



ANNUAL FINANCIAL REPORT

Macon County, Tennessee

For the Year Ended June 30, 2025

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

ANNUAL FINANCIAL REPORT
MACON 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

JEFF BAILEY, CPA, CGFM, CFE
Audit Manager

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

MACON COUNTY, TENNESSEE

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Summary of Audit Findings

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

Scope

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

Results

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

Our audit resulted in a finding and recommendation which affected our reports on both Government Auditing Standards and Uniform Guidance, which we have reviewed with Macon County management. The detailed finding, recommendation, and management response are included in the Single Audit section of this report.

Finding

The following is a summary of the audit finding:

OFFICE OF DIRECTOR OF SCHOOLS

- ◆ The school department had deficiencies in the administration of a federal grant.



INTRODUCTORY SECTION

MACON COUNTY OFFICIALS

June 30, 2025

Officials

Steve Jones, County Mayor
Ben Cook, Supervisor of Roads
Shawn Carter, Director of Schools
Kim Parks, Trustee
Rick Shoulders, Assessor of Property
Connie Blackwell, County Clerk
Rick Gann, Circuit, General Sessions, and Juvenile Courts Clerk
Kristin Reid, Clerk and Master
Cynthia Jones, Register of Deeds
Joel Wilburn, Sheriff

Board of County Commissioners

Steve Jones, County Mayor, Chairman
Larry West
Michael Slayton
Keith Newberry
Jeff Hughes
Todd Gentry
Phillip Snow
Mike Jenkins
Ethan Flippin
Dan Hill
Barry Marshall

Bobby Ray King
Tony Wix
Justin Dyer
Barry King
Billy Wilmore
Helen Hesson
Wendell Jones
Kyle Petty
Kevin Wooten
Jarhea Wilmore

Purchasing Commission

Steve Jones, County Mayor
Connie Blackwell, County Clerk
Kristin Reid, Clerk and Master

Audit Committee

Mike Prock, Chairman
Lonnie Stevens
Marty Coley
Bryan Carter

Board of Education

Dale Hix, Chairman
Wayne Marsh
Lionel Borders
Tim Case
Michael Cothron

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Audit of the Financial Statements

Opinions

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

We did not audit the financial statements of the Internal School Fund of the Macon County School Department, a discretely presented component unit, which represent 1.81 percent, 1.97 percent, and 3.54 percent, respectively, of the assets, net position, and revenues of the discretely presented school department. Those amounts were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to amounts included for the Macon County School Department's Internal School Fund, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Macon 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., Macon County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences* and GASB Statement No. 102, *Certain Risk Disclosures*. GASB 101 updates the recognition and measurement guidance for compensated absences under a unified model and amends certain previously required disclosures. GASB 102 provides users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

Emphasis of Matter

We draw attention to Note I.D.9. to the financial statements, which describes a restatement to the beginning Governmental Activities net position totaling (\$420,001) for the primary government and (\$250,906) for the discretely presented Macon 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 Macon 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 Macon 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 Macon County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Macon County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the Special Debt Service and General Capital Projects funds, combining and individual fund financial statements of the Macon 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 Special Debt Service and General Capital Projects funds, combining and individual fund financial statements of the Macon 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 3, 2025, on our consideration of Macon 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 Macon 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 Macon County's internal control over financial reporting and compliance.

Very truly yours,


Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

October 3, 2025

JEM/gc

BASIC FINANCIAL STATEMENTS SECTION

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

	Primary Government	Component Unit
	Governmental Activities	Macon County School Department
ASSETS		
Cash	\$ 2,567	\$ 1,038,824
Equity in Pooled Cash and Investments	20,601,626	16,922,669
Accounts Receivable	688,723	1,116
Allowance for Uncollectibles	(231,389)	0
Due from Other Governments	952,263	3,071,527
Property Taxes Receivable	10,278,368	2,332,596
Allowance for Uncollectible Property Taxes	(308,352)	(69,978)
Net Pension Asset - Agent Plan	1,166,923	806,564
Net Pension Asset - Teacher Retirement Plan	0	204,207
Net Pension Asset - Teacher Legacy Pension Plan	0	5,875,854
Restricted Asset - Amounts Accumulated for Pension Benefits	0	643,156
Capital Assets:		
Assets Not Depreciated:		
Land	2,301,506	2,898,830
Construction in Progress	20,391,443	685,906
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	15,168,103	19,878,394
Infrastructure	27,651,107	0
Other Capital Assets	5,073,115	3,043,422
Total Assets	<hr/> \$ 103,736,003	<hr/> \$ 57,333,087
DEFERRED OUTFLOWS OF RESOURCES		
Pension Changes in Experience	\$ 1,010,044	\$ 2,281,934
Pension Changes in Assumptions	510,002	433,656
Pension Changes in Proportion	0	407,163
Pension Contributions After Measurement Date	553,764	1,395,471
OPEB Changes in Experience	0	344,684
OPEB Changes in Proportion	0	46,977
OPEB Changes in Assumptions	0	866,721
OPEB Benefits Paid After Measurement Date	0	130,681
Total Deferred Outflows of Resources	<hr/> \$ 2,073,810	<hr/> \$ 5,907,287

(Continued)

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

	Primary Government	Component Unit
	Governmental Activities	Macon County School Department
LIABILITIES		
Accounts Payable	\$ 0	\$ 30,000
Accrued Interest Payable	877,789	2,322
Payroll Deductions Payable	51,171	0
Due to Litigants, Heirs, and Others	1,958	0
Other Current Liabilities	306,686	0
Noncurrent Liabilities:		
Due Within One Year - Debt	1,358,838	0
Due Within One Year - Other	309,152	326,880
Due in More Than One Year - Debt	36,010,280	0
Due in More Than One Year - Other	563,951	5,202,992
Total Liabilities	<u>\$ 39,479,825</u>	<u>\$ 5,562,194</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred Current Property Taxes	\$ 9,742,453	\$ 2,204,088
Pension Changes in Experience	108,272	137,574
Pension Changes in Investment Earnings	258,861	1,357,746
Pension Changes in Proportion	0	19,270
OPEB Changes in Experience	0	593,727
OPEB Changes in Proportion	0	271,768
OPEB Changes in Assumptions	0	461,648
Total Deferred Inflows of Resources	<u>\$ 10,109,586</u>	<u>\$ 5,045,821</u>
NET POSITION		
Net Investment in Capital Assets	\$ 33,622,328	\$ 26,506,552
Restricted for:		
General Government	230,340	0
Finance	9,926	0
Public Safety	260,640	0
Public Health and Welfare	518,534	0
Social, Cultural, and Recreational Services	28,113	0
Highway/Public Works	2,235,876	0
Debt Service	8,561,933	0
Capital Projects	2,446,194	777,149
Pensions	1,166,923	7,529,781
Capital Outlay	82,866	0
Education	0	2,439,776
Unrestricted	<u>7,056,729</u>	<u>15,379,101</u>
Total Net Position	<u><u>\$ 56,220,402</u></u>	<u><u>\$ 52,632,359</u></u>

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

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

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Unit		
					Total Governmental Activities	Macon County School Department		
Primary Government:								
Governmental Activities:								
General Government	\$ 3,433,918	\$ 618,725	\$ 20,195	\$ 693,258	\$ (2,101,740)	\$ 0	0	
Finance	1,958,018	778,087	7,620	0	(1,172,311)	0	0	
Administration of Justice	1,618,943	581,850	9,000	0	(1,028,093)	0	0	
Public Safety	4,027,549	1,013,790	346,203	682,881	(1,984,675)	0	0	
Public Health and Welfare	4,131,771	2,035,595	237,228	311,782	(1,547,166)	0	0	
Social, Cultural and Rec Services	724,611	18,444	141,953	0	(564,214)	0	0	
Agriculture & Natural Resources	245,260	0	0	0	(245,260)	0	0	
Highways/Public Works	2,841,480	2,643	2,402,399	2,357,923	1,921,485	0	0	
Education	2,981,383	0	0	0	(2,981,383)	0	0	
Support Services	125	0	0	0	(125)	0	0	
Interest on Long-term Debt	1,049,755	0	0	0	(1,049,755)	0	0	
Other Debt Service	43,840	0	0	0	(43,840)	0	0	
Total Primary Government	\$ 23,056,653	\$ 5,049,134	\$ 3,164,598	\$ 4,045,844	\$ (10,797,077)	\$ 0	0	
Component Unit:								
Macon County School Department	\$ 57,157,953	\$ 2,401,555	\$ 10,698,487	\$ 1,953,339	\$ 0	\$ (42,104,572)		
Total Component Unit	\$ 57,157,953	\$ 2,401,555	\$ 10,698,487	\$ 1,953,339	\$ 0	\$ (42,104,572)		

(Continued)

MACON COUNTY, TENNESSEE
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Unit
					Total Governmental Activities	Macon County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 9,712,292	\$ 2,502,748
Property Taxes Levied for Debt Service					1,370	0
Local Option Sales Tax					2,652,119	3,864,669
Hotel/Motel Tax					47,477	0
Wheel Tax					1,615,252	0
Litigation Tax					213,667	0
Business Tax					286,708	0
Adequate Facilities/Development Tax					1,212,316	0
Wholesale Beer Tax					61,763	0
Mineral Severance Tax					0	951
Grants and Contributions Not Restricted to Specific Programs					1,292,062	38,094,497
Unrestricted Investment Income					220,447	55,494
Miscellaneous					762,232	13,361
					<u>\$ 18,077,705</u>	<u>\$ 44,531,720</u>
Change in Net Position					\$ 7,280,628	\$ 2,427,148
Net Position, July 1, 2024					49,359,775	50,456,117
Restatement - See Note I.D.9.					(420,001)	(250,906)
					<u>\$ 56,220,402</u>	<u>\$ 52,632,359</u>
Net Position, June 30, 2025						

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

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

	Major Funds				Nonmajor Funds		Total Governmental Funds
			Highway / Public Works	Special Debt Service	General Capital Projects	Other Governmental Funds	
	General						
ASSETS							
Cash	\$ 545	\$ 0	\$ 0	\$ 0	\$ 2,022	\$ 2,567	
Equity in Pooled Cash and Investments	4,934,475	1,887,765	8,135,851	2,439,265	3,204,270	20,601,626	
Accounts Receivable	687,279	611	351	0	482	688,723	
Allowance for Uncollectibles	(231,389)	0	0	0	0	(231,389)	
Due from Other Governments	159,703	408,936	301,092	0	82,532	952,263	
Property Taxes Receivable	8,458,312	1,093,247	0	367,638	359,171	10,278,368	
Allowance for Uncollectible Property Taxes	(253,750)	(32,798)	0	(11,029)	(10,775)	(308,352)	
Total Assets	\$ 13,755,175	\$ 3,357,761	\$ 8,437,294	\$ 2,795,874	\$ 3,637,702	\$ 31,983,806	
LIABILITIES							
Payroll Deductions Payable	\$ 2,524	\$ 48,242	\$ 0	\$ 0	\$ 405	\$ 51,171	
Due to Litigants, Heirs, and Others	0	0	0	0	1,958	1,958	
Current Liabilities Payable From Restricted Assets	306,686	0	0	0	0	306,686	
Total Liabilities	\$ 309,210	\$ 48,242	\$ 0	\$ 0	\$ 2,363	\$ 359,815	
DEFERRED INFLOWS OF RESOURCES							
Deferred Current Property Taxes	\$ 8,010,249	\$ 1,042,414	\$ 0	\$ 349,680	\$ 340,110	\$ 9,742,453	
Deferred Delinquent Property Taxes	181,523	16,848	0	6,473	7,741	212,585	
Other Deferred/Unavailable Revenue	400,448	204,468	151,000	0	0	755,916	
Total Deferred Inflows of Resources	\$ 8,592,220	\$ 1,263,730	\$ 151,000	\$ 356,153	\$ 347,851	\$ 10,710,954	

(Continued)

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

	Major Funds				Nonmajor Funds		Total Governmental Funds
			Highway / Public Works	Special Debt Service	General Capital Projects	Other Governmental Funds	
	General						
FUND BALANCES							
Restricted:							
Restricted for General Government	\$ 230,340		0	0	0	0	230,340
Restricted for Finance		9,926	0	0	0	0	9,926
Restricted for Public Safety		38,649	0	0	0	221,991	260,640
Restricted for Public Health and Welfare		198,098	0	0	0	416,253	614,351
Restricted for Social, Cultural, and Recreational Services		28,113	0	0	0	0	28,113
Restricted for Highways/Public Works		0	2,045,789	0	0	0	2,045,789
Restricted for Capital Outlay		0	0	0	0	82,866	82,866
Restricted for Debt Service		0	0	8,286,294	0	1,002,428	9,288,722
Restricted for Capital Projects		0	0	0	2,439,721	0	2,439,721
Committed:							
Committed for Debt Service		0	0	0	0	1,563,950	1,563,950
Assigned:							
Assigned for General Government		31,516	0	0	0	0	31,516
Assigned for Finance		1,926	0	0	0	0	1,926
Assigned for Administration of Justice		4,349	0	0	0	0	4,349
Assigned for Public Safety		38,659	0	0	0	0	38,659
Assigned for Public Health and Welfare		28,309	0	0	0	0	28,309
Assigned for Social, Cultural, and Recreational Services		2,448	0	0	0	0	2,448
Unassigned		4,241,412	0	0	0	0	4,241,412
Total Fund Balances	\$ 4,853,745	\$ 2,045,789	\$ 8,286,294	\$ 2,439,721	\$ 3,287,488	\$ 20,913,037	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 13,755,175	\$ 3,357,761	\$ 8,437,294	\$ 2,795,874	\$ 3,637,702	\$ 31,983,806	

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

MACON 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)	\$ 20,913,037
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	
Add: land	\$ 2,301,506
Add: construction in progress	20,391,443
Add: buildings and improvements net of accumulated depreciation	15,168,103
Add: infrastructure net of accumulated depreciation	27,651,107
Add: other capital assets net of accumulated depreciation	<u>5,073,115</u> 70,585,274
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	
Less: notes payable	\$ (6,212,070)
Less: other loans payable	(19,405,876)
Less: bonds payable	(11,345,000)
Less: accrued interest on bond and notes	(877,789)
Less: unamortized premium on debt	(406,172)
Less: compensated absences payable	(769,545)
Less: landfill postclosure care costs	<u>(103,558)</u> (39,120,010)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years.	
Add: deferred outflows of resources related to pensions	\$ 2,073,810
Less: deferred inflows of resources related to pensions	<u>(367,133)</u> 1,706,677
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.	1,166,923
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.	<u>968,501</u>
Net position of governmental activities (Exhibit A)	<u>\$ 56,220,402</u>

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

MACON COUNTY, TENNESSEE

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

	Major Funds				
	<i>Formerly Major</i>				
	General	Highway / Public Works	General Debt Service	Special Debt Service	General Capital Projects
Revenues					
Local Taxes	\$ 10,957,653	\$ 782,694	\$ 0	\$ 2,202,571	\$ 280,794
Licenses and Permits	434,265	0	0	0	0
Fines, Forfeitures, and Penalties	162,891	0	0	0	0
Charges for Current Services	1,861,592	0	0	0	0
Other Local Revenues	1,002,557	17,271	0	0	20,644
Fees Received From County Officials	1,204,594	0	0	0	0
State of Tennessee	2,060,690	4,663,459	0	0	0
Federal Government	27,231	0	0	0	1,005,040
Other Governments and Citizens Groups	45,590	0	0	0	0
Total Revenues	\$ 17,757,063	\$ 5,463,424	\$ 0	\$ 2,202,571	\$ 1,306,478
Expenditures					
Current:					
General Government	\$ 1,928,181	\$ 0	\$ 0	\$ 0	\$ 0
Finance	1,685,895	0	0	0	0
Administration of Justice	1,258,291	0	0	0	0
Public Safety	5,433,600	0	0	0	0
Public Health and Welfare	3,514,989	0	0	0	0
Social, Cultural, and Recreational Services	363,409	0	0	0	0
Agriculture and Natural Resources	191,875	0	0	0	0
Other Operations	2,458,277	0	0	17,148	0
Highways	0	5,944,570	0	0	0
Support Services	125	0	0	0	0

(Continued)

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

	Major Funds				
	<i>Formerly Major</i>	Highway / Public Works	General Debt Service	Special Debt Service	General Capital Projects
	General				
Expenditures (Cont.)					
Debt Service:					
Principal on Debt	\$ 0	\$ 147,214	\$ 0	\$ 0	\$ 4,367,053
Interest on Debt	0	49,500	0	0	138,501
Other Debt Service	0	0	0	0	30,559
Capital Projects	35,617	0	0	1,028,044	23,331,754
Total Expenditures	\$ 16,870,259	\$ 6,141,284	\$ 0	\$ 1,045,192	\$ 27,867,867
Excess (Deficiency) of Revenues Over Expenditures	\$ 886,804	\$ (677,860)	\$ 0	\$ 1,157,379	\$ (26,561,389)
Other Financing Sources (Uses)					
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,500,000
Notes Issued	0	0	0	0	0
Other Loans Issued	0	0	0	0	19,911,931
Insurance Recovery	5,320	9,761	0	0	0
Transfers In	22,400	0	0	0	1,473,933
Transfers Out	(213,933)	(2,400)	0	0	0
Total Other Financing Sources (Uses)	\$ (186,213)	\$ 7,361	\$ 0	\$ 0	\$ 25,885,864
Net Change in Fund Balances	\$ 700,591	\$ (670,499)	\$ 0	\$ 1,157,379	\$ (675,525)
Change to or Within the Reporting Entity	0	0	(2,537,570)	0	0
Fund Balance, July 1, 2024	4,153,154	2,716,288	2,537,570	7,128,915	3,115,246
Fund Balance, June 30, 2025	\$ 4,853,745	\$ 2,045,789	\$ 0	\$ 8,286,294	\$ 2,439,721

(Continued)

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

	Nonmajor Funds	Other Govern- mental Funds	Total Governmen- tal Funds
Revenues			
Local Taxes	\$ 1,671,241	\$ 15,894,953	
Licenses and Permits	0	434,265	
Fines, Forfeitures, and Penalties	22,995	185,886	
Charges for Current Services	411,294	2,272,886	
Other Local Revenues	24,992	1,065,464	
Fees Received From County Officials	0	1,204,594	
State of Tennessee	802,975	7,527,124	
Federal Government	0	1,032,271	
Other Governments and Citizens Groups	525,038	570,628	
Total Revenues	\$ 3,458,535	\$ 30,188,071	
Expenditures			
Current:			
General Government	\$ 0	\$ 1,928,181	
Finance	0	1,685,895	
Administration of Justice	20,976	1,279,267	
Public Safety	32,572	5,466,172	
Public Health and Welfare	592,499	4,107,488	
Social, Cultural, and Recreational Services	0	363,409	
Agriculture and Natural Resources	0	191,875	
Other Operations	0	2,475,425	
Highways	0	5,944,570	
Support Services	0	125	

(Continued)

