



ANNUAL FINANCIAL REPORT

Johnson County, Tennessee

For the Year Ended June 30, 2025

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

ANNUAL FINANCIAL REPORT
JOHNSON 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

ROBERT J. ANDERSON, CPA, CGFM
Audit Manager

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

JOHNSON COUNTY, TENNESSEE

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Summary of Audit Findings

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

Scope

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

Results

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

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

Findings

The following are summaries of the audit findings:

OFFICES OF DIRECTOR OF SCHOOLS AND DIRECTOR OF ACCOUNTS AND BUDGETS

- ◆ The School Federal Projects Fund had accounting deficiencies.

OFFICES OF DIRECTOR OF ACCOUNTS AND BUDGETS AND TRUSTEE

- ◆ School resource officer grant revenue was miscoded.

OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS

- ◆ Unclaimed funds were not reported and paid to the state.

OFFICE OF TRUSTEE

- ◆ Bank deposits were not posted to the general ledger in a timely manner.
- ◆ The office did not review its software audit logs.

OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK

- ◆ The Office of Circuit and General Sessions Courts Clerk had accounting deficiencies.



INTRODUCTORY SECTION

JOHNSON COUNTY OFFICIALS

June 30, 2025

Officials

Larry Potter, County Mayor
Jeff Wagner, Road Superintendent
Mischelle Simcox, Director of Schools
Lisa Crowder, Trustee
Matthew Lewis, Assessor of Property
Tammie Fenner, County Clerk
Melissa Hollaway, Circuit and General Sessions Courts Clerk
Sherrie Fenner, Clerk and Master
Freida May Gwinn, Register of Deeds
Clifton Worley, Sheriff
Troy Arnold, Purchasing Agent
Russell Robinson, Director of Accounts and Budgets

Board of County Commissioners

Freddy Phipps, Chairman	Megan McEwan
Eugene Campbell	Gina Meade
Lester Dunn	Kody Norris
Jerry Gentry	Cody Isaac Osborne
Tracy Greer	Tommy Poore
Robert Grindstaff	Brian Taylor
Huey Long	Vacant
Jimmy Lowe	

Board of Education

Kevin Long, Chairman	Russell Robinson
Holly Brown	Ed Walker
Chad Greever	

Audit Committee

Eugene Campbell, Chairman
Sally Snyder
Gina Meade
Megan McEwan

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Audit for the Financial Statements

Opinions

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 Johnson 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 Johnson 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 Internal School Fund, which represent 1.17 percent, 1.68 percent, and 1.96 percent, respectively, of the assets, net position, and revenues of the discretely presented Johnson County School Department. 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 Internal School Fund of the discretely presented Johnson County School Department, 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 Johnson County, Tennessee, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Changes in Accounting Principle

As described in Note V.B., Johnson 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 a restatement to the beginning Governmental Activities net position totaling (\$67,361) for the discretely presented Johnson 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 Johnson 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 Johnson 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 Johnson 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 schedules of changes in the county's net pension liability (asset) and related ratios, schedules of county and school contributions, schedules of school's proportionate share of the net pension liability (asset), and schedules of county and school changes in the total other postemployment benefits liability and related ratios, as listed under Required Supplementary Information in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Johnson County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and Special Debt Service funds, combining and individual fund financial statements of the Johnson County School Department (a discretely presented component unit), and miscellaneous schedules are presented for

purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and Special Debt Service funds, combining and individual fund financial statements of the Johnson 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 8, 2025, on our consideration of Johnson 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 Johnson 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 Johnson County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

October 8, 2025

JEM/gc

BASIC FINANCIAL STATEMENTS SECTION

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

	Primary Government Governmental Activities	Component Unit Johnson County School Department
ASSETS		
Cash	\$ 14,958	\$ 1,389,793
Equity in Pooled Cash and Investments	25,914,077	7,478,318
Accounts Receivable	213,143	55,743
Due from Other Governments	2,250,798	2,379,849
Due from Component Units	451,909	0
Property Taxes Receivable	5,995,194	2,721,503
Allowance for Uncollectible Property Taxes	(74,040)	(33,610)
Prepaid Items	0	489,675
Notes Receivable - Long Term	3,663,386	0
Leases Receivable	831,638	0
Cash Shortage	0	2,620,140
Restricted Assets:		
Amounts Accumulated for OPEB Benefits	0	1,682,038
Amounts Accumulated for Pension Benefits	183,949	552,646
Net Pension Asset - Agent Plan - Legacy	1,297,376	794,828
Net Pension Asset - Agent Plan - Hybrid	15,642	12,415
Net Pension Asset - Teacher Retirement Plan	0	151,052
Net Pension Asset - Teacher Legacy Pension Plan	0	3,403,305
Capital Assets:		
Assets Not Depreciated:		
Land	1,057,557	1,103,734
Construction in Progress	2,002,122	5,343,588
Assets Net of Accumulated Depreciation/Amortization:		
Buildings and Improvements	7,399,572	9,216,334
Infrastructure	5,977,711	160,900
Other Capital Assets	1,090,643	2,044,742
Total Assets	<u>\$ 58,285,635</u>	<u>\$ 41,566,993</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Charge on Refunding	\$ 20,783	\$ 0
Pension Changes in Experience	274,427	1,101,236
Pension Changes in Assumptions	8,521	66,789
Pension Changes in Proportion	0	134,373
Pension Contributions after Measurement Date	299,029	777,511
OPEB Changes in Experience	3,741	615,567
OPEB Changes in Proportion	0	36,698
OPEB Changes in Assumptions	120,463	636,026
OPEB Benefits Paid after Measurement Date	14,294	217,519
Total Deferred Outflows of Resources	<u>\$ 741,258</u>	<u>\$ 3,585,719</u>

(Continued)

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

	Primary Government Governmental Activities	Component Unit Johnson County School Department
LIABILITIES		
Accounts Payable	\$ 78,775	\$ 3,389,155
Accrued Payroll	7,982	13,992
Accrued Interest Payable	3,138	0
Payroll Deductions Payable	101,453	570,699
Contracts Payable	34,678	0
Due to Primary Government	0	451,909
Due to State of Tennessee	23,841	52,166
Due to Other Governments	228,538	0
Other Current Liabilities	1,815,776	152,354
Noncurrent Liabilities:		
Due Within One Year - Debt	1,007,000	0
Due Within One Year - Other	503,760	349,681
Due in More Than One Year - Debt	16,968,386	0
Due in More Than One Year - Other	814,170	5,833,975
Total Liabilities	<u>\$ 21,587,497</u>	<u>\$ 10,813,931</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred Current Property Taxes	\$ 5,741,806	\$ 2,606,478
Deferred Lease Receivables	831,638	0
Pension Changes in Experience	0	46,407
Pension Changes in Investment Earnings	229,201	830,227
Pension Changes in Proportion	0	83,039
OPEB Changes in Experience	93,121	1,237,904
OPEB Changes in Proportion	0	181,614
OPEB Changes in Assumptions	150,263	378,580
Total Deferred Inflows of Resources	<u>\$ 7,046,029</u>	<u>\$ 5,364,249</u>
NET POSITION		
Net Investment in Capital Assets	\$ 15,568,863	\$ 17,869,298
Restricted for:		
General Government	270,605	0
Finance	82,086	0
Administration of Justice	121,207	0
Public Safety	601,706	0
Public Health and Welfare	61,481	0
Highways	89,563	0
Education	0	2,847,022
Pensions	1,496,967	4,914,246
Capital Outlay	1,469,959	0
Other Purposes	45,224	0
Unrestricted	<u>10,585,706</u>	<u>3,343,966</u>
Total Net Position	<u>\$ 30,393,367</u>	<u>\$ 28,974,532</u>

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

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

Functions/Programs					Net (Expense) Revenue and Changes in Net Position	
	Expenses	Program Revenues			Primary Governmental Activities	Component Unit Johnson County School Department
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
Primary Government:						
Governmental Activities:						
General Government	\$ 2,319,181	\$ 671,075	\$ 525,911	\$ 1,708,575	\$ 586,380	\$ 0
Finance	1,338,314	640,213	0	0	(698,101)	0
Administration of Justice	974,236	297,627	9,000	0	(667,609)	0
Public Safety	7,090,513	1,043,043	726,070	1,276,980	(4,044,420)	0
Public Health and Welfare	2,322,319	1,001,786	246,764	1,522,023	448,254	0
Social, Cultural, and Recreational Services	331,822	9,092	33,738	312,278	23,286	0
Agriculture and Natural Resources	162,122	0	0	0	(162,122)	0
Highways	5,040,190	0	2,248,074	1,138,351	(1,653,765)	0
Interest on Long-term Debt	62,512	0	23,577	0	(38,935)	0
Total Primary Government	\$ 19,641,209	\$ 3,662,836	\$ 3,813,134	\$ 5,958,207	\$ (6,207,032)	\$ 0
Component Unit:						
Johnson County School Department	\$ 52,163,209	\$ 1,251,418	\$ 5,560,309	\$ 65,504	\$ 0	\$ (45,285,978)
Total Component Unit	\$ 52,163,209	\$ 1,251,418	\$ 5,560,309	\$ 65,504	\$ 0	\$ (45,285,978)

(Continued)

JOHNSON COUNTY, TENNESSEE
Statement of Activities (Cont.)

					Net (Expense) Revenue and Changes in Net Position	
					Primary Government Governmental Activities	Component Unit
						Johnson County School Department
Functions/Programs	Expenses	Program Revenues				
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 5,272,868	\$ 2,646,692
Property Taxes Levied for Debt Service					498,652	0
Local Option Sales Taxes					885,676	1,807,400
Hotel/Motel Tax					108,960	0
Wheel Tax					728,294	0
Litigation Tax - General					15,432	0
Litigation Tax - Special Purpose					39,801	0
Litigation Tax - Jail, Workhouse, or Courthouse					11,516	0
Business Tax					123,069	0
Mixed Drink Tax					4,390	4,390
Mineral Severance Tax					5,460	0
Wholesale Beer Tax					57,549	0
Grants and Contributions Not Restricted to Specific Programs					1,101,735	39,604,091
Unrestricted Investment Income					888,281	17,034
Lease Interest					10,889	0
Miscellaneous					46,353	240,902
Proceeds from Sale of Capital Assets					0	15,612
Sale of Property					8,615	0
Total General Revenues					<u>\$ 9,807,540</u>	<u>\$ 44,336,121</u>
Change in Net Position						
Net Position, July 1, 2024					\$ 3,600,508	\$ (949,857)
Restatement - See Note I.D.10.					26,792,859	29,991,750
					<u>0</u>	<u>(67,361)</u>
Net Position, June 30, 2025					<u>\$ 30,393,367</u>	<u>\$ 28,974,532</u>

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

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

	Major Funds					
	General	Highway / Public Works	General Debt Service	Special Debt Service	Community Development/ Industrial Park	Highway Capital Projects
ASSETS						
Cash	\$ 12,480	\$ 928	\$ 0	\$ 0	\$ 0	\$ 0
Equity in Pooled Cash and Investments	5,896,033	656,224	5,450,471	6,245,224	1,014,840	4,988,784
Accounts Receivable	140,490	0	0	0	0	0
Due from Other Governments	1,474,703	388,219	5,264	0	0	0
Due from Other Funds	1,024	0	1,522,916	0	0	0
Due from Component Units	451,909	0	0	0	0	0
Property Taxes Receivable	5,166,910	0	512,747	0	0	0
Allowance for Uncollectible Property Taxes	(63,811)	0	(6,332)	0	0	0
Restricted Assets	183,949	0	0	0	0	0
Notes Receivable - Long-term	0	0	0	3,663,386	0	0
Leases Receivable - Long-term	0	0	0	0	831,638	0
Total Assets	<u>\$ 13,263,687</u>	<u>\$ 1,045,371</u>	<u>\$ 7,485,066</u>	<u>\$ 9,908,610</u>	<u>\$ 1,846,478</u>	<u>\$ 4,988,784</u>
LIABILITIES						
Accounts Payable	\$ 40,550	\$ 14,969	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Payroll	7,982	0	0	0	0	0
Payroll Deductions Payable	80,601	20,852	0	0	0	0
Contracts Payable	0	22,750	0	0	0	0
Due to Other Funds	0	1,000,000	0	0	522,916	0

(Continued)

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

	Major Funds					
	General	Highway / Public Works	General Debt Service	Special Debt Service	Community Development/ Industrial Park	Highway Capital Projects
LIABILITIES (Cont.)						
Due to State of Tennessee	\$ 23,693	\$ 148	\$ 0	\$ 0	\$ 0	\$ 0
Due to Other Governments	0	0	0	0	0	0
Other Current Liabilities	1,813,232	928	0	0	0	0
Total Liabilities	<u>\$ 1,966,058</u>	<u>\$ 1,059,647</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 522,916</u>	<u>\$ 0</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred Current Property Taxes	\$ 4,948,530	\$ 0	\$ 491,076	\$ 0	\$ 0	\$ 0
Deferred Delinquent Property Taxes	135,776	0	13,474	0	0	0
Deferred Leases Receivable	0	0	0	0	831,638	0
Other Deferred/Unavailable Revenue	815,401	189,898	2,625	0	0	0
Total Deferred Inflows of Resources	<u>\$ 5,899,707</u>	<u>\$ 189,898</u>	<u>\$ 507,175</u>	<u>\$ 0</u>	<u>\$ 831,638</u>	<u>\$ 0</u>
FUND BALANCES						
Restricted:						
Restricted for General Government	\$ 270,605	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Restricted for Finance	82,086	0	0	0	0	0
Restricted for Administration of Justice	121,207	0	0	0	0	0
Restricted for Public Safety	481,076	0	0	0	0	0
Restricted for Public Health and Welfare	61,481	0	0	0	0	0

(Continued)

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

	Major Funds					
	General	Highway / Public Works	General Debt Service	Special Debt Service	Community Development/ Industrial Park	Highway Capital Projects
FUND BALANCES (Cont.)						
Restricted (Cont.):						
Restricted for Capital Outlay	\$ 0	\$ 0	\$ 0	\$ 0	\$ 105,927	\$ 4,988,784
Restricted for Debt Service	0	0	0	3,663,386	0	0
Restricted for Capital Projects	1,347,436	0	0	0	0	0
Restricted for Hybrid Retirement Stabilization Funds	183,949	0	0	0	0	0
Committed:						
Committed for Public Health and Welfare	0	0	0	0	0	0
Committed for Social, Cultural, and Recreational Services	0	0	0	0	0	0
Committed for Capital Outlay	0	0	0	0	385,997	0
Committed for Debt Service	0	0	6,977,891	0	0	0
Committed for Other Purposes	0	0	0	6,245,224	0	0
Assigned:						
Assigned for General Government	451,434	0	0	0	0	0
Assigned for Finance	36,068	0	0	0	0	0
Assigned for Public Safety	705,860	0	0	0	0	0
Assigned for Capital Projects	144,482	0	0	0	0	0
Unassigned	1,512,238	(204,174)	0	0	0	0
Total Fund Balances	\$ 5,397,922	\$ (204,174)	\$ 6,977,891	\$ 9,908,610	\$ 491,924	\$ 4,988,784
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 13,263,687	\$ 1,045,371	\$ 7,485,066	\$ 9,908,610	\$ 1,846,478	\$ 4,988,784

(Continued)

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

	Nonmajor Funds		
	Other Govern- mental Funds	Total Governmental Funds	
ASSETS			
Cash	\$ 1,550	\$ 14,958	
Equity in Pooled Cash and Investments	1,662,501	25,914,077	
Accounts Receivable	72,653	213,143	
Due from Other Governments	382,612	2,250,798	
Due from Other Funds	0	1,523,940	
Due from Component Units	0	451,909	
Property Taxes Receivable	315,537	5,995,194	
Allowance for Uncollectible Property Taxes	(3,897)	(74,040)	
Restricted Assets	0	183,949	
Notes Receivable - Long-term	0	3,663,386	
Leases Receivable - Long-term	0	831,638	
Total Assets	<u>\$ 2,430,956</u>	<u>\$ 40,968,952</u>	
LIABILITIES			
Accounts Payable	\$ 23,256	\$ 78,775	
Accrued Payroll	0	7,982	
Payroll Deductions Payable	0	101,453	
Contracts Payable	11,928	34,678	
Due to Other Funds	1,024	1,523,940	

(Continued)

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

	Nonmajor Funds		
	Other Govern- mental Funds	Total Governmental Funds	
LIABILITIES (Cont.)			
Due to State of Tennessee	\$ 0	\$ 23,841	
Due to Other Governments	228,538	228,538	
Other Current Liabilities	1,616	1,815,776	
Total Liabilities	<u>\$ 266,362</u>	<u>\$ 3,814,983</u>	
DEFERRED INFLOWS OF RESOURCES			
Deferred Current Property Taxes	\$ 302,200	\$ 5,741,806	
Deferred Delinquent Property Taxes	8,292	157,542	
Deferred Leases Receivable	0	831,638	
Other Deferred/Unavailable Revenue	318,138	1,326,062	
Total Deferred Inflows of Resources	<u>\$ 628,630</u>	<u>\$ 8,057,048</u>	
FUND BALANCES			
Restricted:			
Restricted for General Government	\$ 0	\$ 270,605	
Restricted for Finance	0	82,086	
Restricted for Administration of Justice	0	121,207	
Restricted for Public Safety	120,630	601,706	
Restricted for Public Health and Welfare	0	61,481	

(Continued)

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

	Nonmajor Funds	
	Other Govern- mental Funds	Total Governmental Funds
FUND BALANCES (Cont.)		
Restricted (Cont.):		
Restricted for Capital Outlay	\$ 0	\$ 5,094,711
Restricted for Debt Service	0	3,663,386
Restricted for Capital Projects	0	1,347,436
Restricted for Hybrid Retirement Stabilization Funds	0	183,949
Committed:		
Committed for Public Health and Welfare	497,150	497,150
Committed for Social, Cultural, and Recreational Services	28,380	28,380
Committed for Capital Outlay	889,804	1,275,801
Committed for Debt Service	0	6,977,891
Committed for Other Purposes	0	6,245,224
Assigned:		
Assigned for General Government	0	451,434
Assigned for Finance	0	36,068
Assigned for Public Safety	0	705,860
Assigned for Capital Projects	0	144,482
Unassigned	0	1,308,064
Total Fund Balances	<u>\$ 1,535,964</u>	<u>\$ 29,096,921</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,430,956</u>	<u>\$ 40,968,952</u>

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

JOHNSON 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)		\$ 29,096,921
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 1,057,557	
Add: construction in progress	2,002,122	
Add: buildings and improvements net of accumulated depreciation	7,399,572	
Add: infrastructure net of accumulated depreciation	5,977,711	
Add: other capital assets net of accumulated depreciation	<u>1,090,643</u>	17,527,605
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: bonds payable	\$ (3,112,000)	
Less: notes payable	(5,000,000)	
Less: other loans payable	(9,863,386)	
Add: deferred amount on refunding	20,783	
Less: compensated absences payable	(438,176)	
Less: landfill postclosure care costs	(194,782)	
Less: OPEB liability	(684,972)	
Less: accrued interest on bonds and notes payable	<u>(3,138)</u>	(19,275,671)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 581,977	
Less: deferred inflows of resources related to pensions	(229,201)	
Add: deferred outflows of resources related to OPEB	138,498	
Less: deferred inflows of resources related to OPEB	<u>(243,384)</u>	247,890
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - agent plan - legacy	\$ 1,297,376	
Add: net pension asset - agent plan - hybrid	<u>15,642</u>	1,313,018
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>1,483,604</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 30,393,367</u></u>

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

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

	Major Funds					
	General	Highway / Public Works	General Debt Service	Special Debt Service	Community Development/ Industrial Park	Highway Capital Projects
Revenues						
Local Taxes	\$ 6,405,544	\$ 259,714	\$ 797,098	\$ 0	\$ 0	\$ 0
Licenses and Permits	66,833	0	0	0	0	0
Fines, Forfeitures, and Penalties	71,695	25	0	0	0	0
Charges for Current Services	118,014	0	0	0	0	0
Other Local Revenues	1,490,519	0	0	45,224	528,492	8,304
Fees Received From County Officials	888,980	0	0	0	0	0
State of Tennessee	3,829,814	3,350,380	1,622	0	0	0
Federal Government	386,371	0	0	0	0	0
Other Governments and Citizens Groups	332,244	0	264,154	0	0	0
Total Revenues	\$ 13,590,014	\$ 3,610,119	\$ 1,062,874	\$ 45,224	\$ 528,492	\$ 8,304
Expenditures						
Current:						
General Government	\$ 812,870	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Finance	1,157,948	0	0	0	0	0
Administration of Justice	990,826	0	0	0	0	0
Public Safety	5,327,263	0	0	0	0	0
Public Health and Welfare	294,451	0	0	0	0	0
Social, Cultural, and Recreational Services	252,926	0	0	0	0	0
Agriculture and Natural Resources	168,549	0	0	0	0	0
Other Operations	2,374,810	0	0	0	0	0
Highways	50,224	5,781,871	0	0	0	0

(Continued)

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

	Major Funds					
	General	Highway / Public Works	General Debt Service	Special Debt Service	Community Development/ Industrial Park	Highway Capital Projects
Expenditures (Cont.)						
Debt Service:						
Principal on Debt	\$ 53,305	\$ 0	\$ 966,000	\$ 0	\$ 0	\$ 0
Interest on Debt	642	0	49,344	0	0	0
Other Debt Service	0	0	13,060	0	0	19,520
Capital Projects	1,294,664	0	0	0	15,693	0
Total Expenditures	<u>\$ 12,778,478</u>	<u>\$ 5,781,871</u>	<u>\$ 1,028,404</u>	<u>\$ 0</u>	<u>\$ 15,693</u>	<u>\$ 19,520</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 811,536</u>	<u>\$ (2,171,752)</u>	<u>\$ 34,470</u>	<u>\$ 45,224</u>	<u>\$ 512,799</u>	<u>\$ (11,216)</u>
Other Financing Sources (Uses)						
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,000,000
Other Loans Issued	0	0	0	9,863,386	0	0
Insurance Recovery	107,678	5,125	0	0	0	0
Transfers In	0	58,610	0	0	0	0
Transfers Out	0	0	0	0	0	0
Total Other Financing Sources (Uses)	<u>\$ 107,678</u>	<u>\$ 63,735</u>	<u>\$ 0</u>	<u>\$ 9,863,386</u>	<u>\$ 0</u>	<u>\$ 5,000,000</u>
Net Change in Fund Balances	\$ 919,214	\$ (2,108,017)	\$ 34,470	\$ 9,908,610	\$ 512,799	\$ 4,988,784
Fund Balance, July 1, 2024	<u>4,478,708</u>	<u>1,903,843</u>	<u>6,943,421</u>	<u>0</u>	<u>(20,875)</u>	<u>0</u>
Fund Balance, June 30, 2025	<u><u>\$ 5,397,922</u></u>	<u><u>\$ (204,174)</u></u>	<u><u>\$ 6,977,891</u></u>	<u><u>\$ 9,908,610</u></u>	<u><u>\$ 491,924</u></u>	<u><u>\$ 4,988,784</u></u>

(Continued)

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

	Nonmajor Funds		Total Governmental Funds
	Other Govern- mental Funds		Funds
<hr/>			
Revenues			
Local Taxes	\$ 418,790	\$	7,881,146
Licenses and Permits	0		66,833
Fines, Forfeitures, and Penalties	17,855		89,575
Charges for Current Services	990,185		1,108,199
Other Local Revenues	28,496		2,101,035
Fees Received From County Officials	0		888,980
State of Tennessee	20,694		7,202,510
Federal Government	1,552,541		1,938,912
Other Governments and Citizens Groups	664,062		1,260,460
Total Revenues	<u>\$ 3,692,623</u>	<u>\$</u>	<u>22,537,650</u>
Expenditures			
Current:			
General Government	\$ 301	\$	813,171
Finance	236		1,158,184
Administration of Justice	4,422		995,248
Public Safety	38,254		5,365,517
Public Health and Welfare	1,008,589		1,303,040
Social, Cultural, and Recreational Services	103,802		356,728
Agriculture and Natural Resources	0		168,549
Other Operations	1,368,826		3,743,636
Highways	0		5,832,095

(Continued)

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

	Nonmajor Funds		Total Governmental Funds
	Other Govern- mental Funds		Funds
<hr/>			
Expenditures (Cont.)			
Debt Service:			
Principal on Debt	\$ 0	\$	1,019,305
Interest on Debt	0		49,986
Other Debt Service	0		32,580
Capital Projects	1,772,238		3,082,595
Total Expenditures	<u>\$ 4,296,668</u>	<u>\$</u>	<u>23,920,634</u>
 Excess (Deficiency) of Revenues Over Expenditures			
	<u>\$ (604,045)</u>	<u>\$</u>	<u>(1,382,984)</u>
 Other Financing Sources (Uses)			
Notes Issued	\$ 0	\$	5,000,000
Other Loans Issued	0		9,863,386
Insurance Recovery	8,819		121,622
Transfers In	0		58,610
Transfers Out	(58,610)		(58,610)
Total Other Financing Sources (Uses)	<u>\$ (49,791)</u>	<u>\$</u>	<u>14,985,008</u>
 Net Change in Fund Balances	<u>\$ (653,836)</u>	<u>\$</u>	<u>13,602,024</u>
Fund Balance, July 1, 2024	2,189,800		15,494,897
 Fund Balance, June 30, 2025	<u><u>\$ 1,535,964</u></u>	<u><u>\$</u></u>	<u><u>29,096,921</u></u>

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

JOHNSON 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)		\$ 13,602,024
(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	\$ 4,454,689	
Less: current-year depreciation expense	(1,567,135)	
Less: current-year amortization of intangible right to use assets	(53,305)	2,834,249
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Add: assets donated and capitalized	\$ 58,367	
Less: book value of capital assets disposed	(377,378)	(319,011)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2025	\$ 1,483,604	
Less: deferred delinquent property taxes and other deferred June 30, 2024	(451,907)	1,031,697
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases, SBITAs) 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 effect of these differences in the treatment of long-term debt and related items.		
Add: principal payments on bonds	\$ 966,000	
Add: principal payments on SBITA	53,305	
Less: capital note proceeds	(5,000,000)	
Less: other loan proceeds	(9,863,386)	
Less: change in deferred charge on refunding	(13,500)	(13,857,581)
(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	\$ 974	
Change in compensated absences payable	(16,487)	
Change in landfill postclosure care costs	90,543	
Change in net OPEB liability	(92,456)	
Change in deferred outflows related to OPEB	13,001	
Change in deferred inflows related to OPEB	64,620	
Change in net pension asset/liability - hybrid	32,893	
Change in net pension asset/liability - agent	485,429	
Change in deferred outflows related to pensions	(46,925)	
Change in deferred inflows related to pensions	(222,462)	309,130
Change in net position of governmental activities (Exhibit B)		<u>\$ 3,600,508</u>

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

JOHNSON COUNTY, TENNESSEE**Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget**

General 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		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 6,405,544	\$ 0	\$ 0	\$ 6,405,544	\$ 5,972,864	\$ 5,972,864	\$ 432,680
Licenses and Permits	66,833	0	0	66,833	82,500	82,500	(15,667)
Fines, Forfeitures, and Penalties	71,695	0	0	71,695	86,100	86,177	(14,482)
Charges for Current Services	118,014	0	0	118,014	102,000	107,000	11,014
Other Local Revenues	1,490,519	0	0	1,490,519	966,575	1,058,739	431,780
Fees Received From County Officials	888,980	0	0	888,980	875,500	875,500	13,480
State of Tennessee	3,829,814	0	0	3,829,814	3,739,135	3,953,794	(123,980)
Federal Government	386,371	0	0	386,371	537,185	4,156,334	(3,769,963)
Other Governments and Citizens Groups	332,244	0	0	332,244	142,512	397,972	(65,728)
Total Revenues	\$ 13,590,014	\$ 0	\$ 0	\$ 13,590,014	\$ 12,504,371	\$ 16,690,880	\$ (3,100,866)
Expenditures							
General Government							
County Commission	\$ 37,405	\$ 0	\$ 0	\$ 37,405	\$ 47,253	\$ 47,253	\$ 9,848
Board of Equalization	850	0	0	850	1,250	1,250	400
Other Boards and Committees	889	0	0	889	3,530	3,530	2,641
County Mayor/Executive	164,313	(23)	3,427	167,717	162,947	171,985	4,268
County Attorney	62,332	0	0	62,332	46,000	91,000	28,668
Election Commission	256,392	(16,833)	33,620	273,179	347,442	357,903	84,724
Register of Deeds	159,179	0	311	159,490	182,738	182,739	23,249

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
General Government (Cont.)							
County Buildings	\$ 131,510	\$ (250)	\$ 6,158	\$ 137,418	\$ 147,192	\$ 160,522	\$ 23,104
Finance							
Accounting and Budgeting	304,200	(37)	12,381	316,544	301,547	337,065	20,521
Purchasing	54,539	(60)	0	54,479	62,642	63,142	8,663
Property Assessor's Office	168,135	(26)	0	168,109	164,091	170,905	2,796
Reappraisal Program	108,236	0	0	108,236	131,826	131,826	23,590
County Trustee's Office	238,590	(965)	12,487	250,112	215,392	253,072	2,960
County Clerk's Office	284,248	0	11,200	295,448	301,450	317,746	22,298
Administration of Justice							
Circuit Court	422,678	(220)	950	423,408	438,800	444,494	21,086
General Sessions Court	232,955	0	0	232,955	276,631	278,914	45,959
Chancery Court	219,590	(336)	537	219,791	214,327	234,878	15,087
Juvenile Court	112,329	0	115	112,444	127,397	131,297	18,853
Courtroom Security	3,274	0	0	3,274	8,000	8,000	4,726
Public Safety							
Sheriff's Department	2,329,747	(64,121)	23,484	2,289,110	2,202,203	2,411,030	121,920
Administration of the Sexual Offender Registry	4,487	0	0	4,487	1,500	5,288	801
Jail	1,779,117	(7,869)	13,346	1,784,594	1,768,513	1,973,850	189,256
Juvenile Services	495,814	0	5,712	501,526	461,714	503,907	2,381

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Public Safety (Cont.)							
Commissary	\$ 90,383	\$ (200)	\$ 200	\$ 90,383	\$ 50,000	\$ 117,257	\$ 26,874
Fire Prevention and Control	212,400	0	0	212,400	201,000	212,400	0
Civil Defense	137,665	(250)	0	137,415	125,066	144,293	6,878
Other Emergency Management	120,000	0	0	120,000	120,000	120,000	0
Inspection and Regulation	25,543	0	0	25,543	28,551	28,600	3,057
County Coroner/Medical Examiner	6,593	0	0	6,593	8,337	8,337	1,744
Other Public Safety	125,514	0	0	125,514	250,497	250,497	124,983
Public Health and Welfare							
Local Health Center	254,916	0	0	254,916	544,186	544,186	289,270
Rabies and Animal Control	0	0	0	0	4,000	4,000	4,000
Appropriation to State	39,535	0	0	39,535	39,600	39,600	65
Social, Cultural, and Recreational Services							
Senior Citizens Assistance	216,426	0	0	216,426	246,040	253,231	36,805
Other Social, Cultural, and Recreational	36,500	0	0	36,500	37,500	37,500	1,000
Agriculture and Natural Resources							
Agricultural Extension Service	105,484	0	0	105,484	141,170	141,170	35,686
Soil Conservation	63,065	0	0	63,065	68,054	68,054	4,989
Other Operations							
Tourism	59,841	(60)	0	59,781	41,500	62,700	2,919

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Other Operations (Cont.)							
Other Economic and Community Development	\$ 122,007	\$ 0	\$ 453,406	\$ 575,413	\$ 306,016	\$ 1,874,388	\$ 1,298,975
Airport	122,204	0	0	122,204	23,500	151,630	29,426
Veterans' Services	44,010	0	0	44,010	49,525	49,991	5,981
Other Charges	340,858	(50,000)	50,000	340,858	510,500	510,500	169,642
Contributions to Other Agencies	75,000	0	0	75,000	0	75,000	0
Employee Benefits	27,485	0	0	27,485	33,057	33,057	5,572
American Rescue Plan Act Grant #3	22,890	0	0	22,890	19,000	23,435	545
American Rescue Plan Act Grant #4	0	0	0	0	0	100,000	100,000
American Rescue Plan Act Grant #5	853,418	0	1,347,436	2,200,854	0	2,730,840	529,986
Miscellaneous	707,097	(2,721)	1,940	706,316	623,191	743,473	37,157
Highways							
Litter and Trash Collection	50,224	0	0	50,224	64,696	64,819	14,595
Principal on Debt							
General Government	53,305	0	0	53,305	0	53,305	0
Interest on Debt							
General Government	642	0	0	642	0	642	0
Capital Projects							
Public Safety Projects	1,199,464	(288,464)	0	911,000	1,200,000	1,200,000	289,000
Public Health and Welfare Projects	95,200	0	0	95,200	110,000	110,000	14,800
Total Expenditures	\$ 12,778,478	\$ (432,435)	\$ 1,976,710	\$ 14,322,753	\$ 12,459,371	\$ 18,034,501	\$ 3,711,748

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Excess (Deficiency) of Revenues Over Expenditures	\$ 811,536	\$ 432,435	\$ (1,976,710)	\$ (732,739)	\$ 45,000	\$ (1,343,621)	\$ 610,882
Other Financing Sources (Uses)							
Insurance Recovery	\$ 107,678	\$ 0	\$ 0	\$ 107,678	\$ 0	\$ 107,678	\$ 0
Special Items (Revenues)	0	0	0	0	5,000	0	0
Transfers Out	0	0	0	0	(50,000)	(75,000)	75,000
Total Other Financing Sources	\$ 107,678	\$ 0	\$ 0	\$ 107,678	\$ (45,000)	\$ 32,678	\$ 75,000
Net Change in Fund Balance	\$ 919,214	\$ 432,435	\$ (1,976,710)	\$ (625,061)	\$ 0	\$ (1,310,943)	\$ 685,882
Fund Balance, July 1, 2024	4,478,708	(432,435)	0	4,046,273	2,872,450	2,715,744	1,330,529
Fund Balance, June 30, 2025	\$ 5,397,922	\$ 0	\$ (1,976,710)	\$ 3,421,212	\$ 2,872,450	\$ 1,404,801	\$ 2,016,411

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

JOHNSON 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	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 259,714	\$ 0	\$ 0	\$ 259,714	\$ 294,605	\$ 294,605	\$ (34,891)
Fines, Forfeitures, and Penalties	25	0	0	25	0	25	0
State of Tennessee	3,350,380	0	0	3,350,380	2,179,573	3,385,083	(34,703)
Federal Government	0	0	0	0	20,000	20,000	(20,000)
Other Governments and Citizens Groups	0	0	0	0	58,610	0	0
Total Revenues	\$ 3,610,119	\$ 0	\$ 0	\$ 3,610,119	\$ 2,552,788	\$ 3,699,713	\$ (89,594)
Expenditures							
Highways							
Administration	\$ 320,401	\$ 0	\$ 320	\$ 320,721	\$ 312,953	\$ 328,934	\$ 8,213
Highway and Bridge Maintenance	3,746,232	(9,393)	145,415	3,882,254	1,578,249	4,063,816	181,562
Operation and Maintenance of Equipment	375,349	(11,400)	39,420	403,369	368,500	419,500	16,131
Other Charges	86,749	(175)	375	86,949	85,947	93,447	6,498
Employee Benefits	68,060	0	0	68,060	68,638	68,638	578
Capital Outlay	1,185,080	0	0	1,185,080	138,501	1,344,036	158,956
Total Expenditures	\$ 5,781,871	\$ (20,968)	\$ 185,530	\$ 5,946,433	\$ 2,552,788	\$ 6,318,371	\$ 371,938
Excess (Deficiency) of Revenues Over Expenditures	\$ (2,171,752)	\$ 20,968	\$ (185,530)	\$ (2,336,314)	\$ 0	\$ (2,618,658)	\$ 282,344
Other Financing Sources (Uses)							
Insurance Recovery	\$ 5,125	\$ 0	\$ 0	\$ 5,125	\$ 0	\$ 5,125	\$ 0
Transfers In	58,610	0	0	58,610	0	1,058,610	(1,000,000)
Total Other Financing Sources	\$ 63,735	\$ 0	\$ 0	\$ 63,735	\$ 0	\$ 1,063,735	\$ (1,000,000)
Net Change in Fund Balance	\$ (2,108,017)	\$ 20,968	\$ (185,530)	\$ (2,272,579)	\$ 0	\$ (1,554,923)	\$ (717,656)
Fund Balance, July 1, 2024	1,903,843	(20,968)	0	1,882,875	1,710,504	1,710,504	172,371
Fund Balance, June 30, 2025	\$ (204,174)	\$ 0	\$ (185,530)	\$ (389,704)	\$ 1,710,504	\$ 155,581	\$ (545,285)

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

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

	<u>Custodial Funds</u>
ASSETS	
Cash	\$ 923,436
Equity in Pooled Cash and Investments	166,037
Accounts Receivable	29,313
Due from Other Governments	<u>171,725</u>
Total Assets	<u>\$ 1,290,511</u>
LIABILITIES	
Accounts Payable	\$ 43
Due to Other Taxing Units	<u>171,725</u>
Total Liabilities	<u>\$ 171,768</u>
NET POSITION	
Restricted for Individual, Organizations and Other Governments	<u>\$ 1,118,743</u>
Total Net Position	<u><u>\$ 1,118,743</u></u>

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

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

	<u>Custodial Funds</u>
ADDITIONS	
Sales Tax Collections for Other Governments	\$ 927,733
Fines/Fees and Other Collections	4,410,558
Doe Mountain Recreation Authority Collections	612,243
Total Additions	<u>\$ 5,950,534</u>
DEDUCTIONS	
Payment of Sales Tax Collections to Other Governments	\$ 927,733
Payments to State	3,384,959
Payments to Individuals and Others	1,298,712
Payment of Doe Mountain Recreation Authority Expenses	464,057
Total Deductions	<u>\$ 6,075,461</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ (124,927)
Net Position, July 1, 2024	<u>1,243,670</u>
Net Position, June 30, 2025	<u><u>\$ 1,118,743</u></u>

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

JOHNSON COUNTY, TENNESSEE

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JOHNSON COUNTY, TENNESSEE

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Johnson 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 Johnson County:

A. *Reporting Entity*

Johnson County is a public municipal corporation governed by an elected 15-member board. As required by GAAP, these financial statements present Johnson County (the primary government) and its component units. The financial statements of the Johnson County Emergency Communications District, a component unit 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 Johnson County School Department operates the public school system in the county, and the voters of Johnson 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 Johnson County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Johnson County, and the Johnson 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 Johnson County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

The Johnson 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 Johnson County Emergency Communications District can be obtained from its administrative office at the following address:

Administrative Office:

Johnson County Emergency
Communications District
999 Honeysuckle Street
Mountain City, TN 37683

Related Organization – The Johnson County Industrial Commission is a related organization of Johnson County. The county's officials are responsible for appointing the members of the Johnson County Industrial Commission; however, the county's accountability for the organization does not extend beyond making the appointments.

