
Total Administration		$ 199,625	
Highway and Bridge Maintenance			
Equipment Operators	$ 108,778		
Truck Drivers	126,717		
Laborers	128,717		
Overtime Pay	12,228		
Social Security	22,526		
Pensions	21,683		
Employer Medicare	5,268		

(Continued)

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

Highway/Public Works Fund (Cont.)
Highways (Cont.)

Highway and Bridge Maintenance (Cont.)			
Other Contracted Services	$ 71,308		
Asphalt	197,897		
Asphalt - Liquid	290,487		
Crushed Stone	307,444		
Pipe - Metal	28,432		
Road Signs	9,151		
Structural Steel	7,024		
Other Supplies and Materials	3,631		
Total Highway and Bridge Maintenance		$	1,341,291
Operation and Maintenance of Equipment			
Mechanic(s)	$ 69,651		
Overtime Pay	2,621		
Social Security	4,202		
Pensions	4,163		
Employer Medicare	983		
Maintenance and Repair Services - Equipment	16,657		
Other Contracted Services	2,728		
Diesel Fuel	54,659		
Equipment and Machinery Parts	57,386		
Garage Supplies	34,088		
Gasoline	19,050		
Lubricants	8,238		
Tires and Tubes	17,758		
Other Supplies and Materials	648		
Total Operation and Maintenance of Equipment			292,832
Other Charges			
Liability Insurance	$ 9,724		
Trustee's Commission	25,233		
Vehicle and Equipment Insurance	60,000		
Workers' Compensation Insurance	41,000		
Other Charges	1,582		
Total Other Charges			137,539

(Continued)

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

Highway/Public Works Fund (Cont.)			
Highways (Cont.)			
Employee Benefits			
Medical Insurance	$ 82,738		
Unemployment Compensation	3,977		
Total Employee Benefits		$ 86,715	
Capital Outlay			
Engineering Services	$ 147,340		
Bridge Construction	763,870		
Highway Equipment	7,563		
Total Capital Outlay		918,773	
Total Highway/Public Works Fund			$ 2,976,775
General Debt Service Fund			
Principal on Debt			
Education			
Principal on Other Loans	$ 1,575,212		
Total Education		$ 1,575,212	
Interest on Debt			
Education			
Interest on Other Loans	$ 18,917		
Total Education		18,917	
Other Debt Service			
General Government			
Trustee's Commission	$ 1,536		
Total General Government		1,536	
Total General Debt Service Fund			1,595,665
General Capital Projects Fund			
General Government			
County Buildings			
Engineering Services	$ 36,549		
Maintenance and Repair Services - Buildings	52,296		
Other Supplies and Materials	46,263		

(Continued)

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

General Capital Projects Fund (Cont.)			
General Government (Cont.)			
County Buildings (Cont.)			
Trustee's Commission	$ 2,981		
Other Charges	32,302		
Building Improvements	48,404		
Motor Vehicles	3,000		
Other Equipment	23,397		
Total County Buildings		$ 245,192	
Total General Capital Projects Fund			$ 245,192
Education Capital Projects Fund			
Support Services			
Operation of Plant			
Maintenance and Repair Services - Buildings	$ 69,550		
Trustee's Commission	1,747		
Total Operation of Plant		$ 71,297	
Other Debt Service			
Education			
Trustee's Commission	$ 4,253		
Total Education		4,253	
Total Education Capital Projects Fund			75,550
Total Governmental Funds - Primary Government			$ 18,077,050

CANNON COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Cannon County School Department
For the Year Ended June 30, 2025

General Purpose School Fund
Instruction
Regular Instruction Program

Teachers	$ 5,633,450	
Career Ladder Program	11,000	
Educational Assistants	204,022	
Bonus Payments	59,750	
Other Salaries and Wages	500	
Certified Substitute Teachers	16,680	
Non-certified Substitute Teachers	57,820	
Social Security	337,245	
Pensions	324,231	
Medical Insurance	786,402	
Unemployment Compensation	4,325	
Employer Medicare	82,871	
Retirement - Hybrid Stabilization	79,422	
Other Contracted Services	94,175	
Instructional Supplies and Materials	109,651	
Textbooks - Bound	113,909	
Software	29,713	
Other Supplies and Materials	5,706	
TISA - On-behalf Payments	23,441	
Regular Instruction Equipment	74,241	
Total Regular Instruction Program		$ 8,048,554

Alternative Instruction Program

Teachers	$ 117,540	
Bonus Payments	1,000	
Social Security	7,292	
Pensions	6,500	
Medical Insurance	16,302	
Employer Medicare	1,705	
Retirement - Hybrid Stabilization	2,450	
Total Alternative Instruction Program		152,789

Special Education Program

Teachers	$ 748,371	
Educational Assistants	114,682	

(Continued)

CANNON COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Cannon County School Department (Cont.)