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

	Nonmajor Funds	<hr/>	Other Govern- mental Funds	<hr/>	Total Govern- mental Funds
Expenditures (Cont.)					
Debt Service:					
Principal on Debt	\$ 1,007,298	\$ 5,521,565			
Interest on Debt	264,383	452,384			
Other Debt Service	13,281	43,840			
Capital Projects	1,953,339	26,348,754			
Total Expenditures	<hr/> \$ 3,884,348	<hr/> \$ 55,808,950			
Excess (Deficiency) of Revenues Over Expenditures	<hr/> \$ (425,813)	<hr/> \$ (25,620,879)			
Other Financing Sources (Uses)					
Bonds Issued	\$ 0	\$ 4,500,000			
Notes Issued	1,953,339	1,953,339			
Other Loans Issued	0	19,911,931			
Insurance Recovery	0	15,081			
Transfers In	0	1,496,333			
Transfers Out	(1,280,000)	(1,496,333)			
Total Other Financing Sources (Uses)	<hr/> \$ 673,339	<hr/> \$ 26,380,351			
Net Change in Fund Balances	\$ 247,526	\$ 759,472			
Change to or Within the Reporting Entity	2,537,570	0			
Fund Balance, July 1, 2024	502,392	20,153,565			
Fund Balance, June 30, 2025	<hr/> \$ 3,287,488	<hr/> \$ 20,913,037			

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

MACON 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)	\$ 759,472
(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	\$ 29,294,884
Less: current-year depreciation expense	<u>(1,525,734)</u>
	27,769,150
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.	
Less: book value of capital assets disposed	(28,708)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Less: deferred delinquent property taxes and other deferred June 30, 2024	\$ (814,982)
Add: deferred delinquent property taxes and other deferred June 30, 2025	<u>968,501</u>
	153,519
(4) The issuance of long-term debt (e.g., notes) 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. This amount is the effect of these differences in the treatment of long-term debt and related items.	
Less: note proceeds	\$ (1,953,339)
Less: loan proceeds	(19,911,931)
Less: bond proceeds	(4,500,000)
Add: principal payments on notes	784,512
Add: principal payments on loans	4,367,053
Add: principal payments on bonds	370,000
Add: change in premium on debt issuances	<u>27,260</u>
	(20,816,445)
(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	\$ (624,631)
Change in compensated absences payable	69,977
Change in landfill postclosure care costs	31,283
Change in deferred outflows of resources related to pensions	(511,241)
Change in deferred inflows of resources related to pensions	(109,465)
Change in net pension asset	<u>587,717</u>
	<u>(556,360)</u>
Change in net position of governmental activities (Exhibit B)	<u>\$ 7,280,628</u>

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

MACON 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	\$ 10,957,653	\$ 0	\$ 0	\$ 10,957,653	\$ 10,048,399	\$ 10,048,399	\$ 909,254
Licenses and Permits	434,265	0	0	434,265	287,750	287,750	146,515
Fines, Forfeitures, and Penalties	162,891	0	0	162,891	110,825	110,825	52,066
Charges for Current Services	1,861,592	0	0	1,861,592	1,981,450	2,050,753	(189,161)
Other Local Revenues	1,002,557	0	0	1,002,557	733,017	825,292	177,265
Fees Received From County Officials	1,204,594	0	0	1,204,594	1,147,500	1,147,500	57,094
State of Tennessee	2,060,690	0	0	2,060,690	1,714,414	1,927,039	133,651
Federal Government	27,231	0	0	27,231	26,000	31,031	(3,800)
Other Governments and Citizens Groups	45,590	0	0	45,590	0	121,326	(75,736)
Total Revenues	<u>\$ 17,757,063</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 17,757,063</u>	<u>\$ 16,049,355</u>	<u>\$ 16,549,915</u>	<u>\$ 1,207,148</u>
Expenditures							
General Government							
County Commission	\$ 159,863	\$ 0	\$ 1,833	\$ 161,696	\$ 148,698	\$ 173,698	\$ 12,002
Board of Equalization	2,170	0	0	2,170	2,500	2,500	330
Beer Board	53	0	247	300	850	850	550
Budget and Finance Committee	316	0	976	1,292	3,500	3,500	2,208
Other Boards and Committees	577	0	481	1,058	5,000	5,000	3,942
County Mayor/Executive	384,309	(334)	776	384,751	395,564	399,064	14,313
County Attorney	15,000	0	0	15,000	15,000	15,000	0
Election Commission	268,959	0	0	268,959	286,402	293,167	24,208
Register of Deeds	216,264	0	5,973	222,237	240,774	240,774	18,537
Development	25,354	0	750	26,104	37,000	37,000	10,896
Planning	148,789	0	578	149,367	164,102	164,102	14,735

(Continued)

MACON 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.)							
Building	\$ 35,906	\$ 0	\$ 7,035	\$ 42,941	\$ 41,000	\$ 41,000	\$ (1,941)
County Buildings	242,805	0	6,602	249,407	274,121	291,309	41,902
Other Facilities	382,314	(1,542)	4,268	385,040	453,068	455,568	70,528
Other General Administration	3,391	0	0	3,391	3,395	3,395	4
Preservation of Records	19,117	0	0	19,117	26,891	26,891	7,774
Risk Management	22,994	(1,308)	1,997	23,683	25,322	25,322	1,639
Finance							
Central Services	744,136	0	760	744,896	777,164	779,164	34,268
Property Assessor's Office	262,656	0	14	262,670	274,884	277,084	14,414
Reappraisal Program	7,259	0	323	7,582	27,100	27,100	19,518
County Trustee's Office	279,160	0	829	279,989	290,051	292,251	12,262
County Clerk's Office	392,684	0	0	392,684	382,432	405,598	12,914
Administration of Justice							
Circuit Court	490,039	0	4,348	494,387	500,721	506,716	12,329
General Sessions Court	296,156	0	0	296,156	346,298	348,798	52,642
Chancery Court	208,321	0	0	208,321	218,845	218,845	10,524
Juvenile Court	50,323	0	0	50,323	58,368	58,368	8,045
Judicial Commissioners	73,266	0	0	73,266	64,878	82,578	9,312
Other Administration of Justice	0	0	0	0	5,000	5,000	5,000
Probation Services	140,186	0	0	140,186	190,518	190,518	50,332
Public Safety							
Sheriff's Department	2,884,068	0	2,808	2,886,876	2,668,101	2,990,704	103,828
Administration of the Sexual Offender Registry	12,312	0	0	12,312	3,200	16,275	3,963
Jail	1,947,729	0	17,796	1,965,525	1,980,627	2,050,393	84,868
Workhouse	119,236	0	3,645	122,881	89,136	127,072	4,191

(Continued)

MACON 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.)							
Fire Prevention and Control	\$ 3,332	\$ 0	\$ 285	\$ 3,617	\$ 10,500	\$ 10,500	\$ 6,883
Rural Fire Protection	119,391	0	0	119,391	150,000	150,000	30,609
Civil Defense	22,176	0	535	22,711	24,619	29,650	6,939
Rescue Squad	9,490	0	1,800	11,290	10,700	10,700	(590)
Disaster Relief	38,396	0	0	38,396	27,810	41,837	3,441
Other Emergency Management	36,464	0	2,285	38,749	41,778	41,778	3,029
County Coroner/Medical Examiner	45,025	0	7,725	52,750	40,250	50,250	(2,500)
Public Safety Grants Program	153,344	0	14	153,358	117,125	160,825	7,467
Other Public Safety	42,637	0	1,767	44,404	57,224	57,224	12,820
Public Health and Welfare							
Local Health Center	38,609	0	0	38,609	43,900	40,900	2,291
Rabies and Animal Control	116,562	0	2,065	118,627	116,410	128,396	9,769
Ambulance/Emergency Medical Services	3,075,884	0	17,563	3,093,447	2,906,223	3,061,608	(31,839)
Crippled Children Services	2,878	0	0	2,878	2,878	2,878	0
Other Local Health Services	181,567	0	6,694	188,261	269,147	269,147	80,886
Regional Mental Health Center	5,965	0	1,988	7,953	7,953	7,953	0
Appropriation to State	42,701	0	0	42,701	39,701	42,701	0
Other Local Welfare Services	50,823	0	0	50,823	51,223	51,223	400
Social, Cultural, and Recreational Services							
Adult Activities	0	0	0	0	6,000	6,000	6,000
Senior Citizens Assistance	15,000	0	0	15,000	15,000	15,000	0
Libraries	271,136	0	933	272,069	275,763	275,763	3,694
Parks and Fair Boards	59,458	0	0	59,458	59,500	65,500	6,042
Other Social, Cultural, and Recreational	17,815	0	1,514	19,329	25,000	25,000	5,671
Agriculture and Natural Resources							
Agricultural Extension Service	117,099	0	0	117,099	117,607	124,857	7,758
Soil Conservation	74,776	0	0	74,776	72,253	72,253	(2,523)

(Continued)

MACON 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							
Tourism	\$ 3,075	\$ 0	\$ 0	\$ 3,075	\$ 4,000	\$ 4,000	\$ 925
Industrial Development	47,121	0	0	47,121	54,357	54,357	7,236
Veterans' Services	29,528	0	0	29,528	35,272	35,272	5,744
Other Charges	2,343,675	0	0	2,343,675	2,384,708	2,409,353	65,678
Contributions to Other Agencies	12,898	0	0	12,898	16,765	16,765	3,867
Employee Benefits	6,900	0	0	6,900	26,000	26,000	19,100
Miscellaneous	15,080	0	0	15,080	15,500	15,500	420
Support Services							
Other Programs	125	0	0	125	5,300	5,300	5,175
Capital Projects							
Highway and Street Capital Projects	35,617	0	0	35,617	35,942	35,942	325
Total Expenditures	\$ 16,870,259	\$ (3,184)	\$ 107,207	\$ 16,974,282	\$ 17,066,918	\$ 17,899,036	\$ 924,754
Excess (Deficiency) of Revenues Over Expenditures	\$ 886,804	\$ 3,184	\$ (107,207)	\$ 782,781	\$ (1,017,563)	\$ (1,349,121)	\$ 2,131,902
Other Financing Sources (Uses)							
Insurance Recovery	\$ 5,320	\$ 0	\$ 0	\$ 5,320	\$ 0	\$ 0	\$ 5,320
Transfers In	22,400	0	0	22,400	0	22,400	0
Transfers Out	(213,933)	0	0	(213,933)	0	(213,933)	0
Total Other Financing Sources	\$ (186,213)	\$ 0	\$ 0	\$ (186,213)	\$ 0	\$ (191,533)	\$ 5,320
Net Change in Fund Balance	\$ 700,591	\$ 3,184	\$ (107,207)	\$ 596,568	\$ (1,017,563)	\$ (1,540,654)	\$ 2,137,222
Fund Balance, July 1, 2024	4,153,154	(3,184)	0	4,149,970	3,790,608	3,266,518	883,452
Fund Balance, June 30, 2025	\$ 4,853,745	\$ 0	\$ (107,207)	\$ 4,746,538	\$ 2,773,045	\$ 1,725,864	\$ 3,020,674

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

MACON COUNTY, TENNESSEE

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Local Taxes	\$ 782,694	\$ 742,353	\$ 742,353	\$ 40,341
Other Local Revenues	17,271	52,200	52,200	(34,929)
State of Tennessee	4,663,459	5,655,161	5,655,161	(991,702)
Total Revenues	\$ 5,463,424	\$ 6,449,714	\$ 6,449,714	\$ (986,290)
Expenditures				
Highways				
Administration	\$ 246,033	\$ 281,398	\$ 283,798	\$ 37,765
Highway and Bridge Maintenance	1,325,991	1,521,190	1,492,190	166,199
Operation and Maintenance of Equipment	402,357	495,766	494,766	92,409
Other Charges	247,632	253,500	278,500	30,868
Employee Benefits	345,875	417,522	417,522	71,647
Capital Outlay	3,376,682	4,456,878	4,459,478	1,082,796
Principal on Debt				
Highways and Streets	147,214	215,000	183,000	35,786
Interest on Debt				
Highways and Streets	49,500	18,000	50,000	500
Total Expenditures	\$ 6,141,284	\$ 7,659,254	\$ 7,659,254	\$ 1,517,970
Excess (Deficiency) of Revenues Over Expenditures				
	\$ (677,860)	\$ (1,209,540)	\$ (1,209,540)	\$ 531,680
Other Financing Sources (Uses)				
Insurance Recovery	\$ 9,761	\$ 0	\$ 0	\$ 9,761
Transfers Out	(2,400)	(2,400)	(2,400)	0
Total Other Financing Sources	\$ 7,361	\$ (2,400)	\$ (2,400)	\$ 9,761
Net Change in Fund Balance Fund Balance, July 1, 2024				
	\$ (670,499)	\$ (1,211,940)	\$ (1,211,940)	\$ 541,441
	2,716,288	1,514,337	1,514,337	1,201,951
Fund Balance, June 30, 2025				
	\$ 2,045,789	\$ 302,397	\$ 302,397	\$ 1,743,392

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

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

	Custodial Funds
ASSETS	
Cash	\$ 1,716,323
Accounts Receivable	146,880
Due from Other Governments	<u>511,916</u>
Total Assets	<u>\$ 2,375,119</u>
LIABILITIES	
Due to Other Taxing Units	\$ 511,916
Total Liabilities	<u>\$ 511,916</u>
NET POSITION	
Restricted For Individuals, Organizations and Other Governments	<u>\$ 1,863,203</u>
Total Net Position	<u>\$ 1,863,203</u>

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

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

	Custodial Funds
ADDITIONS	
Sales Tax Collections for Other Governments	\$ 2,925,006
Fines/Fees and Other Collections	<u>8,615,368</u>
Total Additions	<u><u>\$ 11,540,374</u></u>
DEDUCTIONS	
Payment of Sales Tax Collections to Other Governments	\$ 2,925,006
Payments to State	<u>4,057,184</u>
Payments to Cities, Individuals and Others	<u><u>4,406,957</u></u>
Total Deductions	<u><u>\$ 11,389,147</u></u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ 151,227
Net Position, July 1, 2024	<u>1,711,976</u>
Net Position, June 30, 2025	<u><u>\$ 1,863,203</u></u>

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

MACON COUNTY, TENNESSEE

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

I. I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Macon 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 Macon County:

A. *Reporting Entity*

Macon County is a public municipal corporation governed by an elected 20-member board. As required by GAAP, these financial statements present Macon County (the primary government) and its component units. The financial statements of the Macon County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of its 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 Macon County School Department operates the public school system in the county, and the voters of Macon 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 Macon County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Macon County, and the Macon 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 Macon County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

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

Administrative Office:

Macon County Emergency Communications District
898 Hwy 52 By-Pass E
Lafayette, TN 37083

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 Macon 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 Macon 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.

Macon County issues all debt for the discretely presented Macon County School Department. Net debt issues totaling \$1,953,339 were contributed by the county to the school department during the year ended June 30, 2025.

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

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

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

Fund financial statements of Macon County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/fund net position, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. Macon 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 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. Macon County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

Fiduciary 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. Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category includes private-purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement.

Macon 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.

Special Debt Service Fund – This fund accounts for the financial resources that are restricted, committed, or assigned to expenditure for principal and interest, including debt issued for the construction of a new elementary school.

General Capital Projects Fund – This fund is used to account for 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.

Additionally, Macon County reports the following fund type:

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

The discretely presented Macon 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 Macon County School Department reports the following fund types:

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.

Education Capital Projects Fund – This fund is used to account for the receipt of debt issued by Macon County and contributed to the school department for building construction and renovations.

Private-purpose Trust Funds – These endowment funds are used to account for endowments received by the school department to fund scholarships.

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The current year (FY 25) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior year balances (FY 24) are presented in this report. We do not believe using the prior year balances will affect the independent auditor's opinion on the Aggregate Discretely Presented Component Units. A more detailed reporting of the fund activities at each individual school may be found on the [Tennessee Comptroller of the Treasury's website](#).

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

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

1. Deposits and Investments

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Macon 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 and General Purpose School funds. Macon 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. Macon 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 the pension stabilization 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.

All ambulance and property taxes receivable are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to three 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 is presented on the balance sheet as a deferred inflow of resources to reflect amounts not available as of June 30. Property taxes collected within 30 days of year-end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount of the receivable that will be filed in court for collection. Delinquent taxes filed in court for collection are not included in taxes receivable since they are neither measurable nor available.

Property taxes are levied as of the first Monday in October. Taxes become delinquent and begin accumulating interest and penalty the following March 1. Suit must be filed in

Chancery Court between the following February 1 to April 1 for any remaining unpaid taxes. Additional costs attach to delinquent taxes after a court suit has been filed.

3. Restricted Assets

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

4. Capital Assets

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

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

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

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

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

Assets	Years
Building and Improvements	5 - 40
Other Capital Assets	5 - 20
Infrastructure:	
Roads	20 - 50
Bridges	75
Waterway	30 - 50

5. Deferred Outflows/Inflows of Resources

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

other post-employment benefits (OPEB) changes in experience, assumptions, and proportion; OPEB benefits paid after the measurement date; pension changes in experience, assumptions, and proportion; and employer contributions made to the pension plan after the measurement date.

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 future periods and so will not be recognized as an inflow of resources (revenue) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds Balance Sheet. These revenues are from the following sources: current and delinquent property taxes; pension changes in experience, proportion, and investment earnings; OPEB changes in experience, assumptions, and proportion; and various receivables for revenues, which do not meet the availability criteria in governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

6. Compensated Absences

Primary Government

It is the county's policy to permit employees to accumulate earned but unused vacation (excluding the highway department) and sick leave benefits. Other than for the highway department, which pays out sick leave upon separation, only a portion of the unpaid accumulated sick leave is accrued. The criteria for accrual includes a "more likely than not," to be used or paid. Since Macon County (excluding the highway department) does not have a policy to pay any amounts when employees separate from service with the government, only the portion of sick leave "more likely than not" expected to be used is accrued in the government-wide financial statements. Sick leave expected to be credited to TCRS service is not accrued. A liability for vacation pay or sick leave is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements and payable under the county's policies.

Discretely Presented Macon County School Department

It is the general policy of the school department to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide financial statements for the discretely presented component unit. Certain non-certified employees are paid for all unused sick leave at the end of the fiscal year. Only a portion of the unpaid accumulated sick leave is accrued. The criteria for accrual includes a "more likely than not," to be used or paid. Since the school department has a policy to pay amounts when employees separate from service with the government, the portion of sick leave "more likely than not" expected to be used or paid out is accrued in the government-wide financial statements. Sick leave expected to be credited to TCRS service is not accrued. A liability for vacation pay and sick leave time is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements and payable under the school department's policies.

7. Long-term Debt and Long-term Obligations

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

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

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

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

8. Net Position and Fund Balance

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

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

As of June 30, 2025, Macon County had \$8,798,339 in outstanding debt for capital purposes for the discretely presented Macon County School Department.

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

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

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

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

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

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

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

9. Restatements

With the implementation of GASB Statement 101, *Compensated Absences*, Macon County must recognize a restatement to the beginning net position in the government-wide financial statements for the primary government and the discretely presented Macon County School Department to record compensated absences liabilities. A restatement of (\$420,001) has been presented to reflect the beginning balance of the primary government and (\$250,906) for the discretely presented Macon County School Department. The following table reflects the restatement amounts necessary to implement this standard:

	Government Wide - Governmental Activities	
	Discretely Presented Primary Government	Macon County School Department
Net Position, as previously reported	\$ 49,359,775	\$ 50,456,117
Adjustments for GASB 101 Implementation:		
Compensated Absences Liability	(420,001)	(250,906)
Net Change in Beginning Net Position	\$ (420,001)	\$ (250,906)
Net Position, June 30, 2024 Restated	\$ 48,939,774	\$ 50,205,211

10. Changes To or Within the Financial Reporting Entity

Changes in Major Fund Classification (Column A)

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

The General Debt Service Fund 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.