B. Government-wide and Fund Financial Statements

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

Johnson County issues all debt for the discretely presented Johnson County School Department. There were no debt issues contributed by the county to the school department during the year ended June 30, 2025. Other significant transactions between the primary government and the school department during the year include: \$264,154 paid from the General Purpose School Fund to the county's General Debt Service Fund.

Separate financial statements are provided for governmental funds and fiduciary funds. 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 Johnson County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund 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. Johnson 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. 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. Johnson 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, including lease and SBITA obligations, are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

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

Johnson County reports the following major governmental funds:

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

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

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

Special Debt Service Fund – This debt service fund is used to account for the debt issued through the State of Tennessee Helene Emergency Assistance Loan (HEAL) program.

Community Development/Industrial Park Fund – This capital projects fund accounts for and reports financial resources and expenditures relating to community development and industrial expansion in the county.

Highway Capital Projects Fund – This capital projects fund accounts for and reports financial resources and expenditures relating to roads and bridge maintenance and repairs.

Additionally, Johnson County reports the following fund type:

Custodial Funds – These funds account for amounts collected in a custodial capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Johnson County, and assets held in a custodial capacity for the Doe Mountain Recreation Authority.

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

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

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The current year (FY25) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior year balances (FY24) 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 Johnson 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. Johnson 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. Johnson County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value. Other than Johnson County's and Johnson County School Department's investments in the pension stabilization trust and the school department's investment in the Tennessee School Board OPEB Trust discussed in Note IV.A., no investments required to be reported at fair value were held at the balance sheet date.

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.

Long-term receivables between funds, as reported in Due from Other Funds in the General Debt Service Fund financial statements, are included in committed fund balance.

All property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to .64 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.

Johnson County has issued debt through the State of Tennessee Helene Emergency Assistance Loan (HEAL) Program on behalf of the Town of Mountain City, Tennessee in the amount of \$2,463,386 and the Brownlow Utility District in the amount of \$1,200,000. Johnson County has entered into a contractual agreement with both the town and the utility system to repay Johnson County all of the debt service requirements as they become due. Johnson County has recognized a note receivable for all related debt in both the governmental funds and government-wide financial statements.

Lease receivables and deferred inflows of resources are recognized in the governmental funds and government-wide financial statements. At the commencement of a lease, a lease receivable is initially measured at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable and deferred inflow are reduced by the principal portion of lease payments received. Interest received from the lessee is recognized as revenue when received. Any accumulated interest on June 30 will result in accrued interest receivable in the government funds and government-wide financial statements.

Most payables are disaggregated on the face of the financial statements. The balance in the Due to Other Governments account on the Statement of Net Position for the primary government totaling \$228,538 represents Local Assistance and Tribal Consistency Fund funds received in advance. The balance in the Other Current Liabilities account totaling \$1,815,776 on the Statement of Net Position for the primary government consists mainly of a liability of \$1,800,752 for amounts held by the county as neutral third party related to new housing development projects in the county, and liability balances of employee federal tax deposits not drawn as of June 30, 2025. The balance in the Other Current Liabilities account totaling \$152,354 on the Statement of Net Position for the discretely presented Johnson County School Department represents balance of employee federal tax deposits not drawn as of June 30, 2025.

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as an expenditure when consumed rather than when purchased. Prepaids are offset in the nonspendable fund balance account in governmental funds.

4. Restricted Assets

Restricted assets include amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of Johnson County's Public Employee Hybrid Retirement Plan and the discretely presented Johnson 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 county and in times of fluctuation 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 Johnson County and Johnson County School Department to fund retirement benefits upon the approval of the TCRS Board of Directors. To date, Johnson County and the Johnson County

School Department have not withdrawn any funds from the trust to pay pension cost. Trust documents provide that the funds are not subject to the claims of general creditors of Johnson County and the Johnson County School Department.

Restricted assets also consist of amounts held in trust by the Tennessee School Board Association (TSBA) OPEB Trust for the benefit of the discretely presented Johnson County School Department. These funds are held and invested by the trust pursuant to an irrevocable agreement and may only be used to reimburse the Johnson County School Department for postemployment benefits paid from school department funds. To date, the Johnson County School Department has not requested any amounts to be reimbursed by the trust. Trust documents provide that the funds are not subject to the claims of general creditors of the school department. Since the payment of postemployment benefits has not been administered through this trust, the trust is not considered to be in compliance with paragraph 4 of Governmental Accounting Standards Board Statement No. 75. OPEB liabilities of the school department are therefore reported gross and have not been reduced by balances of the trust. The trust is reported as an asset and restricted fund balance of the school department's General Purpose School Fund.

5. 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), and intangible right-to-use assets (e.g., lease, SBITA, and PPP assets) 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 \$5,000 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. Right-to-use assets are amortized over the shorter of the lease, SBITA, or PPP term or useful life.

Assets	Years
Buildings and Improvements	7 - 39
Machinery and Equipment	5 - 15
Other Capital Assets	5 - 15
Infrastructure:	
Roads	9 - 20
Bridges	75
School Infrastructure	15

6. 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 changes in experience, assumptions, and proportion; pension and OPEB contributions after the measurement date; OPEB changes in experience, assumptions, and proportion; and the deferred charge on refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter life of the refunded or refunding debt.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue, etc.) 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; deferred lease receivables; pension changes in experience, investment earnings, and proportion; OPEB changes in experience, assumptions, and proportion; and various receivables for revenues, which do not meet the availability criteria for governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

7. Compensated Absences

It is the county's policy to permit employees to accumulate a limited amount of earned but unused vacation and sick pay benefits, which will be paid to employees upon separation of service. Additionally, county policy gives discretionary authority to officials, supervisors, and department heads allowing them to approve the payment of unused vacation days on a case by case basis. All vacation and sick pay is accrued when incurred in the government-wide financial statements for the county. A liability for vacation pay and sick pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

It is the policy of the Johnson County School Department to permit noncertified employees to accumulate a limited amount of earned but unused vacation benefits, which will be paid upon separation from service. All vacation pay is accrued when incurred in the government-wide financial statements for the school department. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements. Also, the general policy of the school department permits all professional personnel (teachers) to accumulate an unlimited amount of unused sick leave days. Since Johnson County School department does not have a policy to pay any amounts when employees separate from service with the school department, 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.

8. Long-term Debt and Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Debt premiums and discounts are deferred and are amortized over the life of the new debt. Debt issuance costs are expensed in the period incurred. In refunding transactions, the

difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the refunded debt or the life of the new debt issued, whichever is shorter.

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

Only the matured portion (the portion that has come due for payment) of long-term indebtedness, including bonds, notes, and 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, other postemployment benefits, and landfill closure/postclosure care costs, are recognized to the extent that the liabilities have matured (come due for payment) each period.

9. Net Position and Fund Balances

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

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

As of June 30, 2025, Johnson County had \$1,207,456 in outstanding debt for capital purposes for the discretely presented Johnson County School Department. This debt is a liability of Johnson County, but the capital assets acquired are reported in the financial statements of the school department. Additionally, the county has \$2,463,386 in outstanding debt issued on behalf of the Town of Mountain City and \$1,200,000 issued on behalf of the Brownlow Utility District for capital purposes due to damage caused by Hurricane Helene. Therefore, Johnson County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

In the fund financial statements, governmental funds report fund balance 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 and the Board of Education are authorized bodies to make assignments. Assigned fund balance in the General Fund includes fund balance assigned for encumbrances (\$268,411), amounts assigned by the county commission for public safety (\$663,117), and various other purposes (\$406,316). Assigned fund balance in the school department's General Purpose School Fund includes fund balance assigned for encumbrances of (\$800,313), and amounts assigned by the board for various purposes within Instruction (\$680,000), Support (\$202,687), and Capital Outlay (\$1,055,633).

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 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.

10. Restatement

With the implementation of GASB Statement 101, *Compensated Absences*, Johnson County must recognize a restatement to the beginning net position in the Government-wide financial statements for the discretely presented Johnson County School Department to record a compensated absences liability. A restatement of (\$67,361) has been presented to reflect the beginning balance of the discretely presented Johnson County School Department. The following table reflects the restatement amount necessary to implement this standard:

	Government Wide - Governmental Activities
	Discretely Presented Johnson County School Department
Net Position, as previously reported	\$ 29,991,750
Adjustments for GASB 101 Implementation:	
Compensated Absences Liability	(67,361)
Net Change in Beginning Net Position	<u>\$ (67,361)</u>
Net Position, June 30, 2024, Restated	<u><u>\$ 29,924,389</u></u>

11. Changes To or Within the Financial Reporting Entity

Changes in Major Fund Classification (Column A)

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

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

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

	7-1-24 As Previously Reported	Change To or Within the Financial Reporting Entity (A)	7-1-24 As Restated
Discretely Presented			
Johnson County School Department			
Major Fund:			
School Federal Projects	\$ 1,082,987	\$ (1,082,987)	\$ 0
Nonmajor Funds	2,293,455	1,082,987	3,376,442
Total Governmental Funds Discretely Presented Johnson County School Department	<u>\$ 3,376,442</u>	<u>\$ 0</u>	<u>\$ 3,376,442</u>

E. Pension Plans

Primary Government

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

Discretely Presented Johnson County School Department

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

F. Other Postemployment Benefit (OPEB) Plans

Primary Government

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 Johnson County. For this purpose, Johnson County recognizes benefit payments when due and payable in accordance with benefit terms. Johnson County's OPEB plan is not administered through a trust.

Discretely Presented Johnson 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 Johnson 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 Johnson County School Department

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

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

Primary Government

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

Discretely Presented Johnson County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

The budgetary level of control is at the major category level established by the County Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Board of Equalization, Other Boards and Committees, County Mayor/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, Johnson County and the discretely presented Johnson County School Department reported the following significant encumbrances:

Funds	Amount
Primary Government:	
Major Funds:	
General	\$ 1,976,710
Highway/Public Works	185,530
Nonmajor governmental funds	2,012,694
School Department:	
Major Fund:	
General Purpose School	800,313
Nonmajor governmental funds	429,644

B. Fund Deficit/Budgetary Basis Fund Deficit

The Highway/Public Works Fund had a deficit in unassigned fund balance of \$204,174 on June 30, 2025. This deficit in unassigned fund balance is due to expenditures that exceeded available funding in response to recovery from Hurricane Helene. The deficit in unassigned fund balance was liquidated when revenues were recognized after June 30, 2025.

The School Federal Projects Fund had a deficit in unassigned fund balance of \$122,275 on June 30, 2025. This deficit unassigned fund balance resulted from grant program expenditures being incurred for which reimbursements had not been received within the 60-day availability criteria. The deficit in unassigned fund balance was liquidated when revenues were recognized after June 30, 2025. This deficit is further discussed in the Schedule of Findings and Questioned Costs in the Single Audit Section of this report.

The General Capital Projects Fund had a budgetary basis fund deficit of \$1,051,257 on June 30, 2025. This was due to the recognition of encumbrances as budgetary basis expenditures. The future expenditures represented by the encumbrances will be funded by state grants.

C. Cash Shortage – Prior year

The audit of Johnson County for the 2023-24 year reported a cash shortage of \$2,620,140 in the discretely presented Johnson County School Department. On April 18, 2024, the Johnson County School Department initiated a wire transfer in the amount of \$3,362,236 as the result of a phishing email requesting a change in payment method for the vendor that operates the virtual school program. The email included information denoting bank routing and account numbers. On April 30, 2024, the bank utilized by the school department notified the department about the wire fraud and the bank was able to recover \$742,096. The school department has not received any additional funds as of the date of this report. The school board and federal agencies are taking action to collect this cash deficit.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

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

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

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

Investments

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

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

Other than Johnson County's investment in the Tennessee Consolidated Retirement System (TCRS) Stabilization Reserve Trust and the school department's investment in the Tennessee School Board's OPEB Trust discussed below, the county had no pooled and nonpooled investments as of June 30, 2025.

TCRS Stabilization Trust

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

The trust is authorized to make investments as directed by the TCRS Board of Trustees. The county and the Johnson 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 county and Johnson County School Department had the following investments held by the trust on its behalf. These funds are recognized as restricted assets in the General Fund of the county and 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	\$ 228,344
Developed Market International Equity	N/A	N/A	103,123
Emerging Market International Equity	N/A	N/A	29,464
U.S. Fixed Income	N/A	N/A	147,319
Real Estate	N/A	N/A	73,659
Short-term Securities	N/A	N/A	7,366
NAV - Private Equity and Strategic Lending	N/A	N/A	147,320
Total			<u>\$ 736,595</u>

For further information concerning the legal provisions, investment policies, investment types, and credit risks of the county and 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](#).

Tennessee School Board OPEB Trust

Legal Provisions. The Johnson County School Department is a member of the Tennessee School Board OPEB Trust. The school department has placed funds into the irrevocable trust as authorized by the Other Postemployment Benefit Trust Act of 2006, section 8-50-1201, et. seq., *Tennessee Code Annotated*. 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 postemployment benefits of that member's employees. Trust documents provide that the funds are not subject to the claims of general creditors of the school department.

The trust is authorized to make investments in securities as authorized by each member's investment committee. The Johnson County School Department has authorized investments in U.S. common stock, non U.S. common stock, U.S. preferred stock, non U.S. preferred stock, U.S. government and agency securities, non U.S. government and agency securities, corporate bonds with a minimum BAA rating or the equivalent, municipal debt, convertible securities, commercial paper, money market funds, mutual funds (open and closed-end), exchange traded funds, passive index funds, commodities exchange traded funds, 1940 Act Alternative Funds – Hedging Strategies, 1940 Act Managed Futures Funds, and certificates of deposit. All fixed income and preferred stock issues must be investment grade and dollar denominated. Mutual fund investment must have investment objectives, rules and regulations that are consistent with the trust's investment policy. All assets selected for the trust must have a readily ascertainable market value and must be readily marketable. Prohibited investments include uncovered options – puts or calls, short selling, restricted stock, and other derivative securities not specifically approved above.

On June 30, 2025, the Johnson County School Department had the following investments held by the trust on its behalf.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
Cash, Bank Deposit Program, and Money Market Funds	N/A	N/A	\$ 36,488
Stocks	N/A	N/A	66,037
Exchange Traded and Closed End Funds	N/A	N/A	159,802
Mutual Funds	N/A	N/A	1,419,711
Total			<u>\$ 1,682,038</u>

Investment by Fair Value Level	Fair Value 6-30-25	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash, Bank Deposit Program, and Money				
Market Funds	\$ 36,488	\$ 36,488	\$ 0	\$ 0
Stocks	66,037	168,290	0	0
Exchange Traded and Closed End Funds	159,802	159,802	0	0
Mutual Funds	1,419,711	1,317,458	0	0
Total	\$ 1,682,038	\$ 1,682,038	\$ 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.

Risks and Uncertainties

The trust's investments include various types of investment funds, which in turn invest in any combination of stock, bonds and other investments exposed to various risks, such as interest rate, credit, and market risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported for trust investments.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Johnson County School Department's investment policy does not limit trust 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. Except as discussed under Legal Provisions above, the Johnson County School Department's investment policy does not otherwise limit the credit ratings of individual investments made by the trust.

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. While Johnson County School Department's investment policy establishes allocation targets for types of investments, the policy places no limit on the amount the county may invest in one issuer.

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. Pursuant to the trust agreement, investments are held in the name of the trust for the benefit of the Johnson County School Department to pay postemployment benefits of the school department employees.

For further information concerning the school department's investments with the TSBA, audited financial statements of the TSBA OPEB Trust may be obtained from the TSBA administrative office at 525 Brick Church Park Drive Nashville, TN 37207.

B. Notes Receivable

Notes receivable of \$3,663,386 in the Special Debt Service Fund resulted from the loaning of Helene Emergency Assistance Loan (HEAL) Program funds to the Town of Mountain City, Tennessee, and the Brownlow Utility District that were borrowed by Johnson County in the form of other loans from the State of Tennessee. The program provisions require the debt to be repaid within 30 days of receipt of funds from the Federal Emergency Management Agency (FEMA) or ten years, whichever comes first. The Town of Mountain City and the Brownlow Utility District are contractually required to repay Johnson County as these provisions are met. Notes receivable are included in restricted fund balance in the Special Debt Service Fund. The amount not expected to be received within one year is not measurable due to the uncertainty of any FEMA assistance that may be received and the timing of such assistance receipts.

C. Natural Disaster

Johnson County suffered widespread flood and storm related damage during September 2024 when remnants of hurricane Helene passed through the county. The county suffered various damage to buildings and infrastructure, much of which was fully depreciated and otherwise had an insignificant carry value in the county's capital assets. The county has applied for federal assistance through the Federal Emergency Management Agency (FEMA). No amounts have been awarded and recognized as revenue as of June 30, 2025.

Other costs related to the storm, including cleanup and increases in other essential services, have been incurred. However, those costs have not been separately reported and are included in program expenses for both the primary government and discretely presented school department. None of the other costs were covered by insurance

Johnson County has issued other loans totaling \$9,863,386 to cover certain costs of the disaster as needed. Proceeds from the other loans totaling \$3,663,386 have been loaned to other governments and utilities as discussed in Note IV.B.

D. Leases Receivable

On April 1, 2016, Johnson County entered into a lease agreement for the use of a county owned building through December 31, 2031. The county will receive annual payments of \$21,600 under the agreement. Johnson County recognized \$19,850 in lease revenue and \$1,750 in interest revenue during the current fiscal year related to this lease. The lease has an annual interest rate of 1.2 percent. As of June 30, 2025, the lease receivable balance was \$134,999.

On July 22, 2021, Johnson County entered into a lease agreement for the use of a county owned building through June 30, 2031. The county is scheduled to receive annual payments of \$117,195 for the next year and annual payments of \$121,102 in the remaining five years. Johnson County recognized lease revenue of \$108,056 and interest revenue of \$9,139 during the current fiscal year related to this lease. The lease has an annual interest rate of 1.2 percent. As of June 30, 2025, the lease receivable balance was \$696,639.

The future receipts of the leases receivable include:

Year Ending June 30	Buildings Lease Summary		
	Principal	Interest	Total
2026	\$ 129,461	\$ 9,334	\$ 138,795
2027	134,963	7,739	142,702
2028	136,603	6,099	142,702
2029	138,262	4,439	142,701
2030	139,943	2,758	142,701
2031-2032	152,406	1,096	153,502
Total	<u>\$ 831,638</u>	<u>\$ 31,465</u>	<u>\$ 863,103</u>

E. Capital Assets

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

Primary Government

Governmental Activities:

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	\$ 1,092,178	\$ 224,779	\$ (259,400)	\$ 1,057,557
Construction in Progress	821,779	2,200,617	(1,020,274)	2,002,122
Total Capital Assets Not Depreciated	<u>\$ 1,913,957</u>	<u>\$ 2,425,396</u>	<u>\$ (1,279,674)</u>	<u>\$ 3,059,679</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 12,956,859	\$ 1,564,667	\$ (170,419)	\$ 14,351,107
Infrastructure	10,573,335	1,233,690	0	11,807,025
Other Capital Assets	5,719,953	309,577	(96,105)	5,933,425
Total Capital Assets Depreciated	<u>\$ 29,250,147</u>	<u>\$ 3,107,934</u>	<u>\$ (266,524)</u>	<u>\$ 32,091,557</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 6,650,113	\$ 353,863	\$ (52,441)	\$ 6,951,535
Infrastructure	5,168,690	660,624	0	5,829,314
Other Capital Assets	4,386,239	552,648	(96,105)	4,842,782
Total Accumulated Depreciation	<u>\$ 16,205,042</u>	<u>\$ 1,567,135</u>	<u>\$ (148,546)</u>	<u>\$ 17,623,631</u>
Total Capital Assets Depreciated, Net	<u>\$ 13,045,105</u>	<u>\$ 1,540,799</u>	<u>\$ (117,978)</u>	<u>\$ 14,467,926</u>
Intangible Right-to-Use Assets:				
SBITA	\$ 159,913	0	\$ (159,913)	0
Less: Accumulated Amortization - SBITA	(106,608)	(53,305)	159,913	0
Net Intangible Right-to-Use Assets	<u>\$ 53,305</u>	<u>\$ (53,305)</u>	<u>\$ (319,826)</u>	<u>0</u>
Governmental Activities Capital Assets, Net	<u>\$ 15,012,367</u>	<u>\$ 3,912,890</u>	<u>\$ (1,717,478)</u>	<u>\$ 17,527,605</u>

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

Governmental Activities:

General Government	\$ 265,576
Finance	1,469
Administration of Justice	4,453
Public Safety	449,359
Public Health and Welfare	68,734
Social, Cultural, and Recreational Services	37,197
Highways/Public Works	<u>740,347</u>
Total Depreciation and Amortization Expense - Governmental Activities	<u>\$ 1,567,135</u>

Net Investment in Capital Assets

Capital Assets	\$ 17,527,605
Add:	
Capital borrowings related to unspent note proceeds	4,980,480
Capital borrowings related to unspent other loan proceeds	6,200,000
Less:	
Outstanding principal of capital debt and other capital borrowings	(13,104,544)
Capital related contracts payable	<u>(34,678)</u>
Net Investment in Capital Assets	<u>\$ 15,568,863</u>

Discretely Presented Johnson County School Department

Governmental Activities:

	Balance 7-1-24		Increases		Decreases		Balance 6-30-25
Capital Assets Not Depreciated:							
Land	\$ 1,103,734	\$	0	\$	0	\$	1,103,734
Construction in Progress	5,520,953		296,424		(473,789)		5,343,588
Total Capital Assets							
Not Depreciated	\$ 6,624,687	\$	296,424	\$	(473,789)	\$	6,447,322
Capital Assets Depreciated:							
Buildings and Improvements	\$ 25,078,079	\$	516,206	\$	0	\$	25,594,285
Infrastructure	2,447,384		0		0		2,447,384
Other Capital Assets	7,093,802		395,067		(397,106)		7,091,763
Total Capital Assets Depreciated	\$ 34,619,265	\$	911,273	\$	(397,106)	\$	35,133,432
Less Accumulated Depreciated For:							
Buildings and Improvements	\$ 15,821,879	\$	556,072	\$	0	\$	16,377,951
Infrastructure	2,267,344		19,140		0		2,286,484
Other Capital Assets	4,909,448		534,679		(397,106)		5,047,021
Total Accumulated Depreciation	\$ 22,998,671	\$	1,109,891	\$	(397,106)	\$	23,711,456
Total Capital Assets Depreciated, Net	\$ 11,620,594	\$	(198,618)	\$	0	\$	11,421,976
Governmental Activities Capital Assets, Net	\$ 18,245,281	\$	97,806	\$	(473,789)	\$	17,869,298

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

Governmental Activities:

Instruction	\$ 595,234
Support Services	492,877
Operation of Non-instructional Services	21,780
Total Depreciation Expense - Governmental Activities	<u>\$ 1,109,891</u>

F. Construction Commitments

Primary Government

On June 30, 2025, the General Fund had uncompleted construction contracts of approximately \$1,347,436 for building improvements at the former armory building. The Health Department Fund had uncompleted construction contracts of approximately \$19,210 relating to health department building renovations. The Other Special Revenue Fund had uncompleted construction contracts of approximately \$47,714 for water infrastructure projects. Funding for these future expenditures is expected to be received from a federal grant and from available fund balance.

The General Capital Projects Fund had uncompleted construction contracts of \$1,366,888 for the renovation of the county owned meat processing facility, and \$182,400 relating to the election commission building renovations. Funding has been provided for the future expenditures of the election commission building, while the meat processing facility future expenditures are expected to be received from state grants and from available fund balance.

Discretely Presented Johnson County School Department

On June 30, 2025, the General Purpose School Fund had uncompleted construction contracts of approximately \$111,607 for the extension and replacement of the parking lot at Laural Elementary School. Funding for these future expenditures has been provided.

G. 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	\$ 1,024
General Debt Service	Highway/Public Works	1,000,000
"	Community Development/ Industrial Park	522,916
Discretely Presented School Department:		
General Purpose School	Nonmajor governmental	10,095
Nonmajor governmental	General Purpose School	45,186

The entire amount due to the General Debt Service Fund (\$522,916) from the Community Development/Industrial Park Capital Projects Fund resulted from a long-term interfund loan. See Note IV.L. for further details of this loan. The amount not expected to be repaid within one year is \$417,360.

The entire amount due to the General Debt Service Fund (\$1,000,000) from the Highway/Public Works Fund resulted from a long-term interfund loan. See Note IV.L. for further details of this loan. The full amount is expected to be repaid within one year.

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

Due to/from Primary Government and Component Unit:

Receivable Fund	Payable Fund	Amount
<hr/>		
Primary Government:	Component Unit:	
General	School Department:	
	General Purpose School	\$ 451,909

The majority (\$450,000) of the payable due to the primary government from the school department is for the Statewide School Resource Officer Program Grant.

Interfund Transfers:

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

Primary Government

Transfer Out	Transfer In	
	Highway/ Public Works Fund	Purpose
<hr/>		
Nonmajor governmental funds	\$ 58,610	Operations

Discretely Presented Johnson County School Department

Transfer Out	Transfer In	
	General Purpose School Fund	Purpose
<hr/>		
Nonmajor governmental funds	\$ 56,608	Indirect costs

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

H. SBITA Obligation**Software Subscription**

On December 1, 2020, the county entered into an agreement for the use of CentralSquare public safety record keeping software through December 31, 2024. The agreement will continue year-to-year thereafter with each party having a right to terminate. For purposes of the agreement, Johnson County is considered a part of the Carter County Emergency Communications District E911 system. Carter County E911 is to serve as the hosting agency. Each county has a separate agreement for the use of the software, but Johnson County's right to use the software is contingent on Carter County E911 maintaining their agreement in full force and effect with CentralSquare. The county made an annual payment of \$53,947 under the agreement. Johnson County recognized \$53,305 in principal and \$642 in interest expenditures during the current fiscal year related to this agreement. As of June 30, 2025, the subscription liability has been fully extinguished.

The present value of the SBITA liability was determined using a discount rate of 1.21 percent, the same as the county's incremental borrowing rate. The SBITA obligation and accumulated amortization of the right-to-use asset is outlined in Note IV.E.

Changes in SBITA Obligations

SBITA obligation activity for the year ended June 30, 2025, was as follows:

Governmental Activities:

	SBITA
Balance, July 1, 2024	\$ 53,305
Reductions	(53,305)
Balance, June 30, 2025	\$ 0
Balance Due Within One Year	\$ 0

I. Long-term Debt

Primary Government

General Obligation Bonds, Notes, and Other Loans

General Obligation Bonds – Johnson 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 outstanding were issued for original terms of up to seven years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2025, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements – Johnson County issues other loans to provide funds for the acquisition and construction of major capital facilities and other capital outlay purchases, such as equipment, for the primary government and the discretely presented school department. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Both capital outlay notes and other loans outstanding were issued for original terms of up to 10 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes included in long-term debt as of June 30, 2025, will be retired from the General Debt Service Fund. All other loans included in long-term debt as of June 30, 2025, will be retired from the Special Debt Service Fund.

General obligation bonds, general obligation notes, and 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
General Obligation Bonds -					
Refunding	1.21	%	6-1-28	\$ 6,852,000	\$ 3,112,000
Direct Borrowing and Direct Placement:					
Capital Outlay Notes	3.95		5-1-35	5,000,000	5,000,000
Other Loans	0		2-11-35	9,863,386	9,863,386

Johnson County entered into other loan agreements through the State of Tennessee's Helene Emergency Assistance Loan (HEAL) Program. Program provisions require repayment within 30 days of receipt of funds from the Federal Emergency Management Agency (FEMA) or within ten years from the date of the loan, whichever comes first. On November 5, 2024, the county issued \$7,450,000, and on February 11, 2025, the county issued an additional \$2,413,386. The total outstanding balance under the HEAL Program as of June 30, 2025, was \$9,863,386.

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2026	\$ 1,007,000	\$ 37,655	\$ 1,044,655
2027	1,044,000	25,470	1,069,470
2028	1,061,000	12,838	1,073,838
Total	\$ 3,112,000	\$ 75,963	\$ 3,187,963

Year Ending June 30	Notes - Direct Placement (1)		
	Principal	Interest	Total
2026	\$ 0	\$ 213,958	\$ 213,958
2027	0	197,500	197,500
2028	0	197,500	197,500
2029	634,000	197,500	831,500
2030	659,000	172,457	831,457
2031-2035	3,707,000	450,656	4,157,656
Total	\$ 5,000,000	\$ 1,429,571	\$ 6,429,571

(1) Interest expenses are reimbursed by the State of Tennessee through the Hurricane Helene Interest Payment Fund Program for the first three years of the notes.

Year Ending June 30	Other Loans - Direct Placement (2)		
	Principal	Interest	Total
2035	\$ 9,863,386	\$ 0	\$ 9,863,386
Total	\$ 9,863,386	\$ 0	\$ 9,863,386

(2) Other Loan amounts obtained through the State of Tennessee HEAL Program are due within 30 days of receipt funds from the Federal Emergency Management Agency or ten years, whichever comes first and have no annual requirements until those parameters are met.

There is \$16,886,501 available in debt service funds to service long-term debt. Notes receivable represent \$3,663,386 of this balance and is restricted for retiring a portion of the HEAL Program loans discussed above, leaving \$13,223,115 available to service other long-term debt. Bonded debt per capita totaled \$173, based on the 2020 federal census. Total debt per capita, including bonds, notes and other loans, totaled \$1,002 based on the 2020 federal census.

During the year, the Johnson County School Department contributed \$264,154 to the primary government's General Debt Service Fund to be applied toward the retirement of general obligation debt that was issued by the county for school capital purposes.

Changes in Long-term Debt

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

Governmental Activities:

	Bonds	Notes - Direct Placement	Other Loans - Direct Placement
Balance, July 1, 2024	\$ 4,078,000	\$ 0	\$ 0
Additions	0	5,000,000	9,863,386
Reductions	(966,000)	0	0
Balance, June 30, 2025	<u>\$ 3,112,000</u>	<u>\$ 5,000,000</u>	<u>\$ 9,863,386</u>
Balance Due Within One Year	<u>\$ 1,007,000</u>	<u>\$ 0</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2025	\$ 17,975,386
Less: Balance Due Within One Year - Debt	<u>(1,007,000)</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 16,968,386</u>

J. 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*	Landfill Postclosure Care Costs
Balance, July 1, 2024	\$ 421,689	\$ 285,325
Additions	16,487	0
Reductions	0	(90,543)
Balance, June 30, 2025	<u>\$ 438,176</u>	<u>\$ 194,782</u>
Balance Due Within One Year	<u>\$ 394,358</u>	<u>\$ 95,108</u>

	Other Postemployment Benefits	Net Pension Liability - Hybrid Agent Plan^
Balance, July 1, 2024	\$ 592,516	\$ 17,251
Additions	103,648	255,777
Reductions	(11,192)	(288,670)
Balance, June 30, 2025	<u>\$ 684,972</u>	<u>\$ (15,642)</u>
Balance Due Within One Year	<u>\$ 14,294</u>	<u>\$ 0</u>

* 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 Noncurrent Liabilities for Other Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2025	\$ 1,317,930
Less: Balance Due Within One Year - Other	<u>(503,760)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 814,170</u>

Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General and Highway/Public Works funds. The landfill postclosure care costs will be paid from the Solid Waste/Sanitation Fund.