General Purpose School Fund (Cont.)			
Instruction (Cont.)			
Special Education Program (Cont.)			
Speech Pathologist	$ 243,680		
Bonus Payments	11,750		
Social Security	66,339		
Pensions	65,291		
Medical Insurance	183,039		
Employer Medicare	15,515		
Retirement - Hybrid Stabilization	10,905		
Total Special Education Program		$	1,459,572
Career and Technical Education Program			
Teachers	$ 574,883		
Career Ladder Program	1,000		
Bonus Payments	6,500		
Social Security	34,467		
Pensions	31,030		
Medical Insurance	80,996		
Employer Medicare	8,061		
Retirement - Hybrid Stabilization	13,145		
Instructional Supplies and Materials	32,272		
Software	7,249		
Other Supplies and Materials	9,244		
Other Charges	925		
Vocational Instruction Equipment	77,981		
Total Career and Technical Education Program			877,753
Support Services			
Attendance			
Supervisor/Director	$ 43,123		
Other Salaries and Wages	32,320		
Social Security	4,424		
Pensions	4,604		
Medical Insurance	7,752		
Employer Medicare	1,035		
Travel	4,610		
Other Supplies and Materials	15,953		
Total Attendance			113,821

(Continued)

CANNON COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Cannon County School Department (Cont.)

General Purpose School Fund (Cont.)			
Support Services (Cont.)			
Health Services			
Supervisor/Director	$ 43,123		
Medical Personnel	177,491		
Other Salaries and Wages	2,500		
Social Security	13,420		
Pensions	12,081		
Medical Insurance	24,564		
Employer Medicare	3,139		
Retirement - Hybrid Stabilization	4,069		
Communication	1,828		
Travel	6,455		
Drugs and Medical Supplies	1,207		
Other Supplies and Materials	18,361		
Total Health Services		$	308,238
Other Student Support			
Career Ladder Program	$ 1,000		
Guidance Personnel	344,078		
Bonus Payments	4,500		
Other Salaries and Wages	30,476		
Social Security	21,416		
Pensions	21,583		
Medical Insurance	46,112		
Employer Medicare	5,370		
Retirement - Hybrid Stabilization	1,549		
Communication	457		
Evaluation and Testing	5,128		
Travel	198		
Other Contracted Services	99		
Other Supplies and Materials	2,662		
Other Equipment	10,124		
Total Other Student Support			494,752
Regular Instruction Program			
Supervisor/Director	$ 96,540		
Career Ladder Program	2,000		

(Continued)

CANNON COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Cannon County School Department (Cont.)

General Purpose School Fund (Cont.)			
Support Services (Cont.)			
Regular Instruction Program (Cont.)			
Librarians	$ 271,128		
Instructional Coaches	134,371		
Bonus Payments	2,750		
Other Salaries and Wages	5,640		
Social Security	30,463		
Pensions	31,816		
Medical Insurance	62,145		
Employer Medicare	7,124		
Retirement - Hybrid Stabilization	1,350		
Travel	13,604		
Library Books/Media	22,210		
In Service/Staff Development	4,076		
Total Regular Instruction Program		$	685,217
Special Education Program			
Supervisor/Director	$ 44,258		
Career Ladder Program	2,000		
Psychological Personnel	64,805		
Bonus Payments	750		
Other Salaries and Wages	39,041		
Social Security	8,967		
Pensions	9,594		
Medical Insurance	21,781		
Employer Medicare	2,098		
Communication	739		
Travel	150		
Total Special Education Program			194,183
Career and Technical Education Program			
Supervisor/Director	$ 75,210		
Social Security	4,221		
Pensions	4,783		
Medical Insurance	14,405		
Employer Medicare	987		
Travel	644		
In Service/Staff Development	324		
Total Career and Technical Education Program			100,574

(Continued)

CANNON COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Cannon County School Department (Cont.)

General Purpose School Fund (Cont.)
Support Services (Cont.)