In the discretely presented Macon County School Department, the School Federal Projects and Internal School funds no longer met the quantitative threshold and are presented as nonmajor governmental funds. Prior-year amounts have been restated to reflect the funds 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	Change To or Within the Financial Reporting Entity (A)	7-1-24
	As Previously Reported	As Restated	
Primary Government			
Governmental Funds			
Major Fund:			
General Debt Service	\$ 2,537,570	\$ (2,537,570)	\$ 0
Nonmajor Funds	502,392	2,537,570	3,039,962
Total Governmental Funds	<u>\$ 3,039,962</u>	<u>\$ 0</u>	<u>\$ 3,039,962</u>
 Discretely Presented			
Macon County School Department			
Major Fund:			
School Federal Projects	\$ 450,000	\$ (450,000)	\$ 0
Internal School	1,002,135	(1,002,135)	0
Nonmajor Funds	1,574,372	1,452,135	3,026,507
Total Governmental Funds Discretely Presented Macon County School Department	<u>\$ 3,026,507</u>	<u>\$ 0</u>	<u>\$ 3,026,507</u>

E. Pension Plans

Primary Government

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

contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employee Pension Plan of TCRS. Investments are reported at fair value.

Discretely Presented Macon County School Department

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

F. Other Postemployment Benefits (OPEB) Plan

Discretely Presented Macon 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 Macon 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 Macon 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 Macon 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 primary government's Constitutional Officers - Fees and Education Capital Projects funds along with the school department's Internal School Fund, which are not budgeted. All annual appropriations lapse at fiscal year-end.

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

The budgetary level of control is at the major category level established by the County Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Board of Equalization, Beer Board, and Budget and Finance Committee, 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, Macon County's General Fund reported outstanding encumbrances of \$107,207.

B. *Expenditures Exceeded Appropriations*

Expenditures exceeded appropriations approved by the county commission in five major appropriations categories (the legal level of control) of the General Fund ranging from \$590 to \$31,839. Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by greater than anticipated revenues in the General Fund.

IV. DETAILED NOTES ON ALL FUNDS

A. *Deposits and Investments*

Macon County and the Macon 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.

The county had no pooled and non-pooled investments as of June 30, 2025.

TCRS Stabilization Trust

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

The trust is authorized to make investments as directed by the TCRS Board of Trustees. The Macon 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 Macon County School Department had the following investments held by the trust on its behalf. These funds are recognized as restricted assets in the General Purpose School Fund of the school department.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 199,378
Developed Market International Equity	N/A	N/A	90,042
Emerging Market International Equity	N/A	N/A	25,726
U.S. Fixed Income	N/A	N/A	128,631
Real Estate	N/A	N/A	128,631
Short-term Securities	N/A	N/A	64,316
NAV - Private Equity and Strategic Lending	N/A	N/A	<u>6,432</u>
Total			\$ <u>643,156</u>

For further information concerning the legal provisions, investment policies, investment types, and credit risks of the school department's investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained on the [Tennessee Department of Treasury website](#).

B. Capital Assets

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

Primary Government

Governmental Activities:

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets				
Not Depreciated:				
Land	\$ 2,301,506	\$ 0	\$ 0	\$ 2,301,506
Construction in Progress	5,441,514	20,391,443	5,441,514	20,391,443
Total Capital Assets				
Not Depreciated	\$ 7,743,020	\$ 20,391,443	\$ 5,441,514	\$ 22,692,949
Capital Assets Depreciated:				
Buildings and				
Improvements	\$ 12,001,807	\$ 9,673,021	\$ 0	\$ 21,674,828
Infrastructure	31,640,082	3,118,036	0	34,758,118
Other Capital Assets	11,583,478	1,553,898	256,629	12,880,747
Total Capital Assets				
Depreciated	\$ 55,225,367	\$ 14,344,955	\$ 256,629	\$ 69,313,693
Less Accumulated				
Depreciation For:				
Buildings and				
Improvements	\$ 6,119,817	\$ 386,908	\$ 0	\$ 6,506,725
Infrastructure	6,645,302	461,709	0	7,107,011
Other Capital Assets	7,358,436	677,117	227,921	7,807,632
Total Accumulated				
Depreciation	\$ 20,123,555	\$ 1,525,734	\$ 227,921	\$ 21,421,368
Total Capital Assets				
Depreciated, Net	\$ 35,101,812	\$ 12,819,221	\$ 28,708	\$ 47,892,325
Governmental Activities				
Capital Assets, Net	\$ 42,844,832	\$ 33,210,664	\$ 5,470,222	\$ 70,585,274

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

Governmental Activities:

General Government	\$ 206,763
Finance	3,049
Administration of Justice	145,370
Public Safety	258,586
Public Health and Welfare	239,797
Social, Cultural, and Recreational	47,388
Highway/Public Works	<u>624,781</u>
 Total Depreciation Expense - Governmental Activities	 <u>\$ 1,525,734</u>

Net Investment in Capital Assets

Capital Assets	\$ 70,585,274
Less:	
Outstanding principal of capital debt and other capital borrowings	<u>(36,962,946)</u>
 Net Investment in Capital Assets	 <u>\$ 33,622,328</u>

Discretely Presented Macon County School Department

Governmental Activities:

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	\$ 2,898,830	\$ 0	\$ 0	\$ 2,898,830
Construction in Progress	5,662,563	685,906	(5,662,563)	685,906
Total Capital Assets Not Depreciated	<u>\$ 8,561,393</u>	<u>\$ 685,906</u>	<u>\$ (5,662,563)</u>	<u>\$ 3,584,736</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 34,513,188	\$ 5,806,127	\$ 0	\$ 40,319,315
Other Capital Assets	6,345,053	979,085	0	7,324,138
Total Capital Assets Depreciated	<u>\$ 40,858,241</u>	<u>\$ 6,785,212</u>	<u>\$ 0</u>	<u>\$ 47,643,453</u>
Less Accumulated Depreciated For:				
Buildings and Improvements	\$ 19,289,062	\$ 1,151,859	\$ 0	\$ 20,440,921
Other Capital Assets	3,971,891	308,825	0	4,280,716
Total Accumulated Depreciation	<u>\$ 23,260,953</u>	<u>\$ 1,460,684</u>	<u>\$ 0</u>	<u>\$ 24,721,637</u>
Total Capital Assets Depreciated, Net	<u>\$ 17,597,288</u>	<u>\$ 5,324,528</u>	<u>\$ 0</u>	<u>\$ 22,921,816</u>
Governmental Activities Capital Assets, Net	<u>\$ 26,158,681</u>	<u>\$ 6,010,434</u>	<u>\$ (5,662,563)</u>	<u>\$ 26,506,552</u>

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

Governmental Activities:

Instruction	\$ 777,232
Support Services	<u>683,452</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,460,684</u>

C. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Component Unit:		
School Department:		
General Purpose School	School Federal Projects	\$ 124

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

Interfund Transfers:

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

Primary Government

Transfers Out	Transfers In		
	General		Purpose
	General Fund	Capital Projects Fund	
General Fund	\$ 0	\$ 213,933	Waterline project
Highway Fund	2,400	0	Loss control officer salary
Nonmajor governmental	20,000	0	ISOMS software
"	0	260,000	Paving project
"	0	1,000,000	Health department building
Total	\$ 22,400	\$ 1,473,933	

Discretely Presented Macon County School Department

Transfers Out	Transfers In		
	General		Purpose
	Purpose	School Fund	
School Federal Projects Fund	\$ 3,982	\$ 0	Indirect costs
General Purpose School Fund	0	300,000	Insurance expense
Total	\$ 3,982	\$ 300,000	

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

D. Long-term Debt

Primary Government

General Obligation Bonds, Notes, and Other Loans

General Obligation Bond - Macon 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. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 40 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. The 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 - Macon 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. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes and other loans outstanding were issued for original terms of up to 17 years and two years, respectively. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes, and other loans included in long-term debt as of June 30, 2025, will be retired from the General Debt Service, Highway Public/Works, and General Capital Projects funds.

General obligation bonds, capital outlay 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	1.5093 to 3.75 %	11-25-64	\$ 12,720,000	\$ 11,345,000
Direct Borrowing and Direct Placement:				
Capital Outlay Notes	.5 to 4.95	5-20-41	9,413,839	6,212,070
Other Loans	4.45	10-1-26	19,405,876	19,405,876

During a prior year, Macon County entered into a loan agreement with Pinnacle Bank. This loan agreement provided for the bank to loan \$24,000,000 to Macon County on an as-needed basis for a jail construction/renovation project. During the year, Macon County extended this loan with Pinnacle Bank by \$11,000,000 making the total amount available to loan \$35,000,000. This loan is repayable at interest rates that are tax-exempt variable rates determined by the remarketing agent daily or weekly, depending on the particular program. On June 30, 2025, the variable interest rate was 4.45 percent. The principle of this loan will be redeemed by a USDA Community Facilities Direct Loan upon completion of the project.

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2026	\$ 435,220	\$ 305,288	\$ 740,508
2027	457,103	284,154	741,257
2028	479,057	261,950	741,007
2029	491,084	251,423	742,507
2030	498,187	244,970	743,157
2031-2035	2,605,351	1,114,899	3,720,250
2036-2040	2,866,104	854,247	3,720,351
2041-2045	470,147	624,704	1,094,851
2046-2050	565,162	529,689	1,094,851
2051-2055	679,382	415,468	1,094,850
2056-2060	816,685	278,165	1,094,850
2061-2065	981,518	113,113	1,094,631
Total	\$ 11,345,000	\$ 5,278,070	\$ 16,623,070

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2026	\$ 923,618	\$ 143,935	\$ 1,067,553
2027	946,260	118,153	1,064,413
2028	969,622	91,676	1,061,298
2029	993,861	64,272	1,058,133
2030	1,019,129	35,937	1,055,066
2031-2035	608,752	27,932	636,684
2036-2040	624,125	12,560	636,685
2041	126,703	634	127,337
Total	\$ 6,212,070	\$ 495,099	\$ 6,707,169

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2026	\$ 0	\$ 863,561	\$ 863,561
2027	19,405,876	215,890	19,621,766
Total	\$ 19,405,876	\$ 1,079,451	\$ 20,485,327

There is \$2,566,378 and \$8,286,294 available in the General Debt Service and Special Debt Service funds, respectively, to service long-term debt. Bonded debt per capita totaled \$450, based on the 2020 federal census. Total debt per capita, including notes, other loans, bonds, and unamortized debt premiums, totaled \$1,482, based on the 2020 federal census.

Changes in Long-term Debt

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

Governmental Activities:

	Notes - Direct Placement	Other Loans - Direct Placement	Bonds
Balance, July 1, 2024	\$ 5,043,243	\$ 3,860,998	\$ 7,215,000
Additions	1,953,339	19,911,931	4,500,000
Reductions	(784,512)	(4,367,053)	(370,000)
 Balance, June 30, 2025	 \$ 6,212,070	 \$ 19,405,876	 \$ 11,345,000
 Balance Due Within One Year	 \$ 923,618	 \$ 0	 \$ 435,220

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2025	\$ 36,962,946
Less: Balance Due Within One Year - Debt	(1,358,838)
Add: Unamortized Premium on Debt	406,172
 Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	 \$ 36,010,280

E. *Long-term Obligations*

Primary Government

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences*	Landfill Postclosure Care Costs
Balance, July 1, 2024	\$ 839,522	\$ 134,841
Additions	0	2,427
Reductions	(69,977)	(33,710)
 Balance, June 30, 2025	 \$ 769,545	 \$ 103,558
 Balance Due Within One Year	 \$ 285,152	 \$ 24,000

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

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2025	\$ 873,103
Less: Balance Due Within One Year - Other	<u>(309,152)</u>

Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	\$ 563,951
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Compensated absences will be paid from the employing funds, primarily the General and Highway/Public Works funds. Landfill postclosure care costs will be paid from the Solid Waste/Sanitation Fund.

Discretely Presented Macon County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences*	Postemployment Benefits	Other
Balance, July 1, 2024	\$ 250,906	\$ 5,304,976	
Additions	0	742,035	
Reductions	<u>(4,559)</u>	<u>(763,486)</u>	
Balance, June 30, 2025	<u>\$ 246,347</u>	<u>\$ 5,283,525</u>	
Balance Due Within One Year	<u>\$ 196,199</u>	<u>\$ 130,681</u>	

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

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2025	\$ 5,529,872
Less: Balance Due Within One Year - Other	<u>(326,880)</u>

Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	\$ 5,202,992
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Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General Purpose School and School Federal Projects funds.

F. On-Behalf Payments

Discretely Presented Macon County School Department

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

Insurance Plan for the year ended June 30, 2025, were \$95,704. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. OTHER INFORMATION

A. *Risk Management*

Macon County and the discretely presented Macon County School Department decided to purchase commercial insurance for the risks of employee health losses for the primary government and the school department's non-certified personnel to which it is exposed. Pre-65 retirees are not allowed to participate in the plan. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Macon County is exposed to various risks related to general liability, property, casualty, and workers' compensation. The primary government decided it was more economically feasible to join a public entity risk pool than to purchase commercial insurance for general liability, property, casualty, and workers' compensation coverage. The government's risks of loss relating to general liability, property, and casualty are covered by participation in the Local Government Property and Casualty Fund (LGPCF). The government's risks of loss relating to workers' compensation are covered by participation in the Local Government Workers' Compensation Fund (LGWCF). These funds are public entity risk pools established by the Tennessee County Services Association, an association of member counties. The county pays annual premiums to the LGPCF and the LGWCF for its general liability, property, casualty, and workers' compensation insurance coverage. The creation of the LGPCF and the LGWCF provide for them to be self-sustaining through member's premiums. The LGPCF reinsures through commercial insurance companies for claims exceeding \$250,000 for property and \$450,000 for liability for each insured event.

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

The school department joined 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 the TN-RMT provides for it to be self-sustaining through member premiums.

B. *Accounting Changes*

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

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

C. *Contingent Liabilities*

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

The county is involved in several pending lawsuits. The county attorney estimates that the potential claims against the county not covered by insurance resulting from such litigation would not materially affect the county's financial statements.

D. *Landfill Postclosure Care Costs*

Macon 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. Macon County closed its sanitary landfill in 1998. The \$103,558 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.

E. *Joint Venture*

The Macon County Joint Economic and Community Development/Industrial Board is a joint venture between Macon County and the cities of Lafayette and Red Boiling Springs. The board comprises the county mayor, city mayors, and five additional members. The purpose of the board is to foster communication relative to economic and community development between and among governmental entities, industry, and private citizens. The county and cities will provide the majority of funding for the board based on the percentage of their population compared to the total census of the county when financial activity begins. During the year ended June 30, 2025, the county did not appropriate any operating subsidies to the Macon County Joint Economic and Community Development/Industrial Board.

F. *Retirement Commitments*

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Macon County and non-certified employees of the discretely presented Macon County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 59.13 percent, the non-certified employees of the discretely presented school department comprise 40.87 percent of the plan based on contribution data. The TCRS was created by state statute under

Tennessee Code Annotated (TCA), Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained on the [Tennessee Department of Treasury website](#).

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

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

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	172
Inactive Employees Entitled to But Not Yet Receiving Benefits	526
Active Employees	438
<hr/> Total	<hr/> 1,136

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 to the plan. Macon County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2025, the employer contributions for Macon County were \$947,331 based on a rate of 5.5 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Macon 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)

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

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

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

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

The actuarial assumptions used in the June 30, 2024, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Macon 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 (a)-(b)
Balance, July 1, 2023	\$ 37,106,879	\$ 38,063,296	\$ (956,417)
Changes for the Year:			
Service Cost	\$ 1,407,888	\$ 0	\$ 1,407,888
Interest	2,563,752	0	2,563,752
Differences Between Expected and Actual Experience	315,664	0	315,664
Contributions-Employer	0	828,026	(828,026)
Contributions-Employees	0	780,734	(780,734)
Net Investment Income	0	3,740,167	(3,740,167)
Benefit Payments, Including Refunds of Employee Contributions	(1,066,514)	(1,066,514)	0
Administrative Expense	0	(44,553)	44,553
Net Changes	\$ 3,220,790	\$ 4,237,860	\$ (1,017,070)
Balance, June 30, 2024	<u>\$ 40,327,669</u>	<u>\$ 42,301,156</u>	<u>\$ (1,973,487)</u>

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

		Plan	Net
	Total Pension Liability	Fiduciary Net Position	Pension Liability (Asset)
Primary Government	59.13%	\$ 23,845,751	\$ 25,012,674
School Department	40.87%	16,481,918	17,288,482
Total		<u>\$ 40,327,669</u>	<u>\$ 42,301,156</u>
			<u>\$ (1,973,487)</u>

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Macon 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:

Macon County	1%	Current	1%
	Decrease	Discount Rate	Increase
	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$ 4,211,036	\$ (1,973,487)	\$ (6,959,344)

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, Macon County recognized pension expense (negative pension expense) of \$895,202.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,708,176	\$ 183,108
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	437,783
Changes in Assumptions	862,510	0
Contributions Subsequent to the Measurement Date of June 30, 2024 (1)	947,331	N/A
Total	\$ 3,518,017	\$ 620,891

(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	59.13%	\$ 2,073,810
School Department	40.87%	\$ 1,444,207
Total	\$ 3,518,017	\$ 620,891

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	\$ 256,621
2027	1,352,968
2028	225,334
2029	62,273
2030	52,611
Thereafter	0

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

Discretely Presented Macon County School Department – Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Macon County and non-certified employees of the discretely presented Macon County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 59.13 percent and the non-certified employees of the discretely presented school department comprise 40.87 percent of the plan based on contribution data.

Discretely Presented Macon County School Department - Certified Employees - Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the Macon 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 \$254,011, which is three percent of covered payroll. In addition, employer contributions of \$84,036, 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, 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 (\$204,207) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2024, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2024, the school department's proportion was 0.286563 percent. The proportion as of June 30, 2023, was 0.280345 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, the Macon County School Department recognized pension expense (negative pension expense) of \$169,998.

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	\$ 16,868	\$ 62,738
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	34,447
Changes in Assumptions	81,148	0
Changes in Proportion of Net Pension Liability (Asset)	10,666	19,270
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	254,011	N/A
Total	\$ 362,693	\$ 116,455

The school department's employer contributions of \$254,011, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the 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	\$ (20,586)
2027	27,072
2028	(13,333)
2029	(13,145)
2030	3,350
Thereafter	8,868

In the table shown 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 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 class are summarized in the following table:

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

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

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

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Macon 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:

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)	\$ 538,560	\$ (204,207)	\$ (756,981)

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 Macon County School Department - Certified Employees - Teacher Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Teachers of the Macon 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 Macon County School Department for the year ended June 30, 2025, to the Teacher Legacy Pension Plan were \$747,893 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 (\$5,875,854) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2024, the school department's proportion was 0.341052 percent. The proportion measured on June 30, 2023, was 0.365454 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, the school department recognized pension expense (negative pension expense) of \$1,502,357.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,566,934	\$ 0
Changes in Assumptions	0	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	1,144,377
Changes in Proportion of Net Pension Liability (Asset)	396,497	0
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	<u>747,893</u>	<u>N/A</u>
 Total	 <u>\$ 2,711,324</u>	 <u>\$ 1,144,377</u>

The school department's employer contributions of \$747,893 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the 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	\$ (430,261)
2027	2,448,893
2028	(597,057)
2029	(602,522)
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 were based actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2024, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and 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 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 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 net pension liability (asset) of Macon 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:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease	Current Discount Rate	1% Increase
	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$ 7,464,370	\$ (5,875,854)	\$ (16,939,749)

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

Macon County offers its employees two deferred compensation plans, one established pursuant to IRC Section 457 and the other pursuant to IRC Section 401(k). All costs of administering and funding these programs are the responsibility of plan participants. The

Section 401(k) and Section 457 plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 401(k) and 457 establish participation, contribution, and withdrawal provisions for the plans.