Discretely Presented Johnson County School Department**Changes in Long-term Obligations**

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

Governmental Activities:

	Compensated Absences*	Other Postemployment Benefits	Net Pension Liability - Hybrid Agent Plan^
Balance, July 1, 2024	\$ 129,145	\$ 5,809,543	\$ 12,845
Additions	3,017	521,975	203,015
Reductions	0	(280,024)	(228,275)
Balance, June 30, 2025	<u>\$ 132,162</u>	<u>\$ 6,051,494</u>	<u>\$ (12,415)</u>
Balance Due Within One Year	<u>\$ 132,162</u>	<u>\$ 217,519</u>	<u>\$ 0</u>

*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 Noncurrent Liabilities for Other Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2025	\$ 6,183,656
Less: Balance Due Within One Year - Other	<u>(349,681)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 5,833,975</u>

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

K. On-Behalf Payments**Discretely Presented Johnson County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Johnson County School Department. These payments are made by the state to the Local Education Group Insurance Plan. The plan is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments made by the state to the Local Education Group Insurance Plan for the year ended June 30, 2025, were \$76,269. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

L. Internal Financing

In-lieu-of issuing debt with financial institutions, Johnson County often chooses to internally finance various projects with idle county funds. Internally reported notes receivable from idle funds due to the General Debt Service Fund from the Highway/Public Works and Community Development/Industrial Park funds are reflected below:

Borrowing Fund/Purpose	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date
Community Development/ Building Renovation	\$ 950,000	0%	4-20-23	6-30-31
Highway/Public Works: Roads and Bridges Restoration	1,000,000	0	10-29-24	6-30-26
Borrowing Fund/Purpose	Outstanding 7-1-24	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-25
Community Development/ Industrial Park: Building Renovation	\$ 628,471	\$ 0	\$ 105,555	\$ 522,916
Highway/Public Works Fund: Roads and Bridge Restoration	0	1,000,000	0	1,000,000
Total	<u>\$ 628,471</u>	<u>\$ 1,000,000</u>	<u>\$ 105,555</u>	<u>\$ 1,522,916</u>

The balance of this note on June 30, 2025, is reflected as Due to Other Funds in the Highway/Public Works and Community Development/Industrial Park funds and as Due from Other Funds in the General Debt Service Fund.

V. OTHER INFORMATION

A. Risk Management

Primary Government

The county is exposed to various risks related to general liability, property, and casualty losses. The county decided it was more economically feasible to join a public entity risk pool instead of purchasing commercial insurance for general liability, property, and casualty coverage. The county joined the Local Government Property and Casualty Fund (LGPCF), which is a public entity risk pool established by the Tennessee County Services Association, an association of member counties. The county pays an annual premium to the LGPCF for its general liability, property, and casualty insurance coverage. The creation of the LGPCF provides for it to be self-sustaining through member premiums. The LGPCF reinsures through commercial insurance companies for claims exceeding \$250,000 for property and \$450,000 for liability for each insured event.

Johnson County participates in the Local Government Workers' Compensation Fund (LGWCF), a public entity risk pool established under provisions of Section 29-20-401, *Tennessee Code Annotated*, by the Tennessee County Services Association to provide a program of workers' compensation coverage to employees of local governments. The county pays an annual premium to the LGWCF for its workers' compensation insurance coverage. The LGWCF is to be self-sustaining through member premiums. The LGWCF reinsures through commercial insurance companies for claims exceeding \$500,000.

Johnson 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 Johnson County School Department

The school department participates 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 school department pays annual premiums to the TN-RMT for its general liability, property, casualty, and workers' compensation insurance coverage. The creation of TN-RMT provides for it to be self-sustaining through member premiums.

The school department participates in the Local Education Group Insurance Fund (LEGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local education agencies. In accordance with Section 8-27-301, *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.

The county is involved in several pending lawsuits. Based on letters from attorneys, management estimates that the potential claims not covered by insurance resulting from such litigation would not materially affect the financial statements.

D. Virtual Education Program

In March 2020, pursuant to Title 49, Chapter 16, *Tennessee Code Annotated*, the Johnson County Board of Education entered into a contract with Connections Education LLC d/b/a Pearson Online & Blended Learning K-12 USA (OBL). The contract provided for the creation and operation of a virtual education program called the Tennessee Connections Academy Johnson County, which enrolls students from Johnson County and other districts from across the state. Enrollment was approximately 2,653 students in kindergarten through twelfth grade as of June 30, 2025.

The initial term of the agreement was for five years beginning on March 12, 2020, and ending on June 30, 2025. OBL is responsible for providing educational products, as well as administrative and technology services according to the agreement. The Board of Education is responsible for setting program policies, budget adoption, and having final responsibility for regulatory compliance and financial reporting.

Revenues of the virtual education program totaled \$20,892,525 consisting primarily of state Tennessee Investment in Student Achievement funds attributable to students enrolled in the program. Beginning with the 2022-2023 academic year, the Board of Education retained an annual oversight fee of three percent from the program's Tennessee Investment in Student Achievement revenues. The oversight fee retained during the year totaled \$626,776. OBL's compensation under the agreement is equal to ninety-seven percent of the program revenues. Total compensation earned by OBL for the year ended June 30, 2025, was \$20,265,749, with \$3,362,236 of that amount unpaid as of June 30, 2025. The program has been accounted for in the General Purpose School Fund.

E. Landfill Closure/Postclosure Care Costs

Johnson County has an active permit on file with the state Department of Environment and Conservation for a sanitary landfill. The county has provided financial assurances for estimated postclosure liabilities as required by the State of Tennessee. These financial assurances are on file with the Department of Environment and Conservation.

State and federal laws and regulations require the county to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. Johnson County closed its sanitary landfill in 1997. The \$194,782 reported as postclosure care liability on June 30, 2025, represents amounts based on what it would cost to perform all postclosure care in 2025. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

F. Joint Ventures

Primary Government

The Upper East Tennessee Regional Juvenile Detention Center was formed through cooperative agreements between Johnson County and the counties of Carter, Greene, Hawkins, Sullivan, Unicoi, and Washington for the operation of a program to divert youth from commitment to the Department of Correction facilities. This program is governed by a board of directors designated by the counties. The board of directors has contracted with ElyJenn Health Services, LLC, to undertake the management of this program. Operation costs to the counties are allocated according to percentages based on population. Johnson County's participation cost is 3.5 percent. The county also pays a daily fee for each individual from the county using the facility.

The First Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the First Judicial District, Carter, Johnson, Unicoi, and Washington counties; and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Johnson County did not contribute to the DTF for the year ended June 30, 2025.

Complete financial statements for the Juvenile Detention Center and the First Judicial District Drug Task Force can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Upper East Tennessee Regional
Juvenile Detention Center
307 Wesley Street
Johnson City, TN 37601

Office of District Attorney General
First Judicial District Drug Task Force
P.O. Box 38
Jonesborough, TN 37659

Discretely Presented Johnson County School Department

The discretely presented school department participates in the Northeast Tennessee Cooperative (NETCO). The cooperative was established through a contractual agreement between the Boards of Education of Johnson County and various other counties and cities in the upper East Tennessee area. The cooperative was authorized through Chapter 49 of *Tennessee Code Annotated* and was established to obtain lower prices for food supplies, materials, equipment, and services by combining the purchasing requirements of each member's school food service systems. The cooperative has contracted with a coordinating district (Johnson City School System) and a service provider to provide this service. NETCO is governed by a representative committee, including one representative from each of the member districts and an executive council, consisting of the chair, vice chair, secretary, treasurer, and a member-at-large from the representative committee.

Complete financial statements for NETCO can be obtained from its administrative office at the following address:

Northeast Tennessee Cooperative
100 East Maple Street
P.O. Box 1517
Johnson City, TN 37605

G. Jointly Governed Organization

Primary Government

The East Tennessee Regional Agribusiness Marketing Authority was established through Title 64 of *Tennessee Code Annotated*, and includes the counties of Claiborne, Cocke, Grainger, Greene, Hamblen, Hancock, Hawkins, Jefferson, Johnson, Sullivan, Unicoi, and Washington. The purpose of the authority is to establish and operate a market for agricultural products of the region through a food distribution center, and to further the economy and growth of the region served by the authority by developing, marketing, and promoting facilities for warehousing, distribution, light manufacturing, and agribusiness purposes. The authority is governed by a Board of Directors consisting of the county mayors of each county or the county mayor's designee and one nonvoting member representing the Tennessee Department of Agriculture and the University of Tennessee's Agriculture Extension Service. An executive committee, consisting of the chairman, vice-chairman, secretary, and treasurer of the Board of Directors, along with the center's manager as an ex-officio member, is in charge of the daily operations of the center.

Johnson County is a participant in the joint governance of the Northeast Tennessee Regional Recovery Center. The center was established by an organizational resolution approved by the cities of Elizabethton, Unicoi, Erwin, and Kingsport, Tennessee, as well as the counties of Carter, Washington, Sullivan, Unicoi, Johnson, Hamblen, and Hawkins, Tennessee. The center operates a treatment facility and provides recovery services to counties in Northeast Tennessee utilizing grants and opioid

settlement funds administered through the State of Tennessee. The center is governed by a Board of Directors consisting of elected members nominated by the respective districts as well as a member from the Tennessee State Senate and House of Representatives. An executive committee, consisting of a director who is a Tennessee State Senator or Representative, four directors who are either county mayors or commissioners, and two directors who are either city mayors or commissioners, have oversight of daily operations.

H. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government - Johnson County Legacy Pension Plan

General Information About the Pension Plan

Plan Description – Johnson County Legacy Plan. Employees of Johnson County and non-certified employees of the discretely presented Johnson County School Department with membership in the TCRS prior to November 1, 2017, are provided a defined benefit pension plan through the Public Employee Legacy Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The Public Employee Legacy Pension Plan is closed to new membership. The primary government employees comprised 62.01 percent and the non-certified employees of the discretely presented school department comprised 37.99 percent of the plan based on contribution data. Employees of Johnson County and non-certified employees of the discretely presented Johnson County School Department with membership in TCRS after November 1, 2017, are provided with pensions through a legally separate plan, referred to as the Public Employee Hybrid Pension Plan, an agent 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 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	268
Inactive Employees Entitled to But Not Yet Receiving Benefits	369
Active Employees	137
Total	<u><u>774</u></u>

Johnson County withdrew from the TCRS Johnson County Legacy Plan effective October 31, 2017. Employees hired after the date of withdrawal are not eligible to participate in the Johnson County Legacy Plan. Employees active as of the withdrawal date will continue to accrue salary and services credit in TCRS. The employer remains responsible for the pension liability for employees and retirees that were active as of the withdrawal date.

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Johnson County elected to make employer contributions at a rate higher than 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 Johnson County was \$317,197 based on a rate of 6 percent of covered payroll for general employees and 9.5 percent of covered payroll for public safety officers. The rate set by the Board of Trustees as determined by an actuarial valuation was 5.03 percent for general employees and 8.53 percent for public safety officers. By law, employer contributions are required to be paid. The TCRS may intercept Johnson 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)

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

Actuarial Assumptions. The total pension liability as of the 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 Developed Market	4.88	31
International Equity	5.37	14
Emerging Market		
International Equity	6.09	4
Private Equity and Strategic Lending	6.57	20
U.S. Fixed Income	1.20	20
Real Estate	4.38	10
Short-term Securities	0.00	1
Total		100

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

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Johnson 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	\$ 30,039,401	\$ 31,375,060	\$ (1,335,659)
Changes for the Year:			
Service Cost	\$ 475,597	\$ 0	\$ 475,597
Interest	2,009,868	0	2,009,868
Differences Between Expected and Actual Experience	337,621	0	337,621
Contributions-Employer	0	330,909	(330,909)
Contributions-Employees	0	261,772	(261,772)
Net Investment Income	0	3,018,190	(3,018,190)
Benefit Payments, Including Refunds of Employee Contributions	(1,478,356)	(1,478,356)	0
Administrative Expense	0	(31,240)	31,240
Net Changes	\$ 1,344,730	\$ 2,101,275	\$ (756,545)
Balance, June 30, 2024	\$ 31,384,131	\$ 33,476,335	\$ (2,092,204)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	62.01%	\$ 19,461,300	\$ 20,758,675	\$ (1,297,376)
School Department	37.99%	11,922,831	12,717,660	(794,828)
Total		\$ 31,384,131	\$ 33,476,335	\$ (2,092,204)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Johnson 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 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Johnson County			
Net Pension Liability (Asset)	\$ 1,987,164	\$ (2,092,204)	\$ (5,459,878)

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, Johnson County recognized pension expense (negative pension expense) of \$13,280.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, Johnson 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	\$ 326,223	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	356,240
Contributions Subsequent to the Measurement Date of June 30, 2024 (1)	317,197	N/A
Total	<u>\$ 643,420</u>	<u>\$ 356,240</u>

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 401,320	\$ 220,904
School Department	242,100	135,336
Total	<u>\$ 643,420</u>	<u>\$ 356,240</u>

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

Year Ending June 30	Amount
2026	\$ (260,328)
2027	601,160
2028	(184,588)
2029	(186,264)
2030	0
Thereafter	0

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

Primary Government - Johnson County Hybrid Retirement Plan

Plan Description – Johnson County Hybrid Plan. Employees of Johnson County and non-certified employees of the discretely presented Johnson County School Department hired on or after November 1, 2017, are provided a defined benefit pension plan (Johnson County Hybrid Plan) through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 55.75 percent and the non-certified employees of the discretely presented school department comprise 44.25 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 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. Reduced benefits for early retirement are available at age 60 and vested or pursuant to the rule of 80 in which the member's age and service credit total 80. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

Member and beneficiary annuitants are entitled to 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. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	0
Inactive Employees Entitled to But Not Yet Receiving Benefits	127
Active Employees	168
Total	<u><u>295</u></u>

Contributions. Contributions for employees 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. Employees contribute five percent of salary. Johnson County makes 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, as established by the TCRS Board of Trustees, is reached. By law, employer contributions are required to be paid. The TCRS may intercept Johnson County's state shared taxes if required employer contributions are not remitted. Employer contributions for the year ended June 30, 2025, to the Pension Plan were \$182,865, based on 3.24 percent of covered payroll for general employees and 4.14 percent of covered payroll for public safety officers. In addition, employer contributions of \$36,890 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.

Net Pension Liability (Asset)

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

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

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

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Johnson 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	\$ 940,417	\$ 910,321	\$ 30,096
Changes for the Year:			
Service Cost	\$ 313,364	\$ 0	\$ 313,364
Interest	84,171	0	84,171
Differences Between Expected and Actual Experience	49,484	0	49,484
Contributions-Employer	0	162,228	(162,228)
Contributions-Employees	0	247,108	(247,108)
Net Investment Income	0	107,609	(107,609)
Benefit Payments, Including Refunds of Employee Contributions	(13,602)	(13,602)	0
Administrative Expense	0	(11,773)	11,773
Net Changes	\$ 433,417	\$ 491,570	\$ (58,153)
	\$ 1,373,834	\$ 1,401,891	\$ (28,057)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	55.75%	\$ 765,912	\$ 781,554	\$ (15,642)
School Department	44.25%	607,922	620,337	(12,415)
Total		\$ 1,373,834	\$ 1,401,891	\$ (28,057)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Johnson 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 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Johnson County			
Net Pension Liability (Asset)	\$ 235,121	\$ (28,057)	\$ (227,161)

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, Johnson County recognized pension expense (negative pension expense) of \$111,169.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, Johnson 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	\$ 129,392	\$ 0
Changes of Assumptions	15,285	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	14,883
Contributions Subsequent to the Measurement Date of June 30, 2024 (1)	182,865	N/A
Total	<u>\$ 327,542</u>	<u>\$ 14,883</u>

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 180,657	\$ 8,297
School Department	146,885	6,586
Total	<u>\$ 327,542</u>	<u>\$ 14,883</u>

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

Year Ending June 30	Amount
2026	\$ 22,843
2027	32,128
2028	19,355
2029	19,315
2030	16,029
Thereafter	20,134

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

Discretely Presented Johnson County School Department – Non-certified Employees

General Information About the Pension Plans

Plan Description - Johnson County Legacy Plan. As noted above under the primary government, employees of Johnson County and non-certified employees of the discretely presented Johnson County School Department with membership in TCRS before November 1, 2017, are provided a defined benefit pension plan (Johnson County Legacy Plan) through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 62.01 percent and the non-certified employees of the discretely presented school department comprise 37.99 percent of the plan based on contribution data.

Plan Description – Johnson County Hybrid Plan. As also noted above under primary government, employees of Johnson County and non-certified employees of the discretely presented Johnson County School Department hired on or after November 1, 2017, are provided a defined benefit pension plan (Johnson County Hybrid Plan) through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 55.75 percent and the non-certified employees of the discretely presented school department comprise 44.25 percent of the plan based on contribution data.

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

General Information About the Pension Plan

Plan Description. Teachers of the Johnson 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 \$174,705, which is three percent of covered payroll. In addition, employer contributions of \$53,713, 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 (\$151,052) 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 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 .211971 percent. The proportion as of June 30, 2023, was .197986 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, the school department recognized pension expense (negative pension expense) of \$125,423.

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	\$ 12,477	\$ 46,407
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	25,480
Changes in Assumptions	60,025	0
Changes in Proportion of Net Pension Liability (Asset)	18,252	26,684
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	174,705	N/A
Total	<u>\$ 265,459</u>	<u>\$ 98,571</u>

The school department's employer contributions of \$174,705, 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	\$ (15,552)
2027	19,701
2028	(10,187)
2029	(10,048)
2030	2,263
Thereafter	6,006

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

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

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

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75 percent, as well as what the school department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75 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)	\$ 398,372	\$ (151,052)	\$ (559,938)

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

General Information About the Pension Plan

Plan Description. Teachers of the Johnson 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 Johnson County School Department for the year ended June 30, 2025, to the Teacher Legacy Pension Plan were \$401,773, 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 (\$3,403,305) 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 .197538 percent. The proportion measured on June 30, 2023, was .200929 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, the school department recognized pension expense (negative pension expense) of \$779,419.

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	\$ 907,571	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	662,825
Changes in Proportion of Net Pension Liability (Asset)	116,121	56,355
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	401,773	N/A
Total	\$ 1,425,465	\$ 719,180

The school department's employer contributions of \$401,773 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) in 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	\$ (315,254)
2027	1,314,564
2028	(345,816)
2029	(348,982)
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 Developed Market	4.88	%	31	%
International Equity Emerging Market	5.37		14	
International Equity Private Equity and Strategic Lending	6.09		4	
U.S. Fixed Income	6.57		20	
Real Estate	1.20		20	
Short-term Securities	4.38		10	
	0.00		1	
Total			100	%

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

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

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75 percent, as well as what the school department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75 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)	\$ 4,323,376	\$ (3,403,305)	\$ (9,811,532)

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

Johnson County offers its employees an optional deferred compensation plan established pursuant to IRC Section 457. All costs of administering and funding this program are the

responsibility of plan participants. The Section 457 plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Section 457 establishes participation, contribution, and withdrawal provisions for the plans.

Employees hired after November 1, 2017, by Johnson County and non-certified employees of the discretely presented Johnson County 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 Johnson County and the discretely presented Johnson County School Department contribute five percent of each employee's salary into their deferred compensation plan. In addition, employees 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 Johnson County and the Johnson County School Department contributed \$140,402, and \$146,146 and employees contributed \$44,349 and \$15,322 to this deferred compensation pension plan, respectively.

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 Johnson County School Department contributed \$268,575 and teachers contributed \$110,836 to this deferred compensation pension plan.

I. Other Postemployment Benefits (OPEB)

Johnson County and the discretely presented Johnson County School Department provide OPEB benefits to their 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.

As discussed in Note I.D.4, the Johnson County School Department has joined the Tennessee School Board OPEB Trust and on June 30, 2025, reports a balance of \$1,682,039 in restricted assets managed by the trust. However, the trust does not meet the criteria of paragraph 4 of GASB Statement No. 75 since payment of OPEB benefits is not being administered by the trust. Therefore, OPEB liabilities of the school department have been reported gross and not reduced by balances of the trust.

Retirees of Johnson County are provided healthcare under the Local Government Plan (LGP) until they reach Medicare eligibility. Likewise, the school department provides healthcare benefits to its employees under the Local Education Plan (LEP) until they reach Medicare eligibility.

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

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

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

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

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

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2024, valuations were the same as those employed in the July 1, 2022, Pension Actuarial Valuation of the 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, with mortality improvement projected generationally with MP-2021 from 2010. Post-retirement rates are headcount-weighted below median healthy annuitant and adjusted with a 6 percent load for males and a 14 percent load for females, projected generationally with MP-2021 from 2010. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load, projected generationally from 2018 with MP-2021.

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

Local Government OPEB Plan (Primary Government)

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

Benefits Provided. Johnson County offers the LGP to provide health insurance coverage to eligible pre-65 retirees and disabled participants of local governments. With the exception of a small group of grandfathered individuals, retirees are required to discontinue coverage under the LGP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with *TCA* 8-27-701 establishes and amends the benefit terms of the LGP. All members have the option of choosing between the premier preferred provider

organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LGP 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 the retiree premiums. Johnson County provides a direct subsidy for retirees with at least 25 years of service in TCRS and insurance coverage for a minimum of one year prior to retirement. The subsidy ranges from \$467 to \$674 per month based on coverage selected.

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

Inactive Employees Currently Receiving Benefits	1
Inactive Employees Entitled To But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	<u>126</u>
Total	<u><u>127</u></u>

An insurance committee, created in accordance with *TCA* 8-27-701, establishes the required payments to the LGP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2025, the county paid \$14,294 to the LGP for OPEB benefits as they came due.

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

	Primary Government
Balance July 1, 2023	<u>\$ 592,516</u>
Changes for the Year:	
Service Cost	\$ 49,293
Interest	23,386
Difference between Expected and Actual Experience	(8,986)
Changes in Assumption	30,969
Benefit Payments	<u>(2,206)</u>
Net Changes	<u>\$ 92,456</u>
Balance June 30, 2024	<u><u>\$ 684,972</u></u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, the county recognized OPEB expense of \$29,129. On June 30, 2025, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 3,741	\$ 93,121
Changes of Assumptions	120,463	150,263
Benefits Paid After the Measurement Date of June 30, 2024	14,294	0
Total	<u>\$ 138,498</u>	<u>\$ 243,384</u>

The amount shown above for “Benefits Paid After the Measurement Date” will be recognized as a reduction to OPEB liability in the following fiscal 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	Primary Government
2026	\$ (43,550)
2027	(43,396)
2028	(40,307)
2029	(10,179)
2030	13,133
Thereafter	5,119

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

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

Discount Rate	1% Decrease 2.93%	Current Discount Rate 3.93%	1% Increase 4.93%
Total OPEB Liability	\$ 746,884	\$ 684,972	\$ 627,813

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

Healthcare Cost Trend Rate			
	1%	Current	1%
	Decrease 9.68 to 3.5%	Trend Rate 10.68 to 4.5%	Increase 11.68 to 5.5%
Total OPEB Liability	\$ 606,286	\$ 684,972	\$ 778,558

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

Plan Description. Employees of the Johnson 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 Johnson 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. Johnson County School Department provides a direct subsidy for retirees with a minimum of 20 years of service in amounts ranging from \$467 to \$674 per month based on years of service and coverage selected. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retiree's premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

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

Inactive Employees Currently Receiving Benefits	19
Inactive Employees Entitled To But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	<u>169</u>
Total	<u><u>188</u></u>

A state insurance committee, created in accordance with *TCA* 8-27-301, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$217,519 to the LEP for OPEB benefits as they came due.

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

	Share of Collective Liability		
	Johnson County School Department 74.6861%	State of TN 25.3139%	Total OPEB Liability
Balance July 1, 2023	\$ 5,809,543	\$ 2,037,408	\$ 7,846,951
Changes for the Year:			
Service Cost	\$ 223,340	\$ 75,698	\$ 299,038
Interest	217,778	73,813	291,591
Changes in Benefit Terms	(42,151)	(14,286)	(56,437)
Difference between Expected and Actual Experience	(51,963)	(17,612)	(69,575)
Changes in Proportion	51,037	(51,037)	0
Changes in Assumption	80,858	27,406	108,264
Benefit Payments	(236,948)	(80,311)	(317,259)
Net Changes	\$ 241,951	\$ 13,671	\$ 255,622
Balance June 30, 2024	\$ 6,051,494	\$ 2,051,079	\$ 8,102,573

The Johnson 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 Johnson 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 revenues of \$138,231 for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Johnson County School Department's proportionate share of the collective OPEB liability was 74.6861 percent and the State of Tennessee's share was 25.3139 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 \$345,458, 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 Expected and Actual Experience	\$ 615,567	\$ 1,237,904
Changes in Proportion	36,698	181,614
Changes of Assumptions	636,026	378,580
Benefits Paid After the Measurement Date of June 30, 2024	217,519	0
Total	\$ 1,505,810	\$ 1,798,098

The amount shown above for "Benefits Paid After the Measurement Date" will be recognized as a reduction to OPEB liability in the following fiscal 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	\$ (191,740)
2027	(163,319)
2028	(201,900)
2029	(21,431)
2030	61,637
Thereafter	6,946

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%
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Proportionate Share of the Collective Total OPEB Liability	\$ 6,450,827	\$ 6,051,494	\$ 5,667,039
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Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

Healthcare Cost Trend Rate	1% Decrease 9.68 to 3.5%	Current Trend Rate 10.68 to 4.5%	1% Increase 11.68 to 5.5%
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Proportionate Share of the Collective Total OPEB Liability	\$ 5,504,934	\$ 6,051,494	\$ 6,674,332
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J. Office of Central Accounting and Budgeting

Johnson County operates under provisions of the Fiscal Control Acts of 1957. These acts provide for a central system of accounting and budgeting covering funds administered by the county mayor, road superintendent, and director of schools. These funds were maintained in the Office of Central Accounting under the supervision of the director of accounts and budgets.

K Purchasing Laws

Offices of County Mayor and Road Superintendent

Purchasing procedures for the Offices of County Mayor and Road Superintendent are conducted under provisions of Section 5-14-101, et seq., *Tennessee Code Annotated (TCA)*. Purchasing procedures for the Office of Road Superintendent are also governed by provisions of the Uniform Road Law, Section 54-7-113, *TCA*. These statutes provide for purchases exceeding \$50,000 to be made on a competitive bid basis.

Office of Director of Schools

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

L. Subsequent Events

On August 22, 2025, Johnson County issued Capital Outlay Notes, Series 2025B totaling \$5,000,000. This funding was part of an amount originally approved for issuance on March 20, 2025. Proceeds will be accounted for in the Highway Capital Projects Fund.

On October 1, 2025, Johnson County issued Other Loans totaling \$2,536,614 through the State of Tennessee Helene Emergency Assistance Loan (HEAL) Program.

On October 7, 2025, Johnson County entered a contractual agreement with Mountain City, Tennessee to provide HEAL Program proceeds to the city totaling \$2,536,614. Johnson County will recognize a note receivable for the note issuance.

REQUIRED SUPPLEMENTARY INFORMATION SECTION

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

Primary Government

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Pension Liability										
Service Cost	\$ 477,723	\$ 482,243	\$ 534,657	\$ 576,133	\$ 547,348	\$ 494,384	\$ 459,651	\$ 492,266	\$ 467,762	\$ 475,597
Interest	1,453,651	1,579,294	1,566,240	1,630,549	1,649,141	1,705,452	1,770,285	1,861,805	1,923,770	2,009,868
Differences Between Actual and Expected Experience	839,364	(1,166,327)	115,201	(640,921)	(37,548)	64,634	272,624	(33,253)	303,428	337,621
Changes in Assumptions	0	0	509,596	0	0	0	1,996,769	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(1,057,518)	(1,142,502)	(1,100,847)	(1,219,252)	(1,341,820)	(1,316,704)	(1,354,274)	(1,380,465)	(1,376,182)	(1,478,356)
Net Change in Total Pension Liability	\$ 1,713,220	\$ (247,292)	\$ 1,624,847	\$ 346,509	\$ 817,121	\$ 947,766	\$ 3,145,055	\$ 940,353	\$ 1,318,778	\$ 1,344,730
Total Pension Liability, Beginning	19,433,044	21,146,264	20,898,972	22,523,819	22,870,328	23,687,449	24,635,215	27,780,270	28,720,623	30,039,401
Total Pension Liability, Ending (a)	\$ 21,146,264	\$ 20,898,972	\$ 22,523,819	\$ 22,870,328	\$ 23,687,449	\$ 24,635,215	\$ 27,780,270	\$ 28,720,623	\$ 30,039,401	\$ 31,384,131
Plan Fiduciary Net Position										
Contributions - Employer	\$ 720,240	\$ 716,263	\$ 755,316	\$ 753,596	\$ 708,709	\$ 326,899	\$ 312,157	\$ 318,376	\$ 323,450	\$ 330,909
Contributions - Employee	283,354	281,384	299,016	295,947	280,463	258,152	251,380	251,566	255,450	261,772
Net Investment Income	601,837	531,242	2,316,614	1,878,249	1,803,652	1,263,148	6,694,623	(1,217,630)	2,002,102	3,018,190
Benefit Payments, Including Refunds of Employee Contributions	(1,057,518)	(1,142,502)	(1,100,847)	(1,219,252)	(1,341,820)	(1,316,704)	(1,354,274)	(1,380,465)	(1,376,182)	(1,478,356)
Administrative Expense	(13,258)	(19,298)	(21,573)	(23,674)	(19,873)	(17,049)	(16,784)	(17,123)	(26,627)	(31,240)
Net Change in Plan Fiduciary Net Position	\$ 534,655	\$ 367,089	\$ 2,248,526	\$ 1,684,866	\$ 1,431,131	\$ 514,446	\$ 5,887,102	\$ (2,045,276)	\$ 1,178,193	\$ 2,101,275
Plan Fiduciary Net Position, Beginning	19,574,328	20,108,983	20,476,072	22,724,598	24,409,464	25,840,595	26,355,041	32,242,143	30,196,867	31,375,060
Plan Fiduciary Net Position, Ending (b)	\$ 20,108,983	\$ 20,476,072	\$ 22,724,598	\$ 24,409,464	\$ 25,840,595	\$ 26,355,041	\$ 32,242,143	\$ 30,196,867	\$ 31,375,060	\$ 33,476,335
Net Pension Liability (Asset), Ending (a - b)	\$ 1,037,281	\$ 422,900	\$ (200,779)	\$ (1,539,136)	\$ (2,153,146)	\$ (1,719,826)	\$ (4,461,873)	\$ (1,476,244)	\$ (1,335,659)	\$ (2,092,204)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	95.09%	97.98%	100.89%	106.73%	109.09%	106.98%	116.06%	105.14%	104.45%	106.67%
Covered Payroll	\$ 5,631,427	\$ 5,615,758	\$ 5,928,370	\$ 5,913,434	\$ 5,554,013	\$ 5,416,138	\$ 5,150,584	\$ 5,030,172	\$ 5,108,945	\$ 5,205,423
Net Pension Liability (Asset) as a Percentage of Covered Payroll	18.42%	7.53%	(3.39)%	(26.03)%	(38.77)%	(33.42)%	(86.63)%	(29.35)%	(26.14)%	(40.19)%

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.

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

Primary Government

For the Fiscal Year Ended June 30

	2018	2019	2020	2021	2022	2023	2024
Total Pension Liability							
Service Cost	\$ 0	\$ 25,532	\$ 67,695	\$ 120,699	\$ 174,849	\$ 253,879	\$ 313,364
Interest	0	2,680	9,086	21,294	35,552	55,851	84,171
Changes in Benefit Terms	11,437	0	0	0	0	0	0
Differences Between Actual and Expected Experience	0	18,812	43,209	10,432	16,649	62,092	49,484
Changes of Assumptions	0	0	0	30,573	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	0	0	(1,666)	(7,547)	(789)	(9,902)	(13,602)
Net Change in Total Pension Liability	\$ 11,437	\$ 47,024	\$ 118,324	\$ 175,451	\$ 226,261	\$ 361,920	\$ 433,417
Total Pension Liability, Beginning	0	11,437	58,461	176,785	352,236	578,497	940,417
Total Pension Liability, Ending (a)	\$ 11,437	\$ 58,461	\$ 176,785	\$ 352,236	\$ 578,497	\$ 940,417	\$ 1,373,834
Plan Fiduciary Net Position							
Contributions - Employer	\$ 7,770	\$ 11,945	\$ 31,081	\$ 55,797	\$ 72,084	\$ 115,678	\$ 162,228
Contributions - Employee	9,713	35,191	80,445	114,553	143,079	189,758	247,108
Net Investment Income	686	2,920	5,748	64,573	(18,849)	48,291	107,609
Benefit Payments, Including Refunds of Employee Contributions	0	0	(1,666)	(7,547)	(789)	(9,902)	(13,602)
Administrative Expense	(972)	(3,118)	(6,334)	(9,012)	(12,504)	(8,298)	(11,773)
Net Change in Plan Fiduciary Net Position	\$ 17,197	\$ 46,938	\$ 109,274	\$ 218,364	\$ 183,021	\$ 335,527	\$ 491,570
Plan Fiduciary Net Position, Beginning	0	17,197	64,135	173,409	391,773	574,794	910,321
Plan Fiduciary Net Position, Ending (b)	\$ 17,197	\$ 64,135	\$ 173,409	\$ 391,773	\$ 574,794	\$ 910,321	\$ 1,401,891
Net Pension Liability (Asset), Ending (a - b)	\$ (5,760)	\$ (5,674)	\$ 3,376	\$ (39,537)	\$ 3,703	\$ 30,096	\$ (28,057)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	150.36%	109.71%	98.09%	111.22%	99.36%	96.80%	102.04%
Covered Payroll	\$ 194,259	\$ 703,819	\$ 1,608,900	\$ 2,163,083	\$ 2,861,567	\$ 3,795,125	\$ 4,945,579
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(2.97)%	(0.81)%	0.21%	(1.83)%	0.13%	0.79%	(0.57)%

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

Note 2: 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.

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

Primary Government

For the Fiscal Year Ended June 30

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially Determined Contribution	\$ 716,263	\$ 755,316	\$ 753,596	\$ 708,709	\$ 240,364	\$ 228,743	\$ 233,926	\$ 273,893	\$ 280,254	\$ 268,924
Less: Contributions in Relation to the Actuarially Determined Contribution	(716,263)	(755,316)	(753,596)	(708,709)	(326,899)	(312,157)	(318,376)	(323,450)	(330,827)	(317,197)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ (86,535)	\$ (83,414)	\$ (84,450)	\$ (49,557)	\$ (50,573)	\$ (48,273)
Covered Payroll	\$ 5,615,758	\$ 5,928,370	\$ 5,913,434	\$ 5,554,013	\$ 5,416,138	\$ 5,150,584	\$ 5,030,172	\$ 5,108,945	\$ 5,205,423	\$ 5,002,808
Contributions as a Percentage of Covered Payroll	12.75%	12.74%	12.74%	12.76%	6.35%	6.06%	6.33%	6.33%	6.36%	6.34%

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.

JOHNSON COUNTY, TENNESSEE**Schedule of Contributions Based on Participation in the Public Employee****Hybrid Retirement Plan of TCRS**

Primary Government

For the Fiscal Year Ended June 30

	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 7,770	\$ 11,945	\$ 31,081	\$ 55,797	\$ 72,084	\$ 115,678	\$ 161,868	\$ 182,865
Less: Contributions in Relation to the Contractually Required Contribution	(7,770)	(11,945)	(31,081)	(55,797)	(72,084)	(115,678)	(161,868)	(182,865)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 194,259	\$ 703,819	\$ 1,608,900	\$ 2,163,083	\$ 2,861,567	\$ 3,795,125	\$ 4,945,579	\$ 5,430,410
Contributions as a Percentage of Covered Payroll	4.00%	1.70%	1.93%	2.58%	2.52%	3.05%	3.27%	3.37%

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

Note 2: 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.