Technology			
Supervisor/Director	$ 75,503		
Other Salaries and Wages	97,688		
Social Security	10,273		
Pensions	9,976		
Medical Insurance	26,228		
Employer Medicare	2,403		
Communication	1,409		
Internet Connectivity	25,843		
Travel	2,443		
Other Contracted Services	2,966		
Cabling	14,930		
Software	58,952		
Other Supplies and Materials	8,497		
Other Charges	644		
Other Equipment	136,200		
Total Technology		$	473,955
Other Programs			
On-behalf Payments to OPEB	$ 64,745		
Total Other Programs			64,745
Board of Education			
Board and Committee Members Fees	$ 480		
Social Security	30		
Employer Medicare	7		
Audit Services	5,000		
Dues and Memberships	7,515		
Legal Services	2,640		
Building and Contents Insurance	138,730		
Liability Insurance	51,468		
Trustee's Commission	84,040		
Workers' Compensation Insurance	64,874		
Criminal Investigation of Applicants - TBI	8,742		
Other Charges	9,265		
Total Board of Education			372,791

(Continued)

CANNON COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Cannon County School Department (Cont.)

General Purpose School Fund (Cont.)
Support Services (Cont.)

Director of Schools			
County Official/Administrative Officer	$ 121,942		
Secretary(ies)	47,333		
Clerical Personnel	58,545		
Other Salaries and Wages	1,000		
Social Security	13,438		
Pensions	13,943		
Medical Insurance	41,048		
Employer Medicare	3,143		
Communication	5,722		
Dues and Memberships	2,198		
Postal Charges	3,445		
Travel	3,554		
Other Contracted Services	9,515		
Office Supplies	4,069		
Other Charges	921		
Total Director of Schools		$	329,816
Office of the Principal			
Principals	$ 445,862		
Assistant Principals	361,385		
Secretary(ies)	215,896		
Social Security	61,053		
Pensions	63,760		
Medical Insurance	139,590		
Employer Medicare	14,279		
Communication	1,389		
Travel	5,711		
Other Contracted Services	4,219		
Office Supplies	4,268		
Other Charges	1,029		
Total Office of the Principal			1,318,441
Fiscal Services			
Contributions	$ 125,450		
Total Fiscal Services			125,450

(Continued)

CANNON COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Cannon County School Department (Cont.)

General Purpose School Fund (Cont.)
Support Services (Cont.)

Operation of Plant			
Supervisor/Director	$ 40,863		
Custodial Personnel	158,005		
Social Security	11,127		
Pensions	10,468		
Medical Insurance	33,180		
Employer Medicare	2,790		
Other Contracted Services	75,282		
Custodial Supplies	2,894		
Electricity	406,328		
Natural Gas	27,811		
Water and Sewer	66,205		
Other Supplies and Materials	81,762		
Boiler Insurance	3,909		
Plant Operation Equipment	14,795		
Total Operation of Plant		$	935,419
Maintenance of Plant			
Supervisor/Director	$ 40,864		
Maintenance Personnel	101,117		
Social Security	8,573		
Pensions	8,178		
Medical Insurance	30,301		
Employer Medicare	2,005		
Communication	617		
Maintenance and Repair Services - Vehicles	1,192		
Other Contracted Services	95,071		
Other Supplies and Materials	51,977		
Other Charges	2,686		
Administration Equipment	35,133		
Maintenance Equipment	6,739		
Total Maintenance of Plant			384,453
Transportation			
Supervisor/Director	$ 36,320		
Bus Drivers	322,190		

(Continued)

CANNON COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Cannon County School Department (Cont.)

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Transportation (Cont.)		
Other Salaries and Wages	$ 38,146	
Social Security	24,502	
Pensions	19,455	
Employer Medicare	5,730	
Retirement - Hybrid Stabilization	34	
Communication	457	
Contracts with Vehicle Owners	173,298	
Maintenance and Repair Services - Vehicles	68,286	
Travel	4,162	
Gasoline	78,826	
Tires and Tubes	15,705	
Vehicle Parts	9,725	
Vehicle and Equipment Insurance	31,930	
Other Charges	11,163	
Transportation Equipment	761,919	
Total Transportation		$ 1,601,848
Operation of Non-Instructional Services		
Food Service		
Cafeteria Personnel	$ 6,103	
Social Security	378	
Pensions	352	
Unemployment Compensation	2	
Employer Medicare	88	
Total Food Service		6,923
Community Services		
Supervisor/Director	$ 7,523	
Teachers	37,046	
Social Security	2,322	
Pensions	2,263	
Employer Medicare	634	
Retirement - Hybrid Stabilization	190	
Travel	158	
Other Supplies and Materials	599	
Other Charges	709	
Total Community Services		51,444

(Continued)

CANNON COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Cannon County School Department (Cont.)