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$420,631 and teachers contributed \$131,646 to this deferred compensation pension plan.

G. *Other Postemployment Benefits (OPEB)*

Discretely Presented Macon County School Department

Macon County School Department provides OPEB benefits to its certified and non-certified retirees through a state administered public entity risk pool. For reporting purposes, the plan is considered a single employer defined benefit OPEB plan based on criteria in Statement No. 75 of the Governmental Accounting Standards Board (GASB). The plan is funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meet the criteria of paragraph 4 of GASB Statement No. 75.

OPEB Provided through State Administered Public Entity Risk Pools

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

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

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

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

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

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

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2024, valuations were the same as those employed in the July 1, 2020, Pension Actuarial Valuation of the 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 19 percent load for males and an 18 percent load for females, projected generationally with MP-2021 from 2010. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10% load, projected generationally from 2018 with MP-2021.

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

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

Plan Description. Employees of the Macon 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 Macon 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. During the year, Macon County provided a direct subsidy of \$120 per month toward the cost of the insurance plan selected by the retiree for certified employees only. Also, the state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retiree's premiums based on years of service. Retirees with 30 or more years of service will receive 45%; 20 but less than 30 years, 35%; and less than 20 years, 25% 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	20
Inactive Employees Entitled To But Not Yet Receiving Benefits	3
Active Employees Eligible for Benefits	<u>289</u>
 Total	<u><u>312</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 \$130,681 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		
	Macon County	State of	Total OPEB Liability
	School Department	TN	
Balance July 1, 2023	\$ 5,304,976	\$ 3,124,683	\$ 8,429,659
Changes for the Year:			
Service Cost	\$ 228,062	\$ 135,152	\$ 363,214
Interest	199,016	117,939	316,955
Difference between Expected and Actual Experience	(395,337)	(234,280)	(629,617)
Changes in Proportion	(11,862)	11,862	0
Changes in Assumption	96,997	57,481	154,478
Benefit Payments	(138,327)	(81,974)	(220,301)
Net Changes	\$ (21,451)	\$ 6,180	\$ (15,271)
Balance June 30, 2024	\$ 5,283,525	\$ 3,130,863	\$ 8,414,388

The Macon 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 Macon 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 \$314,946 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Macon County School Department's proportionate share of the collective OPEB liability was 62.79 percent and the State of Tennessee's share was 37.21 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 \$736,807, including the state's share of the expense. On June 30, 2025, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Actual and		
Expected Experience	\$ 344,684	\$ 593,727
Changes in Proportion	46,977	271,768
Changes of Assumptions	866,721	461,648
Benefits Paid After the Measurement Date		
of June 30, 2024	<u>130,681</u>	0
Total	<u>\$ 1,389,063</u>	<u>\$ 1,327,143</u>

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

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

Year Ending June 30	School Department
2026	\$ (5,228)
2027	(5,228)
2028	4,764
2029	23,527
2030	(21,442)
Thereafter	(65,154)

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

Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Discount Rate. The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability

would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate.

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

Proportionate Share of the Collective Total OPEB Liability	\$ 5,684,696	\$ 5,283,525	\$ 4,901,964
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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	Current		
	1% Decrease	Trend Rates	1% Increase
	9.68 to 3.5%	10.68 to 4.5%	11.68 to 5.5%

Proportionate Share of the Collective Total OPEB Liability	\$ 4,739,153	\$ 5,283,525	\$ 5,914,068
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H. Purchasing Laws

Office of County Mayor

Purchasing procedures for the Office of County Mayor are governed by the County Purchasing Law of 1983, Sections 5-14-201 through 5-14-207, *Tennessee Code Annotated (TCA)*, and Chapter 161, Private Acts of 1937. The private act provides for a purchasing committee, including the county mayor, county clerk, and clerk and master, to make all purchases for all county departments except the highway and the school departments. The County Purchasing Law of 1983 provides for purchases exceeding \$10,000 to be made on a competitive basis after public advertisement.

Office of Supervisor of Roads

Purchasing procedures for the Office of Supervisor of Roads are governed by Chapter 234, Private Acts of 1965, as amended, and the Uniform Road Law, Section 54-7-113, *TCA*. These statutes provide for the supervisor of roads to make all purchases and for all purchases exceeding \$25,000 to be made on a competitive basis solicited through public advertisement.

Office of Director of Schools

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

REQUIRED SUPPLEMENTARY INFORMATION SECTION

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

Primary Government

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Pension Liability										
Service Cost	\$ 804,543	\$ 868,450	\$ 883,684	\$ 915,727	\$ 933,618	\$ 967,721	\$ 1,012,216	\$ 1,215,040	\$ 1,276,087	\$ 1,407,888
Interest	1,205,650	1,357,503	1,466,373	1,561,532	1,670,138	1,767,396	1,898,000	2,061,767	2,285,943	2,563,752
Differences Between Actual and Expected Experience	476,935	(191,174)	(257,428)	(321,538)	(526,081)	(206,407)	(446,114)	966,401	0	0
Changes in Assumptions	0	0	453,410	0	0	0	2,587,526	0	1,442,885	315,664
Benefit Payments, Including Refunds of Employee Contributions	(471,752)	(580,902)	(615,935)	(566,771)	(784,427)	(756,129)	(787,422)	(990,711)	(975,545)	(1,066,514)
Net Change in Total Pension Liability	\$ 2,015,376	\$ 1,453,877	\$ 1,930,104	\$ 1,588,950	\$ 1,293,248	\$ 1,772,581	\$ 4,264,206	\$ 3,252,497	\$ 4,029,370	\$ 3,220,790
Total Pension Liability, Beginning	15,506,670	17,522,046	18,975,923	20,906,027	22,494,977	23,788,225	25,560,806	29,825,012	33,077,509	37,106,879
Total Pension Liability, Ending (a)	\$ 17,522,046	\$ 18,975,923	\$ 20,906,027	\$ 22,494,977	\$ 23,788,225	\$ 25,560,806	\$ 29,825,012	\$ 33,077,509	\$ 37,106,879	\$ 40,327,669
Plan Fiduciary Net Position										
Contributions - Employer	\$ 300,865	\$ 313,116	\$ 541,225	\$ 569,958	\$ 608,248	\$ 642,939	\$ 760,133	\$ 697,890	\$ 767,960	\$ 828,026
Contributions - Employee	460,037	479,781	492,022	528,308	552,953	584,492	599,441	650,640	721,158	780,734
Net Investment Income	557,524	501,429	2,229,569	1,853,199	1,831,434	1,330,031	7,385,313	(1,394,020)	2,382,357	3,740,167
Benefit Payments, Including Refunds of Employee Contributions	(471,752)	(580,902)	(615,935)	(566,771)	(784,427)	(756,129)	(787,422)	(990,711)	(975,545)	(1,066,514)
Administrative Expense	(19,488)	(28,424)	(31,943)	(37,910)	(36,333)	(37,960)	(37,461)	(42,361)	(35,429)	(44,553)
Net Change in Plan Fiduciary Net Position	\$ 827,186	\$ 685,000	\$ 2,614,938	\$ 2,346,784	\$ 2,171,875	\$ 1,763,373	\$ 7,920,004	\$ (1,078,562)	\$ 2,860,501	\$ 4,237,860
Plan Fiduciary Net Position, Beginning	17,952,197	18,779,383	19,464,383	22,079,321	24,426,105	26,597,980	28,361,353	36,281,357	35,202,795	38,063,296
Plan Fiduciary Net Position, Ending (b)	\$ 18,779,383	\$ 19,464,383	\$ 22,079,321	\$ 24,426,105	\$ 26,597,980	\$ 28,361,353	\$ 36,281,357	\$ 35,202,795	\$ 38,063,296	\$ 42,301,156
Net Pension Liability (Asset), Ending (a - b)	\$ (1,257,337)	\$ (488,460)	\$ (1,173,294)	\$ (1,931,128)	\$ (2,809,755)	\$ (2,800,547)	\$ (6,456,345)	\$ (2,125,286)	\$ (956,417)	\$ (1,973,487)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	107.18%	102.57%	105.61%	108.58%	111.81%	110.96%	121.65%	106.43%	102.58%	104.89%
Covered Payroll	\$ 9,200,754	\$ 9,575,405	\$ 9,840,446	\$ 10,362,870	\$ 11,059,037	\$ 11,689,793	\$ 11,575,626	\$ 12,688,886	\$ 13,964,142	\$ 15,065,263
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(13.67)%	(5.10)%	(11.92)%	(18.64)%	(25.41)%	(23.96)%	(55.78)%	(16.75)%	(6.85)%	(13.10)%

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.

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

Primary Government

For the Fiscal Year Ended June 30

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially Determined Contribution	\$ 313,116	\$ 321,783	\$ 470,474	\$ 502,081	\$ 476,944	\$ 563,881	\$ 225,862	\$ 596,216	\$ 704,575	\$ 947,331
Less: Contributions in Relation to the Actuarially Determined Contribution	(313,116)	(541,225)	(569,958)	(608,248)	(642,939)	(760,133)	(697,890)	(767,960)	(828,026)	(947,331)
Contribution Deficiency (Excess)	\$ 0	\$ (219,442)	\$ (99,484)	\$ (106,167)	\$ (165,995)	\$ (196,252)	\$ (472,028)	\$ (171,744)	\$ (123,451)	\$ 0
Covered Payroll	\$ 9,575,405	\$ 9,840,446	\$ 10,362,870	\$ 11,059,037	\$ 11,689,793	\$ 11,575,626	\$ 12,688,886	\$ 13,964,142	\$ 15,065,263	\$ 17,224,202
Contributions as a Percentage of Covered Payroll	3.27%	5.50%	5.50%	5.50%	5.50%	6.57%	5.50%	5.50%	5.50%	5.50%

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.

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

Discretely Presented Macon County School Department

For the Fiscal Year Ended June 30

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 36,508	\$ 75,889	\$ 34,750	\$ 48,393	\$ 67,777	\$ 77,148	\$ 91,754	\$ 160,037	\$ 198,588	\$ 254,011
Less: Contributions in Relation to the Contractually Required Contribution	(58,339)	(75,889)	(85,237)	(48,393)	(67,777)	(77,148)	(91,754)	(160,037)	(198,588)	(254,011)
Contribution Deficiency (Excess)	\$ (21,831)	\$ 0	\$ (50,487)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 1,458,466	\$ 1,897,226	\$ 2,121,214	\$ 2,494,464	\$ 3,338,714	\$ 3,819,182	\$ 4,564,873	\$ 5,576,201	\$ 6,731,793	\$ 8,457,025
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.02%	1.94%	2.03%	2.02%	2.01%	2.87%	2.95%	3.00%

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

2019: Pension - 1.94%, SRT - 2.02%

2020: Pension - 2.03%, SRT - 1.97%

2021: Pension - 2.02%, SRT - 1.98%

2022: Pension - 2.01%, SRT - 1.99%

2023: Pension - 2.87%, SRT - 1.13%

2024: Pension - 2.95%, SRT - 1.05%

2025: Pension - 3.00%, SRT - 1.00%

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

Discretely Presented Macon County School Department

For the Fiscal Year Ended June 30

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 1,121,558	\$ 1,140,654	\$ 1,155,848	\$ 1,341,114	\$ 1,356,155	\$ 1,282,649	\$ 1,243,513	\$ 1,031,125	\$ 765,571	\$ 747,893
Less: Contributions in Relation to the Contractually Required Contribution	(1,121,558)	(1,140,654)	(1,155,848)	(1,341,114)	(1,356,155)	(1,282,649)	(1,243,513)	(1,031,125)	(765,571)	(747,893)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 12,406,626	\$ 12,617,873	\$ 12,739,253	\$ 12,821,331	\$ 12,757,807	\$ 12,489,255	\$ 12,072,940	\$ 11,865,669	\$ 11,241,895	\$ 11,759,334
Contributions as a Percentage of Covered Payroll	9.04%	9.04%	9.07%	10.46%	10.63%	10.27%	10.30%	8.69%	6.81%	6.36%

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

Discretely Presented Macon 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)	0.450758%	0.331469%	0.289062%	0.243847%	0.235726%	0.264576%	0.264629%	0.267310%	0.280345%	0.286563%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (18,134)	\$ (34,507)	\$ (76,265)	\$ (110,592)	\$ (133,064)	\$ (150,449)	\$ (286,650)	\$ (80,975)	\$ (118,876)	\$ (204,207)
Covered Payroll	\$ 936,549	\$ 1,458,466	\$ 1,897,226	\$ 2,121,214	\$ 2,494,464	\$ 3,338,714	\$ 3,819,182	\$ 4,564,873	\$ 5,576,201	\$ 6,731,793
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.02)%	(5.21)%	(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%

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

Discretely Presented Macon 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)	0.328779%	0.343693%	0.356946%	0.363529%	0.382368%	0.383318%	0.380519%	0.366854%	0.365654%	0.341052%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ 134,679	\$ 2,147,888	\$ (116,786)	\$ (1,279,228)	\$ (3,931,434)	\$ (2,923,081)	\$ (16,412,688)	\$ (4,499,118)	\$ (4,310,968)	\$ (5,875,854)
Covered Payroll	\$ 12,307,885	\$ 12,406,626	\$ 12,617,873	\$ 12,739,253	\$ 12,821,331	\$ 12,757,807	\$ 12,489,255	\$ 12,072,940	\$ 11,865,669	\$ 11,241,895
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	1.094251%	17.31%	(0.93)%	(10.04)%	(30.66)%	(22.91)%	(131.41)%	(37.27)%	(36.33)%	(52.27)%
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%

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

Discretely Presented Macon County School Department

For the Fiscal Year Ended June 30

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service Cost	\$ 308,569	\$ 283,823	\$ 277,231	\$ 251,584	\$ 334,322	\$ 410,743	\$ 335,207	\$ 363,214
Interest	163,001	197,104	201,914	200,849	149,514	168,046	280,837	316,955
Changes in Benefit Terms	0	24,979	0	0	0	0	0	0
Differences Between Actual and Expected Experience	0	(382,666)	344,486	(14,163)	(54,541)	659,197	(308,858)	(629,617)
Changes in Assumptions or Other Inputs	(275,805)	146,235	(430,641)	733,473	705,529	(801,146)	638,186	154,478
Benefit Payments	(213,443)	(219,806)	(225,732)	(219,958)	(201,909)	(191,320)	(225,560)	(220,301)
Net Change in Total OPEB Liability	\$ (17,678)	\$ 49,669	\$ 167,258	\$ 951,785	\$ 932,915	\$ 245,520	\$ 719,812	\$ (15,271)
Total OPEB Liability, Beginning	\$ 5,380,378	\$ 5,362,700	\$ 5,412,369	\$ 5,579,627	\$ 6,531,412	\$ 7,464,327	\$ 7,709,847	\$ 8,429,659
Total OPEB Liability, Ending	\$ 5,362,700	\$ 5,412,369	\$ 5,579,627	\$ 6,531,412	\$ 7,464,327	\$ 7,709,847	\$ 8,429,659	\$ 8,414,388
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 1,747,302	\$ 1,771,739	\$ 1,886,282	\$ 2,083,984	\$ 2,513,404	\$ 2,740,082	\$ 3,124,683	\$ 3,130,863
Employer Proportionate Share of the Total OPEB Liability	3,615,398	3,640,630	3,693,345	4,447,428	4,950,923	4,969,765	5,304,976	5,283,525
Covered Employee Payroll	\$ 18,467,827	\$ 19,082,662	\$ 19,784,896	\$ 17,081,351	\$ 21,783,731	\$ 22,924,771	\$ 17,970,969	\$ 20,216,359
Employer Proportionate Share of the Total OPEB Liability as a Percentage of Covered Employee Payroll	19.58%	19.08%	18.67%	26.04%	22.73%	21.68%	29.52%	26.13%

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

Note 2: Changes in assumptions.

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

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

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

- For the 2019 plan year - from 5.4% to 6.75%
- For the 2020 plan year - from 6.75% to 6.03%
- For the 2021 plan year - from 6.03% to 9.02%
- For the 2022 plan year - from 9.02% to 7.36%
- For the 2023 plan year - from 7.36% to 8.37%
- For the 2024 plan year - from 8.37% to 10.31%
- For the 2025 plan year - from 10.31% to 10.68%

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

MACON 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 2025 were calculated based on 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.

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for Macon County's transfer station and postclosure costs associated with the closed landfill.

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

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

DEBT SERVICE FUNDS

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

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

CAPITAL PROJECTS FUND

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.

Education Capital Projects Fund – The Education Capital Projects Fund is used to account for building construction and renovations of the school department.

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

	Special Revenue Funds				General Debt Service	Debt Service Fund	Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total			
ASSETS							
Cash	\$ 100	\$ 0	\$ 1,922	\$ 2,022	\$ 0	\$ 0	\$ 2,022
Equity in Pooled Cash and Investments	498,433	221,991	0	720,424	2,483,846		3,204,270
Accounts Receivable	446	0	36	482	0		482
Due from Other Governments	0	0	0	0	82,532		82,532
Property Taxes Receivable	359,171	0	0	359,171	0		359,171
Allowance for Uncollectible Property Taxes	(10,775)	0	0	(10,775)	0		(10,775)
Total Assets	\$ 847,375	\$ 221,991	\$ 1,958	\$ 1,071,324	\$ 2,566,378	\$ 0	\$ 3,637,702
LIABILITIES							
Payroll Deductions Payable	\$ 405	\$ 0	\$ 0	\$ 405	\$ 0	\$ 0	\$ 405
Due to Litigants, Heirs, and Others	0	0	1,958	1,958	0		1,958
Total Liabilities	\$ 405	\$ 0	\$ 1,958	\$ 2,363	\$ 0	\$ 0	\$ 2,363
DEFERRED INFLOWS OF RESOURCES							
Deferred Current Property Taxes	\$ 340,110	\$ 0	\$ 0	\$ 340,110	\$ 0	\$ 0	\$ 340,110
Deferred Delinquent Property Taxes	7,741	0	0	7,741	0		7,741
Total Deferred Inflows of Resources	\$ 347,851	\$ 0	\$ 0	\$ 347,851	\$ 0	\$ 0	\$ 347,851

(Continued)

MACON COUNTY, TENNESSEE

Combining Balance Sheet - Nonmajor Governmental Funds (Cont.)