Note 3: Beginning in FY 2019, Johnson County 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 - 1.7%, SRT - 2.3%
2020: Pension - 1.93%, SRT - 2.07%
2021: Pension - 2.42%, SRT - 1.58%
2022: Pension - 2.39%, SRT - 1.61%
2023: Pension - 2.92%, SRT - 1.08%
2024: Pension - 3.15%, SRT - 0.85%
2025: Pension - 3.24%, SRT - 0.76%

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

Discretely Presented Johnson County School Department

For the Fiscal Year Ended June 30

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 39,844	\$ 39,787	\$ 79,137	\$ 44,724	\$ 48,291	\$ 52,706	\$ 68,722	\$ 113,022	\$ 146,896	\$ 174,705
Less: Contributions in Relation to the Contractually Required Contribution	(39,844)	(39,787)	(79,137)	(44,724)	(48,291)	(52,706)	(68,722)	(113,022)	(146,896)	(174,705)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 996,096	\$ 1,226,191	\$ 1,978,415	\$ 2,305,334	\$ 2,378,836	\$ 2,609,228	\$ 3,418,987	\$ 3,938,019	\$ 4,979,502	\$ 5,803,373
Contributions as a Percentage of Covered Payroll	4.00%	3.24%	4.00%	1.94%	2.03%	2.02%	2.01%	2.87%	2.95%	3.01%

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%

2025: Pension - 3.00%, SRT - 1.00%

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

Discretely Presented Johnson County School Department

For the Fiscal Year Ended June 30

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 708,083	\$ 732,079	\$ 648,420	\$ 709,388	\$ 703,991	\$ 715,386	\$ 662,076	\$ 566,608	\$ 439,963	\$ 401,773
Less: Contributions in Relation to the Contractually Required Contribution	(708,083)	(732,079)	(648,420)	(709,388)	(703,991)	(715,386)	(662,076)	(566,608)	(439,963)	(401,773)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 7,832,775	\$ 7,866,697	\$ 7,141,171	\$ 6,781,904	\$ 6,622,679	\$ 6,965,780	\$ 6,427,920	\$ 6,520,242	\$ 6,463,315	\$ 6,317,182
Contributions as a Percentage of Covered Payroll	9.04%	9.31%	9.08%	10.46%	10.63%	10.27%	10.30%	8.69%	6.81%	6.36%

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

Discretely Presented Johnson 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)	0.266690%	0.226384%	0.151550%	0.226395%	0.217854%	0.188511%	0.180791%	0.200211%	0.197986%	0.211971%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (10,729)	\$ (23,567)	\$ (39,983)	\$ (102,676)	\$ (122,976)	\$ (107,195)	\$ (195,835)	\$ (60,649)	\$ (83,953)	\$ (151,052)
Covered Payroll	\$ 554,107	\$ 996,096	\$ 1,226,191	\$ 1,978,415	\$ 2,305,334	\$ 2,378,836	\$ 2,609,228	\$ 3,418,988	\$ 3,938,019	\$ 4,979,502
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(3.26)%	(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%

JOHNSON COUNTY, TENNESSEE**Schedule of Proportionate Share of the Net Pension Liability (Asset)
in the Teacher Legacy Pension Plan of TCRS**

Discretely Presented Johnson 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)	0.218027%	0.216987%	0.229090%	0.203936%	0.202255%	0.198983%	0.212231%	0.195322%	0.200929%	0.197538%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ 89,311	\$ 1,356,046	\$ (74,955)	\$ (717,635)	\$ (2,079,548)	\$ (1,517,395)	\$ (9,154,031)	\$ (2,395,437)	\$ (2,368,898)	\$ (3,403,305)
Covered Payroll	\$ 8,161,862	\$ 7,832,775	\$ 7,866,698	\$ 7,141,171	\$ 6,781,904	\$ 6,622,679	\$ 6,965,780	\$ 6,427,920	\$ 6,520,242	\$ 6,463,315
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	1.09%	17.31%	(0.95)%	(10.05)%	(30.66)%	(22.91)%	(131.41)%	(37.27)%	(36.33)%	(52.66)%
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%

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

Primary Government

For the Fiscal Year Ended June 30

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service Cost	\$ 52,320	\$ 48,506	\$ 42,366	\$ 48,965	\$ 69,079	\$ 53,056	\$ 36,973	\$ 49,293
Interest	19,205	23,624	16,802	19,032	15,268	12,367	17,033	23,386
Changes in Benefit Terms	0	(2,020)	0	0	(15,906)	(1,674)	0	0
Differences Between Actual and Expected Experience	0	(200,111)	1,792	(12,602)	(5,088)	(37,221)	4,709	(8,986)
Changes in Assumptions or Other Inputs	(40,981)	(50,278)	13,637	77,010	(158,446)	(96,844)	90,784	30,969
Benefit Payments	(20,762)	(20,935)	(5,197)	(977)	(6,799)	(7,644)	(2,299)	(2,206)
Net Change in Total OPEB Liability	\$ 9,782	\$ (201,214)	\$ 69,400	\$ 131,428	\$ (101,892)	\$ (77,960)	\$ 147,200	\$ 92,456
Total OPEB Liability, Beginning	615,772	625,554	424,340	493,740	625,168	523,276	445,316	592,516
Total OPEB Liability, Ending	\$ 625,554	\$ 424,340	\$ 493,740	\$ 625,168	\$ 523,276	\$ 445,316	\$ 592,516	\$ 684,972
Covered Employee Payroll	\$ 3,440,354	\$ 3,608,268	\$ 3,906,559	\$ 4,270,187	\$ 4,293,735	\$ 4,536,279	\$ 5,437,996	\$ 5,776,274
Net OPEB Liability as a Percentage of Covered Employee Payroll	18.18%	11.76%	12.64%	14.64%	12.19%	9.82%	10.90%	11.86%

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

Note 2: Changes in assumptions.

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

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

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

For the 2019 plan - from 5.4% to 6.75%
For the 2020 plan - from 6.75% to 6.03%
For the 2021 plan - from 6.03% to 9.02%
For the 2022 plan - from 9.02% to 7.36%
For the 2023 plan - from 7.36% to 8.37%
For the 2024 plan - from 8.37% to 10.31%
For the 2025 plan - 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.

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

Discretely Presented Johnson County School Department

For the Fiscal Year Ended June 30

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service Cost	\$ 490,643	\$ 454,123	\$ 266,730	\$ 282,170	\$ 328,154	\$ 381,623	\$ 272,653	\$ 299,038
Interest	272,318	328,191	175,101	232,994	163,739	172,116	254,521	291,591
Changes in Benefit Terms	0	(212,137)	(594,227)	0	254,987	(143,397)	0	(56,437)
Differences Between Actual and Expected Experience	0	(4,520,156)	2,733,562	(143,928)	(49,486)	(260,836)	(71,044)	(69,575)
Changes in Assumptions or Other Inputs	(437,645)	123,267	(477,525)	656,950	102,697	(540,481)	611,381	108,264
Benefit Payments	(387,672)	(404,142)	(334,221)	(301,674)	(303,686)	(284,708)	(273,164)	(317,259)
Net Change in Total OPEB Liability	\$ (62,356)	\$ (4,230,854)	\$ 1,769,420	\$ 726,512	\$ 496,405	\$ (675,683)	\$ 794,347	\$ 255,622
Total OPEB Liability, Beginning	9,029,160	8,966,804	4,735,950	6,505,370	7,231,882	7,728,287	7,052,604	7,846,951
Total OPEB Liability, Ending	\$ 8,966,804	\$ 4,735,950	\$ 6,505,370	\$ 7,231,882	\$ 7,728,287	\$ 7,052,604	\$ 7,846,951	\$ 8,102,573
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 1,881,980	\$ 1,138,664	\$ 1,604,770	\$ 1,792,676	\$ 1,938,387	\$ 1,835,301	\$ 2,037,408	\$ 2,051,079
Employer Proportionate Share of the Total OPEB Liability	7,084,824	3,597,286	4,900,600	5,439,206	5,789,900	5,217,303	5,809,543	6,051,494
Covered Employee Payroll	\$ 10,886,869	\$ 10,885,918	\$ 10,969,848	\$ 11,050,887	\$ 11,951,690	\$ 12,330,536	\$ 13,578,002	\$ 14,753,616
Net OPEB Liability as a Percentage of Covered Employee Payroll	65.08%	33.05%	44.67%	49.22%	48.44%	42.31%	42.79%	41.02%

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

Note 2: Changes in assumptions.

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

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

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

For the 2019 plan - from 5.4% to 6.75%
For the 2020 plan - from 6.75% to 6.03%
For the 2021 plan - from 6.03% to 9.02%
For the 2022 plan - from 9.02% to 7.36%
For the 2023 plan - from 7.36% to 8.37%
For the 2024 plan - from 8.37% to 10.31%
For the 2025 plan - 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.

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

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for 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 2.25 percent to 2.125 percent; and modified mortality assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3 percent to 2.5 percent; decreased the investment rate of return from 7.5 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.5 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4 percent; and modified mortality assumptions.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Public Library Fund – The Public Library Fund is used to account for revenues committed or restricted for library operations.

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions involving solid waste collection.

Health Department Fund – The Health Department Fund is used to account for transactions involving renovation projects for the health department.

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 relating to the American Rescue Plan Act.

Other Special Revenue Fund – The Other Special Revenue Fund is used to account for transactions regarding the Water Infrastructure Improvement Plan.

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

CAPITAL PROJECTS FUNDS

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

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

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

	Special Revenue Funds					
	Public Library	Solid Waste / Sanitation	Health Department	Drug Control	Other General Government Fund	Other Special Revenue
ASSETS						
Cash	\$ 300	\$ 250	\$ 0	\$ 0	\$ 0	0
Equity in Pooled Cash and Investments	22,457	156,525	34,091	120,678	228,538	211,634
Accounts Receivable	105	70,956	0	1,568	0	0
Due from Other Governments	11,567	0	11,418	0	0	47,194
Property Taxes Receivable	0	0	0	0	0	0
Allowance for Uncollectible Property Taxes	0	0	0	0	0	0
Total Assets	<u>\$ 34,429</u>	<u>\$ 227,731</u>	<u>\$ 45,509</u>	<u>\$ 122,246</u>	<u>\$ 228,538</u>	<u>\$ 258,828</u>
LIABILITIES						
Accounts Payable	\$ 266	\$ 22,990	\$ 0	\$ 0	\$ 0	0
Contracts Payable	0	0	0	0	0	11,928
Due to Other Funds	0	0	0	0	0	0
Due to Other Governments	0	0	0	0	228,538	0
Other Current Liabilities	0	0	0	1,616	0	0
Total Liabilities	<u>\$ 266</u>	<u>\$ 22,990</u>	<u>\$ 0</u>	<u>\$ 1,616</u>	<u>\$ 228,538</u>	<u>\$ 11,928</u>

(Continued)

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

	Special Revenue Funds					
	Public Library	Solid Waste / Sanitation	Health Department	Drug Control	Other General Government Fund	Other Special Revenue
DEFERRED INFLOWS OF RESOURCES						
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Deferred Delinquent Property Taxes	0	0	0	0	0	0
Other Deferred/Unavailable Revenue	5,783	0	0	0	0	0
Total Deferred Inflows of Resources	<u>\$ 5,783</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
FUND BALANCES						
Restricted:						
Restricted for Public Safety	\$ 0	\$ 0	\$ 0	\$ 120,630	\$ 0	\$ 0
Committed:						
Committed for Public Health and Welfare	0	204,741	45,509	0	0	246,900
Committed for Social, Cultural, and Recreational Services	28,380	0	0	0	0	0
Committed for Capital Outlay	0	0	0	0	0	0
Total Fund Balances	<u>\$ 28,380</u>	<u>\$ 204,741</u>	<u>\$ 45,509</u>	<u>\$ 120,630</u>	<u>\$ 0</u>	<u>\$ 246,900</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 34,429</u>	<u>\$ 227,731</u>	<u>\$ 45,509</u>	<u>\$ 122,246</u>	<u>\$ 228,538</u>	<u>\$ 258,828</u>

(Continued)

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

	Special Revenue Funds (Cont.)		Capital Projects Fund	
	Constitu - tional Officers - Fees	Total	General Capital Projects	Total Nonmajor Governmental Funds
ASSETS				
Cash	\$ 1,000	\$ 1,550	\$ 0	\$ 1,550
Equity in Pooled Cash and Investments	0	773,923	888,578	1,662,501
Accounts Receivable	24	72,653	0	72,653
Due from Other Governments	0	70,179	312,433	382,612
Property Taxes Receivable	0	0	315,537	315,537
Allowance for Uncollectible Property Taxes	0	0	(3,897)	(3,897)
Total Assets	\$ 1,024	\$ 918,305	\$ 1,512,651	\$ 2,430,956
LIABILITIES				
Accounts Payable	\$ 0	\$ 23,256	\$ 0	\$ 23,256
Contracts Payable	0	11,928	0	11,928
Due to Other Funds	1,024	1,024	0	1,024
Due to Other Governments	0	228,538	0	228,538
Other Current Liabilities	0	1,616	0	1,616
Total Liabilities	\$ 1,024	\$ 266,362	\$ 0	\$ 266,362

(Continued)

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

	Special Revenue Funds (Cont.)		Capital Projects Fund	Total Nonmajor Governmental Funds
	Constitu - tional Officers - Fees	Total	General Capital Projects	
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 302,200	\$ 302,200
Deferred Delinquent Property Taxes	0	0	8,292	8,292
Other Deferred/Unavailable Revenue	0	5,783	312,355	318,138
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 5,783</u>	<u>\$ 622,847</u>	<u>\$ 628,630</u>

FUND BALANCES

Restricted:				
Restricted for Public Safety	\$ 0	\$ 120,630	\$ 0	\$ 120,630
Committed:				
Committed for Public Health and Welfare	0	497,150	0	497,150
Committed for Social, Cultural, and Recreational Services	0	28,380	0	28,380
Committed for Capital Outlay	0	0	889,804	889,804
Total Fund Balances	<u>\$ 0</u>	<u>\$ 646,160</u>	<u>\$ 889,804</u>	<u>\$ 1,535,964</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,024</u>	<u>\$ 918,305</u>	<u>\$ 1,512,651</u>	<u>\$ 2,430,956</u>

JOHNSON 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					
	Public Library	Solid Waste / Sanitation	Health Department	Drug Control	Other General Government Fund	Other Special Revenue
Revenues						
Local Taxes	\$ 69,401	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fines, Forfeitures, and Penalties	0	0	0	17,855	0	0
Charges for Current Services	9,042	976,184	0	0	0	0
Other Local Revenues	0	25,602	0	0	2,894	0
State of Tennessee	4,578	15,125	0	0	0	0
Federal Government	0	0	211,899	0	206,138	1,134,416
Other Governments and Citizens Groups	28,700	0	0	0	0	0
Total Revenues	\$ 111,721	\$ 1,016,911	\$ 211,899	\$ 17,855	\$ 209,032	\$ 1,134,416
Expenditures						
Current:						
General Government	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Finance	0	0	0	0	0	0
Administration of Justice	0	0	0	0	0	0
Public Safety	0	0	0	38,254	0	0
Public Health and Welfare	0	1,008,589	0	0	0	0
Social, Cultural, and Recreational Services	103,802	0	0	0	0	0
Other Operations	0	0	288,281	0	0	1,080,545

(Continued)

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

	Special Revenue Funds					
	Public Library	Solid Waste / Sanitation	Health Department	Drug Control	Other General Government Fund	Other Special Revenue
Expenditures (Cont.)						
Capital Projects	\$ 0	\$ 0	\$ 0	\$ 0	\$ 209,032	\$ 0
Total Expenditures	\$ 103,802	\$ 1,008,589	\$ 288,281	\$ 38,254	\$ 209,032	\$ 1,080,545
Excess (Deficiency) of Revenues Over Expenditures	\$ 7,919	\$ 8,322	\$ (76,382)	\$ (20,399)	\$ 0	\$ 53,871
Other Financing Sources (Uses)						
Insurance Recovery	\$ 0	\$ 0	\$ 0	\$ 8,819	\$ 0	\$ 0
Transfers Out	0	0	0	0	0	0
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 8,819	\$ 0	\$ 0
Net Change in Fund Balances	\$ 7,919	\$ 8,322	\$ (76,382)	\$ (11,580)	\$ 0	\$ 53,871
Fund Balance, July 1, 2024	20,461	196,419	121,891	132,210	0	193,029
Fund Balance, June 30, 2025	\$ 28,380	\$ 204,741	\$ 45,509	\$ 120,630	\$ 0	\$ 246,900

(Continued)

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

	Special Revenue Funds (Cont.)		Capital Projects Fund	Total Nonmajor Governmental Funds
	Constitu - tional Officers - Fees	Total	General Capital Projects	
Revenues				
Local Taxes	\$ 0	\$ 69,401	\$ 349,389	\$ 418,790
Fines, Forfeitures, and Penalties	0	17,855	0	17,855
Charges for Current Services	4,959	990,185	0	990,185
Other Local Revenues	0	28,496	0	28,496
State of Tennessee	0	19,703	991	20,694
Federal Government	0	1,552,453	88	1,552,541
Other Governments and Citizens Groups	0	28,700	635,362	664,062
Total Revenues	\$ 4,959	\$ 2,706,793	\$ 985,830	\$ 3,692,623
Expenditures				
Current:				
General Government	\$ 301	\$ 301	\$ 0	\$ 301
Finance	236	236	0	236
Administration of Justice	4,422	4,422	0	4,422
Public Safety	0	38,254	0	38,254
Public Health and Welfare	0	1,008,589	0	1,008,589
Social, Cultural, and Recreational Services	0	103,802	0	103,802
Other Operations	0	1,368,826	0	1,368,826

(Continued)

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

	Special Revenue Funds (Cont.)		Capital Projects Fund	
	Constitu - tional Officers - Fees	Total	General Capital Projects	Total Nonmajor Governmental Funds
Expenditures (Cont.)				
Capital Projects	\$ 0	\$ 209,032	\$ 1,563,206	\$ 1,772,238
Total Expenditures	\$ 4,959	\$ 2,733,462	\$ 1,563,206	\$ 4,296,668
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ (26,669)	\$ (577,376)	\$ (604,045)
Other Financing Sources (Uses)				
Insurance Recovery	\$ 0	\$ 8,819	\$ 0	\$ 8,819
Transfers Out	0	0	(58,610)	(58,610)
Total Other Financing Sources (Uses)	\$ 0	\$ 8,819	\$ (58,610)	\$ (49,791)
Net Change in Fund Balances	\$ 0	\$ (17,850)	\$ (635,986)	\$ (653,836)
Fund Balance, July 1, 2024	0	664,010	1,525,790	2,189,800
Fund Balance, June 30, 2025	\$ 0	\$ 646,160	\$ 889,804	\$ 1,535,964

JOHNSON COUNTY, TENNESSEE**Schedule of Revenues, Expenditures, and Changes****in Fund Balance - Actual (Budgetary Basis) and Budget**

Public Library Fund

For the Year Ended June 30, 2025

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Revenues						
Local Taxes	\$ 69,401	\$ 0	\$ 69,401	\$ 69,401	\$ 69,401	\$ 0
Charges for Current Services	9,042	0	9,042	9,000	9,263	(221)
State of Tennessee	4,578	0	4,578	0	3,011	1,567
Federal Government	0	0	0	0	585	(585)
Other Governments and Citizens Groups	28,700	0	28,700	27,500	28,700	0
Total Revenues	<u>\$ 111,721</u>	<u>\$ 0</u>	<u>\$ 111,721</u>	<u>\$ 105,901</u>	<u>\$ 110,960</u>	<u>\$ 761</u>
Expenditures						
Social, Cultural, and Recreational Services						
Libraries	\$ 103,802	\$ 995	\$ 104,797	\$ 105,901	\$ 114,899	\$ 10,102
Total Expenditures	<u>\$ 103,802</u>	<u>\$ 995</u>	<u>\$ 104,797</u>	<u>\$ 105,901</u>	<u>\$ 114,899</u>	<u>\$ 10,102</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 7,919	\$ (995)	\$ 6,924	\$ 0	\$ (3,939)	\$ 10,863
Net Change in Fund Balance	\$ 7,919	\$ (995)	\$ 6,924	\$ 0	\$ (3,939)	\$ 10,863
Fund Balance, July 1, 2024	20,461	0	20,461	30,988	30,988	(10,527)
Fund Balance, June 30, 2025	<u>\$ 28,380</u>	<u>\$ (995)</u>	<u>\$ 27,385</u>	<u>\$ 30,988</u>	<u>\$ 27,049</u>	<u>\$ 336</u>

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Charges for Current Services	\$ 976,184	\$ 0	\$ 0	\$ 976,184	\$ 907,500	\$ 907,500	\$ 68,684
Other Local Revenues	25,602	0	0	25,602	20,000	20,000	5,602
State of Tennessee	15,125	0	0	15,125	12,500	12,500	2,625
Total Revenues	\$ 1,016,911	\$ 0	\$ 0	\$ 1,016,911	\$ 940,000	\$ 940,000	\$ 76,911
Expenditures							
Public Health and Welfare							
Sanitation Management	\$ 1,008,589	\$ (3,292)	\$ 20	\$ 1,005,317	\$ 903,209	\$ 1,023,030	\$ 17,713
Total Expenditures	\$ 1,008,589	\$ (3,292)	\$ 20	\$ 1,005,317	\$ 903,209	\$ 1,023,030	\$ 17,713
Excess (Deficiency) of Revenues Over Expenditures	\$ 8,322	\$ 3,292	\$ (20)	\$ 11,594	\$ 36,791	\$ (83,030)	\$ 94,624
Net Change in Fund Balance	\$ 8,322	\$ 3,292	\$ (20)	\$ 11,594	\$ 36,791	\$ (83,030)	\$ 94,624
Fund Balance, July 1, 2024	196,419	(3,292)	0	193,127	157,622	157,622	35,505
Fund Balance, June 30, 2025	\$ 204,741	\$ 0	\$ (20)	\$ 204,721	\$ 194,413	\$ 74,592	\$ 130,129

JOHNSON COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Health Department 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		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Federal Government	\$ 211,899	\$ 0	\$ 0	\$ 211,899	\$ 0	\$ 365,673	\$ (153,774)
Total Revenues	\$ 211,899	\$ 0	\$ 0	\$ 211,899	\$ 0	\$ 365,673	\$ (153,774)
Expenditures							
Other Operations							
American Rescue Plan Act Grant #1	\$ 288,281	\$ (44,085)	\$ 22,804	\$ 267,000	\$ 0	\$ 443,479	\$ 176,479
Total Expenditures	\$ 288,281	\$ (44,085)	\$ 22,804	\$ 267,000	\$ 0	\$ 443,479	\$ 176,479
Excess (Deficiency) of Revenues Over Expenditures	\$ (76,382)	\$ 44,085	\$ (22,804)	\$ (55,101)	\$ 0	\$ (77,806)	\$ 22,705
Net Change in Fund Balance	\$ (76,382)	\$ 44,085	\$ (22,804)	\$ (55,101)	\$ 0	\$ (77,806)	\$ 22,705
Fund Balance, July 1, 2024	121,891	(44,085)	0	77,806	0	77,806	0
Fund Balance, June 30, 2025	\$ 45,509	\$ 0	\$ (22,804)	\$ 22,705	\$ 0	\$ 0	\$ 22,705

JOHNSON COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Drug Control Fund
For the Year Ended June 30, 2025

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Fines, Forfeitures, and Penalties	\$ 17,855	\$ 0	\$ 0	\$ 17,855	\$ 13,500	\$ 16,103	\$ 1,752
Total Revenues	\$ 17,855	\$ 0	\$ 0	\$ 17,855	\$ 13,500	\$ 16,103	\$ 1,752
Expenditures							
Public Safety							
Drug Enforcement	\$ 38,254	\$ (556)	\$ 100	\$ 37,798	\$ 43,000	\$ 56,172	\$ 18,374
Total Expenditures	\$ 38,254	\$ (556)	\$ 100	\$ 37,798	\$ 43,000	\$ 56,172	\$ 18,374
Excess (Deficiency) of Revenues Over Expenditures	\$ (20,399)	\$ 556	\$ (100)	\$ (19,943)	\$ (29,500)	\$ (40,069)	\$ 20,126
Other Financing Sources (Uses)							
Insurance Recovery	\$ 8,819	\$ 0	\$ 0	\$ 8,819	\$ 0	\$ 7,251	\$ 1,568
Total Other Financing Sources	\$ 8,819	\$ 0	\$ 0	\$ 8,819	\$ 0	\$ 7,251	\$ 1,568
Net Change in Fund Balance	\$ (11,580)	\$ 556	\$ (100)	\$ (11,124)	\$ (29,500)	\$ (32,818)	\$ 21,694
Fund Balance, July 1, 2024	132,210	(556)	0	131,654	110,539	110,539	21,115
Fund Balance, June 30, 2025	\$ 120,630	\$ 0	\$ (100)	\$ 120,530	\$ 81,039	\$ 77,721	\$ 42,809

JOHNSON 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	\$ 2,894	\$ 2,500	\$ 2,500	\$ 394
Federal Government	206,138	0	0	206,138
Total Revenues	<u>\$ 209,032</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 206,532</u>
Expenditures				
Capital Projects				
General Administration Projects	\$ 134,032	\$ 145,000	\$ 134,032	\$ 0
Public Health and Welfare Projects	75,000	75,000	75,000	0
Public Utility Projects	0	59,500	59,500	59,500
Total Expenditures	<u>\$ 209,032</u>	<u>\$ 279,500</u>	<u>\$ 268,532</u>	<u>\$ 59,500</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 0</u>	<u>\$ (277,000)</u>	<u>\$ (266,032)</u>	<u>\$ 266,032</u>
Other Financing Sources (Uses)				
Transfers Out	\$ 0	\$ (150,000)	\$ (160,968)	\$ 160,968
Total Other Financing Sources	<u>\$ 0</u>	<u>\$ (150,000)</u>	<u>\$ (160,968)</u>	<u>\$ 160,968</u>
Net Change in Fund Balance	\$ 0	\$ (427,000)	\$ (427,000)	\$ 427,000
Fund Balance, July 1, 2024	0	427,000	427,000	(427,000)
Fund Balance, June 30, 2025	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

JOHNSON COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Other Special Revenue 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		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Federal Government	\$ 1,134,416	\$ 0	\$ 0	\$ 1,134,416	\$ 0	\$ 4,141,665	\$ (3,007,249)
Total Revenues	\$ 1,134,416	\$ 0	\$ 0	\$ 1,134,416	\$ 0	\$ 4,141,665	\$ (3,007,249)
Expenditures							
Other Operations							
American Rescue Plan Act Grant #2	\$ 1,080,545	\$ (95,425)	\$ 47,714	\$ 1,032,834	\$ 0	\$ 4,370,821	\$ 3,337,987
Total Expenditures	\$ 1,080,545	\$ (95,425)	\$ 47,714	\$ 1,032,834	\$ 0	\$ 4,370,821	\$ 3,337,987
Excess (Deficiency) of Revenues Over Expenditures	\$ 53,871	\$ 95,425	\$ (47,714)	\$ 101,582	\$ 0	\$ (229,156)	\$ 330,738
Net Change in Fund Balance	\$ 53,871	\$ 95,425	\$ (47,714)	\$ 101,582	\$ 0	\$ (229,156)	\$ 330,738
Fund Balance, July 1, 2024	193,029	(95,425)	0	97,604	0	229,156	(131,552)
Fund Balance, June 30, 2025	\$ 246,900	\$ 0	\$ (47,714)	\$ 199,186	\$ 0	\$ 0	\$ 199,186

JOHNSON COUNTY, TENNESSEE**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget**

General Capital Projects 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		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 349,389	\$ 0	\$ 0	\$ 349,389	\$ 345,744	\$ 345,744	\$ 3,645
State of Tennessee	991	0	0	991	900	600,900	(599,909)
Federal Government	88	0	0	88	394,569	394,569	(394,481)
Other Governments and Citizens Groups	635,362	0	0	635,362	0	635,362	0
Total Revenues	\$ 985,830	\$ 0	\$ 0	\$ 985,830	\$ 741,213	\$ 1,976,575	\$ (990,745)
Expenditures							
Capital Projects							
General Administration Projects	\$ 12,581	\$ 0	\$ 0	\$ 12,581	\$ 57,200	\$ 67,200	\$ 54,619
Public Health and Welfare Projects	182,820	0	182,400	365,220	477,500	477,500	112,280
Social, Cultural, and Recreation Projects	326,436	0	0	326,436	299,200	326,436	0
Agriculture and Natural Resources Projects	371,554	0	1,366,888	1,738,442	565,863	1,855,581	117,139
Other General Government Projects	630,801	(630,801)	0	0	0	0	0
Highway and Street Capital Projects	39,014	0	0	39,014	39,014	39,014	0
Capital Projects - Donated							
Capital Projects Donated to School Department	0	(125,990)	391,773	265,783	185,566	265,783	0
Total Expenditures	\$ 1,563,206	\$ (756,791)	\$ 1,941,061	\$ 2,747,476	\$ 1,624,343	\$ 3,031,514	\$ 284,038
Excess (Deficiency) of Revenues Over Expenditures	\$ (577,376)	\$ 756,791	\$ (1,941,061)	\$ (1,761,646)	\$ (883,130)	\$ (1,054,939)	\$ (706,707)
Other Financing Sources (Uses)							
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 608,506	\$ 689,718	\$ (689,718)
Transfers Out	(58,610)	0	0	(58,610)	(58,610)	(58,610)	0
Total Other Financing Sources	\$ (58,610)	\$ 0	\$ 0	\$ (58,610)	\$ 549,896	\$ 631,108	\$ (689,718)
Net Change in Fund Balance	\$ (635,986)	\$ 756,791	\$ (1,941,061)	\$ (1,820,256)	\$ (333,234)	\$ (423,831)	\$ (1,396,425)
Fund Balance, July 1, 2024	1,525,790	(756,791)	0	768,999	1,078,159	1,078,159	(309,160)
Fund Balance, June 30, 2025	\$ 889,804	\$ 0	\$ (1,941,061)	\$ (1,051,257)	\$ 744,925	\$ 654,328	\$ (1,705,585)

MAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUNDS

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

Special Debt Service Fund – The Special Debt Service Fund is used to account for and report financial resources from the issuance of Other Loans through the State of Tennessee HEAL Loan Program that are restricted, committed, or assigned to expenditure for principal, interest, and other future program costs.

JOHNSON 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		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 797,098	\$ 832,454	\$ 832,454	\$ (35,356)
State of Tennessee	1,622	1,500	1,500	122
Other Governments and Citizens Groups	264,154	264,154	264,154	0
Total Revenues	<u>\$ 1,062,874</u>	<u>\$ 1,098,108</u>	<u>\$ 1,098,108</u>	<u>\$ (35,234)</u>
Expenditures				
Principal on Debt				
General Government	\$ 306,000	\$ 306,000	\$ 306,000	\$ 0
Education	660,000	660,000	660,000	0
Interest on Debt				
General Government	41,358	41,358	41,358	0
Education	7,986	7,986	7,986	0
Other Debt Service				
General Government	13,060	15,000	15,000	1,940
Total Expenditures	<u>\$ 1,028,404</u>	<u>\$ 1,030,344</u>	<u>\$ 1,030,344</u>	<u>\$ 1,940</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 34,470</u>	<u>\$ 67,764</u>	<u>\$ 67,764</u>	<u>\$ (33,294)</u>
Other Financing Sources (Uses)				
Transfers Out	\$ 0	\$ 0	\$ (1,531,672)	\$ 1,531,672
Total Other Financing Sources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (1,531,672)</u>	<u>\$ 1,531,672</u>
Net Change in Fund Balance	\$ 34,470	\$ 67,764	\$ (1,463,908)	\$ 1,498,378
Fund Balance, July 1, 2024	6,943,421	6,901,685	6,901,685	41,736
Fund Balance, June 30, 2025	<u>\$ 6,977,891</u>	<u>\$ 6,969,449</u>	<u>\$ 5,437,777</u>	<u>\$ 1,540,114</u>

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Other Local Revenues	\$ 45,224	\$ 0	\$ 0	\$ 45,224
Total Revenues	<u>\$ 45,224</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 45,224</u>
Expenditures				
Capital Projects				
General Administration Projects	\$ 0	\$ 0	\$ 9,863,386	\$ 9,863,386
Total Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 9,863,386</u>	<u>\$ 9,863,386</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 45,224</u>	<u>\$ 0</u>	<u>\$ (9,863,386)</u>	<u>\$ 9,908,610</u>
Other Financing Sources (Uses)				
Other Loans Issued	\$ 9,863,386	\$ 0	\$ 9,863,386	\$ 0
Total Other Financing Sources	<u>\$ 9,863,386</u>	<u>\$ 0</u>	<u>\$ 9,863,386</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 9,908,610	\$ 0	\$ 0	\$ 9,908,610
Fund Balance, July 1, 2024	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30, 2025	<u><u>\$ 9,908,610</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 9,908,610</u></u>

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, and other governments. 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.

Other Custodial Fund – The Other Custodial Fund is used to account for amounts received and disbursed in a custodial capacity for the Doe Mountain Recreation Authority.

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

	Custodial Funds			
	Cities -	Constitu -		
	Sales	Officers -	Other	
	Tax	Custodial	Custodial	Total
ASSETS				
Cash	\$ 0	\$ 923,436	\$ 0	\$ 923,436
Equity in Pooled Cash and Investments	0	0	166,037	166,037
Accounts Receivable	0	29,313	0	29,313
Due from Other Governments	171,725	0	0	171,725
Total Assets	<u>\$ 171,725</u>	<u>\$ 952,749</u>	<u>\$ 166,037</u>	<u>\$ 1,290,511</u>
LIABILITIES				
Accounts Payable	\$ 0	\$ 0	\$ 43	\$ 43
Due to Other Taxing Units	171,725	0	0	171,725
Total Liabilities	<u>\$ 171,725</u>	<u>\$ 0</u>	<u>\$ 43</u>	<u>\$ 171,768</u>
NET POSITION				
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 0</u>	<u>\$ 952,749</u>	<u>\$ 165,994</u>	<u>\$ 1,118,743</u>
Total Net Position	<u>\$ 0</u>	<u>\$ 952,749</u>	<u>\$ 165,994</u>	<u>\$ 1,118,743</u>

JOHNSON 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	Other Custodial	Total
Additions				
Sales Tax Collections for Other Governments	\$ 927,733	\$ 0	\$ 0	\$ 927,733
Fines/Fees and Other Collections	0	4,410,558	0	4,410,558
Doe Mountain Recreation Authority Collections	0	0	612,243	612,243
Total Additions	\$ 927,733	\$ 4,410,558	\$ 612,243	\$ 5,950,534
Deductions				
Payment of Sales Tax Collections for Other Governments	\$ 927,733	\$ 0	\$ 0	\$ 927,733
Payments to State	0	3,384,959	0	3,384,959
Payments to Individuals and Others	0	1,298,712	0	1,298,712
Payment of Doe Mountain Recreation Authority Expenses	0	0	464,057	464,057
Total Deductions	\$ 927,733	\$ 4,683,671	\$ 464,057	\$ 6,075,461
Change in Net Position	\$ 0	\$ (273,113)	\$ 148,186	\$ (124,927)
Net Position July 1, 2024	0	1,225,862	17,808	1,243,670
Net Position June 30, 2025	\$ 0	\$ 952,749	\$ 165,994	\$ 1,118,743

JOHNSON COUNTY SCHOOL DEPARTMENT

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

Other Education Special Revenue Fund – The Other Education Special Revenue Fund is used to account for a head start program, which is funded by charges for services.

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.