General Purpose School Fund (Cont.)			
Operation of Non-Instructional Services (Cont.)			
Early Childhood Education			
Supervisor/Director	$ 44,258		
Teachers	213,550		
Educational Assistants	49,515		
Other Salaries and Wages	3,000		
Certified Substitute Teachers	70		
Non-certified Substitute Teachers	4,830		
Social Security	18,708		
Pensions	18,102		
Medical Insurance	43,622		
Employer Medicare	4,375		
Retirement - Hybrid Stabilization	2,907		
Travel	474		
Other Contracted Services	5,500		
Instructional Supplies and Materials	12,244		
Other Supplies and Materials	86		
In Service/Staff Development	599		
Total Early Childhood Education		$ 421,840	
Capital Outlay			
Regular Capital Outlay			
Building Construction	$ 10,658		
Building Improvements	148,676		
Total Regular Capital Outlay		159,334	
Principal on Debt			
Education			
Debt Service Contribution to Primary Government	$ 91,212		
Total Education		91,212	
Interest on Debt			
Education			
Debt Service Contribution to Primary Government	$ 6,348		
Total Education		6,348	
Total General Purpose School Fund			$ 18,779,472

(Continued)

CANNON COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Cannon County School Department (Cont.)

School Federal Projects Fund			
Instruction			
Regular Instruction Program			
Teachers	$ 351,118		
Educational Assistants	75,319		
Bonus Payments	4,500		
Social Security	25,353		
Pensions	26,979		
Medical Insurance	82,834		
Unemployment Compensation	603		
Employer Medicare	5,929		
Instructional Supplies and Materials	51,717		
Software	32,652		
Other Supplies and Materials	13,327		
Total Regular Instruction Program		$	670,331
Special Education Program			
Educational Assistants	$ 132,444		
Social Security	7,960		
Pensions	7,463		
Medical Insurance	38,877		
Unemployment Compensation	688		
Employer Medicare	1,862		
Instructional Supplies and Materials	24,227		
Other Supplies and Materials	8,143		
Special Education Equipment	13,677		
Total Special Education Program			235,341
Career and Technical Education Program			
Instructional Supplies and Materials	$ 20,441		
Software	2,715		
Other Supplies and Materials	16,254		
Vocational Instruction Equipment	30,833		
Total Career and Technical Education Program			70,243
Support Services			
Other Student Support			
Guidance Personnel	$ 31,386		

(Continued)

CANNON COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Cannon County School Department (Cont.)

School Federal Projects Fund (Cont.)			
Support Services (Cont.)			
Other Student Support (Cont.)			
Social Security	$ 1,880		
Pensions	1,938		
Medical Insurance	4,919		
Employer Medicare	440		
Travel	233		
Other Supplies and Materials	1,128		
In Service/Staff Development	8,109		
Other Charges	9,404		
Total Other Student Support		$	59,437
Regular Instruction Program			
Supervisor/Director	$ 44,258		
Social Security	2,473		
Pensions	2,815		
Medical Insurance	7,883		
Unemployment Compensation	56		
Employer Medicare	578		
Consultants	300		
Travel	1,268		
Other Contracted Services	72,800		
Other Supplies and Materials	2,849		
In Service/Staff Development	20,626		
Total Regular Instruction Program			155,906
Special Education Program			
Supervisor/Director	$ 44,258		
Psychological Personnel	20,170		
Other Salaries and Wages	53,966		
Social Security	7,018		
Pensions	5,469		
Medical Insurance	17,235		
Unemployment Compensation	202		
Employer Medicare	1,641		
Contracts with Private Agencies	159,947		
Evaluation and Testing	5,662		

(Continued)

CANNON COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Cannon County School Department (Cont.)

School Federal Projects Fund (Cont.)			
Support Services (Cont.)			
Special Education Program (Cont.)			
Maintenance and Repair Services - Equipment	$ 471		
Travel	2,370		
Other Contracted Services	7,427		
In Service/Staff Development	17,534		
Other Charges	494		
Total Special Education Program		$	343,864
Career and Technical Education Program			
Supervisor/Director	$ 1,670		
Social Security	104		
Pensions	106		
Unemployment Compensation	13		
Employer Medicare	24		
In Service/Staff Development	3,720		
Total Career and Technical Education Program			5,637
Transportation			
Bus Drivers	$ 858		
Other Salaries and Wages	4,525		
Social Security	281		
Pensions	60		
Unemployment Compensation	30		
Employer Medicare	66		
Contracts with Parents	4,458		
Gasoline	8,054		
Other Charges	233		
Total Transportation			18,565
Operation of Non-Instructional Services			
Food Service			
Food Supplies	$ 3,106		
Total Food Service			3,106
Community Services			
Supervisor/Director	$ 5,983		

(Continued)

CANNON COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Cannon County School Department (Cont.)