	Special Revenue Funds				Debt Service Fund	Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total		
FUND BALANCES						
Restricted:						
Restricted for Public Safety	\$ 0	\$ 221,991	\$ 0	\$ 221,991	\$ 0	\$ 221,991
Restricted for Public Health and Welfare	416,253	0	0	416,253	0	416,253
Restricted for Capital Outlay	82,866	0	0	82,866	0	82,866
Restricted for Debt Service	0	0	0	0	1,002,428	1,002,428
Committed:						
Committed for Debt Service	0	0	0	0	1,563,950	1,563,950
Total Fund Balances	\$ 499,119	\$ 221,991	\$ 0	\$ 721,110	\$ 2,566,378	\$ 3,287,488
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 847,375	\$ 221,991	\$ 1,958	\$ 1,071,324	\$ 2,566,378	\$ 3,637,702

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

	Special Revenue Funds				Debt Service Fund	
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total	<i>Formerly Major General</i>	<i>Debt Service</i>
Revenues						
Local Taxes	\$ 361,549	\$ 0	\$ 0	\$ 361,549	\$ 1,309,692	
Fines, Forfeitures, and Penalties	0	22,995	0	22,995	0	
Charges for Current Services	390,318	0	20,976	411,294	0	
Other Local Revenues	1	18,991	0	18,992	6,000	
State of Tennessee	69,935	0	0	69,935	733,040	
Other Governments and Citizens Groups	0	0	0	0	525,038	
Total Revenues	\$ 821,803	\$ 41,986	\$ 20,976	\$ 884,765	\$ 2,573,770	
Expenditures						
Current:						
Administration of Justice	\$ 0	\$ 0	\$ 20,976	\$ 20,976	\$ 0	
Public Safety	0	32,572	0	32,572	0	
Public Health and Welfare	592,499	0	0	592,499	0	
Debt Service:						
Principal on Debt	0	0	0	0	1,007,298	
Interest on Debt	0	0	0	0	264,383	
Other Debt Service	0	0	0	0	13,281	

(Continued)

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

	Special Revenue Funds				Debt Service Fund
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total	<i>Formerly Major General Debt Service</i>
Expenditures (Cont.)					
Capital Projects	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 592,499	\$ 32,572	\$ 20,976	\$ 646,047	\$ 1,284,962
Excess (Deficiency) of Revenues Over Expenditures					
	\$ 229,304	\$ 9,414	\$ 0	\$ 238,718	\$ 1,288,808
Other Financing Sources (Uses)					
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Transfers Out	0	(20,000)	0	(20,000)	(1,260,000)
Total Other Financing Sources (Uses)	\$ 0	\$ (20,000)	\$ 0	\$ (20,000)	\$ (1,260,000)
Net Change in Fund Balances					
Change to or Within the Reporting Entity	\$ 229,304	\$ (10,586)	\$ 0	\$ 218,718	\$ 28,808
Fund Balance, July 1, 2024	0	0	0	0	2,537,570
	269,815	232,577	0	502,392	0
Fund Balance, June 30, 2025					
	\$ 499,119	\$ 221,991	\$ 0	\$ 721,110	\$ 2,566,378

(Continued)

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

	<u>Capital Projects Fund</u>		
	Education	Capital Projects	Total Nonmajor Governmental Funds
Revenues			
Local Taxes	\$ 0	\$ 1,671,241	
Fines, Forfeitures, and Penalties	0	22,995	
Charges for Current Services	0	411,294	
Other Local Revenues	0	24,992	
State of Tennessee	0	802,975	
Other Governments and Citizens Groups	0	525,038	
Total Revenues	\$ 0	\$ 3,458,535	
Expenditures			
Current:			
Administration of Justice	\$ 0	\$ 20,976	
Public Safety	0	32,572	
Public Health and Welfare	0	592,499	
Debt Service:			
Principal on Debt	0	1,007,298	
Interest on Debt	0	264,383	
Other Debt Service	0	13,281	

(Continued)

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

	<u>Capital Projects Fund</u>		Total
	Education	Nonmajor Governmental Funds	
	Capital Projects		
Expenditures (Cont.)			
Capital Projects	\$ 1,953,339	\$ 1,953,339	
Total Expenditures	<u>\$ 1,953,339</u>	<u>\$ 3,884,348</u>	
Excess (Deficiency) of Revenues Over Expenditures			
	<u>\$ (1,953,339)</u>	<u>\$ (425,813)</u>	
Other Financing Sources (Uses)			
Notes Issued	\$ 1,953,339	\$ 1,953,339	
Transfers Out	0	(1,280,000)	
Total Other Financing Sources (Uses)	<u>\$ 1,953,339</u>	<u>\$ 673,339</u>	
Net Change in Fund Balances			
Change to or Within the Reporting Entity	0	2,537,570	
Fund Balance, July 1, 2024	0	502,392	
Fund Balance, June 30, 2025	<u>\$ 0</u>	<u>\$ 3,287,488</u>	

MACON COUNTY, TENNESSEE

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

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Local Taxes	\$ 361,549	\$ 346,411	\$ 346,411	\$ 15,138
Charges for Current Services	390,318	275,000	275,000	115,318
Other Local Revenues	1	0	0	1
State of Tennessee	69,935	25,000	25,000	44,935
Total Revenues	\$ 821,803	\$ 646,411	\$ 646,411	\$ 175,392
Expenditures				
Public Health and Welfare				
Transfer Stations	\$ 592,499	\$ 689,567	\$ 699,567	\$ 107,068
Total Expenditures	\$ 592,499	\$ 689,567	\$ 699,567	\$ 107,068
Excess (Deficiency) of Revenues Over Expenditures	\$ 229,304	\$ (43,156)	\$ (53,156)	\$ 282,460
Net Change in Fund Balance	\$ 229,304	\$ (43,156)	\$ (53,156)	\$ 282,460
Fund Balance, July 1, 2024	269,815	308,759	298,759	(28,944)
Fund Balance, June 30, 2025	\$ 499,119	\$ 265,603	\$ 245,603	\$ 253,516

MACON COUNTY, TENNESSEE

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

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Fines, Forfeitures, and Penalties	\$ 22,995	\$ 12,000	\$ 12,000	\$ 10,995
Other Local Revenues	18,991	0	0	18,991
Total Revenues	<u>\$ 41,986</u>	<u>\$ 12,000</u>	<u>\$ 12,000</u>	<u>\$ 29,986</u>
Expenditures				
Public Safety				
Drug Enforcement	\$ 32,572	\$ 11,200	\$ 36,059	\$ 3,487
Total Expenditures	<u>\$ 32,572</u>	<u>\$ 11,200</u>	<u>\$ 36,059</u>	<u>\$ 3,487</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 9,414</u>	<u>\$ 800</u>	<u>\$ (24,059)</u>	<u>\$ 33,473</u>
Other Financing Sources (Uses)				
Transfers Out	\$ (20,000)	\$ 0	\$ (20,000)	\$ 0
Total Other Financing Sources	<u>\$ (20,000)</u>	<u>\$ 0</u>	<u>\$ (20,000)</u>	<u>\$ 0</u>
Net Change in Fund Balance				
Fund Balance, July 1, 2024	\$ (10,586)	\$ 800	\$ (44,059)	\$ 33,473
Fund Balance, June 30, 2025	<u>\$ 232,577</u>	<u>\$ 234,117</u>	<u>\$ 189,261</u>	<u>\$ 43,316</u>
	<u>\$ 221,991</u>	<u>\$ 234,917</u>	<u>\$ 145,202</u>	<u>\$ 76,789</u>

MACON COUNTY, TENNESSEE

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

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Local Taxes	\$ 1,309,692	\$ 1,210,000	\$ 1,210,000	\$ 99,692
Other Local Revenues	6,000	6,000	6,000	0
State of Tennessee	733,040	500,000	500,000	233,040
Other Governments and Citizens Groups	525,038	0	525,038	0
Total Revenues	\$ 2,573,770	\$ 1,716,000	\$ 2,241,038	\$ 332,732
Expenditures				
Principal on Debt				
General Government	\$ 46,050	\$ 46,050	\$ 46,050	\$ 0
Highways and Streets	591,248	591,249	591,248	0
Education	370,000	0	370,000	0
Interest on Debt				
General Government	5,941	5,941	5,941	0
Highways and Streets	103,404	103,404	103,405	1
Education	155,038	0	155,038	0
Other Debt Service				
General Government	13,281	20,000	20,000	6,719
Total Expenditures	\$ 1,284,962	\$ 766,644	\$ 1,291,682	\$ 6,720
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,288,808	\$ 949,356	\$ 949,356	\$ 339,452
Other Financing Sources (Uses)				
Transfers Out	\$ (1,260,000)	\$ 0	\$ (1,260,000)	\$ 0
Total Other Financing Sources	\$ (1,260,000)	\$ 0	\$ (1,260,000)	\$ 0
Net Change in Fund Balance	\$ 28,808	\$ 949,356	\$ (310,644)	\$ 339,452
Changes to or Within the Financial Reporting Entity	2,537,570	0	0	2,537,570
Fund Balance, July 1, 2024	0	2,532,681	1,272,681	(1,272,681)
Fund Balance, June 30, 2025	\$ 2,566,378	\$ 3,482,037	\$ 962,037	\$ 1,604,341

MAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUND

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

Special Debt Service Fund – The Special Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest, including debt issued for the construction of a new elementary school.

CAPITAL PROJECTS FUND

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.

MACON 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				
Local Taxes	\$ 2,202,571	\$ 1,825,000	\$ 1,825,000	\$ 377,571
Total Revenues	<u>\$ 2,202,571</u>	<u>\$ 1,825,000</u>	<u>\$ 1,825,000</u>	<u>\$ 377,571</u>
Expenditures				
Other Operations				
Other Charges	\$ 17,148	\$ 30,000	\$ 30,000	\$ 12,852
Capital Projects				
Education Capital Projects		1,028,044	0	1,028,044
Total Expenditures	<u>\$ 1,045,192</u>	<u>\$ 30,000</u>	<u>\$ 1,058,044</u>	<u>\$ 12,852</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,157,379</u>	<u>\$ 1,795,000</u>	<u>\$ 766,956</u>	<u>\$ 390,423</u>
Net Change in Fund Balance				
Fund Balance, July 1, 2024	\$ 1,157,379	\$ 1,795,000	\$ 766,956	\$ 390,423
	<u>7,128,915</u>	<u>7,120,078</u>	<u>6,092,032</u>	<u>1,036,883</u>
Fund Balance, June 30, 2025	<u>\$ 8,286,294</u>	<u>\$ 8,915,078</u>	<u>\$ 6,858,988</u>	<u>\$ 1,427,306</u>

MACON COUNTY, TENNESSEE

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 280,794	\$ 274,999	\$ 274,999	\$ 5,795
Other Local Revenues	20,644	133,688	146,717	(126,073)
State of Tennessee	0	364,465	0	0
Federal Government	1,005,040	6,827,975	10,105,610	(9,100,570)
Total Revenues	\$ 1,306,478	\$ 7,601,127	\$ 10,527,326	\$ (9,220,848)
Expenditures				
Principal on Debt				
General Government	\$ 4,367,053	\$ 0	\$ 4,367,053	\$ 0
Interest on Debt				
General Government	138,501	0	138,501	0
Other Debt Service				
General Government	30,559	0	30,559	0
Capital Projects				
General Administration Projects	3,703,025	2,021,017	3,981,439	278,414
Public Safety Projects	17,812,778	848,189	17,828,927	16,149
Public Health and Welfare Projects	120,315	181,389	181,389	61,074
Public Utility Projects	0	0	190,080	190,080
Other General Government Projects	30,790	401,062	408,062	377,272
Highway and Street Capital Projects	246,259	0	260,000	13,741
American Rescue Plan Act Grant #1	941,113	6,560,600	7,560,600	6,619,487
American Rescue Plan Act Grant #3	46,511	704,112	210,647	164,136
American Rescue Plan Act Grant #4	399,251	0	3,354,060	2,954,809
American Rescue Plan Act Grant #5	31,712	0	58,604	26,892
Total Expenditures	\$ 27,867,867	\$ 10,716,369	\$ 38,569,921	\$ 10,702,054
Excess (Deficiency) of Revenues Over Expenditures				
	\$ (26,561,389)	\$ (3,115,242)	\$ (28,042,595)	\$ 1,481,206
Other Financing Sources (Uses)				
Bonds Issued	\$ 4,500,000	\$ 0	\$ 4,500,000	\$ 0
Other Loans Issued	19,911,931	0	18,953,419	958,512
Transfers In	1,473,933	0	1,473,933	0
Total Other Financing Sources	\$ 25,885,864	\$ 0	\$ 24,927,352	\$ 958,512
Net Change in Fund Balance Fund Balance, July 1, 2024	\$ (675,525)	\$ (3,115,242)	\$ (3,115,243)	\$ 2,439,718
	3,115,246	3,115,242	3,115,243	3
Fund Balance, June 30, 2025	\$ 2,439,721	\$ 0	\$ 0	\$ 2,439,721

CUSTODIAL FUNDS

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

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

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

MACON COUNTY, TENNESSEE

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

	Custodial Funds			
	Cities -	Constitu -	tional	
	Sales	Officers -	Custodial	Total
	Tax			
ASSETS				
Cash	\$ 0	\$ 1,716,323	\$ 1,716,323	
Accounts Receivable	0	146,880	146,880	
Due from Other Governments	511,916	0	511,916	
Total Assets	\$ 511,916	\$ 1,863,203	\$ 2,375,119	
LIABILITIES				
Due to Other Taxing Units	\$ 511,916	\$ 0	\$ 511,916	
Total Liabilities	\$ 511,916	\$ 0	\$ 511,916	
NET POSITION				
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 1,863,203	\$ 1,863,203	
Total Net Position	\$ 0	\$ 1,863,203	\$ 1,863,203	

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

Custodial Funds			
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Total
Sales Tax Collections for Other Governments	\$ 2,925,006	\$ 0	\$ 2,925,006
Fines/Fees and Other Collections		8,615,368	8,615,368
Total Additions	\$ 2,925,006	\$ 8,615,368	\$ 11,540,374
Deductions			
Payment of Sales Tax Collections to Other Governments	\$ 2,925,006	\$ 0	\$ 2,925,006
Payments to State		4,057,184	4,057,184
Payments to Cities, Individuals, and Others		4,406,957	4,406,957
Total Deductions	\$ 2,925,006	\$ 8,464,141	\$ 11,389,147
Change in Net Position	\$ 0	\$ 151,227	\$ 151,227
Net Position July 1, 2024		1,711,976	1,711,976
Net Position June 30, 2025	\$ 0	\$ 1,863,203	\$ 1,863,203

MACON COUNTY SCHOOL DEPARTMENT

This section presents combining and individual fund financial statements for the Macon County School Department, a discretely presented component unit. The school department uses a General Fund, three Special Revenue Funds, one Capital Projects Fund, and two Fiduciary Funds.

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

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

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

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

Education Capital Projects Fund – The Education Capital Projects Fund is used to account for building construction and renovations of the school department.

Endowment Fund #1 – The Endowment Fund is used to account for an endowment received by the school department to fund scholarships for deserving high school graduates to attend the University of Tennessee or Belmont University.

Endowment Fund #2 – The Endowment Fund is used to account for an endowment received by the school department to fund scholarships.

MACON COUNTY, TENNESSEE**Statement of Activities**

Discretely Presented Macon 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	
Governmental Activities:					
Instruction	\$ 30,057,766	\$ 2,100	\$ 5,421,606	0	\$ (24,634,060)
Support Services	20,996,944	0	1,959,154	1,953,339	(17,084,451)
Operation of Non-instructional Services	6,103,243	2,399,455	3,317,727	0	(386,061)
Total Governmental Activities	<u>\$ 57,157,953</u>	<u>\$ 2,401,555</u>	<u>\$ 10,698,487</u>	<u>\$ 1,953,339</u>	<u>\$ (42,104,572)</u>
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 2,502,748
Local Option Sales Tax					3,864,669
Mineral Severance Tax					951
Grants and Contributions Not Restricted to Specific Programs					38,094,497
Unrestricted Investment Income					55,494
Miscellaneous					13,361
Total General Revenues					<u>\$ 44,531,720</u>
Change in Net Position					\$ 2,427,148
Net Position, July 1, 2024					50,456,117
Restatement - See Note I.D.9					<u>(250,906)</u>
Net Position, June 30, 2025					<u>\$ 52,632,359</u>

MACON COUNTY, TENNESSEE**Balance Sheet - Governmental Funds**Discretely Presented Macon County School Department
June 30, 2025

	Major Fund	Nonmajor Funds		
		Other Governmental Funds		Total Governmental Funds
		General Purpose	School	
ASSETS				
Cash	\$ 0	\$ 1,038,824	\$ 1,038,824	
Equity in Pooled Cash and Investments	\$ 14,782,285	\$ 2,140,384	\$ 16,922,669	
Accounts Receivable	1,116	0	1,116	
Due from Other Governments	2,705,733	365,794	3,071,527	
Due from Other Funds	124	0	124	
Property Taxes Receivable	2,332,596	0	2,332,596	
Allowance for Uncollectible Property Taxes	(69,978)	0	(69,978)	
Restricted Assets	643,156	0	643,156	
Total Assets	\$ 20,395,032	\$ 3,545,002	\$ 23,940,034	
LIABILITIES				
Accounts Payable	\$ 0	\$ 30,000	\$ 30,000	
Accrued Interest Payable	2,322	0	2,322	
Due to Other Funds	0	124	124	
Total Liabilities	\$ 2,322	\$ 30,124	\$ 32,446	
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	\$ 2,204,088	\$ 0	\$ 2,204,088	
Deferred Delinquent Property Taxes	54,677	0	54,677	
Other Deferred/Unavailable Revenue	334,370	0	334,370	
Total Deferred Inflows of Resources	\$ 2,593,135	\$ 0	\$ 2,593,135	
FUND BALANCES				
Restricted:				
Restricted for Education	\$ 152,047	\$ 2,287,729	\$ 2,439,776	
Restricted for Capital Projects	0	777,149	777,149	
Restricted for Hybrid Retirement Stabilization Funds	643,156	0	643,156	
Committed:				
Committed for Education	4,327,534	450,000	4,777,534	
Unassigned	12,676,838	0	12,676,838	
Total Fund Balances	\$ 17,799,575	\$ 3,514,878	\$ 21,314,453	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 20,395,032	\$ 3,545,002	\$ 23,940,034	

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

Discretely Presented Macon 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)	\$ 21,314,453
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	
Add: land	\$ 2,898,830
Add: construction in progress	685,906
Add: buildings and improvements net of accumulated depreciation	19,878,394
Add: other capital assets net of accumulated depreciation	<u>3,043,422</u>
	26,506,552
(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	\$ (246,347)
Less: OPEB liability	<u>(5,283,525)</u>
	(5,529,872)
(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	\$ 4,518,224
Less: deferred inflows of resources related to pensions	(1,514,590)
Add: deferred outflows of resources related to OPEB	1,389,063
Less: deferred inflows of resources related to OPEB	<u>(1,327,143)</u>
	3,065,554
(4) Net pension assets of the pension plans are not current financial resources and therefore are not reported in the governmental funds.	
Add: net pension asset - agent plan	\$ 806,564
Add: net pension asset - teacher retirement plan	204,207
Add: net pension asset - teacher legacy pension plan	<u>5,875,854</u>
	6,886,625
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.	<u>389,047</u>
Net position of governmental activities (Exhibit A)	<u>\$ 52,632,359</u>

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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	<i>Formerly</i> <i>Major</i> General Purpose School	<i>Formerly</i> <i>Major</i> School Federal Projects	<i>Formerly</i> <i>Major</i> Internal School	Other Govern- mental Funds		
Revenues						
Local Taxes	\$ 6,390,868	\$ 0	\$ 0	\$ 0	\$ 6,390,868	
Licenses and Permits	1,834	0	0	0	1,834	
Charges for Current Services	50,576	0	0	235,804	286,380	
Other Local Revenues	79,992	0	0	2,109,184	2,189,176	
State of Tennessee	38,547,819	0	0	0	38,547,819	
Federal Government	154,377	0	0	8,195,289	8,349,666	
Other Governments and Citizens Groups	2,449,268	0	0	1,028,044	3,477,312	
Total Revenues	\$ 47,674,734	\$ 0	\$ 0	\$ 11,568,321	\$ 59,243,055	
Expenditures						
Current:						
Instruction	\$ 26,382,938	\$ 0	\$ 0	\$ 2,095,545	\$ 28,478,483	
Support Services	17,068,697	0	0	2,146,105	19,214,802	
Operation of Non-Instructional Services	562,730	0	0	5,471,408	6,034,138	
Capital Outlay	454,857	0	0	636,570	1,091,427	
Debt Service:						
Other Debt Service	525,038	0	0	0	525,038	

(Continued)

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

Discretely Presented Macon County School Department (Cont.)