JOHNSON COUNTY, TENNESSEE**Statement of Activities**

Discretely Presented Johnson County School Department

For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
					Total Governmental Activities
Governmental Activities:					
Instruction	\$ 38,033,271	\$ 0	\$ 3,701,506	\$ 65,504	\$ (34,266,261)
Support Services	10,692,352	33,895	146,730	0	(10,511,727)
Operation of Non-instructional Services	3,437,586	1,217,523	1,712,073	0	(507,990)
Total Governmental Activities	\$ 52,163,209	\$ 1,251,418	\$ 5,560,309	\$ 65,504	\$ (45,285,978)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 2,646,692
Local Option Sales Taxes					1,807,400
Mixed Drink Tax					4,390
Grants and Contributions Not Restricted for Specific Programs					39,604,091
Unrestricted Investment Income					17,034
Miscellaneous					240,902
Proceeds from Sale of Capital Assets					15,612
Total General Revenues					\$ 44,336,121
Change in Net Position					\$ (949,857)
Net Position, July 1, 2024					29,991,750
Restatement - See Note I.D.10.					(67,361)
Net Position, June 30, 2025					\$ 28,974,532

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

Discretely Presented Johnson County School Department

June 30, 2025

	<u>Major Fund</u>	<u>Nonmajor Funds</u>	
	General Purpose School	Other Govern- mental Funds	Total Governmental Funds
ASSETS			
Cash	\$ 903,739	\$ 486,054	\$ 1,389,793
Equity in Pooled Cash and Investments	5,330,745	2,147,573	7,478,318
Accounts Receivable	47,716	8,027	55,743
Due from Other Governments	1,674,869	704,980	2,379,849
Due from Other Funds	10,095	45,186	55,281
Property Taxes Receivable	2,721,503	0	2,721,503
Allowance for Uncollectible Property Taxes	(33,610)	0	(33,610)
Prepaid Items	471,428	18,247	489,675
Cash Shortage	2,620,140	0	2,620,140
Restricted Assets	2,234,684	0	2,234,684
Total Assets	<u>\$ 15,981,309</u>	<u>\$ 3,410,067</u>	<u>\$ 19,391,376</u>
LIABILITIES			
Accounts Payable	\$ 3,389,122	\$ 33	\$ 3,389,155
Accrued Payroll	13,992	0	13,992
Payroll Deductions Payable	475,677	95,022	570,699
Due to Other Funds	45,186	10,095	55,281
Due to Primary Government	451,909	0	451,909
Due to State of Tennessee	0	52,166	52,166
Other Current Liabilities	152,354	0	152,354
Total Liabilities	<u>\$ 4,528,240</u>	<u>\$ 157,316</u>	<u>\$ 4,685,556</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Current Property Taxes	\$ 2,606,478	\$ 0	\$ 2,606,478
Deferred Delinquent Property Taxes	71,516	0	71,516
Other Deferred/Unavailable Revenue	131,893	129,155	261,048
Total Deferred Inflows of Resources	<u>\$ 2,809,887</u>	<u>\$ 129,155</u>	<u>\$ 2,939,042</u>
FUND BALANCES			
Nonspendable:			
Prepaid Items	\$ 471,428	\$ 18,247	\$ 489,675
Restricted:			
Restricted for Education	129,723	2,227,624	2,357,347
Restricted for OPEB	1,682,038	0	1,682,038
Restricted for Hybrid Retirement Stabilization Funds	552,646	0	552,646
Committed:			
Committed for Education	0	1,000,000	1,000,000
Assigned:			
Assigned for Education	2,738,633	0	2,738,633
Unassigned	3,068,714	(122,275)	2,946,439
Total Fund Balances	<u>\$ 8,643,182</u>	<u>\$ 3,123,596</u>	<u>\$ 11,766,778</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 15,981,309</u>	<u>\$ 3,410,067</u>	<u>\$ 19,391,376</u>

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

Discretely Presented Johnson 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 I-2)		\$ 11,766,778
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 1,103,734	
Add: construction in progress	5,343,588	
Add: buildings and improvements net of accumulated depreciation	9,216,334	
Add: infrastructure net of accumulated depreciation	160,900	
Add: other capital assets net of accumulated depreciation	<u>2,044,742</u>	17,869,298
(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	\$ (132,162)	
Less: other postemployment benefits (OPEB) liability	<u>(6,051,494)</u>	(6,183,656)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 2,079,909	
Less: deferred inflows of resources related to pensions	(959,673)	
Add: deferred outflows of resources related to OPEB	1,505,810	
Less: deferred inflows of resources related to OPEB	<u>(1,798,098)</u>	827,948
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - agent plan - legacy	\$ 794,828	
Add: net pension asset - agent plan - hybrid	12,415	
Add: net pension asset - teacher retirement plan	151,052	
Add: net pension asset - teacher legacy pension plan	<u>3,403,305</u>	4,361,600
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>332,564</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 28,974,532</u></u>

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

Discretely Presented Johnson County School Department

For the Year Ended June 30, 2025

	Major Funds		Nonmajor Funds	
	General Purpose School	<i>Formerly Major School Federal Projects</i>	Other Govern- mental Funds	Total Governmental Funds
Revenues				
Local Taxes	\$ 4,530,406	\$ 0	\$ 0	\$ 4,530,406
Licenses and Permits	6,590	0	0	6,590
Charges for Current Services	148,263	0	828,539	976,802
Other Local Revenues	518,951	0	1,022,725	1,541,676
State of Tennessee	39,126,347	0	0	39,126,347
Federal Government	298,746	0	4,154,808	4,453,554
Other Governments and Citizens Groups	386,921	0	0	386,921
Total Revenues	<u>\$ 45,016,224</u>	<u>\$ 0</u>	<u>\$ 6,006,072</u>	<u>\$ 51,022,296</u>
Expenditures				
Current:				
Instruction	\$ 34,313,896	\$ 0	\$ 2,547,495	\$ 36,861,391
Support Services	9,596,002	0	860,097	10,456,099
Operation of Non-Instructional Services	671,979	0	2,794,718	3,466,697
Capital Outlay	429,188	0	0	429,188
Debt Service:				
Other Debt Service	264,154	0	0	264,154
Capital Projects - Donated	250,000	0	0	250,000
Total Expenditures	<u>\$ 45,525,219</u>	<u>\$ 0</u>	<u>\$ 6,202,310</u>	<u>\$ 51,727,529</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (508,995)</u>	<u>\$ 0</u>	<u>\$ (196,238)</u>	<u>\$ (705,233)</u>
Other Financing Sources (Uses)				
Insurance Recovery	\$ 190,655	\$ 0	\$ 0	\$ 190,655
Transfers In	56,608	0	0	56,608
Transfers Out	0	0	(56,608)	(56,608)
Total Other Financing Sources (Uses)	<u>\$ 247,263</u>	<u>\$ 0</u>	<u>\$ (56,608)</u>	<u>\$ 190,655</u>
Net Change in Fund Balances	\$ (261,732)	\$ 0	\$ (252,846)	\$ (514,578)
Change to or Within the Reporting Entity	0	(1,082,987)	1,082,987	0
Fund Balance, July 1, 2024	<u>8,904,914</u>	<u>1,082,987</u>	<u>2,293,455</u>	<u>12,281,356</u>
Fund Balance, June 30, 2025	<u>\$ 8,643,182</u>	<u>\$ 0</u>	<u>\$ 3,123,596</u>	<u>\$ 11,766,778</u>

JOHNSON COUNTY, TENNESSEE
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
Discretely Presented Johnson 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 changes in fund balances - total governmental funds (Exhibit I-4)		\$ (514,578)
(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	\$ 733,908	
Less: current-year depreciation expense	<u>(1,109,891)</u>	(375,983)
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2025	\$ 332,564	
Less: deferred delinquent property taxes and other deferred June 30, 2024	<u>(203,470)</u>	129,094
(3) 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	\$ (3,017)	
Change in OPEB liability	(241,951)	
Change in deferred outflows related to OPEB	(273,425)	
Change in deferred inflows related to OPEB	525,668	
Change in net pension asset/liability	1,397,882	
Change in deferred outflows related to pensions	(925,122)	
Change in deferred inflows related to pensions	<u>(668,425)</u>	<u>(188,390)</u>
Change in net position of governmental activities (Exhibit B)		<u><u>\$ (949,857)</u></u>

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

ASSETS

	Special Revenue Funds				Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Other Education Special Revenue	Internal School	
Cash	\$ 0	\$ 0	\$ 0	\$ 486,054	\$ 486,054
Equity in Pooled Cash and Investments	523,568	1,621,266	2,739	0	2,147,573
Accounts Receivable	0	8,027	0	0	8,027
Due from Other Governments	548,922	141,548	14,510	0	704,980
Due from Other Funds	45,186	0	0	0	45,186
Prepaid Items	0	18,247	0	0	18,247
Total Assets	<u>\$ 1,117,676</u>	<u>\$ 1,789,088</u>	<u>\$ 17,249</u>	<u>\$ 486,054</u>	<u>\$ 3,410,067</u>

LIABILITIES

Accounts Payable	\$ 0	\$ 33	\$ 0	\$ 0	\$ 33
Payroll Deductions Payable	48,535	31,977	14,510	0	95,022
Due to Other Funds	10,095	0	0	0	10,095
Due to State of Tennessee	52,166	0	0	0	52,166
Total Liabilities	<u>\$ 110,796</u>	<u>\$ 32,010</u>	<u>\$ 14,510</u>	<u>\$ 0</u>	<u>\$ 157,316</u>

(Continued)

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

Discretely Presented Johnson County School Department (Cont.)

DEFERRED INFLOWS OF RESOURCES

	Special Revenue Funds				Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Other Education Special Revenue	Internal School	
Other Deferred/Unavailable Revenue	\$ 129,155	\$ 0	\$ 0	\$ 0	\$ 129,155
Total Deferred Inflows of Resources	\$ 129,155	\$ 0	\$ 0	\$ 0	\$ 129,155

FUND BALANCES

Nonspendable:					
Prepaid Items	\$ 0	\$ 18,247	\$ 0	\$ 0	\$ 18,247
Restricted:					
Restricted for Education	0	1,738,831	2,739	486,054	2,227,624
Committed:					
Committed for Education	1,000,000	0	0	0	1,000,000
Unassigned	(122,275)	0	0	0	(122,275)
Total Fund Balances	\$ 877,725	\$ 1,757,078	\$ 2,739	\$ 486,054	\$ 3,123,596
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,117,676	\$ 1,789,088	\$ 17,249	\$ 486,054	\$ 3,410,067

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

	Special Revenue Funds				
	<i>Formerly Major School Federal Projects</i>	<i>Central Cafeteria</i>	<i>Other Education Special Revenue</i>	<i>Internal School</i>	<i>Total Nonmajor Governmental Funds</i>
Revenues					
Charges for Current Services	\$ 0	\$ 101,043	\$ 727,496	\$ 0	\$ 828,539
Other Local Revenues	0	19,997	616	1,002,112	1,022,725
Federal Government	2,822,615	1,332,193	0	0	4,154,808
Total Revenues	<u>\$ 2,822,615</u>	<u>\$ 1,453,233</u>	<u>\$ 728,112</u>	<u>\$ 1,002,112</u>	<u>\$ 6,006,072</u>
Expenditures					
Current:					
Instruction	\$ 1,957,501	\$ 0	\$ 589,994	\$ 0	\$ 2,547,495
Support Services	722,089	0	138,008	0	860,097
Operation of Non-Instructional Services	291,679	1,572,554	0	930,485	2,794,718
Total Expenditures	<u>\$ 2,971,269</u>	<u>\$ 1,572,554</u>	<u>\$ 728,002</u>	<u>\$ 930,485</u>	<u>\$ 6,202,310</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (148,654)</u>	<u>\$ (119,321)</u>	<u>\$ 110</u>	<u>\$ 71,627</u>	<u>\$ (196,238)</u>
Other Financing Sources (Uses)					
Transfers Out	\$ (56,608)	\$ 0	\$ 0	\$ 0	\$ (56,608)
Total Other Financing Sources (Uses)	<u>\$ (56,608)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (56,608)</u>
Net Change in Fund Balances	\$ (205,262)	\$ (119,321)	\$ 110	\$ 71,627	\$ (252,846)
Change to or Within the Reporting Entity	1,082,987	0	0	0	1,082,987
Fund Balance, July 1, 2024	<u>0</u>	<u>1,876,399</u>	<u>2,629</u>	<u>414,427</u>	<u>2,293,455</u>
Fund Balance, June 30, 2025	<u>\$ 877,725</u>	<u>\$ 1,757,078</u>	<u>\$ 2,739</u>	<u>\$ 486,054</u>	<u>\$ 3,123,596</u>

JOHNSON COUNTY, TENNESSEE**Schedule of Revenues, Expenditures, and Changes****in Fund Balance - Actual (Budgetary Basis) and Budget**

Discretely Presented Johnson 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		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 4,530,406	\$ 0	\$ 0	\$ 4,530,406	\$ 3,908,059	\$ 3,908,059	\$ 622,347
Licenses and Permits	6,590	0	0	6,590	5,000	5,000	1,590
Charges for Current Services	148,263	0	0	148,263	75,000	102,382	45,881
Other Local Revenues	518,951	0	0	518,951	6,000	237,912	281,039
State of Tennessee	39,126,347	0	0	39,126,347	41,402,776	42,125,190	(2,998,843)
Federal Government	298,746	0	0	298,746	56,500	459,550	(160,804)
Other Governments and Citizens Groups	386,921	0	0	386,921	0	386,921	0
Total Revenues	\$ 45,016,224	\$ 0	\$ 0	\$ 45,016,224	\$ 45,453,335	\$ 47,225,014	\$ (2,208,790)
Expenditures							
Instruction							
Regular Instruction Program	\$ 30,956,047	\$ (39,792)	\$ 299,101	\$ 31,215,356	\$ 31,004,462	\$ 31,665,787	\$ 450,431
Alternative Instruction Program	222,728	0	0	222,728	249,289	249,289	26,561
Special Education Program	1,745,003	(400)	0	1,744,603	2,029,646	2,079,391	334,788
Career and Technical Education Program	1,390,118	0	10,594	1,400,712	1,259,774	1,500,649	99,937
Support Services							
Attendance	7,042	0	0	7,042	0	9,729	2,687
Health Services	330,594	0	100	330,694	357,934	364,270	33,576
Other Student Support	695,759	0	282,874	978,633	836,779	1,137,740	159,107

(Continued)

JOHNSON COUNTY, TENNESSEE**Schedule of Revenues, Expenditures, and Changes****in Fund Balance - Actual (Budgetary Basis) and Budget**

Discretely Presented Johnson 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		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Support Services (Cont.)							
Regular Instruction Program	\$ 933,536	\$ (1,088)	\$ 0	\$ 932,448	\$ 902,286	\$ 964,208	\$ 31,760
Special Education Program	378,767	0	0	378,767	238,097	400,724	21,957
Career and Technical Education Program	121,156	0	0	121,156	124,141	125,236	4,080
Technology	264,372	0	52,825	317,197	500,445	500,726	183,529
Other Programs	76,269	0	0	76,269	0	76,269	0
Board of Education	630,686	0	0	630,686	775,756	775,756	145,070
Director of Schools	306,649	0	0	306,649	296,012	323,075	16,426
Office of the Principal	1,468,788	0	0	1,468,788	1,610,964	1,624,043	155,255
Fiscal Services	189,359	0	0	189,359	195,428	195,428	6,069
Human Services/Personnel	81,405	0	0	81,405	84,140	85,885	4,480
Operation of Plant	2,336,646	(42,662)	6,307	2,300,291	2,380,715	2,381,131	80,840
Maintenance of Plant	592,399	(22,400)	12,655	582,654	556,009	596,902	14,248
Transportation	1,077,703	(9,321)	10,376	1,078,758	1,208,200	1,224,174	145,416
Central and Other	104,872	0	0	104,872	0	109,774	4,902
Operation of Non-Instructional Services							
Food Service	129,770	0	0	129,770	137,321	137,321	7,551
Community Services	332,947	(15,887)	0	317,060	189,380	330,297	13,237
Early Childhood Education	209,262	0	0	209,262	213,250	226,836	17,574

(Continued)

JOHNSON COUNTY, TENNESSEE**Schedule of Revenues, Expenditures, and Changes****in Fund Balance - Actual (Budgetary Basis) and Budget**

Discretely Presented Johnson 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		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Capital Outlay							
Regular Capital Outlay	\$ 429,188	\$ (236,126)	\$ 125,481	\$ 318,543	\$ 112,500	\$ 528,377	\$ 209,834
Other Debt Service							
Education	264,154	0	0	264,154	264,154	264,154	0
Capital Projects - Donated							
Capital Projects Donated to Other Entities	250,000	0	0	250,000	0	250,000	0
Total Expenditures	<u>\$ 45,525,219</u>	<u>\$ (367,676)</u>	<u>\$ 800,313</u>	<u>\$ 45,957,856</u>	<u>\$ 45,526,682</u>	<u>\$ 48,127,171</u>	<u>\$ 2,169,315</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (508,995)</u>	<u>\$ 367,676</u>	<u>\$ (800,313)</u>	<u>\$ (941,632)</u>	<u>\$ (73,347)</u>	<u>\$ (902,157)</u>	<u>\$ (39,475)</u>
Other Financing Sources (Uses)							
Insurance Recovery	\$ 190,655	\$ 0	\$ 0	\$ 190,655	\$ 0	\$ 190,001	\$ 654
Transfers In	56,608	0	0	56,608	73,347	73,347	(16,739)
Total Other Financing Sources	<u>\$ 247,263</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 247,263</u>	<u>\$ 73,347</u>	<u>\$ 263,348</u>	<u>\$ (16,085)</u>
Net Change in Fund Balance	\$ (261,732)	\$ 367,676	\$ (800,313)	\$ (694,369)	\$ 0	\$ (638,809)	\$ (55,560)
Fund Balance, July 1, 2024	<u>8,904,914</u>	<u>(367,676)</u>	<u>0</u>	<u>8,537,238</u>	<u>6,429,311</u>	<u>6,586,618</u>	<u>1,950,620</u>
Fund Balance, June 30, 2025	<u><u>\$ 8,643,182</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (800,313)</u></u>	<u><u>\$ 7,842,869</u></u>	<u><u>\$ 6,429,311</u></u>	<u><u>\$ 5,947,809</u></u>	<u><u>\$ 1,895,060</u></u>

JOHNSON COUNTY, TENNESSEE

**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget**
Discretely Presented Johnson County School Department
School Federal Projects Fund
For the Year Ended June 29, 2025

	Actual (GAAP Basis)	Less: Encumbrances 6/30/2024	Add: Encumbrances 6/29/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Federal Government	\$ 2,822,615	\$ 0	\$ 0	\$ 2,822,615	\$ 3,350,617	\$ 4,053,452	\$ (1,230,837)
Total Revenues	\$ 2,822,615	\$ 0	\$ 0	\$ 2,822,615	\$ 3,350,617	\$ 4,053,452	\$ (1,230,837)
Expenditures							
Instruction							
Regular Instruction Program	\$ 1,131,211	\$ (3,388)	\$ 10,925	\$ 1,138,748	\$ 1,113,386	\$ 1,206,874	\$ 68,126
Special Education Program	739,541	0	0	739,541	1,197,952	1,041,579	302,038
Career and Technical Education Program	86,749	0	0	86,749	34,467	86,749	0
Support Services							
Health Services	28,970	0	0	28,970	30,748	29,905	935
Other Student Support	39,886	0	0	39,886	40,557	82,213	42,327
Regular Instruction Program	310,659	0	0	310,659	364,240	381,402	70,743
Special Education Program	7,725	0	0	7,725	26,694	29,602	21,877
Technology	18,286	0	0	18,286	31,966	18,605	319
Fiscal Services	0	0	0	0	361	0	0
Transportation	316,563	(125,767)	418,719	609,515	454,697	659,328	49,813
Operation of Non-Instructional Services							
Community Services	291,679	0	0	291,679	0	452,284	160,605
Total Expenditures	\$ 2,971,269	\$ (129,155)	\$ 429,644	\$ 3,271,758	\$ 3,295,068	\$ 3,988,541	\$ 716,783
Excess (Deficiency) of Revenues Over Expenditures	\$ (148,654)	\$ 129,155	\$ (429,644)	\$ (449,143)	\$ 55,549	\$ 64,911	\$ (514,054)
Other Financing Sources (Uses)							
Transfers Out	\$ (56,608)	\$ 0	\$ 0	\$ (56,608)	\$ (55,549)	\$ (64,911)	\$ 8,303
Total Other Financing Sources	\$ (56,608)	\$ 0	\$ 0	\$ (56,608)	\$ (55,549)	\$ (64,911)	\$ 8,303
Net Change in Fund Balance	\$ (205,262)	\$ 129,155	\$ (429,644)	\$ (505,751)	\$ 0	\$ 0	\$ (505,751)
Changes to or Within the Financial Reporting Entity	1,082,987	0	0	1,082,987	0	0	1,082,987
Fund Balance, July 1, 2024	0	(129,155)	0	(129,155)	0	0	(129,155)
Fund Balance, June 30, 2025	\$ 877,725	\$ 0	\$ (429,644)	\$ 448,081	\$ 0	\$ 0	\$ 448,081

JOHNSON COUNTY, TENNESSEE**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget**

Discretely Presented Johnson County School Department

Central Cafeteria 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						
Charges for Current Services	\$ 101,043	\$ 0	\$ 101,043	\$ 182,000	\$ 182,000	\$ (80,957)
Other Local Revenues	19,997	0	19,997	56,000	56,000	(36,003)
Federal Government	1,332,193	0	1,332,193	1,515,000	1,515,000	(182,807)
Total Revenues	<u>\$ 1,453,233</u>	<u>\$ 0</u>	<u>\$ 1,453,233</u>	<u>\$ 1,753,000</u>	<u>\$ 1,753,000</u>	<u>\$ (299,767)</u>
Expenditures						
Operation of Non-Instructional Services						
Food Service	\$ 1,572,554	\$ (65,464)	\$ 1,507,090	\$ 1,753,000	\$ 1,753,000	\$ 245,910
Total Expenditures	<u>\$ 1,572,554</u>	<u>\$ (65,464)</u>	<u>\$ 1,507,090</u>	<u>\$ 1,753,000</u>	<u>\$ 1,753,000</u>	<u>\$ 245,910</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (119,321)</u>	<u>\$ 65,464</u>	<u>\$ (53,857)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (53,857)</u>
Net Change in Fund Balance	\$ (119,321)	\$ 65,464	\$ (53,857)	\$ 0	\$ 0	\$ (53,857)
Fund Balance, July 1, 2024	1,876,399	(65,464)	1,810,935	1,768,439	1,768,439	42,496
Fund Balance, June 30, 2025	<u><u>\$ 1,757,078</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 1,757,078</u></u>	<u><u>\$ 1,768,439</u></u>	<u><u>\$ 1,768,439</u></u>	<u><u>\$ (11,361)</u></u>

JOHNSON COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Johnson County School Department
Other Education Special Revenue Fund
For the Year Ended June 30, 2025

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Charges for Current Services	\$ 727,496	\$ 698,247	\$ 803,597	\$ (76,101)
Other Local Revenues	616	0	0	616
Total Revenues	<u>\$ 728,112</u>	<u>\$ 698,247</u>	<u>\$ 803,597</u>	<u>\$ (75,485)</u>
Expenditures				
Instruction				
Regular Instruction Program	\$ 589,994	\$ 494,737	\$ 650,024	\$ 60,030
Support Services				
Attendance	18,683	80,836	28,190	9,507
Health Services	23,613	28,836	29,375	5,762
Regular Instruction Program	95,712	93,838	96,008	296
Total Expenditures	<u>\$ 728,002</u>	<u>\$ 698,247</u>	<u>\$ 803,597</u>	<u>\$ 75,595</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 110</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 110</u>
Net Change in Fund Balance	\$ 110	\$ 0	\$ 0	\$ 110
Fund Balance, July 1, 2024	<u>2,629</u>	<u>2,679</u>	<u>2,679</u>	<u>(50)</u>
Fund Balance, June 30, 2025	<u><u>\$ 2,739</u></u>	<u><u>\$ 2,679</u></u>	<u><u>\$ 2,679</u></u>	<u><u>\$ 60</u></u>

MISCELLANEOUS SCHEDULES

JOHNSON COUNTY, TENNESSEE
Schedule of Changes in Long-term Bonds, Notes, 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	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-25
BONDS PAYABLE								
Payable through General Debt Service Fund General Refunding Bonds, Series 2021	\$ 6,852,000	1.21 %	11-15-21	6-1-28	\$ 4,078,000	\$ 0	\$ 966,000	\$ 3,112,000
Total Bonds Payable					<u>\$ 4,078,000</u>	<u>\$ 0</u>	<u>\$ 966,000</u>	<u>\$ 3,112,000</u>
NOTES PAYABLE								
Payable through General Debt Service Fund General Obligation Notes, Series 2025A	5,000,000	3.95	5-1-25	5-1-35 (1)	\$ 0	\$ 5,000,000	\$ 0	\$ 5,000,000
Total Notes Payable					<u>\$ 0</u>	<u>\$ 5,000,000</u>	<u>\$ 0</u>	<u>\$ 5,000,000</u>
OTHER LOANS PAYABLE								
Payable through Special Debt Service Fund State of Tennessee - Helene Emergency Assistance Loan Program	7,450,000	0	11-5-24	11-5-34 (2)	\$ 0	\$ 7,450,000	\$ 0	\$ 7,450,000
State of Tennessee - Helene Emergency Assistance Loan Program	2,413,386	0	2-11-25	2-11-35 (2)	0	2,413,386	0	2,413,386
Total Other Loans Payable					<u>\$ 0</u>	<u>\$ 9,863,386</u>	<u>\$ 0</u>	<u>\$ 9,863,386</u>

(1) Interest expenses are reimbursed by the State of Tennessee through the Hurricane Helene Interest Payment Fund Program for the first three years of the notes.

(2) Program provisions provide for the debt to be repaid within 30 days of receipt of funds from the Federal Emergency Management Agency (FEMA) or ten years, whichever comes first.

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2026	\$ 1,007,000	\$ 37,655	\$ 1,044,655
2027	1,044,000	25,470	1,069,470
2028	1,061,000	12,838	1,073,838
Total	\$ 3,112,000	\$ 75,963	\$ 3,187,963

Year Ending June 30	Notes (1)		
	Principal	Interest	Total
2026	\$ 0	\$ 213,958	\$ 213,958
2027	0	197,500	197,500
2028	0	197,500	197,500
2029	634,000	197,500	831,500
2030	659,000	172,457	831,457
2031	685,000	146,427	831,427
2032	712,000	119,369	831,369
2033	740,000	91,245	831,245
2034	770,000	62,015	832,015
2035	800,000	31,600	831,600
Total	\$ 5,000,000	\$ 1,429,571	\$ 6,429,571

Year Ending June 30	Other Loans (2)		
	Principal	Interest	Total
2035	\$ 9,863,386	\$ 0	\$ 9,863,386
Total	\$ 9,863,386	\$ 0	\$ 9,863,386

- (1) Interest expenses are reimbursed by the State of Tennessee through the Hurricane Helene Interest Payment Fund Program for the first three years of the notes.
- (2) On June 30, 2025, there are no requirements known for the years ending June 30, 2026, through June 30, 2034. Program provisions provide for the debt to be repaid within 30 days of receipt of funds from the Federal Emergency Management Agency (FEMA) or ten years, whichever comes first.

JOHNSON COUNTY, TENNESSEE
Schedule of Changes in SBITA Obligations
Primary Government
For the Year Ended June 30, 2025

Description of Indebtedness	Original Amount of Issue	Interest Rate		Date of Issue	Maturity Date	Outstanding 7-1-24	Paid and/or Matured During Period	Outstanding 6-30-25
PRIMARY GOVERNMENT								
Payable through General Fund								
Sheriff's Department Records System	\$ 159,913	1.21	%	12-1-20	12-1-24 *	\$ 53,305	\$ 53,305	\$ 0
Total SBITA Payable						\$ 53,305	\$ 53,305	\$ 0

* Maturity date reflects due date of last annual payment.

JOHNSON COUNTY, TENNESSEE
Schedule of Notes Receivable
Primary Government
For the Year Ended June 30, 2025

Description	Debtor	Original Amount of Notes	Date of Issue	Date of Maturity	Interest Rate	Balance 6-30-25
PRIMARY GOVERNMENT						
Special Debt Service Fund						
State of Tennessee Helene Emergency Assistance Loan (HEAL) Program	Town of Mountain City, Tennessee	\$ 1,050,000	12-18-24	(1)	0 %	\$ 1,050,000
State of Tennessee Helene Emergency Assistance Loan (HEAL) Program	Town of Mountain City, Tennessee	1,413,386	3-4-25	(1)	0	1,413,386
State of Tennessee Helene Emergency Assistance Loan (HEAL) Program	Brownlow Utility District	200,000	12-5-24	(1)	0	200,000
State of Tennessee Helene Emergency Assistance Loan (HEAL) Program	Brownlow Utility District	1,000,000	2-21-25	(1)	0	<u>1,000,000</u>
Total Notes Receivable						<u><u>\$ 3,663,386</u></u>

The county is borrowing funds through the State of Tennessee HEAL Program and loaning those amounts to the Town of Mountain City, Tennessee and the Brownlow Utility District

(1) Program provisions provide for the debt to be repaid within 30 days of receipt of funds from the Federal Emergency Management Agency (FEMA) or ten years, whichever comes first.

JOHNSON COUNTY, TENNESSEE
Schedule of Leases Receivable
 Primary Government
June 30, 2025

Description	Debtor		Original Amount of Lease	Date of Issue	Date of Maturity	Interest Rate		Outstanding 7-1-24	Deductions	Balance 6-30-25
PRIMARY GOVERNMENT										
Community Development/Industrial Park Fund										
Building Rental	TN Dept of Human Services	\$	1,121,132	7-22-21	6-30-31	1.2	%	\$ 804,695	\$ 108,056	\$ 696,639
Building Rental	Jones Hardwood		324,000	4-1-16	12-31-31	1.2		154,849	19,850	134,999
Total Leases Receivable								\$ 959,544	\$ 127,906	\$ 831,638

JOHNSON COUNTY, TENNESSEE**Schedule of Transfers**

Primary Government and Discretely Presented Johnson County School Department

For the Year Ended June 30, 2025

From Fund	To Fund	Purpose	Amount
PRIMARY GOVERNMENT			
General Capital Projects	Highway/Public Works	Operations	\$ 58,610
Total Transfers Primary Government			\$ 58,610
DISCRETELY PRESENTED JOHNSON COUNTY SCHOOL DEPARTMENT			
School Federal Projects	General Purpose School	Indirect cost	\$ 56,608
Total Transfers Discretely Presented Johnson County School Department			\$ 56,608

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

Primary Government and Discretely Presented Johnson County School Department

For the Year Ended June 30, 2025

Official	Salary	Authorization	Bond	Surety
County Mayor		Section 8-24-102, <i>TCA</i>	\$ (1)	Local Government Property and Casualty Fund
Base salary	\$ 105,396			
Local training supplement	800			
Total compensation	<u>\$ 106,196</u>			
Road Superintendent		Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and
Base salary/Total compensation	<u>\$ 100,377</u>			
Director of Schools		State Board of Education and County Board of Education	(1)	Tennessee Risk Management Trust
Base salary	\$ 138,400			
Travel allowance	6,000			
Grant stipends	14,081			
Chief executive officer training supplement	1,000			
Bonus	500			
Total compensation	<u>\$ 159,981</u>			
Trustee		Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	<u>\$ 91,252</u>			
Assessor of Property		Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	<u>\$ 91,252</u>			
County Clerk		Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	<u>\$ 91,252</u>			
Circuit and General Sessions Courts Clerk		Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	<u>\$ 91,252</u>			
Clerk and Master		Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary	\$ 91,252			
Special commissioner fees	4,422			
Total compensation	<u>\$ 95,674</u>			
Register of Deeds		Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	<u>\$ 91,252</u>			
Sheriff		Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary	\$ 100,377			
Local training supplement	800			
Law enforcement training supplement	800			
Law enforcement retention bonus	800			
Total compensation	<u>\$ 102,777</u>			
Director of Accounts and Budgets		County Commission	(1)	Local Government Property and Casualty Fund
Base salary	\$ 82,127			
Accrued vacation payout	5,269			
Bonus	1,000			
Board of education member fees	2,400			
Total compensation	<u>\$ 90,796</u>			
Purchasing Agent		County Commission	(1)	Local Government Property and Casualty Fund
Base salary	\$ 44,302			
Bonus	1,000			
Total compensation	<u>\$ 45,302</u>			
Administrator of Elections		Section 2-12-208, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	<u>\$ 82,127</u>			
Employee Blanket Bonds:				
Employee Fidelity - County Departments			400,000	Local Government Property and Casualty Fund
Employee Fidelity - School Department			500,000	Tennessee Risk Management Trust

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

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

	Special Revenue Funds				
	General	Public Library	Solid Waste / Sanitation	Health Department	Drug Control
Local Taxes					
County Property Taxes					
Current Property Tax	\$ 4,758,015	\$ 0	\$ 0	\$ 0	0
Trustee's Collections - Prior Year	156,647	0	0	0	0
Trustee's Collections - Bankruptcy	912	0	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	22,258	0	0	0	0
Interest and Penalty	33,340	0	0	0	0
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	80,833	0	0	0	0
County Local Option Taxes					
Local Option Sales Tax	751,333	69,401	0	0	0
Hotel/Motel Tax	108,960	0	0	0	0
Wheel Tax	185,886	0	0	0	0
Litigation Tax - General	15,432	0	0	0	0
Litigation Tax - Special Purpose	39,801	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	11,516	0	0	0	0
Business Tax	123,069	0	0	0	0
Mixed Drink Tax	4,390	0	0	0	0
Mineral Severance Tax	0	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Public Library	Solid Waste / Sanitation	Health Department	Drug Control
Local Taxes (Cont.)					
Statutory Local Taxes					
Bank Excise Tax	\$ 55,603	\$ 0	\$ 0	\$ 0	0
Wholesale Beer Tax	57,549	0	0	0	0
Total Local Taxes	<u>\$ 6,405,544</u>	<u>\$ 69,401</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
Licenses and Permits					
Licenses					
Cable TV Franchise	\$ 64,033	\$ 0	\$ 0	\$ 0	0
Permits					
Beer Permits	2,358	0	0	0	0
Other Permits	442	0	0	0	0
Total Licenses and Permits	<u>\$ 66,833</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
Fines, Forfeitures, and Penalties					
Circuit Court					
Fines	\$ 2,344	\$ 0	\$ 0	\$ 0	0
Drug Control Fines	0	0	0	0	4,629
Jail Fees	895	0	0	0	0
DUI Treatment Fines	504	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Public Library	Solid Waste / Sanitation	Health Department	Drug Control
Fines, Forfeitures, and Penalties (Cont.)					
Circuit Court (Cont.)					
Data Entry Fee - Circuit Court	\$ 3,813	\$ 0	\$ 0	\$ 0	0
Courtroom Security Fee	2,789	0	0	0	0
Victims Assistance Assessments	112	0	0	0	0
Criminal Court					
Officers Costs	4,896	0	0	0	0
Drug Control Fines	1,722	0	0	0	1,722
Victims Assistance Assessments	47	0	0	0	0
General Sessions Court					
Fines	8,895	0	0	0	0
Officers Costs	13,733	0	0	0	0
Game and Fish Fines	14	0	0	0	0
Drug Control Fines	4,638	0	0	0	4,638
Jail Fees	7,824	0	0	0	0
DUI Treatment Fines	3,483	0	0	0	0
Data Entry Fee - General Sessions Court	4,530	0	0	0	0
Courtroom Security Fee	5,663	0	0	0	0
Victims Assistance Assessments	228	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Public Library	Solid Waste / Sanitation	Health Department	Drug Control
Fines, Forfeitures, and Penalties (Cont.)					
Chancery Court					
Officers Costs	\$ 784	\$ 0	\$ 0	\$ 0	0
Data Entry Fee - Chancery Court	1,300	0	0	0	0
Courtroom Security Fee	180	0	0	0	0
Other Fines, Forfeitures, and Penalties					
Proceeds from Confiscated Property	77	0	0	0	6,776
Other Fines, Forfeitures, and Penalties	3,224	0	0	0	90
Total Fines, Forfeitures, and Penalties	<u>\$ 71,695</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>17,855</u>
Charges for Current Services					
General Service Charges					
Self-Insurance Premiums/Contributions	\$ 22,336	\$ 0	\$ 0	\$ 0	0
Tipping Fees	0	0	976,184	0	0
Other General Service Charges	2,916	0	0	0	0
Fees					
Airport Fees	6,208	0	0	0	0
Copy Fees	287	0	0	0	0
Library Fees	0	9,042	0	0	0
Greenbelt Late Application Fee	50	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Public Library	Solid Waste / Sanitation	Health Department	Drug Control
Charges for Current Services (Cont.)					
Fees (Cont.)					
Telephone Commissions	\$ 35,949	\$ 0	\$ 0	\$ 0	\$ 0
Additional Fees - Titling and Registration	21,491	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	0
Data Processing Fee - Register	6,076	0	0	0	0
Probation Fees	189	0	0	0	0
Data Processing Fee - Sheriff	417	0	0	0	0
Sexual Offender Registration Fee - Sheriff	2,100	0	0	0	0
Data Processing Fee - County Clerk	12,815	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	7,180	0	0	0	0
Total Charges for Current Services	<u>\$ 118,014</u>	<u>\$ 9,042</u>	<u>\$ 976,184</u>	<u>\$ 0</u>	<u>\$ 0</u>
Other Local Revenues					
Recurring Items					
Investment Income	\$ 849,966	\$ 0	\$ 0	\$ 0	\$ 0
Lease/Rentals/PPP	3,167	0	0	0	0
Lease/PPP Interest	0	0	0	0	0
Sale of Materials and Supplies	490	0	25,602	0	0