School Federal Projects Fund (Cont.)			
Operation of Non-Instructional Services (Cont.)			
Community Services (Cont.)			
Teachers	$ 5,770		
Other Salaries and Wages	23,108		
Social Security	1,877		
Pensions	1,655		
Unemployment Compensation	142		
Employer Medicare	500		
Other Charges	1,019		
Total Community Services		$ 40,054	
Early Childhood Education			
Other Salaries and Wages	$ 6,000		
Total Early Childhood Education		6,000	
Total School Federal Projects Fund			$ 1,608,484
Central Cafeteria Fund			
Operation of Non-Instructional Services			
Food Service			
Supervisor/Director	$ 79,300		
Accountants/Bookkeepers	20,803		
Cafeteria Personnel	282,020		
Social Security	22,368		
Pensions	21,421		
Medical Insurance	73,253		
Unemployment Compensation	432		
Employer Medicare	5,231		
Maintenance and Repair Services - Equipment	25,535		
Travel	109		
Food Supplies	472,179		
Office Supplies	230		
USDA - Commodities	86,370		
Other Supplies and Materials	79,140		
In Service/Staff Development	338		
Other Charges	869		
Food Service Equipment	7,624		
Total Food Service		$ 1,177,222	
Total Central Cafeteria Fund			1,177,222

(Continued)

CANNON COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Cannon County School Department (Cont.)

Internal School Fund			
Operation of Non-Instructional Services			
Community Services			
Other Charges	$ 1,370,555		
Total Community Services		$ 1,370,555	
Total Internal School Fund			$ 1,370,555
Total Governmental Funds - Cannon County School Department			$ 22,935,733

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*

Cannon County Executive and
Board of County Commissioners
Cannon County, Tennessee

To the County Executive and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cannon County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Cannon County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated October 7, 2025. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the Cannon County School Department (a discretely presented component unit) as described in our report on Cannon County's financial statements. This report does not include the results of the other auditor's 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 Cannon County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Cannon County's internal control. Accordingly, we do not express an opinion on the effectiveness of Cannon County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cannon 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 Cannon 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

October 7, 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

Cannon County Executive and
Board of County Commissioners
Cannon County, Tennessee

To the County Executive and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Cannon 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 Cannon County's major federal programs for the year ended June 30, 2025. Cannon 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, Cannon 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 contained in *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Cannon 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 Cannon 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 Cannon County's federal programs.

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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 Cannon 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 Cannon 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 Cannon 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 Cannon 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 Cannon County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cannon County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Cannon County's basic financial statements. We issued our report thereon dated October 7, 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

October 7, 2025

JEM/gc

CANNON COUNTY, TENNESSEE, AND THE CANNON COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (6)
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	$	244,114	
National School Lunch Program	10.555	N/A		0		669,408	(5)
Passed-through State Department of Agriculture:							
Child Nutrition Cluster: (3)							
Rebate of Storage and Distribution Fees	10.555	N/A		0		5,858	(5)
National School Lunch Program(Commodities - Noncash Assistance)	10.555	N/A		0		86,370	(5)
Total U.S. Department of Agriculture					$	1,005,750	
U.S. Department of Housing and Urban Development:							
Passed-through State Department of Economic and Community Development:							
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	(4)		0	$	420,000	
Total U.S. Department of Housing and Urban Development					$	420,000	
U.S. Department of Transportation:							
Passed-through State Department of Safety and Homeland Security:							
Alcohol Open Container Requirements	20.607	(4)		0	$	6,922	
Total U.S. Department of Transportation					$	6,922	
U.S. Department of the Treasury:							
Passed-through State Department of Environment and Conservation:							
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	(7)	786,825	$	844,915	(5)
Passed-through State Department of Health:							
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A		0		34,698	(5)
Total U.S. Department of the Treasury					$	879,613	
U.S. National Foundation on the Arts and the Humanities:							
Passed-through Tennessee Secretary of State:							
Grants to States	45.310	(4)		0	$	3,181	
Total U.S. National Foundation on the Arts and the Humanities					$	3,181	
U.S. Department of Education:							
Passed-through State Department of Education:							
Title I Grants to Local Educational Agencies	84.010	N/A		0	$	627,310	
Special Education Cluster (IDEA): (3)							
Special Education Grants to States	84.027	N/A		0		586,691	
Special Education Preschool Grants	84.173	N/A		0		2,171	
Career and Technical Education - Basic Grants to States	84.048	N/A		0		89,535	
Twenty-First Century Community Learning Centers	84.287	N/A		0		40,053	
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367	N/A		0		3,338	
COVID 19 - Comprehensive Literacy Development	84.371	N/A		0		6,000	
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER GEER)	84.425C	N/A		0		87,800	(5)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	N/A		0		141,551	(5)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund - Homeless Children and Youth (ESSER ARP)	84.425W	N/A		0		9,883	(5)
Total U.S. Department of Education					$	1,594,332	
U.S. Department of Health and Human Services:							
Passed-through State Department of Education:							
COVID 19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	N/A		0	$	14,153	
Total U.S. Department of Health and Human Services					$	14,153	