	Major Funds			Nonmajor Funds		Total Governmental Funds
	<i>Formerly</i> <i>Major</i> General Purpose School	<i>Formerly</i> <i>Major</i> School Federal Projects	<i>Formerly</i> <i>Major</i> Internal School	Other Govern- mental Funds		
Expenditures (Cont.)						
Capital Projects	\$ 0	\$ 0	\$ 0	\$ 1,027,592	\$ 1,027,592	
Total Expenditures	\$ 44,994,260	\$ 0	\$ 0	\$ 11,377,220	\$ 56,371,480	
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,680,474	\$ 0	\$ 0	\$ 191,101	\$ 2,871,575	
Other Financing Sources (Uses)						
Insurance Recovery	\$ 48,669	\$ 0	\$ 0	\$ 1,252	\$ 49,921	
Transfers In	3,982	0	0	300,000	303,982	
Transfers Out	(300,000)	0	0	(3,982)	(303,982)	
Total Other Financing Sources (Uses)	\$ (247,349)	\$ 0	\$ 0	\$ 297,270	\$ 49,921	
Net Change in Fund Balances	\$ 2,433,125	\$ 0	\$ 0	\$ 488,371	\$ 2,921,496	
Change to or Within the Reporting Entity	0	(450,000)	(1,002,135)	1,452,135	0	
Fund Balance, July 1, 2024	15,366,450	450,000	1,002,135	1,574,372	18,392,957	
Fund Balance, June 30, 2025	\$ 17,799,575	\$ 0	\$ 0	\$ 3,514,878	\$ 21,314,453	

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

Discretely Presented Macon County School Department

For the Year Ended June 30, 2025

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

Net change in fund balances - total governmental funds (Exhibit I-4)	\$ 2,921,496
(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	\$ 1,808,555
Less: current-year depreciation expense	<u>(1,460,684)</u>
	347,871
(2) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.	
Less: deferred delinquent property taxes and other deferred June 30, 2024	\$ (361,947)
Add: deferred delinquent property taxes and other deferred June 30, 2025	<u>389,047</u>
	27,100
(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	\$ 4,559
Change in net OPEB liability	21,451
Change in deferred outflows related to OPEB	(162,139)
Change in deferred inflows related to OPEB	(150,492)
Change in deferred outflows of resources related to pensions	(1,602,720)
Change in deferred inflows of resources related to pensions	(1,059,548)
Change in pension asset - agent plan	429,353
Change in pension asset - teacher retirement plan	85,331
Change in pension asset - teacher legacy pension plan	<u>1,564,886</u>
	<u>(869,319)</u>
Change in net position of governmental activities (Exhibit B)	<u>\$ 2,427,148</u>

MACON COUNTY, TENNESSEE

Combining Balance Sheet - Nonmajor Governmental Funds
 Discretely Presented Macon County School Department
June 30, 2025

	Special Revenue Funds				Capital Projects Fund	Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Internal School	Total	Education Capital Projects	
ASSETS						
Cash	\$ 0	\$ 100	\$ 1,038,724	\$ 1,038,824	\$ 0	\$ 1,038,824
Equity in Pooled Cash and Investments	\$ 458,651	\$ 874,584	\$ 0	\$ 1,333,235	\$ 807,149	\$ 2,140,384
Due from Other Governments	\$ 11,728	\$ 354,066	\$ 0	\$ 365,794	\$ 0	\$ 365,794
Total Assets	\$ 470,379	\$ 1,228,750	\$ 1,038,724	\$ 2,737,853	\$ 807,149	\$ 3,545,002
LIABILITIES						
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 30,000	\$ 30,000
Due to Other Funds	\$ 124	\$ 0	\$ 0	\$ 124	\$ 0	\$ 124
Total Liabilities	\$ 124	\$ 0	\$ 0	\$ 124	\$ 30,000	\$ 30,124
FUND BALANCES						
Restricted:						
Restricted for Education	\$ 20,255	\$ 1,228,750	\$ 1,038,724	\$ 2,287,729	\$ 0	\$ 2,287,729
Restricted for Capital Projects	0	0	0	0	\$ 777,149	\$ 777,149
Committed:						
Committed for Education	450,000	0	0	450,000	0	450,000
Total Fund Balances	\$ 470,255	\$ 1,228,750	\$ 1,038,724	\$ 2,737,729	\$ 777,149	\$ 3,514,878
Total Liabilities and Fund Balances	\$ 470,379	\$ 1,228,750	\$ 1,038,724	\$ 2,737,853	\$ 807,149	\$ 3,545,002

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

Discretely Presented Macon County School Department

For the Year Ended June 30, 2025

	Special Revenue Funds				Capital Projects Fund		Total Nonmajor Governmental Funds
	<i>Formerly Major School Federal Projects</i>	<i>Central Cafeteria</i>	<i>Formerly Major Internal School</i>	<i>Total</i>	<i>Education Capital Projects</i>		
Revenues							
Charges for Current Services	\$ 0	\$ 235,804	\$ 0	\$ 235,804	\$ 0	\$ 235,804	
Other Local Revenues	0	0	2,109,184	2,109,184	0	2,109,184	
Federal Government	4,902,457	3,292,832	0	8,195,289	0	8,195,289	
Other Governments and Citizens Groups	0	0	0	0	1,028,044	1,028,044	
Total Revenues	\$ 4,902,457	\$ 3,528,636	\$ 2,109,184	\$ 10,540,277	\$ 1,028,044	\$ 11,568,321	
Expenditures							
Current:							
Instruction	\$ 2,095,545	\$ 0	\$ 0	\$ 2,095,545	\$ 0	\$ 2,095,545	
Support Services	2,146,105	0	0	2,146,105	0	2,146,105	
Operation of Non-Instructional Services	0	3,398,813	2,072,595	5,471,408	0	5,471,408	
Capital Outlay	636,570	0	0	636,570	0	636,570	
Capital Projects	0	0	0	0	1,027,592	1,027,592	
Total Expenditures	\$ 4,878,220	\$ 3,398,813	\$ 2,072,595	\$ 10,349,628	\$ 1,027,592	\$ 11,377,220	

(Continued)

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

Discretely Presented Macon County School Department (Cont.)

	Special Revenue Funds				Capital Projects Fund	Total Nonmajor Governmental Funds
	<i>Formerly</i> <i>Major</i> <i>School</i> <i>Federal</i> <i>Projects</i>	<i>Formerly</i> <i>Major</i> <i>Internal</i> <i>School</i>	Total	Education Capital Projects		
Excess (Deficiency) of Revenues Over Expenditures	\$ 24,237	\$ 129,823	\$ 36,589	\$ 190,649	\$ 452	\$ 191,101
Other Financing Sources (Uses)						
Insurance Recovery	\$ 0	\$ 1,252	\$ 0	\$ 1,252	\$ 0	\$ 1,252
Transfers In	0	300,000	0	300,000	0	300,000
Transfers Out	(3,982)	0	0	(3,982)	0	(3,982)
Total Other Financing Sources (Uses)	\$ (3,982)	\$ 301,252	\$ 0	\$ 297,270	\$ 0	\$ 297,270
Net Change in Fund Balances	\$ 20,255	\$ 431,075	\$ 36,589	\$ 487,919	\$ 452	\$ 488,371
Change to or Within the Reporting Entity	450,000	0	1,002,135	1,452,135	0	1,452,135
Fund Balance, July 1, 2024	0	797,675	0	797,675	776,697	1,574,372
Fund Balance, June 30, 2025	\$ 470,255	\$ 1,228,750	\$ 1,038,724	\$ 2,737,729	\$ 777,149	\$ 3,514,878

MACON COUNTY, TENNESSEE**Schedule of Revenues, Expenditures, and Changes****in Fund Balance - Actual and Budget**Discretely Presented Macon County School Department
General Purpose School Fund**For the Year Ended June 30, 2025**

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 6,390,868	\$ 5,776,190	\$ 5,776,190	\$ 614,678
Licenses and Permits	1,834	1,000	1,000	834
Charges for Current Services	50,576	31,200	31,200	19,376
Other Local Revenues	79,992	23,050	25,050	54,942
State of Tennessee	38,547,819	36,593,365	39,390,204	(842,385)
Federal Government	154,377	0	829,249	(674,872)
Other Governments and Citizens Groups	2,449,268	0	2,449,267	1
Total Revenues	\$ 47,674,734	\$ 42,424,805	\$ 48,502,160	\$ (827,426)
Expenditures				
Instruction				
Regular Instruction Program	\$ 20,284,828	\$ 19,930,188	\$ 20,892,287	\$ 607,459
Alternative Instruction Program	764,475	303,612	819,394	54,919
Special Education Program	3,327,878	3,632,034	3,529,328	201,450
Career and Technical Education Program	2,005,757	1,825,208	2,456,639	450,882
Support Services				
Attendance	207,114	201,268	211,528	4,414
Health Services	518,276	505,923	543,271	24,995
Other Student Support	1,626,227	996,257	1,814,295	188,068
Regular Instruction Program	1,244,542	1,229,731	1,387,531	142,989
Special Education Program	884,711	704,309	1,017,318	132,607
Career and Technical Education Program	107,213	132,823	124,523	17,310
Technology	482,123	592,850	513,460	31,337
Other Programs	95,704	0	95,704	0
Board of Education	458,727	646,250	573,780	115,053
Director of Schools	222,449	221,819	229,034	6,585
Office of the Principal	2,055,155	2,098,020	2,100,120	44,965
Fiscal Services	292,020	305,863	311,063	19,043
Operation of Plant	4,976,753	3,037,692	5,248,623	271,870
Maintenance of Plant	1,424,871	1,315,514	1,514,616	89,745
Transportation	2,472,812	2,815,552	2,908,696	435,884
Operation of Non-Instructional Services				
Food Service	188,152	73,147	216,627	28,475

(Continued)

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)		
		Original	Final			
Expenditures (Cont.)						
Operation of Non-Instructional Services (Cont.)						
Early Childhood Education	\$ 374,578	\$ 387,494	\$ 387,819	\$ 13,241		
Capital Outlay		454,857	994,773	1,419,829		
Regular Capital Outlay				964,972		
Principal on Debt						
Education	0	370,000	0	0		
Interest on Debt						
Education	0	155,037	0	0		
Other Debt Service						
Education	525,038	0	525,047	9		
Total Expenditures	\$ 44,994,260	\$ 42,475,364	\$ 48,840,532	\$ 3,846,272		
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,680,474	\$ (50,559)	\$ (338,372)	\$ 3,018,846		
Other Financing Sources (Uses)						
Insurance Recovery	\$ 48,669	\$ 15,000	\$ 15,000	\$ 33,669		
Transfers In	3,982	20,000	20,000	(16,018)		
Transfers Out	(300,000)	(300,000)	(300,000)	0		
Total Other Financing Sources	\$ (247,349)	\$ (265,000)	\$ (265,000)	\$ 17,651		
Net Change in Fund Balance	\$ 2,433,125	\$ (315,559)	\$ (603,372)	\$ 3,036,497		
Fund Balance, July 1, 2024	15,366,450	12,878,617	12,563,058	2,803,392		
Fund Balance, June 30, 2025	\$ 17,799,575	\$ 12,563,058	\$ 11,959,686	\$ 5,839,889		

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

Discretely Presented Macon County School Department

School Federal Projects Fund

For the Year Ended June 30, 2025

	Actual	Budgeted Amounts	Variance with Final Budget - Positive (Negative)
		Original	Final
Revenues			
Federal Government	\$ 4,902,457	\$ 5,174,613	\$ 5,659,005 (756,548)
Total Revenues	\$ 4,902,457	\$ 5,174,613	\$ 5,659,005 (756,548)
Expenditures			
Instruction			
Regular Instruction Program	\$ 1,191,598	\$ 1,049,429	\$ 1,500,235 308,637
Special Education Program	804,908	858,880	847,527 42,619
Career and Technical Education Program	99,039	91,544	99,039 0
Support Services			
Health Services	257,068	529,661	535,446 278,378
Other Student Support	45,088	107,600	95,142 50,054
Regular Instruction Program	880,026	914,120	933,645 53,619
Special Education Program	90,304	135,044	128,633 38,329
Career and Technical Education Program	4,262	6,508	4,262 0
Fiscal Services	1,131	1,131	1,131 0
Operation of Plant	288,392	284,640	288,392 0
Transportation	579,834	390,151	584,903 5,069
Capital Outlay			
Regular Capital Outlay	636,570	799,156	636,570 0
Total Expenditures	\$ 4,878,220	\$ 5,167,864	\$ 5,654,925 776,705
Excess (Deficiency) of Revenues Over Expenditures	\$ 24,237	\$ 6,749	\$ 4,080 20,157
Other Financing Sources (Uses)			
Transfers Out	\$ (3,982)	\$ (6,750)	\$ (4,082) 100
Total Other Financing Sources	\$ (3,982)	\$ (6,750)	\$ (4,082) 100
Net Change in Fund Balance	\$ 20,255	\$ (1)	\$ (2) 20,257
Changes to or Within the Financial Reporting Entity	450,000	0	0 450,000
Fund Balance, July 1, 2024	0	450,000	450,000 (450,000)
Fund Balance, June 30, 2025	\$ 470,255	\$ 449,999	\$ 449,998 20,257

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Charges for Current Services	\$ 235,804	\$ 315,000	\$ 315,000	\$ (79,196)
Other Local Revenues	0	2,000	2,000	(2,000)
Federal Government	3,292,832	2,963,451	2,963,451	329,381
Total Revenues	\$ 3,528,636	\$ 3,280,451	\$ 3,280,451	\$ 248,185
Expenditures				
Operation of Non-Instructional Services				
Food Service	\$ 3,398,813	\$ 3,580,451	\$ 3,580,451	\$ 181,638
Total Expenditures	\$ 3,398,813	\$ 3,580,451	\$ 3,580,451	\$ 181,638
Excess (Deficiency) of Revenues Over Expenditures	\$ 129,823	\$ (300,000)	\$ (300,000)	\$ 429,823
Other Financing Sources (Uses)				
Insurance Recovery	\$ 1,252	\$ 0	\$ 0	\$ 1,252
Transfers In	300,000	300,000	300,000	0
Total Other Financing Sources	\$ 301,252	\$ 300,000	\$ 300,000	\$ 1,252
Net Change in Fund Balance	\$ 431,075	\$ 0	\$ 0	\$ 431,075
Fund Balance, July 1, 2024	797,675	0	0	797,675
Fund Balance, June 30, 2025	\$ 1,228,750	\$ 0	\$ 0	\$ 1,228,750

MACON COUNTY, TENNESSEE**Statement of Fiduciary Net Position - Fiduciary Funds**

Discretely Presented Macon County School Department

June 30, 2025

	Private-Purpose Trust Funds	
	<u>Endowment</u>	<u>Endowment</u>
	<u>Fund #1</u>	<u>Fund #2</u>
ASSETS		
Equity in Pooled Cash and Investments	<u>\$ 398,791</u>	<u>\$ 11,536</u>
NET POSITION		
Held in Trust for Scholarships	<u>\$ 398,791</u>	<u>\$ 11,536</u>

MACON COUNTY, TENNESSEE**Statement of Changes in Fiduciary Net Position - Fiduciary Funds**
Discretely Presented Macon County School Department
For the Year Ended June 30, 2025**Private-Purpose Trust Funds**

Endowment Fund #1	Endowment Fund #2
----------------------	----------------------

ADDITIONS

Investment Income	\$ 16,503	\$ 518
Total Additions	\$ 16,503	\$ 518

DEDUCTIONS

Education:

Trustee's Commission	\$ 165	\$ 5
Total Deductions	\$ 165	\$ 5
Change in Net Position	\$ 16,338	\$ 513
Net Position July 1, 2024	382,453	11,023
Net Position June 30, 2025	\$ 398,791	\$ 11,536

MISCELLANEOUS SCHEDULES

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-24	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-25
NOTES PAYABLE								
Payable through General Debt Service Fund								
Highway Paving Projects	\$ 5,000,000	2.85%	9-17-19	9-17-29	\$ 3,166,943	0	\$ 491,248	\$ 2,675,695
Highway Construction Material	1,000,000	2.15	3-4-20	3-4-30	600,000	0	100,000	500,000
Solid Waste Equipment	460,500	2.15	3-4-20	3-4-30	276,300	0	46,050	230,250
Total Payable through General Debt Service Fund					\$ 4,043,243	0	\$ 637,298	\$ 3,405,945
Payable through Highway/Public Works Fund								
Highway Equipment	1,000,000	4.95	6-10-24	6-10-30	\$ 1,000,000	0	\$ 147,214	\$ 852,786
Total Payable through Highway/Public Works Fund					\$ 1,000,000	0	\$ 147,214	\$ 852,786
Contributions Due by the School Department from the General Purpose School Fund to the General Debt Service Fund								
Energy Efficiency Loan	(1)	0.5	7-1-24	5-20-41	\$ 0	\$ 1,953,339	0	\$ 1,953,339
Total Payable through General Debt Service Fund					\$ 0	\$ 1,953,339	0	\$ 1,953,339
Total Notes Payable					\$ 5,043,243	\$ 1,953,339	\$ 784,512	\$ 6,212,070
OTHER LOANS PAYABLE								
Payable through General Capital Projects Fund								
Justice Center Expansion	(2)	4.45	10-1-24	10-1-26	\$ 1,454,367	\$ 17,951,509	0	\$ 19,405,876
Administrative Building	4,500,000	5.75	1-29-24	11-26-24	2,406,631	1,960,422	4,367,053	0
Total Other Loans Payable					\$ 3,860,998	\$ 19,911,931	\$ 4,367,053	\$ 19,405,876
BONDS PAYABLE								
Contributions Due by the School Department from the General Purpose School Fund to the General Debt Service Fund								
School Buildings	8,220,000	1.5093	8-14-20	6-1-40	\$ 7,215,000	0	\$ 370,000	\$ 6,845,000
Payable through General Debt Service Fund								
Administrative Building	4,500,000	3.75	11-25-24	11-25-64	0	4,500,000	0	4,500,000
Total Bonds Payable					\$ 7,215,000	\$ 4,500,000	\$ 370,000	\$ 11,345,000

(1) Total amount approved was \$2,174,731, of which \$221,392 remains available for draws as of June 30, 2025.