(Continued)

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

	Special Revenue Funds				
	General	Public Library	Solid Waste / Sanitation	Health Department	Drug Control
Other Local Revenues (Cont.)					
Recurring Items (Cont.)					
Commissary Sales	\$ 220,121	\$ 0	\$ 0	\$ 0	0
Sale of Gasoline	361,807	0	0	0	0
Retirees' Insurance Payments	6,883	0	0	0	0
Miscellaneous Refunds	31,261	0	0	0	0
Nonrecurring Items					
Sale of Equipment	16,824	0	0	0	0
Sale of Property	0	0	0	0	0
Total Other Local Revenues	<u>\$ 1,490,519</u>	<u>\$ 0</u>	<u>\$ 25,602</u>	<u>\$ 0</u>	<u>0</u>
Fees Received From County Officials					
Fees In-Lieu-of Salary					
County Clerk	\$ 265,741	\$ 0	\$ 0	\$ 0	0
Circuit Court Clerk	53,903	0	0	0	0
General Sessions Court Clerk	110,554	0	0	0	0
Clerk and Master	48,639	0	0	0	0
Register	77,051	0	0	0	0
Sheriff	106	0	0	0	0
Trustee	332,986	0	0	0	0
Total Fees Received From County Officials	<u>\$ 888,980</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>

(Continued)

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

	Special Revenue Funds				
	General	Public Library	Solid Waste / Sanitation	Health Department	Drug Control
State of Tennessee					
General Government Grants					
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	0
Airport Maintenance Program	107,604	0	0	0	0
Aging Programs	41,080	0	0	0	0
Public Safety Grants					
Law Enforcement Training Programs	34,400	0	0	0	0
Public Works Grants					
State Aid Program	0	0	0	0	0
Litter Program	24,750	0	0	0	0
State Education Funds					
Other State Education Funds	450,000	0	0	0	0
Other State Revenues					
Beer Tax	17,752	0	0	0	0
Vehicle Certificate of Title Fees	21,198	0	0	0	0
Alcoholic Beverage Tax	54,181	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	47,729	0	0	0	0
State Revenue Sharing - T.V.A.	561,947	0	0	0	0
State Revenue Sharing - Telecommunications	11,202	0	0	0	0
State Shared Sports Gaming Privilege Tax	34,055	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Public Library	Solid Waste / Sanitation	Health Department	Drug Control
State of Tennessee (Cont.)					
Other State Revenues (Cont.)					
Contracted Prisoner Boarding	\$ 748,906	\$ 0	\$ 0	\$ 0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0
Registrar's Salary Supplement	11,373	0	0	0	0
Other State Grants	0	585	0	0	0
Other State Revenues	1,654,637	3,993	15,125	0	0
Total State of Tennessee	<u>\$ 3,829,814</u>	<u>\$ 4,578</u>	<u>\$ 15,125</u>	<u>\$ 0</u>	<u>0</u>
Federal Government					
Federal Through State					
Community Development	\$ 121,442	\$ 0	\$ 0	\$ 0	0
Homeland Security Grants	46,318	0	0	0	0
Direct Federal Revenue					
American Rescue Plan Act Grant #7	0	0	0	0	0
American Rescue Plan Act Grant #8	0	0	0	211,899	0
American Rescue Plan Act Grant #9	0	0	0	0	0
American Rescue Plan Act Grant #10	53,141	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Public Library	Solid Waste / Sanitation	Health Department	Drug Control
Federal Government (Cont.)					
Direct Federal Revenue (Cont.)					
American Rescue Plan Act Grant J	\$ 49,680	\$ 0	\$ 0	\$ 0	\$ 0
Other Direct Federal Revenue	115,790	0	0	0	0
Total Federal Government	<u>\$ 386,371</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 211,899</u>	<u>\$ 0</u>
Other Governments and Citizens Groups					
Other Governments					
Contributions	\$ 279,460	\$ 28,700	\$ 0	\$ 0	\$ 0
Contracted Services	17,550	0	0	0	0
Citizens Groups					
Donations	1,575	0	0	0	0
Other					
Opioid Settlement Funds - Past Remediation	33,659	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 332,244</u>	<u>\$ 28,700</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total	<u><u>\$ 13,590,014</u></u>	<u><u>\$ 111,721</u></u>	<u><u>\$ 1,016,911</u></u>	<u><u>\$ 211,899</u></u>	<u><u>\$ 17,855</u></u>

(Continued)

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

	Special Revenue Funds				Debt Service Funds
	Other General Government Fund	Other Special Revenue	Constitu- tional Officers - Fees	Highway / Public Works	General Debt Service
Local Taxes					
County Property Taxes					
Current Property Tax	\$ 0	\$ 0	\$ 0	\$ 0	477,170
Trustee's Collections - Prior Year	0	0	0	0	15,729
Trustee's Collections - Bankruptcy	0	0	0	0	121
Circuit Clerk/Clerk and Master Collections - Prior Years	0	0	0	0	2,655
Interest and Penalty	0	0	0	0	3,487
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	143
Payments in-Lieu-of Taxes - Other	0	0	0	0	8,021
County Local Option Taxes					
Local Option Sales Tax	0	0	0	0	30,000
Hotel/Motel Tax	0	0	0	0	0
Wheel Tax	0	0	0	254,254	254,254
Litigation Tax - General	0	0	0	0	0
Litigation Tax - Special Purpose	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0
Business Tax	0	0	0	0	0
Mixed Drink Tax	0	0	0	0	0
Mineral Severance Tax	0	0	0	5,460	0

(Continued)

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

	Special Revenue Funds				Debt Service Funds
	Other General Government Fund	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service
Local Taxes (Cont.)					
Statutory Local Taxes					
Bank Excise Tax	\$ 0	\$ 0	\$ 0	\$ 0	5,518
Wholesale Beer Tax	0	0	0	0	0
Total Local Taxes	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 259,714</u>	<u>\$ 797,098</u>
Licenses and Permits					
Licenses					
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 0	0
Permits					
Beer Permits	0	0	0	0	0
Other Permits	0	0	0	0	0
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
Fines, Forfeitures, and Penalties					
Circuit Court					
Fines	\$ 0	\$ 0	\$ 0	\$ 0	0
Drug Control Fines	0	0	0	0	0
Jail Fees	0	0	0	0	0
DUI Treatment Fines	0	0	0	0	0

(Continued)

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

	Special Revenue Funds				Debt Service Funds
	Other General Government Fund	Other Special Revenue	Constitu- tional Officers - Fees	Highway / Public Works	General Debt Service
Fines, Forfeitures, and Penalties (Cont.)					
Circuit Court (Cont.)					
Data Entry Fee - Circuit Court	\$ 0	\$ 0	\$ 0	\$ 0	0
Courtroom Security Fee	0	0	0	0	0
Victims Assistance Assessments	0	0	0	0	0
Criminal Court					
Officers Costs	0	0	0	0	0
Drug Control Fines	0	0	0	0	0
Victims Assistance Assessments	0	0	0	0	0
General Sessions Court					
Fines	0	0	0	0	0
Officers Costs	0	0	0	0	0
Game and Fish Fines	0	0	0	0	0
Drug Control Fines	0	0	0	0	0
Jail Fees	0	0	0	0	0
DUI Treatment Fines	0	0	0	0	0
Data Entry Fee - General Sessions Court	0	0	0	0	0
Courtroom Security Fee	0	0	0	0	0
Victims Assistance Assessments	0	0	0	0	0

(Continued)

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

	Special Revenue Funds				Debt Service Funds
	Other General Government Fund	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service
Fines, Forfeitures, and Penalties (Cont.)					
Chancery Court					
Officers Costs	\$ 0	\$ 0	\$ 0	\$ 0	0
Data Entry Fee - Chancery Court	0	0	0	0	0
Courtroom Security Fee	0	0	0	0	0
Other Fines, Forfeitures, and Penalties					
Proceeds from Confiscated Property	0	0	0	0	0
Other Fines, Forfeitures, and Penalties	0	0	0	25	0
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 25	0
Charges for Current Services					
General Service Charges					
Self-Insurance Premiums/Contributions	\$ 0	\$ 0	\$ 0	\$ 0	0
Tipping Fees	0	0	0	0	0
Other General Service Charges	0	0	0	0	0
Fees					
Airport Fees	0	0	0	0	0
Copy Fees	0	0	0	0	0
Library Fees	0	0	0	0	0
Greenbelt Late Application Fee	0	0	0	0	0

(Continued)

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

	Special Revenue Funds			Debt Service Funds	
	Other General Government Fund	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service
Charges for Current Services (Cont.)					
Fees (Cont.)					
Telephone Commissions	\$ 0	\$ 0	\$ 0	\$ 0	0
Additional Fees - Titling and Registration	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	537	0	0
Special Commissioner Fees/Special Master Fees	0	0	4,422	0	0
Data Processing Fee - Register	0	0	0	0	0
Probation Fees	0	0	0	0	0
Data Processing Fee - Sheriff	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0
Data Processing Fee - County Clerk	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	0	0	0	0	0
Total Charges for Current Services	\$ 0	\$ 0	\$ 4,959	\$ 0	0
Other Local Revenues					
Recurring Items					
Investment Income	\$ 2,894	\$ 0	\$ 0	\$ 0	0
Lease/Rentals/PPP	0	0	0	0	0
Lease/PPP Interest	0	0	0	0	0
Sale of Materials and Supplies	0	0	0	0	0

(Continued)

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

	Special Revenue Funds				Debt Service Funds
	Other General Government Fund	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service
Other Local Revenues (Cont.)					
Recurring Items (Cont.)					
Commissary Sales	\$ 0	\$ 0	\$ 0	\$ 0	0
Sale of Gasoline	0	0	0	0	0
Retirees' Insurance Payments	0	0	0	0	0
Miscellaneous Refunds	0	0	0	0	0
Nonrecurring Items					
Sale of Equipment	0	0	0	0	0
Sale of Property	0	0	0	0	0
Total Other Local Revenues	\$ 2,894	\$ 0	\$ 0	\$ 0	0
Fees Received From County Officials					
Fees In-Lieu-of Salary					
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	0
Circuit Court Clerk	0	0	0	0	0
General Sessions Court Clerk	0	0	0	0	0
Clerk and Master	0	0	0	0	0
Register	0	0	0	0	0
Sheriff	0	0	0	0	0
Trustee	0	0	0	0	0
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	0

(Continued)

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

	Special Revenue Funds				Debt Service Funds
	Other General Government Fund	Other Special Revenue	Constitu- tional Officers - Fees	Highway / Public Works	General Debt Service
State of Tennessee					
General Government Grants					
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	0
Airport Maintenance Program	0	0	0	0	0
Aging Programs	0	0	0	0	0
Public Safety Grants					
Law Enforcement Training Programs	0	0	0	0	0
Public Works Grants					
State Aid Program	0	0	0	1,138,351	0
Litter Program	0	0	0	0	0
State Education Funds					
Other State Education Funds	0	0	0	0	0
Other State Revenues					
Beer Tax	0	0	0	0	0
Vehicle Certificate of Title Fees	0	0	0	0	0
Alcoholic Beverage Tax	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	0	0	0	0	0
State Revenue Sharing - T.V.A.	0	0	0	0	0
State Revenue Sharing - Telecommunications	0	0	0	0	1,622
State Shared Sports Gaming Privilege Tax	0	0	0	0	0

(Continued)

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

	Special Revenue Funds				Debt Service Funds
	Other General Government Fund	Other Special Revenue	Constitu- tional Officers - Fees	Highway / Public Works	General Debt Service
State of Tennessee (Cont.)					
Other State Revenues (Cont.)					
Contracted Prisoner Boarding	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Gasoline and Motor Fuel Tax	0	0	0	2,173,934	0
Hybrid/Electric Vehicle Registration Fee	0	0	0	26,203	0
Petroleum Special Tax	0	0	0	10,901	0
Registrar's Salary Supplement	0	0	0	0	0
Other State Grants	0	0	0	0	0
Other State Revenues	0	0	0	991	0
Total State of Tennessee	\$ 0	\$ 0	\$ 0	\$ 3,350,380	\$ 1,622
Federal Government					
Federal Through State					
Community Development	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Homeland Security Grants	0	0	0	0	0
Direct Federal Revenue					
American Rescue Plan Act Grant #7	206,138	0	0	0	0
American Rescue Plan Act Grant #8	0	0	0	0	0
American Rescue Plan Act Grant #9	0	1,134,416	0	0	0
American Rescue Plan Act Grant #10	0	0	0	0	0

(Continued)

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

	Special Revenue Funds				Debt Service Funds
	Other General Government Fund	Other Special Revenue	Constitu- tional Officers - Fees	Highway / Public Works	General Debt Service
Federal Government (Cont.)					
Direct Federal Revenue (Cont.)					
American Rescue Plan Act Grant J	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Direct Federal Revenue	0	0	0	0	0
Total Federal Government	<u>\$ 206,138</u>	<u>\$ 1,134,416</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Other Governments and Citizens Groups					
Other Governments					
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 264,154
Contracted Services	0	0	0	0	0
Citizens Groups					
Donations	0	0	0	0	0
Other					
Opioid Settlement Funds - Past Remediation	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 264,154</u>
Total	<u>\$ 209,032</u>	<u>\$ 1,134,416</u>	<u>\$ 4,959</u>	<u>\$ 3,610,119</u>	<u>\$ 1,062,874</u>

(Continued)

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

	Debt Service		Capital Projects Funds		
	Fund				
	Special	General	Community	Highway	
	Debt	Capital	Development/	Capital	
	Service	Projects	Industrial	Projects	Total
			Park		
Local Taxes					
County Property Taxes					
Current Property Tax	\$ 0	\$ 293,640	\$ 0	\$ 0	\$ 5,528,825
Trustee's Collections - Prior Year	0	9,680	0	0	182,056
Trustee's Collections - Bankruptcy	0	72	0	0	1,105
Circuit Clerk/Clerk and Master Collections - Prior Years	0	1,620	0	0	26,533
Interest and Penalty	0	2,145	0	0	38,972
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	143
Payments in-Lieu-of Taxes - Other	0	4,936	0	0	93,790
County Local Option Taxes					
Local Option Sales Tax	0	0	0	0	850,734
Hotel/Motel Tax	0	0	0	0	108,960
Wheel Tax	0	33,900	0	0	728,294
Litigation Tax - General	0	0	0	0	15,432
Litigation Tax - Special Purpose	0	0	0	0	39,801
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	11,516
Business Tax	0	0	0	0	123,069
Mixed Drink Tax	0	0	0	0	4,390
Mineral Severance Tax	0	0	0	0	5,460

(Continued)

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

	Debt Service Fund		Capital Projects Funds			
	Special Debt Service	General Capital Projects	Community Development/ Industrial Park		Highway Capital Projects	Total
Local Taxes (Cont.)						
Statutory Local Taxes						
Bank Excise Tax	\$ 0	\$ 3,396	\$ 0	\$ 0	\$ 0	\$ 64,517
Wholesale Beer Tax	0	0	0	0	0	57,549
Total Local Taxes	\$ 0	\$ 349,389	\$ 0	\$ 0	\$ 0	\$ 7,881,146
Licenses and Permits						
Licenses						
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 64,033
Permits						
Beer Permits	0	0	0	0	0	2,358
Other Permits	0	0	0	0	0	442
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 66,833
Fines, Forfeitures, and Penalties						
Circuit Court						
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,344
Drug Control Fines	0	0	0	0	0	4,629
Jail Fees	0	0	0	0	0	895
DUI Treatment Fines	0	0	0	0	0	504

(Continued)

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

	Debt Service		Capital Projects Funds			
	Fund					
	Special	General	Community	Highway		
	Debt	Capital	Development/	Capital		
	Service	Projects	Industrial	Projects		Total
			Park			
Fines, Forfeitures, and Penalties (Cont.)						
Circuit Court (Cont.)						
Data Entry Fee - Circuit Court	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	3,813
Courtroom Security Fee	0	0	0	0	0	2,789
Victims Assistance Assessments	0	0	0	0	0	112
Criminal Court						
Officers Costs	0	0	0	0	0	4,896
Drug Control Fines	0	0	0	0	0	3,444
Victims Assistance Assessments	0	0	0	0	0	47
General Sessions Court						
Fines	0	0	0	0	0	8,895
Officers Costs	0	0	0	0	0	13,733
Game and Fish Fines	0	0	0	0	0	14
Drug Control Fines	0	0	0	0	0	9,276
Jail Fees	0	0	0	0	0	7,824
DUI Treatment Fines	0	0	0	0	0	3,483
Data Entry Fee - General Sessions Court	0	0	0	0	0	4,530
Courtroom Security Fee	0	0	0	0	0	5,663
Victims Assistance Assessments	0	0	0	0	0	228

(Continued)

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

	Debt Service		Capital Projects Funds		
	Fund				
	Special	General	Community	Highway	
	Debt	Capital	Development/	Capital	
	Service	Projects	Industrial	Projects	Total
			Park		
Fines, Forfeitures, and Penalties (Cont.)					
Chancery Court					
Officers Costs	\$ 0	\$ 0	\$ 0	\$ 0	784
Data Entry Fee - Chancery Court	0	0	0	0	1,300
Courtroom Security Fee	0	0	0	0	180
Other Fines, Forfeitures, and Penalties					
Proceeds from Confiscated Property	0	0	0	0	6,853
Other Fines, Forfeitures, and Penalties	0	0	0	0	3,339
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	89,575
Charges for Current Services					
General Service Charges					
Self-Insurance Premiums/Contributions	\$ 0	\$ 0	\$ 0	\$ 0	22,336
Tipping Fees	0	0	0	0	976,184
Other General Service Charges	0	0	0	0	2,916
Fees					
Airport Fees	0	0	0	0	6,208
Copy Fees	0	0	0	0	287
Library Fees	0	0	0	0	9,042
Greenbelt Late Application Fee	0	0	0	0	50

(Continued)

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

	Debt Service Fund		Capital Projects Funds			
	Special Debt Service	General Capital Projects	Community Development/Industrial Park	Highway Capital Projects	Total	
Charges for Current Services (Cont.)						
Fees (Cont.)						
Telephone Commissions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 35,949	
Additional Fees - Titling and Registration	0	0	0	0	21,491	
Constitutional Officers' Fees and Commissions	0	0	0	0	537	
Special Commissioner Fees/Special Master Fees	0	0	0	0	4,422	
Data Processing Fee - Register	0	0	0	0	6,076	
Probation Fees	0	0	0	0	189	
Data Processing Fee - Sheriff	0	0	0	0	417	
Sexual Offender Registration Fee - Sheriff	0	0	0	0	2,100	
Data Processing Fee - County Clerk	0	0	0	0	12,815	
Vehicle Insurance Coverage and Reinstatement Fees	0	0	0	0	7,180	
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,108,199	
Other Local Revenues						
Recurring Items						
Investment Income	\$ 45,224	\$ 0	\$ 0	\$ 8,304	\$ 906,388	
Lease/Rentals/PPP	0	0	131,606	0	134,773	
Lease/PPP Interest	0	0	10,889	0	10,889	
Sale of Materials and Supplies	0	0	0	0	26,092	

(Continued)

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

	Debt Service Fund		Capital Projects Funds			
	Special Debt Service	General Capital Projects	Community Development/Industrial Park	Highway Capital Projects	Total	
Other Local Revenues (Cont.)						
Recurring Items (Cont.)						
Commissary Sales	\$ 0	\$ 0	\$ 0	\$ 0	\$ 220,121	
Sale of Gasoline	0	0	0	0	361,807	
Retirees' Insurance Payments	0	0	0	0	6,883	
Miscellaneous Refunds	0	0	0	0	31,261	
Nonrecurring Items						
Sale of Equipment	0	0	0	0	16,824	
Sale of Property	0	0	385,997	0	385,997	
Total Other Local Revenues	\$ 45,224	\$ 0	\$ 528,492	\$ 8,304	\$ 2,101,035	
Fees Received From County Officials						
Fees In-Lieu-of Salary						
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 265,741	
Circuit Court Clerk	0	0	0	0	53,903	
General Sessions Court Clerk	0	0	0	0	110,554	
Clerk and Master	0	0	0	0	48,639	
Register	0	0	0	0	77,051	
Sheriff	0	0	0	0	106	
Trustee	0	0	0	0	332,986	
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 888,980	

(Continued)

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

	Debt Service		Capital Projects Funds		
	Fund				
	Special	General	Community	Highway	
	Debt	Capital	Development/	Capital	
	Service	Projects	Industrial	Projects	Total
			Park		
State of Tennessee					
General Government Grants					
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	9,000
Airport Maintenance Program	0	0	0	0	107,604
Aging Programs	0	0	0	0	41,080
Public Safety Grants					
Law Enforcement Training Programs	0	0	0	0	34,400
Public Works Grants					
State Aid Program	0	0	0	0	1,138,351
Litter Program	0	0	0	0	24,750
State Education Funds					
Other State Education Funds	0	0	0	0	450,000
Other State Revenues					
Beer Tax	0	0	0	0	17,752
Vehicle Certificate of Title Fees	0	0	0	0	21,198
Alcoholic Beverage Tax	0	0	0	0	54,181
Opioid Settlement Funds - TN Abatement Council	0	0	0	0	47,729
State Revenue Sharing - T.V.A.	0	0	0	0	561,947
State Revenue Sharing - Telecommunications	0	991	0	0	13,815
State Shared Sports Gaming Privilege Tax	0	0	0	0	34,055

(Continued)

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

	Debt Service		Capital Projects Funds		
	Fund				
	Special	General	Community	Highway	
	Debt	Capital	Development/	Capital	
	Service	Projects	Industrial	Projects	Total
			Park		
State of Tennessee (Cont.)					
Other State Revenues (Cont.)					
Contracted Prisoner Boarding	\$ 0	\$ 0	\$ 0	\$ 0	748,906
Gasoline and Motor Fuel Tax	0	0	0	0	2,173,934
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	26,203
Petroleum Special Tax	0	0	0	0	10,901
Registrar's Salary Supplement	0	0	0	0	11,373
Other State Grants	0	0	0	0	585
Other State Revenues	0	0	0	0	1,674,746
Total State of Tennessee	\$ 0	\$ 991	\$ 0	\$ 0	7,202,510
Federal Government					
Federal Through State					
Community Development	\$ 0	\$ 0	\$ 0	\$ 0	121,442
Homeland Security Grants	0	0	0	0	46,318
Direct Federal Revenue					
American Rescue Plan Act Grant #7	0	0	0	0	206,138
American Rescue Plan Act Grant #8	0	0	0	0	211,899
American Rescue Plan Act Grant #9	0	0	0	0	1,134,416
American Rescue Plan Act Grant #10	0	0	0	0	53,141

(Continued)

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

	Debt Service Fund		Capital Projects Funds			
	Special Debt Service	General Capital Projects	Community Development/Industrial Park	Highway Capital Projects	Total	
Federal Government (Cont.)						
Direct Federal Revenue (Cont.)						
American Rescue Plan Act Grant J	\$ 0	\$ 0	\$ 0	\$ 0	\$ 49,680	
Other Direct Federal Revenue	0	88	0	0	115,878	
Total Federal Government	<u>\$ 0</u>	<u>\$ 88</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,938,912</u>	
Other Governments and Citizens Groups						
Other Governments						
Contributions	\$ 0	\$ 635,362	\$ 0	\$ 0	\$ 1,207,676	
Contracted Services	0	0	0	0	17,550	
Citizens Groups						
Donations	0	0	0	0	1,575	
Other						
Opioid Settlement Funds - Past Remediation	0	0	0	0	33,659	
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 635,362</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,260,460</u>	
Total	<u>\$ 45,224</u>	<u>\$ 985,830</u>	<u>\$ 528,492</u>	<u>\$ 8,304</u>	<u>\$ 22,537,650</u>	

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

Discretely Presented Johnson County School Department

For the Year Ended June 30, 2025

	Special Revenue Funds					Total
	General Purpose School	School Federal Projects	Central Cafeteria	Other Education Special Revenue	Internal School	
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 2,532,650	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,532,650
Trustee's Collections - Prior Year	83,455	0	0	0	0	83,455
Trustee's Collections - Bankruptcy	646	0	0	0	0	646
Circuit Clerk/Clerk and Master Collections - Prior Years	14,108	0	0	0	0	14,108
Interest and Penalty	18,543	0	0	0	0	18,543
Payments in-Lieu-of Taxes - Other	42,577	0	0	0	0	42,577
County Local Option Taxes						
Local Option Sales Tax	1,804,750	0	0	0	0	1,804,750
Mixed Drink Tax	4,390	0	0	0	0	4,390
Statutory Local Taxes						
Bank Excise Tax	29,287	0	0	0	0	29,287
Total Local Taxes	\$ 4,530,406	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,530,406
Licenses and Permits						
Licenses						
Marriage Licenses	\$ 1,206	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,206

(Continued)

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

Discretely Presented Johnson County School Department (Cont.)

	Special Revenue Funds					Total
	General Purpose School	School Federal Projects	Central Cafeteria	Other Education Special Revenue	Internal School	
Licenses and Permits (Cont.)						
Permits						
Other Permits	\$ 5,384	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,384
Total Licenses and Permits	\$ 6,590	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,590
Charges for Current Services						
Education Charges						
Lunch Payments - Adults	\$ 0	\$ 0	\$ 26,591	\$ 0	\$ 0	\$ 26,591
A la Carte Sales	0	0	74,452	0	0	74,452
Contract for Instructional Services with Other LEA's	0	0	0	727,496	0	727,496
Receipts from Individual Schools	33,895	0	0	0	0	33,895
Community Service Fees - Children	114,368	0	0	0	0	114,368
Total Charges for Current Services	\$ 148,263	\$ 0	\$ 101,043	\$ 727,496	\$ 0	\$ 976,802
Other Local Revenues						
Recurring Items						
Investment Income	\$ 190,564	\$ 0	\$ 17,034	\$ 0	\$ 0	\$ 207,598
Retirees' Insurance Payments	4,244	0	0	0	0	4,244
Miscellaneous Refunds	227,695	0	2,963	616	0	231,274

(Continued)

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

Discretely Presented Johnson County School Department (Cont.)

	Special Revenue Funds					Total
	General Purpose School	School Federal Projects	Central Cafeteria	Other Education Special Revenue	Internal School	
Other Local Revenues (Cont.)						
Nonrecurring Items						
Sale of Equipment	\$ 15,612	\$ 0	\$ 0	\$ 0	\$ 0	15,612
Contributions and Gifts	80,836	0	0	0	0	80,836
Other Local Revenues						
Other Local Revenues	0	0	0	0	1,002,112	1,002,112
Total Other Local Revenues	\$ 518,951	\$ 0	\$ 19,997	\$ 616	\$ 1,002,112	\$ 1,541,676
State of Tennessee						
General Government Grants						
On-behalf Contributions for OPEB	\$ 76,269	\$ 0	\$ 0	\$ 0	\$ 0	76,269
State Education Funds						
Tennessee Investment in Student Achievement	38,325,785	0	0	0	0	38,325,785
TISA - On-behalf Payments	101,582	0	0	0	0	101,582
Early Childhood Education	280,669	0	0	0	0	280,669
School Food Service	11,390	0	0	0	0	11,390
Other State Education Funds	206,569	0	0	0	0	206,569
Paid Parental Leave	80,383	0	0	0	0	80,383
Career Ladder Program	23,387	0	0	0	0	23,387
Other Vocational	11,693	0	0	0	0	11,693

(Continued)

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

Discretely Presented Johnson County School Department (Cont.)

	Special Revenue Funds					Total
	General Purpose School	School Federal Projects	Central Cafeteria	Other Education Special Revenue	Internal School	
State of Tennessee (Cont.)						
Other State Revenues						
State Revenue Sharing - Telecommunications	\$ 8,620	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,620
Total State of Tennessee	\$ 39,126,347	\$ 0	\$ 0	\$ 0	\$ 0	\$ 39,126,347
Federal Government						
Federal Through State						
USDA School Lunch Program	\$ 0	\$ 0	\$ 900,046	\$ 0	\$ 0	\$ 900,046
USDA - Commodities	0	0	117,262	0	0	117,262
Breakfast	0	0	314,885	0	0	314,885
Vocational Education - Basic Grants to States	0	104,623	0	0	0	104,623
Title I Grants to Local Education Agencies	0	1,094,276	0	0	0	1,094,276
Special Education - Grants to States	0	921,586	0	0	0	921,586
Special Education Preschool Grants	0	31,616	0	0	0	31,616
Safe and Drug-free Schools - State Grants	0	101,894	0	0	0	101,894
Rural Education	0	92,193	0	0	0	92,193
Education for Homeless Children and Youth	0	11,856	0	0	0	11,856
21st Century Community Learning Centers	0	10,363	0	0	0	10,363
Eisenhower Professional Development State Grants	0	161,366	0	0	0	161,366

(Continued)

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

Discretely Presented Johnson County School Department (Cont.)

	Special Revenue Funds					Total
	General Purpose School	School Federal Projects	Central Cafeteria	Other Education Special Revenue	Internal School	
Federal Government (Cont.)						
Federal Through State (Cont.)						
COVID-19 Grant D	\$ 0	\$ 32,270	\$ 0	\$ 0	\$ 0	\$ 32,270
American Rescue Plan Act Grant #1	0	65,504	0	0	0	65,504
American Rescue Plan Act Grant #4	0	7,016	0	0	0	7,016
Other Federal through State	297,987	188,052	0	0	0	486,039
Direct Federal Revenue						
Other Direct Federal Revenue	759	0	0	0	0	759
Total Federal Government	<u>\$ 298,746</u>	<u>\$ 2,822,615</u>	<u>\$ 1,332,193</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,453,554</u>
Other Governments and Citizens Groups						
Other Governments						
Contributions	\$ 386,921	\$ 0	\$ 0	\$ 0	\$ 0	\$ 386,921
Total Other Governments and Citizens Groups	<u>\$ 386,921</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 386,921</u>
Total	<u><u>\$ 45,016,224</u></u>	<u><u>\$ 2,822,615</u></u>	<u><u>\$ 1,453,233</u></u>	<u><u>\$ 728,112</u></u>	<u><u>\$ 1,002,112</u></u>	<u><u>\$ 51,022,296</u></u>

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

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	33,400	
Social Security		1,983	
Pensions		840	
Medical Insurance		718	
Employer Medicare		464	
Total County Commission			\$ 37,405

Board of Equalization

Board and Committee Members Fees	\$	850	
Total Board of Equalization			850

Other Boards and Committees

Board and Committee Members Fees	\$	800	
Social Security		12	
Pensions		14	
Medical Insurance		60	
Employer Medicare		3	
Total Other Boards and Committees			889

County Mayor/Executive

County Official/Administrative Officer	\$	106,196	
Secretary(ies)		26,406	
Social Security		8,139	
Pensions		7,382	
Medical Insurance		6,028	
Unemployment Compensation		33	
Employer Medicare		1,904	
Data Processing Services		4,026	
Rentals		736	
Office Supplies		1,886	
Data Processing Equipment		1,577	
Total County Mayor/Executive			164,313

County Attorney

Legal Services	\$	56,332	
Other Contracted Services		6,000	
Total County Attorney			62,332

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Election Commission

County Official/Administrative Officer	\$	82,127	
Deputy(ies)		23,944	
Clerical Personnel		5,101	
Other Salaries and Wages		4,896	
Election Commission		15,530	
Election Workers		48,750	
Social Security		6,409	
Pensions		5,964	
Medical Insurance		16,379	
Unemployment Compensation		78	
Employer Medicare		1,499	
Data Processing Services		15,677	
Legal Notices, Recording, and Court Costs		2,300	
Printing, Stationery, and Forms		359	
Rentals		465	
Office Supplies		2,729	
Other Supplies and Materials		1,905	
Liability Insurance		3,950	
In Service/Staff Development		10,073	
Other Charges		3,727	
Data Processing Equipment		651	
Office Equipment		3,879	
Total Election Commission			\$ 256,392

Register of Deeds

County Official/Administrative Officer	\$	91,252	
Deputy(ies)		31,290	
Social Security		7,395	
Pensions		8,054	
Medical Insurance		12,606	
Unemployment Compensation		28	
Employer Medicare		1,729	
Data Processing Services		4,075	
Dues and Memberships		733	
Rentals		964	
Office Supplies		783	
Office Equipment		270	
Total Register of Deeds			159,179

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Buildings

Data Processing Personnel	\$	7,963	
Custodial Personnel		16,742	
Social Security		1,510	
Pensions		478	
Medical Insurance		1,451	
Unemployment Compensation		73	
Employer Medicare		353	
Maintenance Agreements		16,920	
Maintenance and Repair Services - Buildings		18,998	
Custodial Supplies		13,124	
Electricity		41,823	
Natural Gas		6,952	
Water and Sewer		5,123	
Total County Buildings			\$ 131,510

Finance

Accounting and Budgeting

Supervisor/Director	\$	88,396	
Data Processing Personnel		84,281	
Other Salaries and Wages		15,434	
Social Security		10,366	
Pensions		11,633	
Medical Insurance		35,378	
Unemployment Compensation		100	
Employer Medicare		2,424	
Data Processing Services		28,364	
Printing, Stationery, and Forms		2,739	
Rentals		899	
Office Supplies		5,792	
Data Processing Equipment		12,648	
Office Equipment		5,746	
Total Accounting and Budgeting			304,200

Purchasing

County Official/Administrative Officer	\$	44,302	
Social Security		2,747	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Purchasing (Cont.)