(Continued)

CANNON COUNTY, TENNESSEE, AND THE CANNON COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (6) (Cont.)

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 Homeland Security:				
Passed-through State Department of Military:				
Homeland Security Grant Program	97.067	(4)	$ 0	$ 241,279
Total U.S. Department of Homeland Security				$ 241,279
Total Expenditures of Federal Grants				$ 4,165,230

State Grants		Contract Number	
Juvenile Justice State Supplement Funds - State Commission on Children and Youth	N/A	(4)	$ 9,000
Tennessee Certified Recovery Court Program - State Department of Mental Health and Substance Abuse Services	N/A	(4)	100,000
Statewide School Resource Officer - State Department of Safety and Homeland Security	N/A	(4)	375,000
Tennessee Agriculture Enhancement Program - State Department of Agriculture	N/A	(4)	48,404
Recruiting and Retention Grant - State Department of Commerce and Insurance	N/A	(4)	18,000
Three Star - State Department of Economic and Community Development	N/A	(4)	31,696
Early Childhood Education - State Department of Education	N/A	N/A	463,974
Innovative School Models - State Department of Education	N/A	N/A	283,243
LEAPS - State Department of Education	N/A	N/A	51,510
Recycling Equipment Grant - State Department of Environment and Conservation	N/A	(4)	40,798
Local Health Services - State Department of Health	N/A	(4)	4,057
Litter Program - State Department of Transportation	N/A	(4)	37,527
Training Opportunities for the Public (TOP) Grant - Tennessee Secretary of State	N/A	(4)	1,469
Total State Grants			$ 1,464,678

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) Cannon County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
(3) Child Nutrition Cluster total $1,005,750; Special Education Cluster (IDEA) total $588,862.
(4) Information not available.
(5) Total for ALN 10.555 is $761,636; Total for ALN 21.027 is $879,613; Total for ALN 84.425 is $239,234.
(6) CONSOLIDATED ADMINISTRATION

The following amounts were consolidated for administration purposes:

Program Title	ALN	Amount Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	$ 61,379
Supporting Effective Instruction State Grant	84.367	852
Total amounts consolidated for administration purposes		$ 62,231

(7) SUBRECIPIENT AMOUNTS

The following amounts were paid to subrecipients from the COVID 19 - Coronavirus State and Local Fiscal Recover Funds (ARP) :

Program Title	ALN	Amount Provided to Subrecipients
Town of Woodbury	21.027	$ 786,825
Total amounts provided to subrecipients		$ 786,825

CANNON 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 Cannon County, Tennessee, for the year ended June 30, 2025.

Prior-year Financial Statement Findings

There were no prior-year financial statement findings to report.

Prior-year Federal Awards Findings

There were no prior-year federal award findings to report.

CANNON 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 Cannon County is unmodified.

2. Internal Control Over Financial Reporting:

   * Material weakness identified? **NO**

   * Significant deficiency identified? **NONE REPORTED**

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 Number: 21.027 — COVID 19 - Coronavirus State and Local Fiscal Recovery Funds

8. Dollar threshold used to distinguish between Type A and Type B Programs. **$750,000**

9. Auditee qualified as low-risk auditee? **YES**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

There were no findings relating to the financial statements of Cannon County, Tennessee, as a result of our examination for the year ended June 30, 2025.

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.

CANNON COUNTY, TENNESSEE
MANAGEMENT'S CORRECTIVE ACTION PLAN
For the Year Ended June 30, 2025

The audit of Cannon County did not report any findings and recommendations. Therefore, no management responses are 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).