(2) Total amount approved was \$35,000,000, of which \$15,594,124 remains available for draws as of June 30, 2025.

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

Year Ending June 30	Notes		
	Principal	Interest	Total
2026	\$ 923,618	\$ 143,935	\$ 1,067,553
2027	946,260	118,153	1,064,413
2028	969,622	91,676	1,061,298
2029	993,861	64,272	1,058,133
2030	1,019,129	35,937	1,055,066
2031	120,539	6,798	127,337
2032	121,142	6,195	127,337
2033	121,747	5,589	127,336
2034	122,356	4,981	127,337
2035	122,968	4,369	127,337
2036	123,583	3,754	127,337
2037	124,201	3,136	127,337
2038	124,822	2,515	127,337
2039	125,446	1,891	127,337
2040	126,073	1,264	127,337
2041	126,703	634	127,337
Total	\$ 6,212,070	\$ 495,099	\$ 6,707,169

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2026	\$ 0	\$ 863,561	\$ 863,561
2027	19,405,876	215,890	19,621,766
Total	\$ 19,405,876	\$ 1,079,451	\$ 20,485,327

(Continued)

MACON COUNTY, TENNESSEE
Schedule of Long-term Debt Requirements by Year (Cont.)

Year Ending June 30	Bonds		
	Principal	Interest	Total
2026	\$ 435,220	\$ 305,288	\$ 740,508
2027	457,103	284,154	741,257
2028	479,057	261,950	741,007
2029	491,084	251,423	742,507
2030	498,187	244,970	743,157
2031	505,370	238,388	743,758
2032	512,633	231,674	744,307
2033	519,982	224,263	744,245
2034	527,419	215,001	742,420
2035	539,947	205,573	745,520
2036	547,570	195,900	743,470
2037	560,291	183,679	743,970
2038	573,115	171,155	744,270
2039	586,044	158,326	744,370
2040	599,084	145,187	744,271
2041	87,237	131,734	218,971
2042	90,508	128,462	218,970
2043	93,902	125,068	218,970
2044	97,423	121,547	218,970
2045	101,077	117,893	218,970
2046	104,867	114,103	218,970
2047	108,799	110,171	218,970
2048	112,880	106,091	218,971
2049	117,112	101,858	218,970
2050	121,504	97,466	218,970
2051	126,061	92,909	218,970
2052	130,788	88,182	218,970
2053	135,692	83,278	218,970
2054	140,781	78,189	218,970
2055	146,060	72,910	218,970
2056	151,537	67,433	218,970
2057	157,220	61,750	218,970
2058	163,116	55,854	218,970
2059	169,233	49,737	218,970
2060	175,579	43,391	218,970
2061	182,163	36,807	218,970
2062	188,994	29,976	218,970
2063	196,082	22,888	218,970
2064	203,435	15,535	218,970
2065	210,844	7,907	218,751
Total	\$ 11,345,000	\$ 5,278,070	\$ 16,623,070

MACON COUNTY, TENNESSEE**Schedule of Transfers**

Primary Government and Discretely Presented Macon County School Department

For the Year Ended June 30, 2025

From Fund	To Fund	Purpose	Amount
PRIMARY GOVERNMENT			
Drug Control	General	ISOMS software	\$ 20,000
Highway	"	Salary for loss control officer	2,400
General	General Capital Projects	Waterline project	213,933
General Debt Service	"	Health department and administrative buildings	<u>1,260,000</u>
Total Primary Government			<u>\$ 1,496,333</u>
DISCRETELY PRESENTED MACON COUNTY SCHOOL DEPARTMENT			
General Purpose School	Central Cafeteria	Insurance expenses	\$ 300,000
School Federal Projects	General Purpose School	Indirect costs	<u>3,982</u>
Total Discretely Presented Macon County School Department			<u>\$ 303,982</u>

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

Primary Government and Discretely Presented Macon 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 Insurance Pool
Base salary	\$ 110,015			
County commission consultant	2,300			
Total compensation	<u><u>\$ 112,315</u></u>			
Supervisor of Roads		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 104,776</u></u>			
Director of Schools		State Board of Education and County Board of Education	(1)	Tennessee Risk Management Trust
Base salary	\$ 128,383			
Chief executive officer training supplement	1,000			
Bonus payment	1,250			
Total compensation	<u><u>\$ 130,633</u></u>			
Trustee		Section 8-24-102, <i>TCA</i>	\$ 1,250,000	Auto-Owners Insurance Company
Base salary/Total compensation	<u><u>\$ 95,251</u></u>			
Assessor of Property		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 95,251</u></u>			
County Clerk		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary	\$ 95,251			
County commission secretary	900			
Records commission	50			
Total compensation	<u><u>\$ 96,201</u></u>			
Circuit, General Sessions and Juvenile Courts Clerk		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 95,251</u></u>			
Clerk and Master		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary	\$ 95,251			
Special commissioner fees	20,976			
Total compensation	<u><u>\$ 116,227</u></u>			
Register of Deeds		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary	\$ 95,251			
Records commission	50			
Total compensation	<u><u>\$ 95,301</u></u>			
Sheriff		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary	\$ 104,776			
Law enforcement training supplement	800			
Total compensation	<u><u>\$ 105,576</u></u>			
Administrator of Elections		Section 2-12-208, <i>TCA</i>		
Base salary/Total compensation	<u><u>\$ 85,726</u></u>			
Employee Blanket Bonds:				
Employee Fidelity - County Departments			400,000	Local Government Insurance Pool
Employee Fidelity - School Department			400,000	Tennessee Risk Management Trust

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

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

	Special Revenue Funds					Debt Service Funds	
	General	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	
Local Taxes							
County Property Taxes							
Current Property Tax	\$ 8,151,980	\$ 347,614	\$ 0	\$ 0	\$ 756,619	\$ 0	0
Discount on Property Taxes	(87,276)	(3,724)	0	0	(8,101)	0	0
Trustee's Collections - Prior Year	118,366	6,391	0	0	12,708	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	50,117	2,778	0	0	4,637	0	0
Interest and Penalty	29,119	1,471	0	0	2,996	0	0
County Local Option Taxes							
Local Option Sales Tax	925,375	0	0	0	0	0	0
Hotel/Motel Tax	47,477	0	0	0	0	0	0
Wheel Tax	371,508	0	0	0	0	0	1,243,744
Litigation Tax - General	147,422	0	0	0	0	0	18,698
Litigation Tax - Special Purpose	272	0	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	25	0	0	0	0	0	47,250
Business Tax	286,708	0	0	0	0	0	0
Adequate Facilities/Development Tax	728,170	0	0	0	0	0	0
Statutory Local Taxes							
Bank Excise Tax	126,627	7,019	0	0	13,835	0	0
Wholesale Beer Tax	61,763	0	0	0	0	0	0
Total Local Taxes	\$ 10,957,653	\$ 361,549	\$ 0	\$ 0	\$ 782,694	\$ 1,309,692	

(Continued)

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

	Special Revenue Funds					Debt Service Funds	
	General	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works		
						General Debt Service	
Licenses and Permits							
Licenses							
Cable TV Franchise	\$ 106,311	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Permits							
Beer Permits	570	0	0	0	0	0	0
Building Permits	325,532	0	0	0	0	0	0
Other Permits	1,852	0	0	0	0	0	0
Total Licenses and Permits	\$ 434,265	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Fines, Forfeitures, and Penalties							
Circuit Court							
Fines	\$ 19,024	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
DUI Treatment Fines	111	0	0	0	0	0	0
Data Entry Fee - Circuit Court	1,186	0	0	0	0	0	0
Courtroom Security Fee	4,088	0	0	0	0	0	0
General Sessions Court							
Fines	22,994	0	0	0	0	0	0
Officers Costs	48,573	0	0	0	0	0	0
Game and Fish Fines	16	0	0	0	0	0	0
Drug Control Fines	0	0	18,910	0	0	0	0

(Continued)

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

	Special Revenue Funds					Debt Service Funds	
	General	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	
Fines, Forfeitures, and Penalties (Cont.)							
General Sessions Court (Cont.)							
Jail Fees	\$ 11,098	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
District Attorney General Fees	9,494	0	0	0	0	0	0
DUI Treatment Fines	4,924	0	0	0	0	0	0
Data Entry Fee - General Sessions Court	7,662	0	0	0	0	0	0
Courtroom Security Fee	2,378	0	0	0	0	0	0
Juvenile Court							
Fines	2,660	0	0	0	0	0	0
Officers Costs	314	0	0	0	0	0	0
Jail Fees	846	0	0	0	0	0	0
Data Entry Fee - Juvenile Court	544	0	0	0	0	0	0
Courtroom Security Fee	277	0	0	0	0	0	0
Chancery Court							
Officers Costs	2,799	0	0	0	0	0	0
Data Entry Fee - Chancery Court	1,476	0	0	0	0	0	0
Other Fines, Forfeitures, and Penalties							
Proceeds from Confiscated Property	0	0	4,085	0	0	0	0
Other Fines, Forfeitures, and Penalties	22,427	0	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 162,891	\$ 0	\$ 22,995	\$ 0	\$ 0	\$ 0	0

(Continued)

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

	Special Revenue Funds					Debt Service Funds	
	General	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	
Charges for Current Services							
General Service Charges							
Transfer Waste Stations Collection Charge	\$ 0	\$ 390,318	\$ 0	\$ 0	\$ 0	\$ 0	0
Patient Charges	1,548,506	0	0	0	0	0	0
Work Release Charges for Board	31,672	0	0	0	0	0	0
Service Charges	3,500	0	0	0	0	0	0
Fees							
Library Fees	18,444	0	0	0	0	0	0
Greenbelt Late Application Fee	250	0	0	0	0	0	0
Telephone Commissions	95,432	0	0	0	0	0	0
Vending Machine Collections	29	0	0	0	0	0	0
Additional Fees - Titling and Registration	25,560	0	0	0	0	0	0
Constitutional Officers' Fees and Commissions	7,064	0	0	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	20,976	0	0	0
Data Processing Fee - Register	10,014	0	0	0	0	0	0
Probation Fees	100,759	0	0	0	0	0	0
Data Processing Fee - Sheriff	2,816	0	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	7,800	0	0	0	0	0	0
Data Processing Fee - County Clerk	2,691	0	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	7,055	0	0	0	0	0	0
Total Charges for Current Services	\$ 1,861,592	\$ 390,318	\$ 0	\$ 20,976	\$ 0	\$ 0	0

(Continued)

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

	Special Revenue Funds					Debt Service Funds	
	General	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	
Other Local Revenues							
Recurring Items							
Investment Income	\$ 212,835	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Lease/Rentals/PPP	70,417	0	0	0	0	0	6,000
Sale of Materials and Supplies	1,061	0	0	0	1,582	0	0
Commissary Sales	75,311	0	0	0	0	0	0
Sale of Animals/Livestock	6,939	0	0	0	0	0	0
Miscellaneous Refunds	193,833	1	9,420	0	9,389	0	0
Nonrecurring Items							
Sale of Equipment	5,205	0	9,571	0	6,300	0	0
Contributions and Gifts	436,956	0	0	0	0	0	0
Total Other Local Revenues	\$ 1,002,557	\$ 1	\$ 18,991	\$ 0	\$ 17,271	\$ 6,000	
Fees Received From County Officials							
Fees In-Lieu-of Salary							
County Clerk	\$ 395,042	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Circuit Court Clerk	58,889	0	0	0	0	0	0
General Sessions Court Clerk	147,912	0	0	0	0	0	0
Clerk and Master	49,121	0	0	0	0	0	0
Juvenile Court Clerk	8,427	0	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					Debt Service Funds	
	General	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	
Fees Received From County Officials (Cont.)							
Fees In-Lieu-of Salary (Cont.)							
Register	\$ 150,709	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Sheriff	21,445	0	0	0	0	0	0
Trustee	373,049	0	0	0	0	0	0
Total Fees Received From County Officials	\$ 1,204,594	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
State of Tennessee							
General Government Grants							
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Public Safety Grants							
Law Enforcement Training Programs	29,000	0	0	0	0	0	0
School Resource Officer Grants	606,400	0	0	0	0	0	0
Other Public Safety Grants	76,481	0	0	0	0	0	0
Health and Welfare Grants							
Health Department Programs	194,943	0	0	0	0	0	0
Emergency Medical Services Training Programs	11,200	0	0	0	0	0	0
Public Works Grants							
State Aid Program	0	0	0	0	2,357,923	0	0
Litter Program	31,085	0	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					Debt Service Funds	
	General	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	
State of Tennessee (Cont.)							
Other State Revenues							
Beer Tax	\$ 17,752	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Vehicle Certificate of Title Fees	7,620	0	0	0	0	0	0
Alcoholic Beverage Tax	66,242	0	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	92,598	0	0	0	0	0	0
State Revenue Sharing - T.V.A.	351,655	0	0	0	0	0	0
State Revenue Sharing - Telecommunications	178,112	0	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	40,261	0	0	0	0	0	0
Contracted Prisoner Boarding	0	0	0	0	0	733,040	
Gasoline and Motor Fuel Tax	0	0	0	0	2,261,568	0	
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	27,260	0	
Petroleum Special Tax	0	0	0	0	16,708	0	
Registrar's Salary Supplement	15,164	0	0	0	0	0	0
Other State Grants	325,008	69,935	0	0	0	0	0
Other State Revenues	8,169	0	0	0	0	0	0
Total State of Tennessee	\$ 2,060,690	\$ 69,935	\$ 0	\$ 0	\$ 4,663,459	\$ 733,040	

(Continued)

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

	Special Revenue Funds					Debt Service Funds	
	General	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	
Federal Government							
Federal Through State							
Appalachian Regional Commission	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Community Development	0	0	0	0	0	0	0
American Rescue Plan Act Grant #1	0	0	0	0	0	0	0
American Rescue Plan Act Grant #4	0	0	0	0	0	0	0
Other Federal through State	5,031	0	0	0	0	0	0
Direct Federal Revenue							
Other Direct Federal Revenue	22,200	0	0	0	0	0	0
Total Federal Government	\$ 27,231	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Other Governments and Citizens Groups							
Other Governments							
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	525,038
Other							
Opioid Settlement Funds - Past Remediation	45,590	0	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 45,590	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	525,038
Total	\$ 17,757,063	\$ 821,803	\$ 41,986	\$ 20,976	\$ 5,463,424	\$ 2,573,770	

(Continued)

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

	Debt Service Fund	Capital Projects Fund		Total
	Special Debt Service	General Capital Projects		
Local Taxes				
County Property Taxes				
Current Property Tax	\$ 0	\$ 283,049	\$ 9,539,262	
Discount on Property Taxes	1	(3,111)	(102,211)	
Trustee's Collections - Prior Year	4,795	456	142,716	
Circuit Clerk/Clerk and Master Collections - Prior Years	2,288	0	59,820	
Interest and Penalty	815	400	34,801	
County Local Option Taxes				
Local Option Sales Tax	1,704,744	0	2,630,119	
Hotel/Motel Tax	0	0	47,477	
Wheel Tax	0	0	1,615,252	
Litigation Tax - General	0	0	166,120	
Litigation Tax - Special Purpose	0	0	272	
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	47,275	
Business Tax	0	0	286,708	
Adequate Facilities/Development Tax	484,146	0	1,212,316	
Statutory Local Taxes				
Bank Excise Tax	5,782	0	153,263	
Wholesale Beer Tax	0	0	61,763	
Total Local Taxes	<u>\$ 2,202,571</u>	<u>\$ 280,794</u>	<u>\$ 15,894,953</u>	

(Continued)

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

	Debt Service Fund	Capital Projects Fund		Total
	Special Debt Service	General Capital Projects		
Licenses and Permits				
Licenses				
Cable TV Franchise	\$ 0	\$ 0	\$ 0	106,311
Permits				
Beer Permits	0	0	0	570
Building Permits	0	0	0	325,532
Other Permits	0	0	0	1,852
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	434,265
Fines, Forfeitures, and Penalties				
Circuit Court				
Fines	\$ 0	\$ 0	\$ 0	19,024
DUI Treatment Fines	0	0	0	111
Data Entry Fee - Circuit Court	0	0	0	1,186
Courtroom Security Fee	0	0	0	4,088
General Sessions Court				
Fines	0	0	0	22,994
Officers Costs	0	0	0	48,573
Game and Fish Fines	0	0	0	16
Drug Control Fines	0	0	0	18,910

(Continued)

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

	Debt Service Fund	Capital Projects Fund	
	Special Debt Service	General Capital Projects	Total
Fines, Forfeitures, and Penalties (Cont.)			
General Sessions Court (Cont.)			
Jail Fees	\$ 0	\$ 0	\$ 11,098
District Attorney General Fees	0	0	9,494
DUI Treatment Fines	0	0	4,924
Data Entry Fee - General Sessions Court	0	0	7,662
Courtroom Security Fee	0	0	2,378
Juvenile Court			
Fines	0	0	2,660
Officers Costs	0	0	314
Jail Fees	0	0	846
Data Entry Fee - Juvenile Court	0	0	544
Courtroom Security Fee	0	0	277
Chancery Court			
Officers Costs	0	0	2,799
Data Entry Fee - Chancery Court	0	0	1,476
Other Fines, Forfeitures, and Penalties			
Proceeds from Confiscated Property	0	0	4,085
Other Fines, Forfeitures, and Penalties	0	0	22,427
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 185,886

(Continued)

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

	Debt Service Fund	Capital Projects Fund		Total
	Special Debt Service	General Capital Projects		
Charges for Current Services				
General Service Charges				
Transfer Waste Stations Collection Charge	\$ 0	\$ 0	\$ 390,318	
Patient Charges	0	0	1,548,506	
Work Release Charges for Board	0	0	31,672	
Service Charges	0	0	3,500	
Fees				
Library Fees	0	0	18,444	
Greenbelt Late Application Fee	0	0	250	
Telephone Commissions	0	0	95,432	
Vending Machine Collections	0	0	29	
Additional Fees - Titling and Registration	0	0	25,560	
Constitutional Officers' Fees and Commissions	0	0	7,064	
Special Commissioner Fees/Special Master Fees	0	0	20,976	
Data Processing Fee - Register	0	0	10,014	
Probation Fees	0	0	100,759	
Data Processing Fee - Sheriff	0	0	2,816	
Sexual Offender Registration Fee - Sheriff	0	0	7,800	
Data Processing Fee - County Clerk	0	0	2,691	
Vehicle Insurance Coverage and Reinstatement Fees	0	0	7,055	
Total Charges for Current Services	\$ 0	\$ 0	\$ 2,272,886	

(Continued)