Pensions	\$	3,510	
Unemployment Compensation		28	
Employer Medicare		642	
Advertising		1,605	
Dues and Memberships		179	
Other Contracted Services		900	
Office Supplies		626	
Total Purchasing			\$ 54,539

Property Assessor's Office

County Official/Administrative Officer	\$	91,252	
Deputy(ies)		34,208	
Social Security		6,754	
Pensions		7,332	
Medical Insurance		20,823	
Unemployment Compensation		28	
Employer Medicare		1,580	
Advertising		151	
Postal Charges		292	
Printing, Stationery, and Forms		111	
Rentals		515	
Office Supplies		954	
Office Equipment		4,135	
Total Property Assessor's Office			168,135

Reappraisal Program

Part-time Personnel	\$	5,522	
Other Salaries and Wages		59,366	
Social Security		3,759	
Pensions		4,843	
Medical Insurance		14,333	
Unemployment Compensation		74	
Employer Medicare		879	
Contracts with Government Agencies		10,350	
Data Processing Services		3,975	
Other Contracted Services		5,135	
Total Reappraisal Program			108,236

(Continued)

JOHNSON 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)		41,840	
Part-time Personnel		25,130	
Social Security		8,996	
Pensions		10,324	
Medical Insurance		21,172	
Unemployment Compensation		92	
Employer Medicare		2,104	
Advertising		521	
Data Processing Services		15,297	
Dues and Memberships		733	
Rentals		815	
Other Contracted Services		2,676	
Office Supplies		6,541	
Data Processing Equipment		10,977	
Office Equipment		120	
Total County Trustee's Office			\$ 238,590

County Clerk's Office

County Official/Administrative Officer	\$	91,252	
Deputy(ies)		41,775	
Part-time Personnel		21,186	
Other Salaries and Wages		42,612	
Social Security		11,298	
Pensions		11,016	
Medical Insurance		32,269	
Unemployment Compensation		119	
Employer Medicare		2,642	
Data Processing Services		19,954	
Dues and Memberships		733	
Rentals		498	
Office Supplies		5,535	
Data Processing Equipment		3,175	
Office Equipment		184	
Total County Clerk's Office			284,248

(Continued)

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

General Fund (Cont.)

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	91,252	
Part-time Personnel		11,352	
Other Salaries and Wages		172,895	
Jury and Witness Expense		2,959	
Social Security		16,324	
Pensions		18,007	
Medical Insurance		50,562	
Unemployment Compensation		170	
Employer Medicare		3,818	
Advertising		1,500	
Data Processing Services		24,314	
Dues and Memberships		733	
Printing, Stationery, and Forms		700	
Rentals		736	
Office Supplies		10,482	
Other Supplies and Materials		3,886	
Data Processing Equipment		12,892	
Office Equipment		96	
Total Circuit Court			\$ 422,678

General Sessions Court

Judge(s)	\$	144,429	
Board and Committee Members Fees		43,264	
Social Security		10,445	
Pensions		13,089	
Medical Insurance		10,160	
Unemployment Compensation		86	
Employer Medicare		2,655	
Contracts with Private Agencies		35	
Data Processing Services		6,678	
Dues and Memberships		900	
Printing, Stationery, and Forms		506	
Rentals		386	
Office Supplies		322	
Total General Sessions Court			232,955

(Continued)

JOHNSON 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)		36,244	
Part-time Personnel		6,720	
Social Security		8,012	
Pensions		7,650	
Medical Insurance		14,463	
Unemployment Compensation		55	
Employer Medicare		1,874	
Data Processing Services		21,582	
Dues and Memberships		733	
Printing, Stationery, and Forms		4,170	
Rentals		815	
Office Supplies		4,007	
Data Processing Equipment		21,675	
Office Equipment		338	
Total Chancery Court			\$ 219,590

Juvenile Court

Youth Service Officer(s)	\$	41,040	
Secretary(ies)		12,625	
Social Security		2,754	
Pensions		4,422	
Medical Insurance		15,297	
Unemployment Compensation		38	
Employer Medicare		644	
Contracts with Private Agencies		32,944	
Data Processing Services		776	
Rentals		1,048	
Office Supplies		741	
Total Juvenile Court			112,329

Courtroom Security

Other Supplies and Materials	\$	3,274	
Total Courtroom Security			3,274

(Continued)

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

General Fund (Cont.)

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	100,377	
Deputy(ies)		684,701	
Investigator(s)		165,875	
Data Processing Personnel		7,963	
Guards		88,151	
Secretary(ies)		93,827	
Clerical Personnel		153,034	
Overtime Pay		132,811	
Other Salaries and Wages		54,998	
Social Security		88,015	
Pensions		107,384	
Medical Insurance		188,747	
Unemployment Compensation		908	
Employer Medicare		20,599	
Communication		29,151	
Data Processing Services		15,298	
Dues and Memberships		1,550	
Maintenance and Repair Services - Vehicles		144,214	
Postal Charges		1,224	
Printing, Stationery, and Forms		978	
Rentals		614	
Travel		62	
Remittance of Revenue Collected		77	
Other Contracted Services		14,615	
Law Enforcement Supplies		858	
Office Supplies		5,829	
Uniforms		6,892	
Software		123,311	
Other Supplies and Materials		6,717	
In Service/Staff Development		27,920	
Other Charges		2,328	
Data Processing Equipment		18,871	
Law Enforcement Equipment		41,317	
Office Equipment		531	
Total Sheriff's Department			\$ 2,329,747

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Administration of the Sexual Offender Registry

Criminal Investigation of Applicants - TBI	\$	700	
Data Processing Equipment		3,787	
Total Administration of the Sexual Offender Registry			\$ 4,487

Jail

Guards	\$	648,508	
Maintenance Personnel		39,889	
Part-time Personnel		3,207	
Overtime Pay		76,293	
Social Security		46,282	
Pensions		41,347	
Medical Insurance		80,800	
Unemployment Compensation		791	
Employer Medicare		10,824	
Maintenance and Repair Services - Buildings		40,405	
Medical and Dental Services		482,231	
Rentals		731	
Custodial Supplies		16,975	
Electricity		58,814	
Food Supplies		156,238	
Natural Gas		19,052	
Office Supplies		1,405	
Prisoners Clothing		698	
Uniforms		1,954	
Water and Sewer		35,712	
Other Supplies and Materials		676	
Other Charges		13,774	
Data Processing Equipment		972	
Office Equipment		922	
Other Equipment		617	
Total Jail			1,779,117

Juvenile Services

School Resource Officer	\$	286,606	
Social Security		17,028	
Pensions		26,368	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Juvenile Services (Cont.)

Medical Insurance	\$	43,027	
Unemployment Compensation		164	
Employer Medicare		3,982	
Remittance of Revenue Collected		64,697	
Workers' Compensation Insurance		18,358	
In Service/Staff Development		1,588	
Law Enforcement Equipment		33,996	
Total Juvenile Services			\$ 495,814

Commissary

Food Supplies	\$	90,383	
Total Commissary			90,383

Fire Prevention and Control

Contracts with Other Public Agencies	\$	1,000	
Contributions		190,400	
Other Contracted Services		11,400	
Liability Insurance		9,600	
Total Fire Prevention and Control			212,400

Civil Defense

Supervisor/Director	\$	66,022	
Other Salaries and Wages		18,955	
Social Security		5,104	
Pensions		5,098	
Medical Insurance		13,119	
Unemployment Compensation		42	
Employer Medicare		1,179	
Communication		839	
Dues and Memberships		120	
Maintenance Agreements		6,500	
Maintenance and Repair Services - Vehicles		653	
Rentals		614	
Other Contracted Services		13,980	
Instructional Supplies and Materials		242	
Office Supplies		1,597	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Civil Defense (Cont.)

Uniforms	\$	410	
Other Supplies and Materials		783	
In Service/Staff Development		360	
Data Processing Equipment		2,048	
Total Civil Defense			\$ 137,665

Other Emergency Management

Contracts with Other Public Agencies	\$	120,000	
Total Other Emergency Management			120,000

Inspection and Regulation

Secretary(ies)	\$	16,090	
Social Security		944	
Pensions		966	
Medical Insurance		4,321	
Unemployment Compensation		14	
Employer Medicare		221	
Medical and Dental Services		310	
Rentals		368	
Office Supplies		517	
Data Processing Equipment		1,792	
Total Inspection and Regulation			25,543

County Coroner/Medical Examiner

Medical Personnel	\$	4,900	
Social Security		304	
Employer Medicare		71	
Ambulance Services		1,318	
Total County Coroner/Medical Examiner			6,593

Other Public Safety

Consultants	\$	4,106	
Contracts with Other Public Agencies		118,848	
Office Supplies		2,560	
Total Other Public Safety			125,514

(Continued)

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

General Fund (Cont.)

Public Health and Welfare

Local Health Center

Custodial Personnel	\$	27,527	
Other Salaries and Wages		106,080	
Social Security		6,373	
Pensions		6,755	
Medical Insurance		16,860	
Unemployment Compensation		121	
Employer Medicare		1,490	
Other Fringe Benefits		13,336	
Communication		1,429	
Contracts with Other Public Agencies		36,981	
Contracts with Private Agencies		2,633	
Dues and Memberships		375	
Maintenance and Repair Services - Buildings		6,889	
Pest Control		858	
Postal Charges		2,000	
Travel		1,536	
Custodial Supplies		2,161	
Electricity		18,133	
Office Supplies		1,697	
Water and Sewer		1,273	
Workers' Compensation Insurance		409	
Total Local Health Center			\$ 254,916

Appropriation to State

Contracts with Other Public Agencies	\$	39,535	
Total Appropriation to State			39,535

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Supervisor/Director	\$	46,762	
Social Workers		15,635	
Bus Drivers		35,871	
Clerical Personnel		25,712	
Custodial Personnel		5,724	
Other Salaries and Wages		17,758	
Social Security		8,535	

(Continued)

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Senior Citizens Assistance (Cont.)

Pensions	\$	8,599	
Medical Insurance		25,018	
Unemployment Compensation		219	
Employer Medicare		2,048	
Communication		2,611	
Data Processing Services		3,700	
Rentals		899	
Travel		1,659	
Electricity		5,711	
Gasoline		2,328	
Natural Gas		2,657	
Office Supplies		3,217	
Water and Sewer		1,632	
Workers' Compensation Insurance		131	
Total Senior Citizens Assistance			\$ 216,426

Other Social, Cultural, and Recreational

Contracts with Other Public Agencies	\$	35,000	
Contributions		1,500	
Total Other Social, Cultural, and Recreational			36,500

Agriculture and Natural Resources

Agricultural Extension Service

Communication	\$	2,878	
Contracts with Other Public Agencies		100,483	
Dues and Memberships		500	
Rentals		431	
Other Contracted Services		240	
Office Supplies		144	
Office Equipment		808	
Total Agricultural Extension Service			105,484

Soil Conservation

Secretary(ies)	\$	24,682	
Other Salaries and Wages		23,545	
Social Security		2,590	

(Continued)

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Soil Conservation (Cont.)

Pensions	\$	2,638	
Medical Insurance		8,924	
Unemployment Compensation		80	
Employer Medicare		606	
Total Soil Conservation			\$ 63,065

Other Operations

Tourism

Contributions	\$	15,000	
Dues and Memberships		1,446	
Other Supplies and Materials		20,929	
Refunds		2,837	
Other Charges		19,629	
Total Tourism			59,841

Other Economic and Community Development

Food Service Equipment	\$	80,153	
Other Equipment		41,854	
Total Other Economic and Community Development			122,007

Airport

Communication	\$	1,632	
Maintenance and Repair Services - Buildings		17,194	
Electricity		1,731	
Liability Insurance		1,870	
Airport Improvement		99,777	
Total Airport			122,204

Veterans' Services

Secretary(ies)	\$	16,090	
Other Salaries and Wages		15,030	
Social Security		1,876	
Pensions		966	
Medical Insurance		4,321	
Unemployment Compensation		42	
Employer Medicare		439	

(Continued)

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services (Cont.)

Rentals	\$	368	
Office Supplies		1,363	
Other Charges		1,025	
Data Processing Equipment		2,490	
Total Veterans' Services			\$ 44,010

Other Charges

Maintenance and Repair Services - Equipment	\$	976	
Diesel Fuel		228,318	
Electricity		386	
Gasoline		111,178	
Total Other Charges			340,858

Contributions to Other Agencies

Contributions	\$	75,000	
Total Contributions to Other Agencies			75,000

Employee Benefits

Handling Charges and Administrative Costs	\$	452	
Life Insurance		1,960	
Medical Insurance		15,383	
Other Fringe Benefits		9,690	
Total Employee Benefits			27,485

American Rescue Plan Act Grant #3

Other Salaries and Wages	\$	15,603	
Social Security		884	
Pensions		651	
Life Insurance		5	
Medical Insurance		5,494	
Unemployment Compensation		23	
Employer Medicare		207	
Workers' Compensation Insurance		23	
Total American Rescue Plan Act Grant #3			22,890

(Continued)

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

General Fund (Cont.)

Other Operations (Cont.)

American Rescue Plan Act Grant #5

Architects	\$	76,800	
Legal Notices, Recording, and Court Costs		14,689	
Building Improvements		61,929	
Other Capital Outlay		700,000	
Total American Rescue Plan Act Grant #5			\$ 853,418

Miscellaneous

Advertising	\$	2,636	
Audit Services		7,897	
Bank Charges		435	
Communication		42,287	
Contributions		1,000	
Dues and Memberships		8,041	
Legal Notices, Recording, and Court Costs		576	
Maintenance and Repair Services - Buildings		2,713	
Maintenance and Repair Services - Vehicles		6,588	
Pauper Burials		500	
Postal Charges		45,882	
Printing, Stationery, and Forms		800	
Travel		989	
Duplicating Supplies		7,312	
Electricity		2,093	
Gasoline		3,816	
Liability Insurance		256,352	
Trustee's Commission		156,666	
Workers' Compensation Insurance		86,137	
In Service/Staff Development		11,834	
Other Charges		9,736	
Other Capital Outlay		52,807	
Total Miscellaneous			707,097

Highways

Litter and Trash Collection

Part-time Personnel	\$	3,516	
Other Salaries and Wages		28,560	
Social Security		1,808	

(Continued)

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

General Fund (Cont.)

Highways (Cont.)

Litter and Trash Collection (Cont.)

Pensions	\$	1,714	
Medical Insurance		7,789	
Unemployment Compensation		42	
Employer Medicare		423	
Communication		1,474	
Maintenance and Repair Services - Vehicles		938	
Other Supplies and Materials		70	
Workers' Compensation Insurance		3,890	
Total Litter and Trash Collection			\$ 50,224

Principal on Debt

General Government

Principal on SBITA	\$	53,305	
Total General Government			53,305

Interest on Debt

General Government

Interest on SBITA	\$	642	
Total General Government			642

Capital Projects

Public Safety Projects

Law Enforcement Equipment	\$	1,199,464	
Total Public Safety Projects			1,199,464

Public Health and Welfare Projects

Building Improvements	\$	95,200	
Total Public Health and Welfare Projects			95,200

Total General Fund \$ 12,778,478

Public Library Fund

Social, Cultural, and Recreational Services

Libraries

Custodial Personnel	\$	1,483	
Bonus Payments		1,300	

(Continued)

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

Public Library Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Other Salaries and Wages	\$	56,395	
Social Security		3,541	
Pensions		1,804	
Life Insurance		21	
Medical Insurance		7,789	
Unemployment Compensation		91	
Employer Medicare		828	
Retirement - Hybrid Stabilization		14	
Other Fringe Benefits		180	
Communication		5,478	
Data Processing Services		2,677	
Dues and Memberships		288	
Maintenance and Repair Services - Buildings		1,483	
Postal Charges		346	
Rentals		512	
Travel		14	
Electricity		7,190	
Library Books/Media		3,333	
Office Supplies		2,973	
Periodicals		570	
Water and Sewer		728	
Other Supplies and Materials		987	
Trustee's Commission		1,104	
Workers' Compensation Insurance		395	
Regular Instruction Equipment		2,278	
Total Libraries			\$ 103,802

Total Public Library Fund \$ 103,802

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

Equipment Operators	\$	88,978
Overtime Pay		5,697
Other Salaries and Wages		20,267
Social Security		6,862

(Continued)

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Sanitation Management (Cont.)

Pensions	\$	6,271	
Life Insurance		42	
Medical Insurance		14,103	
Unemployment Compensation		125	
Employer Medicare		1,605	
Retirement - Hybrid Stabilization		224	
Other Fringe Benefits		180	
Communication		1,976	
Data Processing Services		375	
Freight Expenses		293,694	
Maintenance and Repair Services - Buildings		505	
Maintenance and Repair Services - Equipment		7,967	
Medical and Dental Services		100	
Rentals		282	
Disposal Fees		420,013	
Other Contracted Services		96,393	
Custodial Supplies		1,496	
Diesel Fuel		6,598	
Electricity		3,758	
Gasoline		1,521	
Office Supplies		2,308	
Uniforms		3,976	
Water and Sewer		1,049	
Liability Insurance		6,654	
Trustee's Commission		9,812	
Workers' Compensation Insurance		3,556	
Other Charges		270	
Data Processing Equipment		1,932	
Total Sanitation Management			\$ 1,008,589

Total Solid Waste/Sanitation Fund

\$ 1,008,589

Health Department Fund

Other Operations

American Rescue Plan Act Grant #1

Architects	\$	39,870
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(Continued)

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

Health Department Fund (Cont.)

Other Operations (Cont.)

American Rescue Plan Act Grant #1 (Cont.)

Other Supplies and Materials	\$ 621	
Building Improvements	247,790	
Total American Rescue Plan Act Grant #1		<u>\$ 288,281</u>

Total Health Department Fund \$ 288,281

Drug Control Fund

Public Safety

Drug Enforcement

Deputy(ies)	\$ 24,000	
Veterinary Services	10,848	
Remittance of Revenue Collected	701	
Trustee's Commission	89	
In Service/Staff Development	1,275	
Data Processing Equipment	1,341	
Total Drug Enforcement		<u>\$ 38,254</u>

Total Drug Control Fund 38,254

Other General Government Fund

Capital Projects

General Administration Projects

Bonus Payments	\$ 119,500	
Social Security	7,347	
Pensions	5,402	
Unemployment Compensation	50	
Employer Medicare	1,733	
Total General Administration Projects		<u>\$ 134,032</u>

Public Health and Welfare Projects

Contributions	\$ 75,000	
Total Public Health and Welfare Projects		<u>75,000</u>

Total Other General Government Fund 209,032

(Continued)

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

Other Special Revenue Fund

Other Operations

American Rescue Plan Act Grant #2

Consultants	\$ 47,712	
State Aid Projects	1,032,833	
Total American Rescue Plan Act Grant #2		\$ 1,080,545

Total Other Special Revenue Fund \$ 1,080,545

Constitutional Officers - Fees Fund

General Government

Register of Deeds

Constitutional Officers' Operating Expenses	\$ 301	
Total Register of Deeds		\$ 301

Finance

County Clerk's Office

Constitutional Officers' Operating Expenses	\$ 236	
Total County Clerk's Office		236

Administration of Justice

Chancery Court

Special Commissioner Fees/Special Master Fees	\$ 4,422	
Total Chancery Court		4,422

Total Constitutional Officers - Fees Fund 4,959

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 100,377
Supervisor/Director	43,552
Clerical Personnel	45,909
Overtime Pay	8,474
Other Salaries and Wages	33,301
Social Security	13,532
Pensions	14,638
Medical Insurance	43,979
Unemployment Compensation	640

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Employer Medicare	\$	3,165	
Retirement - Hybrid Stabilization		259	
Data Processing Services		1,520	
Dues and Memberships		2,866	
Rentals		472	
Office Supplies		1,011	
Data Processing Equipment		6,016	
Office Equipment		690	
Total Administration			\$ 320,401

Highway and Bridge Maintenance

Laborers	\$	841,351	
Overtime Pay		77,924	
Social Security		54,257	
Pensions		61,825	
Medical Insurance		159,822	
Unemployment Compensation		4,716	
Employer Medicare		12,689	
Retirement - Hybrid Stabilization		2,643	
Engineering Services		113,236	
Other Contracted Services		813,622	
Asphalt - Liquid		182,120	
Crushed Stone		1,204,656	
Pipe		125,005	
Road Signs		2,913	
Salt		2,274	
Wood Products		1,474	
Other Capital Outlay		85,705	
Total Highway and Bridge Maintenance			3,746,232

Operation and Maintenance of Equipment

Laundry Service	\$	3,248	
Diesel Fuel		84,422	
Equipment and Machinery Parts		191,688	
Garage Supplies		24,350	
Gasoline		41,602	

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

Lubricants	\$	14,900	
Tires and Tubes		<u>15,139</u>	
Total Operation and Maintenance of Equipment	\$		375,349

Other Charges

Communication	\$	5,098	
Medical and Dental Services		1,871	
Electricity		7,588	
Water and Sewer		559	
Liability Insurance		40,597	
Trustee's Commission		22,699	
Other Charges		<u>8,337</u>	
Total Other Charges			86,749

Employee Benefits

Life Insurance	\$	547	
Other Fringe Benefits		3,075	
Workers' Compensation Insurance		<u>64,438</u>	
Total Employee Benefits			68,060

Capital Outlay

Highway Equipment	\$	80,908	
State Aid Projects		<u>1,104,172</u>	
Total Capital Outlay			<u>1,185,080</u>

Total Highway/Public Works Fund \$ 5,781,871

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	<u>306,000</u>	
Total General Government	\$		306,000

Education

Principal on Bonds	\$	<u>660,000</u>	
Total Education			660,000

(Continued)

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

General Debt Service Fund (Cont.)

Interest on Debt

General Government

Interest on Bonds	\$ 41,358	
Total General Government		\$ 41,358

Education

Interest on Bonds	\$ 7,986	
Total Education		7,986

Other Debt Service

General Government

Trustee's Commission	\$ 13,060	
Total General Government		13,060

Total General Debt Service Fund \$ 1,028,404

General Capital Projects Fund

Capital Projects

General Administration Projects

Trustee's Commission	\$ 12,581	
Total General Administration Projects		\$ 12,581

Public Health and Welfare Projects

Architects	\$ 12,000	
Other Supplies and Materials	180	
Building Improvements	170,640	
Total Public Health and Welfare Projects		182,820

Social, Cultural, and Recreation Projects

Architects	\$ 4,500	
Other Supplies and Materials	880	
Building Improvements	321,056	
Total Social, Cultural, and Recreation Projects		326,436

Agriculture and Natural Resources Projects

Architects	\$ 40,284	
Engineering Services	1,425	
Other Supplies and Materials	5,067	
Other Construction	324,778	
Total Agriculture and Natural Resources Projects		371,554

(Continued)

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

General Capital Projects Fund (Cont.)

Capital Projects (Cont.)

Other General Government Projects

Architects	\$	9,000	
Other Supplies and Materials		122	
Building Improvements		<u>621,679</u>	
Total Other General Government Projects	\$		630,801

Highway and Street Capital Projects

Bridge Construction	\$	<u>39,014</u>	
Total Highway and Street Capital Projects			<u>39,014</u>

Total General Capital Projects Fund \$ 1,563,206

Community Development/Industrial Park Fund

Capital Projects

General Administration Projects

Maintenance and Repair Services - Buildings	\$	6,535	
Remittance of Revenue Collected		2,144	
Electricity		5,699	
Water and Sewer		<u>1,315</u>	
Total General Administration Projects	\$		<u>15,693</u>

Total Community Development/Industrial Park Fund 15,693

Highway Capital Projects Fund

Other Debt Service

Highways and Streets

Other Debt Issuance Charges	\$	<u>19,520</u>	
Total Highways and Streets	\$		<u>19,520</u>

Total Highway Capital Projects Fund 19,520

Total Governmental Funds - Primary Government \$ 23,920,634

JOHNSON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Johnson County School Department

For the Year Ended June 30, 2025**General Purpose School Fund**

Instruction

Regular Instruction Program

Teachers	\$ 6,843,390	
Career Ladder Program	17,000	
Educational Assistants	239,040	
Bonus Payments	78,200	
Other Salaries and Wages	143,479	
Non-certified Substitute Teachers	117,714	
Social Security	444,202	
Pensions	526,027	
Medical Insurance	1,217,476	
Unemployment Compensation	337	
Employer Medicare	103,937	
Contributions	386,921	
Evaluation and Testing	5,598	
Lease/SBITA Payments	507	
Maintenance and Repair Services - Equipment	2,013	
Tuition	57,531	
Other Contracted Services	20,466,052	
Instructional Supplies and Materials	124,440	
Textbooks - Bound	5,012	
Other Supplies and Materials	23,018	
Workers' Compensation Insurance	1	
TISA - On-behalf Payments	101,582	
Other Charges	46,398	
Regular Instruction Equipment	6,172	
Total Regular Instruction Program		\$ 30,956,047

Alternative Instruction Program

Teachers	\$ 123,901	
Educational Assistants	41,829	
Bonus Payments	3,000	
Social Security	10,107	
Pensions	10,843	
Medical Insurance	30,238	
Unemployment Compensation	46	
Employer Medicare	2,364	
Instructional Supplies and Materials	400	
Total Alternative Instruction Program		222,728

(Continued)

JOHNSON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Johnson County School Department (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program

Teachers	\$	695,041	
Educational Assistants		298,897	
Speech Pathologist		159,960	
Bonus Payments		24,300	
Other Salaries and Wages		32,273	
Non-certified Substitute Teachers		3,892	
Social Security		72,285	
Pensions		84,209	
Medical Insurance		207,070	
Unemployment Compensation		247	
Employer Medicare		16,914	
Contracts with Private Agencies		69,961	
Other Contracted Services		35,350	
Instructional Supplies and Materials		11,344	
Other Supplies and Materials		762	
Other Charges		263	
Special Education Equipment		32,235	
Total Special Education Program			\$ 1,745,003

Career and Technical Education Program

Teachers	\$	697,851
Career Ladder Program		1,000
Guidance Personnel		47,722
Clerical Personnel		23,369
Bonus Payments		11,600
Other Salaries and Wages		159,730
Non-certified Substitute Teachers		6,335
Social Security		55,879
Pensions		65,077
Medical Insurance		152,291
Unemployment Compensation		152
Employer Medicare		13,252
Lease/SBITA Payments		3,744
Maintenance and Repair Services - Equipment		1,158
Other Contracted Services		50,845

(Continued)

JOHNSON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Johnson County School Department (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Career and Technical Education Program (Cont.)

Instructional Supplies and Materials	\$	55,168	
T&I Construction Materials		10,495	
Other Supplies and Materials		1,873	
Other Charges		7,592	
Vocational Instruction Equipment		24,985	
Total Career and Technical Education Program			\$ 1,390,118

Support Services

Attendance

Other Charges	\$	7,042	
Total Attendance			7,042

Health Services

Supervisor/Director	\$	12,452	
Medical Personnel		164,463	
Bonus Payments		7,000	
Other Salaries and Wages		40,096	
Social Security		13,483	
Pensions		14,357	
Medical Insurance		53,732	
Unemployment Compensation		62	
Employer Medicare		3,153	
Travel		1,193	
Other Contracted Services		6,214	
Drugs and Medical Supplies		2,966	
Other Supplies and Materials		4,278	
In Service/Staff Development		5,923	
Other Charges		1,222	
Total Health Services			330,594

Other Student Support

Guidance Personnel	\$	369,597	
Social Workers		51,608	
Bonus Payments		4,500	
Social Security		25,897	

(Continued)

JOHNSON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Johnson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Pensions	\$	29,451	
Medical Insurance		62,164	
Unemployment Compensation		57	
Employer Medicare		6,057	
Evaluation and Testing		6,576	
Travel		808	
Other Contracted Services		12,010	
Other Supplies and Materials		76,542	
In Service/Staff Development		1,051	
Other Charges		25,898	
Other Equipment		23,543	
Total Other Student Support			\$ 695,759

Regular Instruction Program

Supervisor/Director	\$	308,546	
Career Ladder Program		1,000	
Librarians		297,047	
Bonus Payments		4,500	
Social Security		37,098	
Pensions		43,444	
Medical Insurance		77,021	
Unemployment Compensation		58	
Employer Medicare		8,676	
Travel		13,681	
Other Contracted Services		64,677	
Library Books/Media		24,002	
Periodicals		6,000	
Other Supplies and Materials		2,436	
In Service/Staff Development		29,907	
Other Charges		3,419	
Other Equipment		12,024	
Total Regular Instruction Program			933,536

Special Education Program

Supervisor/Director	\$	99,550	
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(Continued)

JOHNSON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Johnson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Psychological Personnel	\$	63,216	
Bonus Payments		2,000	
Other Salaries and Wages		110,931	
Social Security		15,792	
Pensions		18,609	
Medical Insurance		34,812	
Unemployment Compensation		25	
Employer Medicare		3,693	
Travel		3,289	
Other Contracted Services		701	
Other Supplies and Materials		7,459	
In Service/Staff Development		18,291	
Administration Equipment		399	
Total Special Education Program			\$ 378,767

Career and Technical Education Program

Supervisor/Director	\$	94,400	
Bonus Payments		500	
Social Security		5,788	
Pensions		6,036	
Medical Insurance		8,544	
Unemployment Compensation		7	
Employer Medicare		1,354	
Travel		303	
In Service/Staff Development		4,224	
Total Career and Technical Education Program			121,156

Technology

Supervisor/Director	\$	55,630	
Computer Programmer(s)		23,068	
Bonus Payments		3,000	
Other Salaries and Wages		38,647	
Social Security		7,307	
Pensions		8,109	
Medical Insurance		22,880	

(Continued)

JOHNSON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Johnson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Technology (Cont.)

Unemployment Compensation	\$	21	
Employer Medicare		1,709	
Travel		2,440	
Other Contracted Services		40,027	
Other Supplies and Materials		8,141	
Other Charges		45	
Data Processing Equipment		1,035	
Other Equipment		52,313	
Total Technology			\$ 264,372

Other Programs

On-behalf Payments to OPEB	\$	76,269	
Total Other Programs			76,269

Board of Education

Secretary to Board	\$	1,855	
Other Salaries and Wages		2,320	
Board and Committee Members Fees		11,200	
Social Security		907	
Pensions		294	
Life Insurance		8,294	
Medical Insurance		752	
Unemployment Compensation		1	
Employer Medicare		218	
Other Fringe Benefits		36,896	
Audit Services		12,098	
Bank Charges		255	
Dues and Memberships		11,518	
Legal Services		27,490	
Other Contracted Services		3,819	
Liability Insurance		201,908	
Trustee's Commission		101,576	
Workers' Compensation Insurance		190,702	
In Service/Staff Development		16,977	
Other Charges		1,606	
Total Board of Education			630,686

(Continued)

JOHNSON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Johnson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools

County Official/Administrative Officer	\$	144,400	
Clerical Personnel		29,649	
Bonus Payments		1,500	
Other Salaries and Wages		1,000	
Social Security		10,833	
Pensions		11,805	
Medical Insurance		8,558	
Unemployment Compensation		21	
Employer Medicare		2,534	
Communication		27,043	
Lease/SBITA Payments		8,413	
Postal Charges		2,576	
Other Contracted Services		25,284	
Office Supplies		1,216	
In Service/Staff Development		13,731	
Other Charges		16,323	
Administration Equipment		1,763	
Total Director of Schools			\$ 306,649

Office of the Principal

Principals	\$	424,542	
Career Ladder Program		3,000	
Accountants/Bookkeepers		4,500	
Assistant Principals		387,222	
Secretary(ies)		239,938	
Bonus Payments		12,500	
Social Security		64,239	
Pensions		66,556	
Medical Insurance		168,284	
Unemployment Compensation		160	
Employer Medicare		15,082	
Communication		53,948	
Lease/SBITA Payments		7,076	
Postal Charges		447	
Travel		248	

(Continued)

JOHNSON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Johnson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

Other Contracted Services	\$	5,294	
Office Supplies		2,764	
Other Supplies and Materials		497	
In Service/Staff Development		5,297	
Administration Equipment		7,194	
Total Office of the Principal			\$ 1,468,788

Fiscal Services

Supervisor/Director	\$	56,719	
Accountants/Bookkeepers		82,034	
Bonus Payments		3,000	
Social Security		8,562	
Pensions		9,786	
Medical Insurance		23,460	
Unemployment Compensation		19	
Employer Medicare		2,002	
Office Supplies		590	
In Service/Staff Development		2,747	
Other Charges		23	
Administration Equipment		417	
Total Fiscal Services			189,359

Human Services/Personnel

Supervisor/Director	\$	18,906	
Clerical Personnel		39,627	
Bonus Payments		1,000	
Social Security		3,367	
Pensions		3,572	
Medical Insurance		11,853	
Unemployment Compensation		9	
Employer Medicare		787	
In Service/Staff Development		2,284	
Total Human Services/Personnel			81,405

(Continued)

JOHNSON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Johnson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant

Guards	\$	185,529	
Custodial Personnel		539,735	
Bonus Payments		25,500	
Other Salaries and Wages		12,906	
Social Security		45,868	
Pensions		54,564	
Medical Insurance		163,445	
Unemployment Compensation		194	
Employer Medicare		10,928	
Other Contracted Services		323,823	
Custodial Supplies		109,913	
Electricity		644,872	
Natural Gas		102,561	
Water and Sewer		52,280	
Other Supplies and Materials		24,434	
In Service/Staff Development		1,665	
Other Charges		377	
Plant Operation Equipment		38,052	
Total Operation of Plant			\$ 2,336,646

Maintenance of Plant

Maintenance Personnel	\$	230,098	
Bonus Payments		4,000	
Social Security		14,301	
Pensions		17,952	
Medical Insurance		47,993	
Unemployment Compensation		43	
Employer Medicare		3,345	
Maintenance and Repair Services - Equipment		75	
Other Contracted Services		34,136	
Other Supplies and Materials		134,829	
In Service/Staff Development		2,580	
Other Charges		7,776	
Maintenance Equipment		95,271	
Total Maintenance of Plant			592,399

(Continued)

JOHNSON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Johnson County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation

Mechanic(s)	\$	92,505	
Bus Drivers		379,436	
Clerical Personnel		32,215	
Bonus Payments		25,000	
Other Salaries and Wages		4,710	
Social Security		31,581	
Pensions		34,696	
Medical Insurance		141,352	
Unemployment Compensation		180	
Employer Medicare		7,345	
Communication		2,631	
Medical and Dental Services		4,889	
Travel		172	
Other Contracted Services		15,820	
Diesel Fuel		92,980	
Equipment and Machinery Parts		8,717	
Garage Supplies		6,909	
Gasoline		17,251	
Lubricants		2,785	
Tires and Tubes		19,955	
Vehicle Parts		48,283	
Other Supplies and Materials		8,377	
In Service/Staff Development		4,163	
Other Charges		6,550	
Transportation Equipment		89,201	
Total Transportation			\$ 1,077,703

Central and Other

Supervisor/Director	\$	83,160	
Bonus Payments		500	
Social Security		4,828	
Pensions		5,321	
Medical Insurance		9,927	
Unemployment Compensation		7	
Employer Medicare		1,129	
Total Central and Other			104,872

(Continued)

JOHNSON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Johnson County School Department (Cont.)

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	65,225	
Accountants/Bookkeepers		28,203	
Bonus Payments		1,500	
Social Security		5,495	
Pensions		5,932	
Medical Insurance		18,486	
Unemployment Compensation		14	
Employer Medicare		1,285	
Travel		971	
Other Supplies and Materials		1,029	
In Service/Staff Development		1,630	
Total Food Service			\$ 129,770

Community Services

Bonus Payments	\$	7,149	
Other Salaries and Wages		219,401	
Social Security		13,916	
Pensions		14,864	
Medical Insurance		3,087	
Unemployment Compensation		60	
Employer Medicare		3,255	
Food Supplies		2,896	
Instructional Supplies and Materials		3,485	
Other Charges		48,947	
Other Equipment		15,887	
Total Community Services			332,947

Early Childhood Education

Supervisor/Director	\$	7,309	
Teachers		97,923	
Educational Assistants		33,330	
Bonus Payments		3,500	
Social Security		8,684	
Pensions		9,879	
Medical Insurance		34,234	

(Continued)

JOHNSON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Johnson County School Department (Cont.)

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education (Cont.)

Unemployment Compensation	\$	31	
Employer Medicare		2,031	
Instructional Supplies and Materials		6,359	
Other Supplies and Materials		1,132	
In Service/Staff Development		1,961	
Other Charges		2,889	
Total Early Childhood Education			\$ 209,262

Capital Outlay

Regular Capital Outlay

Architects	\$	41,306	
Building Improvements		280,707	
Site Development		107,175	
Total Regular Capital Outlay			429,188

Other Debt Service

Education

Other Debt Service	\$	264,154	
Total Education			264,154

Capital Projects - Donated

Capital Projects Donated to Other Entities

Other Capital Outlay	\$	250,000	
Total Capital Projects Donated to Other Entities			250,000

Total General Purpose School Fund			\$ 45,525,219
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School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	392,004	
Educational Assistants		246,999	
Bonus Payments		16,900	
Non-certified Substitute Teachers		5,595	
Social Security		34,257	

(Continued)

JOHNSON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Johnson County School Department (Cont.)

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Regular Instruction Program (Cont.)

Pensions	\$	35,550	
Medical Insurance		125,272	
Unemployment Compensation		135	
Employer Medicare		8,014	
Other Fringe Benefits		6,094	
Instructional Supplies and Materials		131,665	
Software		21,936	
Other Supplies and Materials		27,206	
Regular Instruction Equipment		79,584	
Total Regular Instruction Program			\$ 1,131,211

Special Education Program

Teachers	\$	198,966	
Educational Assistants		223,610	
Speech Pathologist		19,500	
Bonus Payments		14,500	
Other Salaries and Wages		21,857	
Non-certified Substitute Teachers		718	
Social Security		28,634	
Pensions		30,148	
Medical Insurance		84,811	
Unemployment Compensation		177	
Employer Medicare		6,699	
Other Fringe Benefits		4,440	
Instructional Supplies and Materials		20,207	
Other Charges		913	
Special Education Equipment		84,361	
Total Special Education Program			739,541

Career and Technical Education Program

Vocational Instruction Equipment	\$	86,749	
Total Career and Technical Education Program			86,749

(Continued)

JOHNSON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Johnson County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services

Health Services

Bonus Payments	\$	1,000	
Other Salaries and Wages		23,017	
Social Security		1,471	
Pensions		1,931	
Medical Insurance		1,000	
Unemployment Compensation		7	
Employer Medicare		344	
Other Fringe Benefits		200	
Total Health Services			\$ 28,970

Other Student Support

Other Supplies and Materials	\$	11,022	
In Service/Staff Development		9,095	
Other Charges		8,779	
Other Equipment		10,990	
Total Other Student Support			39,886

Regular Instruction Program

Supervisor/Director	\$	52,495	
Clerical Personnel		4,000	
Instructional Coaches		64,921	
Bonus Payments		500	
Other Salaries and Wages		49,388	
Social Security		10,598	
Pensions		11,223	
Medical Insurance		332	
Unemployment Compensation		13	
Employer Medicare		2,479	
Other Fringe Benefits		1,610	
Travel		1,640	
Other Contracted Services		72,800	
Other Supplies and Materials		9,564	
In Service/Staff Development		23,232	
Other Charges		5,864	
Total Regular Instruction Program			310,659

(Continued)

JOHNSON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Johnson County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program

Other Salaries and Wages	\$	1,100	
Social Security		67	
Pensions		68	
Employer Medicare		16	
Other Fringe Benefits		49	
Other Supplies and Materials		3,542	
In Service/Staff Development		2,883	
Total Special Education Program			\$ 7,725

Technology

Software	\$	9,457	
Other Equipment		8,829	
Total Technology			18,286

Transportation

Bus Drivers	\$	56,772	
Bonus Payments		7,000	
Other Salaries and Wages		43,495	
Social Security		6,031	
Pensions		8,056	
Medical Insurance		63,058	
Unemployment Compensation		47	
Employer Medicare		1,410	
Other Fringe Benefits		4,927	
Transportation Equipment		125,767	
Total Transportation			316,563

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	13,500	
Teachers		162,332	
Clerical Personnel		11,724	
Educational Assistants		39,397	
Social Security		14,050	
Pensions		15,015	

(Continued)

JOHNSON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Johnson County School Department (Cont.)

School Federal Projects Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services (Cont.)

Medical Insurance	\$	2,535	
Unemployment Compensation		8	
Employer Medicare		3,286	
Other Fringe Benefits		791	
Food Supplies		6,026	
Instructional Supplies and Materials		22,664	
In Service/Staff Development		277	
Other Charges		74	
Total Community Services			\$ 291,679

Total School Federal Projects Fund

\$ 2,971,269

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Cafeteria Personnel	\$	461,907
Bonus Payments		28,000
In-service Training		600
Social Security		29,386
Pensions		32,710
Medical Insurance		188,114
Unemployment Compensation		192
Employer Medicare		6,872
Communication		428
Maintenance and Repair Services - Equipment		40,167
Transportation - Other than Students		7,514
Travel		1,000
Other Contracted Services		90,792
Food Preparation Supplies		55,628
Food Supplies		439,494
Office Supplies		1,896
Uniforms		2,779
USDA - Commodities		117,262
Other Supplies and Materials		21
Workers' Compensation Insurance		12,500

(Continued)

JOHNSON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Johnson County School Department (Cont.)

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

In Service/Staff Development	\$	1,197	
Other Charges		1,247	
Food Service Equipment		52,848	
Total Food Service			\$ 1,572,554

Total Central Cafeteria Fund \$ 1,572,554

Other Education Special Revenue Fund

Instruction

Regular Instruction Program

Teachers	\$	168,643	
Educational Assistants		83,325	
Bonus Payments		9,500	
Other Salaries and Wages		29,297	
Non-certified Substitute Teachers		18,461	
Social Security		17,317	
Pensions		16,030	
Medical Insurance		54,279	
Unemployment Compensation		82	
Employer Medicare		4,050	
Other Fringe Benefits		1,495	
Other Contracted Services		34	
Instructional Supplies and Materials		101,960	
Other Charges		32,894	
Regular Instruction Equipment		52,627	
Total Regular Instruction Program			\$ 589,994

Support Services

Attendance

Social Workers	\$	13,411	
Bonus Payments		300	
Social Security		850	
Unemployment Compensation		6	
Employer Medicare		199	
Other Fringe Benefits		54	

(Continued)

JOHNSON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Johnson County School Department (Cont.)

Other Education Special Revenue Fund (Cont.)

Support Services (Cont.)

Attendance (Cont.)

Travel	\$	865	
Other Supplies and Materials		108	
In Service/Staff Development		2,890	
Total Attendance			\$ 18,683

Health Services

Supervisor/Director	\$	2,890	
Medical Personnel		14,464	
Social Security		1,076	
Pensions		1,154	
Medical Insurance		2,161	
Unemployment Compensation		3	
Employer Medicare		252	
Other Fringe Benefits		539	
Other Contracted Services		29	
Drugs and Medical Supplies		1,045	
Total Health Services			23,613

Regular Instruction Program

Supervisor/Director	\$	65,651	
Social Security		3,931	
Pensions		4,175	
Medical Insurance		8,676	
Unemployment Compensation		6	
Employer Medicare		919	
Other Fringe Benefits		306	
Travel		92	
In Service/Staff Development		11,956	
Total Regular Instruction Program			95,712

Total Other Education Special Revenue Fund			\$ 728,002
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Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$	930,485	
Total Community Services			\$ 930,485

Total Internal School Fund			\$ 930,485
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Total Governmental Funds - Johnson County School Department			\$ 51,727,529
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SINGLE AUDIT SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Johnson County, Tennessee as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Johnson County's basic financial statements as listed in the table of contents, and have issued our report thereon dated October 8, 2025. Our report includes a reference to other auditors who audited the financial statements of Internal School Fund of the discretely presented Johnson County School Department, as described in our report on Johnson 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 Johnson County's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Johnson County's internal control. Accordingly, we do not express an opinion on the effectiveness of Johnson 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. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be significant deficiencies: 2025-001, 2025-002, 2025-004, 2025-005, and 2025-006.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Johnson 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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and is described in the accompanying Schedule of Findings and Questioned Costs as item: 2025-003.


Johnson County's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Johnson County's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Johnson County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Johnson 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 8, 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

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Johnson 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 Johnson County's major federal programs for the year ended June 30, 2025. Johnson 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, Johnson 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 Johnson 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 Johnson 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 Johnson County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Johnson 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 Johnson 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 Johnson 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 Johnson 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 Johnson 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 Johnson County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Johnson County's basic financial statements. We issued our report thereon dated October 8, 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 8, 2025

JEM/gc

JOHNSON COUNTY, TENNESSEE, AND THE JOHNSON COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (8)
For the Year-Ended June 30, 2025

Federal/Pass-Through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures
U.S. Department of Agriculture:				
Passed-through State Department of Education:				
Child Nutrition Cluster: (4)				
School Breakfast Program	10.553	N/A	\$ 0	\$ 252,136
National School Lunch Program	10.555	N/A	0	1,203,156 (5)
Passed-through State Department of Agriculture:				
Child Nutrition Cluster: (4)				
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	0	117,262 (5)
Passed-through State Department of Health:				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-25-83730-00	0	10,864
Total U.S. Department of Agriculture				<u>\$ 1,583,418</u>
U.S. Department of Defense:				
Passed-through State Department of General Services:				
Section 1033 Excess Property Program (Noncash Assistance)	12.U01	(3)	0	\$ 24,667 (6)
Total U.S. Department of Defense				<u>\$ 24,667</u>
U.S. Department of Housing and Urban Development:				
Passed-through State Department of Economic and Community Development:				
Community Development Block Grants/State's Programs	14.228	(3)	0	\$ 121,442
Total U.S. Department of Housing and Urban Development				<u>\$ 121,442</u>
U.S. Department of Interior:				
Direct Award:				
Payments in-Lieu-of Taxes	15.226	N/A	0	\$ 95,011
Total U.S. Department of Interior				<u>\$ 95,011</u>
U.S. Department of Transportation:				
Passed-through State Department of Transportation:				
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106	(3)	0	\$ 13,608
Total U.S. Department of Transportation				<u>\$ 13,608</u>
U.S. Department of Treasury:				
Direct Award:				
COVID 19 - Local Assistance and Tribal Consistency Funds	21.032	N/A	0	\$ 206,138
Passed-through State Department of Tourist Development:				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	(3)	0	53,141 (5)
Passed-through State Department of Education:				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	(3)	0	260,568 (5)
Passed-through State Department of Health:				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	(3)	0	211,899 (5)
Passed-through State Department of Environment and Conservation:				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	(3)	(7) 999,939	1,080,545 (5)
COVID 19 - Coronavirus Capital Projects Fund	21.029	N/A	0	765,289
Total U.S. Department of Treasury				<u>\$ 2,577,580</u>
U.S. Appalachian Regional Commission:				
Passed-through State Department of Economic and Community Development:				
Appalachian Area Development	23.002	(3)	0	\$ 82,624
Total Appalachian Regional Commission				<u>\$ 82,624</u>

(Continued)

JOHNSON COUNTY, TENNESSEE, AND THE JOHNSON COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (8) (Cont.)

Federal/Pass-Through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures
U.S. Department of Education:				
Passed-through State Department of Human Services:				
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	(3)	\$ 0	\$ 37,419
Passed-through State Department of Education:				
Title 1 Grants to Local Educational Agencies	84.010	N/A	0	1,095,846
Special Education Cluster (IDEA): (4)				
Special Education - Grants to States	84.027	N/A	0	1,051,691
Special Education - Preschool Grants	84.173	N/A	0	31,703
Career and Technical Education - Basic Grants to States	84.048	N/A	0	104,623
Education for Homeless Children and Youth	84.196	N/A	0	11,856
Twenty-First Century Community Learning Centers	84.287	(3)	0	226,586
Rural Education	84.358	N/A	0	82,539
Supporting Effective Instruction - State Grants	84.367	N/A	0	166,410
Comprehensive Literacy Development	84.371	N/A	0	79,775
Student Support and Academic Enrichment Program	84.424	N/A	0	29,449
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	0	70,059 (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	403 (5)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund - Homeless System Navigator - (ESSER ARP)	84.425W	N/A	0	6,963 (5)
Total U.S. Department of Education				<u>\$ 2,995,322</u>
U.S. Department of Health and Human Services:				
Passed-through State Department of Health:				
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	(3)	0	\$ 44,703
Medicaid Cluster: (4)				
Medical Assistance Program	93.778	GG-25-83730-00	0	13,343
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	GG-25-83730-00	0	3,367
Maternal and Child Health Services Block Grant to the States	93.994	GG-25-83730-00	0	5,642
Passed-through Upper East Tennessee Human Development Agency:				
Head Start Cluster: (4)				
Head Start	93.600	(3)	0	728,002
Total U.S. Department of Health and Human Services				<u>\$ 795,057</u>
U.S. Department of Homeland Security:				
Passed-through State Department of Military:				
Emergency Management Performance Grants	97.042	(3)	0	\$ 46,318
Total U.S. Department of Homeland Security				<u>\$ 46,318</u>
Total Expenditures of Federal Grants				<u>\$ 8,335,047</u>

(Continued)

JOHNSON COUNTY, TENNESSEE, AND THE JOHNSON COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (8) (Cont.)

		Contract Number	Expenditures
State Grants			
Juvenile Services Program - State Commission on Children and Youth	N/A	(3)	\$ 9,000
Airport Maintenance - State Department of Transportation	N/A	AERO-24-241-00	756
State Aid Program - State Department of Transportation	N/A	(3)	1,138,351
Airport Replace VASI/MIRL- State Department of Transportation	N/A	(3)	93,240
Supporting Postsecondary Access in Rural Communities - State Department of Education	N/A	(3)	102,000
Local Health Center - State Department of Health	N/A	(9)	200,009
Tourism Development Grant - State Department of Tourist Development	N/A	(3)	22,150
Jail Training Equipment Grant - Tennessee Correction Institute	N/A	(3)	11,502
Violent Crime Intervention Fund Grant - State Department of Finance and Administration	N/A	(3)	1,199,464
Evidence Based Programming - State Department of Corrections	N/A	(3)	137,999
Asset Enhancement Grant - State Department of Economic and Community Development	N/A	(3)	229,654
Early Childhood Development - State Department of Education	N/A	(3)	234,671
Special Education Preschool - State Department of Education	N/A	(3)	45,998
Governor's Early Literacy Foundation - State Department of Education	N/A	(3)	3,500
Innovative School Models Grant - State Department of Education	N/A	(3)	11,693
School Resource Officer - State Department of Safety	N/A	(3)	450,000
Public School Security Grant- State Department of Education	N/A	(3)	42,123
Summer Learning Camps - State Department of Education	N/A	(3)	48,461
Childcare Assistance - State Department of Education	N/A	(3)	10,486
Lottery for Education After School Program - State Department of Education	N/A	(3)	69,975
Library Technology Grant - State Department of Secretary of State	N/A	(3)	585
Training Opportunities for the Public Grant - State Department of Secretary of State	N/A	(3)	3,993
Total State Grants			<u>\$ 4,065,610</u>

ALN = Assistance Listing Number

N/A = Not Applicable

(1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.

(2) Johnson County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.

(3) Information not available.

(4) Child Nutrition Cluster total \$1,572,554; Special Education Cluster (IDEA) total \$1,083,394;
Medicaid Cluster total \$13,343, and Head Start Cluster total \$728,002.

(5) Total for ALN 10.555 \$1,320,418; Total ALN 21.027 \$1,606,153; Total ALN 84.425 \$77,425.

(6) During the year ended June 30, 2025, Johnson County received excess military equipment from the U.S. Department of Defense valued at \$24,667.

(7) SUBRECIPIENTS

Subrecipient	ALN	Amount Provided to Subrecipient
Town of Mountain City	21.027	\$ 933,124
Brownlow Utility District	21.027	66,815
Total amounts provided to subrecipients		<u>\$ 999,939</u>

(8) 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	\$ 68,281
Supporting Effective Instruction - State Grants	84.367	4,818
Rural Education	84.358	1,108
Student Support and Academic Enrichment Program	84.424	481
Total amounts consolidated for administration purposes		<u>\$ 74,688</u>

Additional Notes for State Grants:

(9) GG-25-83730-00: \$109,615; GG-24-79258-00: \$90,394.

JOHNSON 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 Johnson County, Tennessee, for the year ended June 30, 2025.

Prior-year Financial Statement Findings

Fiscal Year	Page Number	Finding Number	Title of Finding	ALN	Current Status
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OFFICE OF DIRECTOR OF SCHOOLS

2024	229	2024-001	A cash shortage of \$2,620,140 existed in the school department as of June 30, 2024.	N/A	Pending
2024	230	2024-002	The Johnson County School Department is currently under investigation.	N/A	NA

OFFICES OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS

2024	230	2024-003	The Community Development/Industrial Park Capital Projects Fund had a deficit in unassigned fund balance on June 30, 2024.	N/A	Corrected
2024	230	2024-004	Expenditures exceeded appropriations.	N/A	Corrected

OFFICE OF SHERIFF

2024	231	2024-005	The office did not review a list of voided transactions.	N/A	Corrected
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Prior-year Federal Awards Findings

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

JOHNSON 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 Johnson County is unmodified.
2. Internal Control Over Financial Reporting:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **YES**
3. Noncompliance material to the financial statements noted? **NO**

Federal Awards:

4. Internal Control Over Major Federal Programs:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of major federal programs:
 - * Assistance Listing Numbers: 10.553 and 10.555 Child Nutrition Cluster: School Breakfast Program and National School Lunch Program
 - * Assistance Listing Number: 21.027 COVID 19 - Coronavirus State and Local Fiscal Recovery Funds
 - * Assistance Listing Number: 21.029 COVID 19 - Coronavirus Capital Projects Fund
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **NO**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our audit, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. Written responses for all findings are paraphrased and presented following each finding and recommendation. Management's corrective action plans, whether related to the financial statements or federal awards, are presented separately in the Management's Corrective Action Plan in the Single Audit Section of this report. Findings relating specifically to the audit of federal awards, if any, are separately presented under Part III, Findings and Questioned Costs for Federal Awards.

OFFICES OF DIRECTOR OF SCHOOLS AND DIRECTOR OF ACCOUNTS AND BUDGETS

FINDING 2025-001 **THE SCHOOL FEDERAL PROJECTS FUND HAD ACCOUNTING DEFICIENCIES**
(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The School Federal Projects Fund is used to account for restricted federal revenues, which must be expended on specific education programs. Our audit revealed the following deficiencies related to the administration and maintenance of the accounting records.

- A. The School Federal Projects fund had a deficit unassigned fund balance of \$122,275 on June 30, 2025. This deficit occurred because school department personnel had not properly requested various grant reimbursements. These mainly include \$125,767 for Special Education Programs that were set up as a receivable for amounts expended through the prior year reserve for encumbrance that have not been requested from the State of Tennessee through August 31st. We provided adjustments to the client to defer this revenue, which they accepted, to properly reflect the financial statements in this report.
- B. Reimbursements for grant expenditures were not adequately reconciled with accounts receivable or cash receipts for multiple federal grant programs. Alternative procedures were performed to confirm that the county received payments for reimbursement requests submitted to the State Department of Education. However, we were unable to confirm that a total of \$40,820 of these requests was properly recorded which otherwise required reimbursement to be funded by the General Purpose School Fund. We provided adjustments to the client, which they accepted, to properly reflect the revenue in the financial statements in this report.
- C. Balances reflected in numerous balance sheet accounts assigned to various federal grants programs were not properly maintained and reconciled with beginning and ending balances for each program. As a result, restricted fund equity balances were reported in various programs, some of which have become inactive. Upon further review auditors determined that in some instances reimbursement claims were submitted with encumbrance amounts included resulting in the receipt of program funding that was not earned. We have proposed an adjustment, which management accepted, to record a liability reflecting amounts due to the State of Tennessee for grant funds received in excess of program expenditures totaling \$52,166.

Sound business practices dictate that financial transactions should be accurately posted and documented in accordance with generally accepted accounting principles. These deficiencies resulted from a lack of management oversight.

RECOMMENDATION

Expenditures should be held within available funds and management should take action to liquidate the fund deficit. Transactions, including reimbursements, of each federal program should be clearly segregated and reconciled in the accounting records. Records should be monitored by management to ensure all funds are expended for the required purpose in compliance with grant requirements. Program balances should be monitored by management to ensure accuracy. Internal controls over the accounting process should be strengthened to correctly identify and accurately post transactions by nature, account, and fund when the transactions are initiated. Adequate documentation should be

maintained to support all general journal entries. Management should work with the State Department of Education to liquidate the liability for excess funds.

MANAGEMENT’S RESPONSE – DIRECTOR OF SCHOOLS

The totals from this finding included numbers that were from prior years and reimbursement requests that were denied when submitted resulting in insufficient cash. Management will take immediate action to liquidate the fund deficit. Johnson County Schools will work closely with the Director of Accounts and Budgets Office to ensure that transactions, including reimbursements, of each federal program will be clearly segregated and reconciled in the accounting records. Records will be monitored by management to ensure all funds are expended for the required purpose in compliance with grant requirements. Program balances will be monitored by management to ensure accuracy. Adequate documentation will be maintained to support all general journal entries and management will work with the State Department of Education to liquidate the liability for excess funds.

MANAGEMENT’S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

I concur with this finding. An explanation to the finding is included in the corrective action plan.

OFFICES OF DIRECTOR OF ACCOUNTS AND BUDGETS AND TRUSTEE

FINDING 2025-002

SCHOOL RESOURCE OFFICER GRANT REVENUE WAS MISCODED (Internal Control – Significant Deficiency Under *Government Auditing Standards*)

Statewide School Resource Officer Program Grant funds of \$450,000 were improperly recorded in the General Purpose School Fund rather than the General Fund in November 2024. School resource officer salaries and other related expenditures were paid from the General Fund during the fiscal year. Neither the trustee nor officials who administer the funds were aware of the error. We provided adjustments, which the client accepted, to properly reflect the revenue in the financial statements.

RECOMMENDATION

The trustee should refer to the budget resolutions and the detailed breakdown of revenues within the county’s budget document to determine the proper method of allocation, proper fund, and the proper revenue account code for the county revenues. If the determination is still unknown, the trustee should consult with the county department that generated the revenue to determine the type of funds and the proper classification.

MANAGEMENT’S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

I concur with this finding. An explanation to the finding is included in the corrective action plan.

MANAGEMENT’S RESPONSE – TRUSTEE

No formal management’s response was submitted. However, an explanation to the finding is included in the corrective action plan.

OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS

FINDING 2025-003

UNCLAIMED FUNDS WERE NOT REPORTED AND PAID TO THE STATE (Noncompliance Under *Government Auditing Standards*)

The office did not report and pay to the state unclaimed funds comprised of 402 outstanding warrants written during the period from July 16, 2020, through June 25, 2024, totaling \$69,812. The Unclaimed Property Act, Section 66-29-101 et seq., *Tennessee Code Annotated*, provides that any funds held for more than one year and unclaimed by the owner

are considered abandoned. This statute further provides for the funds to be reported and paid to the state Treasurer's Office.

RECOMMENDATION

The office should report and pay to the state unclaimed funds held for more than one year as required by state statute.

MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

I concur with this finding. An explanation to the finding is included in the corrective action plan.

OFFICE OF TRUSTEE

FINDING 2025-004

BANK DEPOSITS WERE NOT POSTED TO THE GENERAL LEDGER IN A TIMELY MANNER

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

Bank deposit amounts received by way of direct deposit from the state, including federal grant funds, were not posted to the general ledger in a timely manner. During the period under review, auditors noted that grant funds were not posted to the general ledger revenue accounts for up to 56 days after payment was remitted by the state. The failure to timely recognize deposits received diminishes the usefulness of financial reports made available to the Office of Director of Accounts and Budgets and county legislative bodies and could otherwise impact decisions made by county management. This deficiency occurred as a result of the trustee failing to accurately post and reconcile banking activity on a current basis and a lack of management oversight.

RECOMMENDATION

Bank deposits should be reconciled and posted to the general ledger in a timely manner, and any differences should be identified and corrected promptly.

MANAGEMENT'S RESPONSE - TRUSTEE

No formal management's response was submitted. However, an explanation to the finding is included in the corrective action plan.

FINDING 2025-005

THE OFFICE DID NOT REVIEW ITS SOFTWARE AUDIT LOGS

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The software application used by the office generated three reports that displayed changes made by users. Because these logs provide the only audit trail of these changes, they should be routinely reviewed for inappropriate activity. Although the official was aware of the importance of the logs, the logs were not routinely reviewed. This deficiency was a result of a lack of management oversight.

RECOMMENDATION

Management should review the audit logs on a routine basis, and documentation proving the review should be maintained. Any unusual transactions should be investigated.

MANAGEMENT'S RESPONSE - TRUSTEE

I concur with this finding. An explanation to the finding is included in the corrective action plan.

OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK

FINDING 2025-006

THE OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK HAD ACCOUNTING DEFICIENCIES

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

- A. Bank statements for Circuit and General Sessions Courts Clerk offices were not accurately reconciled with the general ledger in a timely manner. Management was unable to provide explanations for the variances between the general ledger and the two bank account balances maintained by the office. Sound business practices dictate that bank statements should be reconciled with the general ledger, at least monthly, to ensure errors are identified and corrected promptly. We used alternative procedures to determine cash in bank on June 30, 2025, for proper presentation in the financial statements.
- B. During our examination, we noted instances where credit card collections were not properly deposited in the corresponding court bank account. These errors were not detected due to the clerk not performing necessary reconciliations in a timely manner, as noted above. The clerk, along with the office's software administrator corrected this deficiency July 2025.
- C. As a result of the deficiencies noted above, the office made a duplicate payment to the State of Tennessee totaling \$9,462.42 that remained undetected until auditors brought it to the official's attention. The office processed both an ACH and a physical check creating the overpayment. The official contacted the state to receive a refund. We provided the client with adjustments, which they accepted, and are included in the financial statements of this report.

RECOMMENDATION

Bank statements should be reconciled with the general ledger monthly, and any differences discovered should be identified and corrected in a timely manner. All automatic transactions made to the bank account should be posted to the general ledger. The clerk should reconcile credit card payments to amounts received and posted to the general ledger to ensure they are accurate and complete. Any issues that arise from the reconciliations should be corrected in a timely manner.

MANAGEMENT'S RESPONSE - CIRCUIT AND GENERAL SESSIONS COURTS CLERK

The Office of Circuit Court Clerk agrees with the finding and recognizes the importance of timely reconciliations, accurate reporting, and strong internal controls in safeguarding public funds. The deficiencies identified resulted from delays in reconciliation and oversight, which have since been addressed. Corrective actions have been implemented to ensure that these issues do not recur.

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.

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

We reviewed the financial statement and federal award findings and recommendations with management to provide an opportunity for their response as required by the auditee requirements within Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Management's corrective action plans for all financial statement findings and federal award findings are presented in this section and have been indexed below. The corrective action plans were prepared by management and have been presented as they were submitted.

Finding Number	Title of Finding	Corrective Action Plan Page Number
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OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS

2025-001	The School Federal Projects Fund had accounting deficiencies.	250
2025-002	School Resource Officer Grant revenue was miscoded.	251
2025-003	Unclaimed funds were not report and paid to the state.	253

OFFICE OF TRUSTEE

2025-002	School Resource Officer Grant revenue was miscoded.	252
2025-004	Bank deposits were not posted to the general ledger in a timely manner.	254
2025-005	The office did not review its software audit logs.	255

OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK

2025-006	The office of Circuit and General Sessions Courts Clerk had accounting deficiencies.	256
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Johnson County
Director of Accounts & Budgets

211 North Church Street

Mountain City, TN 37683



Corrective Action Plan

FINDING: The School Federal Projects Fund Had Accounting Deficiencies

Response and Corrective Action Plan Prepared by:

Russell Robinson, Director of Accounts and Budgets

Persons Responsible for Implementing the Corrective Action:

Russell Robinson, Director of Accounts and Budgets

Dr. Mischelle Simcox, Director of Schools

Angela Wills, Federal Programs Supervisor

Tina Lipford, School Finance Director

Anticipated Completion Date of Corrective Action:

Implementation of correction action plan will begin immediately

Repeat Finding:

No

Planned Corrective Action:

The Director of Accounts and Budgets will provide guidance to ensure that expenditures are held within available funds and take action to liquidate any fund deficits. School personnel will ensure that transactions, including reimbursements, are clearly segregated and reconciled in accounting records. Program oversight will be provided to monitor balances to ensure accuracy. Additional internal controls will be strengthened to identify and post transactions and maintenance of all general journal entries. School personnel will work with the appropriated State Department of Education personnel to liquidate the liability of these excess funds.

Signature: _____

Johnson County
Director of Accounts & Budgets

211 North Church Street

Mountain City, TN 37683



Corrective Action Plan

FINDING: School Resource Officer Grant Revenue Was Miscoded

Response and Corrective Action Plan Prepared by:
Russell Robinson, Director of Accounts and Budgets

Person Responsible for Implementing the Corrective Action:
Russell Robinson, Director of Accounts and Budgets

Anticipated Completion Date of Corrective Action:
Implementation of correction action plan will begin immediately

Repeat Finding:
No

Planned Corrective Action:

Additional guidance and oversight will be provided to ensure that revenues are posted correctly by fund and revenue code. The Director of Accounts and Budgets will post the recommended audit adjustments to correct this error.

Signature:



Lisa J. Crowder

JOHNSON COUNTY TRUSTEE

P.O. Box 22

222 W. Main Street

Mountain City, TN 37683

Phone (423) 727-9062

Fax (423) 501-1020

Corrective Action Plan

FINDING:

SCHOOL RESOURCE OFFICER GRANT REVENUE WAS MISCODED

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

Response and Corrective Action Plan Prepared by:

Lisa J. Crowder, Trustee

Person Responsible for Implementing the Corrective Action:

Lisa J. Crowder, Trustee

Anticipated Completion Date of Corrective Action:

October 1, 2025

Repeat Finding:

No

Reason Corrective Action was Not Taken in Prior Year:

N/A

Planned Corrective Action:

The Office will be more diligent in watching as we enter the fund numbers for our miscellaneous receipts prior to posting them.

Signature:

Johnson County
Director of Accounts & Budgets

211 North Church Street



Mountain City, TN 37683

Corrective Action Plan

FINDING: Unclaimed Funds Were Not Reported and Paid To The State

Response and Corrective Action Plan Prepared by:

Russell Robinson, Director of Accounts and Budgets

Person Responsible for Implementing the Corrective Action:

Russell Robinson, Director of Accounts and Budgets

Anticipated Completion Date of Corrective Action:

Implementation of correction action plan will begin immediately

Repeat Finding:

No

Planned Corrective Action:

The Director of Accounts and Budgets will report and pay to the state unclaimed funds held for more than one year as required by state statute.

Signature: _____

A handwritten signature in blue ink, appearing to read "Russell Robinson", is written over a horizontal line.



Lisa J. Crowder

JOHNSON COUNTY TRUSTEE

P.O. Box 22

222 W. Main Street

Mountain City, TN 37683

Phone (423) 727-9062

Fax (423) 501-1020

Corrective Action Plan

FINDING:

BANK DEPOSITS WERE NOT POSTED TO THE GENERAL LEDGER IN A TIMELY MANNER

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

Response and Corrective Action Plan Prepared by:

Lisa J. Crowder, Trustee

Person Responsible for Implementing the Corrective Action:

Lisa J. Crowder, Trustee

Anticipated Completion Date of Corrective Action:

October 1, 2025

Repeat Finding:

No

Reason Corrective Action was Not Taken in Prior Year:

N/A

Planned Corrective Action:

The Office is now cross training the Deputy to do miscellaneous receipts when the Trustee is out of the office. The Trustee had some personal issues that required her to be absent during the previous year.

Signature:



Lisa J. Crowder

JOHNSON COUNTY TRUSTEE

P.O. Box 22

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Mountain City, TN 37683

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Fax (423) 501-1020

Corrective Action Plan

FINDING: **THE OFFICE DID NOT REVIEW ITS SOFTWARE AUDIT LOGS**
(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

Response and Corrective Action Plan Prepared by:

Lisa J. Crowder, Trustee

Person Responsible for Implementing the Corrective Action:

Lisa J. Crowder, Trustee

Anticipated Completion Date of Corrective Action:

September 2025

Repeat Finding:

No

Planned Corrective Action:

For the record, I would like to say that my Audit Logs were reviewed every month by me, although there is not documentation for this.

I take responsibility and accept this finding. Now that I have been given an actual date of the month that the reports need to be completed by it will be easier to meet these requirements.

The intent of the Office is to have the reports completed by the 15th of each month.

Signature:

Lisa J. Crowder

**CIRCUIT COURT CLERK
MELISSA HOLLAWAY**

JOHNSON COUNTY
P.O. BOX 73
MOUNTAIN CITY, TN 37683
PHONE: 423-727-9012
FAX: 423-727-3963



Corrective Action Plan

Finding: The Office of the Circuit Court Clerk had Accounting Deficiencies

Response and Corrective Action Plan Prepared by:

Melissa Hollaway, Circuit Court Clerk

Person Responsible for Implementing the Corrective Action:

Melissa Hollaway, Circuit Court Clerk

Anticipated Completion Date of Corrective Action:

Completed August 31, 2025

Repeat Finding:

No

Planned Corrective Action:

The Circuit Court Clerk's software provider has corrected /updated the TNCIS system to prevent delays with in person and online payments causing the bank reconciliations to not be completed timely.

Staff received additional training in September 2025 on proper reconciliation procedures and internal control requirements.

Ongoing quarterly training sessions will continue to reinforce accuracy, compliance, and accountability.

The Clerk will conduct monthly oversight reviews of reconciliations.

Signature: Melissa Hollaway Circuit Court Clerk

BEST PRACTICE

Accounting literature describes a best practice as a recommended policy, procedure, or technique that aids management in improving financial performance. Historically, a best practice has consistently shown superior results over conventional methods.

The Division of Local Government Audit strongly believes that the item noted below is a best practice that should be adopted by the governing body as a means of significantly improving accountability and the quality of services provided to the citizens of Johnson County.

JOHNSON COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF PURCHASING FOR ALL DEPARTMENTS

Johnson County operates under provisions of the Fiscal Control Acts of 1957. These acts provide for a central system of accounting and budgeting covering funds administered by the county mayor, road superintendent, and director of schools. These funds were maintained in the Office of Central Accounting under the supervision of the director of accounts and budgets.

The Fiscal Control Acts of 1957 also include provisions for centralized purchasing for funds maintained by the county mayor and road superintendent. However, purchasing procedures for the school department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, *Tennessee Code Annotated*, which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. Sound business practices dictate that establishing a central system would significantly improve internal controls over the purchasing process. The absence of a central system of purchasing has been a management decision by the county commission, resulting in decentralization and some duplication of effort. We recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of purchasing for all county departments.