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

	Debt Service Fund	Capital Projects Fund		Total
	Special Debt Service	General Capital Projects		
Other Local Revenues				
Recurring Items				
Investment Income	\$ 0	\$ 7,612	\$ 220,447	
Lease/Rentals/PPP	0	0	76,417	
Sale of Materials and Supplies	0	0	2,643	
Commissary Sales	0	0	75,311	
Sale of Animals/Livestock	0	0	6,939	
Miscellaneous Refunds	0	13,032	225,675	
Nonrecurring Items				
Sale of Equipment	0	0	21,076	
Contributions and Gifts	0	0	436,956	
Total Other Local Revenues	\$ 0	\$ 20,644	\$ 1,065,464	
Fees Received From County Officials				
Fees In-Lieu-of Salary				
County Clerk	\$ 0	\$ 0	\$ 395,042	
Circuit Court Clerk	0	0	58,889	
General Sessions Court Clerk	0	0	147,912	
Clerk and Master	0	0	49,121	
Juvenile Court Clerk	0	0	8,427	

(Continued)

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

	Debt Service Fund	Capital Projects Fund		Total
	Special Debt Service	General Capital Projects		
Fees Received From County Officials (Cont.)				
Fees In-Lieu-of Salary (Cont.)				
Register	\$ 0	\$ 0	\$ 0	150,709
Sheriff	0	0	0	21,445
Trustee	0	0	0	373,049
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	1,204,594
State of Tennessee				
General Government Grants				
Juvenile Services Program	\$ 0	\$ 0	\$ 0	9,000
Public Safety Grants				
Law Enforcement Training Programs	0	0	0	29,000
School Resource Officer Grants	0	0	0	606,400
Other Public Safety Grants	0	0	0	76,481
Health and Welfare Grants				
Health Department Programs	0	0	0	194,943
Emergency Medical Services Training Programs	0	0	0	11,200
Public Works Grants				
State Aid Program	0	0	0	2,357,923
Litter Program	0	0	0	31,085

(Continued)

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

	Debt Service Fund	Capital Projects Fund		Total
	Special Debt Service	General Capital Projects		
State of Tennessee (Cont.)				
Other State Revenues				
Beer Tax	\$ 0	\$ 0	\$ 17,752	
Vehicle Certificate of Title Fees	0	0	7,620	
Alcoholic Beverage Tax	0	0	66,242	
Opioid Settlement Funds - TN Abatement Council	0	0	92,598	
State Revenue Sharing - T.V.A.	0	0	351,655	
State Revenue Sharing - Telecommunications	0	0	178,112	
State Shared Sports Gaming Privilege Tax	0	0	40,261	
Contracted Prisoner Boarding	0	0	733,040	
Gasoline and Motor Fuel Tax	0	0	2,261,568	
Hybrid/Electric Vehicle Registration Fee	0	0	27,260	
Petroleum Special Tax	0	0	16,708	
Registrar's Salary Supplement	0	0	15,164	
Other State Grants	0	0	394,943	
Other State Revenues	0	0	8,169	
Total State of Tennessee	\$ 0	\$ 0	\$ 7,527,124	

(Continued)

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

	Debt Service Fund	Capital Projects Fund		Total
	Special Debt Service	General Capital Projects		
Federal Government				
Federal Through State				
Appalachian Regional Commission	\$ 0	\$ 500	\$ 500	\$ 500
Community Development	0	364,465	364,465	
American Rescue Plan Act Grant #1	0	311,782	311,782	
American Rescue Plan Act Grant #4	0	328,293	328,293	
Other Federal through State	0	0	0	5,031
Direct Federal Revenue				
Other Direct Federal Revenue	0	0	0	22,200
Total Federal Government	\$ 0	\$ 1,005,040	\$ 1,032,271	
Other Governments and Citizens Groups				
Other Governments				
Contributions	\$ 0	\$ 0	\$ 0	\$ 525,038
Other				
Opioid Settlement Funds - Past Remediation	0	0	0	45,590
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 570,628
Total	\$ 2,202,571	\$ 1,306,478	\$ 30,188,071	

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

Discretely Presented Macon County School Department

For the Year Ended June 30, 2025

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 2,455,507	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,455,507
Discount on Property Taxes	(26,287)	0	0	0	0	(26,287)
Trustee's Collections - Prior Year	45,304	0	0	0	0	45,304
Circuit Clerk/Clerk and Master Collections - Prior Years	19,631	0	0	0	0	19,631
Interest and Penalty	10,020	0	0	0	0	10,020
County Local Option Taxes						
Local Option Sales Tax	3,836,142	0	0	0	0	3,836,142
Mixed Drink Tax	951	0	0	0	0	951
Statutory Local Taxes						
Bank Excise Tax	49,600	0	0	0	0	49,600
Total Local Taxes	\$ 6,390,868	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,390,868
Licenses and Permits						
Licenses						
Marriage Licenses	\$ 1,834	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,834
Total Licenses and Permits	\$ 1,834	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,834

(Continued)

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

Discretely Presented Macon County School Department (Cont.)

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
Charges for Current Services						
Education Charges						
Tuition - Other	\$ 2,100	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,100
Lunch Payments - Adults	0	0	38,655	0	0	38,655
A la Carte Sales	0	0	197,149	0	0	197,149
Receipts from Individual Schools	48,476	0	0	0	0	48,476
Total Charges for Current Services	\$ 50,576	\$ 0	\$ 235,804	\$ 0	\$ 0	\$ 286,380
Other Local Revenues						
Recurring Items						
Investment Income	\$ 55,494	\$ 0	\$ 0	\$ 0	\$ 0	\$ 55,494
Miscellaneous Refunds	11,527	0	0	0	0	11,527
Nonrecurring Items						
Contributions and Gifts	6,980	0	0	0	0	6,980
Other Local Revenues						
Other Local Revenues	5,991	0	0	2,109,184	0	2,115,175
Total Other Local Revenues	\$ 79,992	\$ 0	\$ 0	\$ 2,109,184	\$ 0	\$ 2,189,176

(Continued)

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

Discretely Presented Macon County School Department (Cont.)

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
State of Tennessee						
General Government Grants						
On-behalf Contributions for OPEB	\$ 95,704	\$ 0	\$ 0	\$ 0	\$ 0	\$ 95,704
State Education Funds						
Tennessee Investment in Student Achievement	36,190,765	0	0	0	0	36,190,765
TISA - On-behalf Payments	62,125	0	0	0	0	62,125
Early Childhood Education	464,216	0	0	0	0	464,216
School Food Service	24,895	0	0	0	0	24,895
Driver Education	10,755	0	0	0	0	10,755
Other State Education Funds	292,591	0	0	0	0	292,591
Paid Parental Leave	120,235	0	0	0	0	120,235
Career Ladder Program	41,325	0	0	0	0	41,325
Other Vocational	400,141	0	0	0	0	400,141
Other State Revenues						
State Revenue Sharing - T.V.A.	181,630	0	0	0	0	181,630
Other State Grants	663,437	0	0	0	0	663,437
Total State of Tennessee	\$ 38,547,819	\$ 0	\$ 0	\$ 0	\$ 0	\$ 38,547,819

(Continued)

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

Discretely Presented Macon County School Department (Cont.)

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
Federal Government						
Federal Through State						
USDA School Lunch Program	\$ 0	\$ 0	\$ 2,184,959	\$ 0	\$ 0	\$ 2,184,959
USDA - Commodities	0	0	254,521	0	0	254,521
Breakfast	0	0	830,616	0	0	830,616
USDA - Other	0	0	22,736	0	0	22,736
Vocational Education - Basic Grants to States	0	138,449	0	0	0	138,449
Title I Grants to Local Education Agencies	0	1,507,693	0	0	0	1,507,693
Special Education - Grants to States	37,055	981,146	0	0	0	1,018,201
Special Education Preschool Grants	0	29,534	0	0	0	29,534
English Language Acquisition Grants	0	41,046	0	0	0	41,046
Rural Education	0	38,421	0	0	0	38,421
Eisenhower Professional Development State Grants	0	264,629	0	0	0	264,629
American Rescue Plan Act Grant #1	0	1,492,625	0	0	0	1,492,625
Other Federal through State	117,322	408,914	0	0	0	526,236
Total Federal Government	\$ 154,377	\$ 4,902,457	\$ 3,292,832	\$ 0	\$ 0	\$ 8,349,666
Other Governments and Citizens Groups						
Other Governments						
Contributions	\$ 2,449,268	\$ 0	\$ 0	\$ 0	\$ 1,028,044	\$ 3,477,312
Total Other Governments and Citizens Groups	\$ 2,449,268	\$ 0	\$ 0	\$ 0	\$ 1,028,044	\$ 3,477,312
Total	\$ 47,674,734	\$ 4,902,457	\$ 3,528,636	\$ 2,109,184	\$ 1,028,044	\$ 59,243,055

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

General Government

County Commission

County Official/Administrative Officer	\$ 2,300	
Board and Committee Members Fees	49,975	
Social Security	3,916	
Pensions	488	
Audit Services	11,095	
Consultants	400	
Dues and Memberships	1,410	
Legal Services	88,213	
Legal Notices, Recording, and Court Costs	2,066	
Total County Commission	\$ 159,863	

Board of Equalization

Board and Committee Members Fees	\$ 2,170	
Total Board of Equalization	2,170	

Beer Board

Legal Notices, Recording, and Court Costs	\$ 53	
Total Beer Board	53	

Budget and Finance Committee

Legal Notices, Recording, and Court Costs	\$ 48	
Other Supplies and Materials	268	
Total Budget and Finance Committee	316	

Other Boards and Committees

Legal Notices, Recording, and Court Costs	\$ 543	
Other Supplies and Materials	34	
Total Other Boards and Committees	577	

County Mayor/Executive

County Official/Administrative Officer	\$ 110,015	
Accountants/Bookkeepers	169,560	
Overtime Pay	3,350	
In-service Training	445	
Social Security	21,586	
Pensions	15,479	

(Continued)

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

General Government (Cont.)

County Mayor/Executive (Cont.)

Dues and Memberships	\$ 1,569
Postal Charges	2,475
Printing, Stationery, and Forms	5,658
Travel	2,984
Other Contracted Services	8,954
Office Supplies	3,641
Premiums on Corporate Surety Bonds	302
Data Processing Equipment	30,681
Office Equipment	7,610
Total County Mayor/Executive	\$ 384,309

County Attorney

Other Contracted Services	\$ 15,000
Total County Attorney	15,000

Election Commission

County Official/Administrative Officer	\$ 85,726
Deputy(ies)	77,980
Election Commission	10,625
Election Workers	25,765
Social Security	13,224
Pensions	9,004
Legal Notices, Recording, and Court Costs	3,181
Maintenance and Repair Services - Buildings	1,035
Maintenance and Repair Services - Equipment	14,897
Postal Charges	3,484
Printing, Stationery, and Forms	1,464
Rentals	300
Travel	392
Other Contracted Services	12,000
Office Supplies	2,058
Utilities	3,857
Liability Insurance	3,668
Office Equipment	299
Total Election Commission	268,959

(Continued)

MACON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)****General Fund (Cont.)****General Government (Cont.)****Register of Deeds**

County Official/Administrative Officer	\$ 95,251
Deputy(ies)	77,708
Social Security	13,150
Pensions	8,508
Dues and Memberships	1,007
Legal Notices, Recording, and Court Costs	177
Postal Charges	146
Printing, Stationery, and Forms	893
Travel	1,171
Other Contracted Services	2,217
Office Supplies	2,212
Other Supplies and Materials	117
Data Processing Equipment	13,611
Office Equipment	96
Total Register of Deeds	\$ 216,264

Development

Maintenance and Repair Services - Buildings	\$ 15,754
Other Contracted Services	9,600
Total Development	25,354

Planning

Assistant(s)	\$ 47,840
Supervisor/Director	50,211
Board and Committee Members Fees	1,925
In-service Training	600
Social Security	7,467
Pensions	5,393
Communication	996
Contracts with Government Agencies	9,250
Dues and Memberships	1,110
Legal Notices, Recording, and Court Costs	2,291
Maintenance and Repair Services - Vehicles	1,287
Postal Charges	433
Travel	1,288
Other Contracted Services	1,068

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Planning (Cont.)

Gasoline	\$ 3,082
Office Supplies	1,051
Other Supplies and Materials	331
Premiums on Corporate Surety Bonds	1,400
Data Processing Equipment	10,300
Office Equipment	<u>1,466</u>
Total Planning	\$ 148,789

Building

Maintenance and Repair Services - Buildings	\$ 21,142
Maintenance and Repair Services - Equipment	4,827
Electricity	9,904
Other Charges	<u>33</u>
Total Building	35,906

County Buildings

Supervisor/Director	\$ 37,461
Overtime Pay	4,650
Social Security	3,221
Pensions	2,316
Communication	36,765
Maintenance and Repair Services - Buildings	28,497
Other Contracted Services	30,774
Electricity	24,686
Water and Sewer	11,044
Other Supplies and Materials	5,084
Other Charges	883
Building Improvements	44,657
Office Equipment	3,130
Other Equipment	<u>9,637</u>
Total County Buildings	242,805

Other Facilities

Custodial Personnel	\$ 31,200
Maintenance Personnel	45,727
Overtime Pay	6,292

(Continued)

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

General Government (Cont.)

Other Facilities (Cont.)

Social Security	\$ 6,366
Pensions	4,577
Communication	22,799
Maintenance and Repair Services - Buildings	55,060
Maintenance and Repair Services - Vehicles	512
Custodial Supplies	8,936
Electricity	102,977
Gasoline	1,452
Water and Sewer	94,369
Other Equipment	2,047
Total Other Facilities	<hr/> \$ 382,314

Other General Administration

Supervisor/Director	\$ 3,000
Social Security	226
Pensions	165
Total Other General Administration	<hr/> 3,391

Preservation of Records

Part-time Personnel	\$ 5,789
Social Security	443
Contributions	7,500
Maintenance and Repair Services - Buildings	3,515
Other Supplies and Materials	1,870
Total Preservation of Records	<hr/> 19,117

Risk Management

Supervisor/Director	\$ 16,317
Social Security	1,248
Pensions	898
Other Contracted Services	4,531
Total Risk Management	<hr/> 22,994

Finance

Central Services

Dispatchers/Radio Operators	\$ 529,106
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(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Central Services (Cont.)

Overtime Pay	\$ 117,837
Other Salaries and Wages	197
Social Security	48,337
Pensions	31,396
Maintenance and Repair Services - Buildings	2,887
Utilities	<u>14,376</u>
Total Central Services	\$ 744,136

Property Assessor's Office

County Official/Administrative Officer	\$ 95,251
Deputy(ies)	118,040
Overtime Pay	463
Other Salaries and Wages	4,324
Social Security	16,630
Pensions	9,572
Contracts with Other Public Agencies	15,498
Legal Notices, Recording, and Court Costs	236
Printing, Stationery, and Forms	25
Travel	472
Other Contracted Services	1,341
Office Supplies	295
Office Equipment	<u>509</u>
Total Property Assessor's Office	262,656

Reappraisal Program

Maintenance and Repair Services - Vehicles	\$ 1,053
Postal Charges	918
Gasoline	1,248
Office Supplies	1,738
Office Equipment	<u>2,302</u>
Total Reappraisal Program	7,259

County Trustee's Office

County Official/Administrative Officer	\$ 95,251
Deputy(ies)	78,520
Overtime Pay	4,351

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

Other Salaries and Wages	\$ 18,945
Social Security	15,053
Pensions	9,779
Data Processing Services	13,464
Dues and Memberships	917
Postal Charges	1,689
Printing, Stationery, and Forms	800
Other Contracted Services	1,341
Office Supplies	837
Data Processing Equipment	37,913
Office Equipment	300
Total County Trustee's Office	\$ 279,160

County Clerk's Office

County Official/Administrative Officer	\$ 95,251
Deputy(ies)	205,206
Part-time Personnel	1,134
Overtime Pay	900
Social Security	22,906
Pensions	16,575
Dues and Memberships	1,022
Maintenance and Repair Services - Office Equipment	132
Postal Charges	11,512
Printing, Stationery, and Forms	1,881
Travel	905
Office Supplies	3,252
Data Processing Equipment	32,008
Total County Clerk's Office	392,684

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$ 95,251
Deputy(ies)	272,307
Jury and Witness Expense	5,356
Social Security	27,238
Pensions	19,780

(Continued)

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

Administration of Justice (Cont.)

Circuit Court (Cont.)

Dues and Memberships	\$ 772
Legal Notices, Recording, and Court Costs	83
Postal Charges	6,048
Printing, Stationery, and Forms	2,467
Other Contracted Services	4,569
Office Supplies	13,860
Other Charges	1,779
Data Processing Equipment	39,539
Office Equipment	753
Other Equipment	237
Total Circuit Court	\$ 490,039

General Sessions Court

Judge(s)	\$ 136,282
Assistant(s)	20,703
Social Security	12,009
Pensions	8,634
Contracts with Private Agencies	61,333
Dues and Memberships	112
Travel	740
Drug Treatment	53,629
Other Contracted Services	1,920
Office Supplies	294
Other Charges	500
Total General Sessions Court	296,156

Chancery Court

County Official/Administrative Officer	\$ 95,251
Deputy(ies)	68,046
Jury and Witness Expense	944
Social Security	12,389
Pensions	8,981
Dues and Memberships	957
Legal Notices, Recording, and Court Costs	300
Postal Charges	1,162
Travel	1,143

(Continued)

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

Administration of Justice (Cont.)

Chancery Court (Cont.)

Office Supplies	\$ 2,449
Data Processing Equipment	16,299
Office Equipment	400
Total Chancery Court	\$ 208,321

Juvenile Court

Youth Service Officer(s)	\$ 38,600
Social Security	2,671
Pensions	2,123
Contracts with Government Agencies	4,085
Dues and Memberships	330
Printing, Stationery, and Forms	140
Travel	206
Office Supplies	668
Other Supplies and Materials	1,500
Total Juvenile Court	50,323

Judicial Commissioners

County Official/Administrative Officer	\$ 64,766
Social Security	4,938
Pensions	3,562
Total Judicial Commissioners	73,266

Probation Services

Probation Officer(s)	\$ 116,164
Overtime Pay	2,523
Social Security	9,025
Pensions	6,528
Communication	1,098
Evaluation and Testing	1,209
Maintenance and Repair Services - Vehicles	66
Postal Charges	120
Printing, Stationery, and Forms	1,100
Gasoline	154
Office Supplies	1,199
Office Equipment	1,000
Total Probation Services	140,186

(Continued)

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

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$ 104,776
Assistant(s)	59,266
Deputy(ies)	717,961
Detective(s)	293,881
Lieutenant(s)	59,184
Sergeant(s)	212,862
Salary Supplements	45,200
Clerical Personnel	155,717
School Resource Officer	396,394
Overtime Pay	25,609
Bonus Payments	11,400
Other Salaries and Wages	43,000
In-service Training	6,488
Social Security	158,933
Pensions	113,688
Contracts with Private Agencies	98,906
Dues and Memberships	1,500
Maintenance and Repair Services - Vehicles	66,001
Travel	7,825
Other Contracted Services	1,963
Gasoline	94,814
Lubricants	1,784
Office Supplies	5,022
Tires and Tubes	10,466
Uniforms	17,147
Other Charges	23,627
Communication Equipment	9,591
Law Enforcement Equipment	139,290
Office Equipment	1,773
Total Sheriff's Department	\$ 2,884,068

Administration of the Sexual Offender Registry

Contracts with Government Agencies	\$ 2,950
Law Enforcement Equipment	9,362
Total Administration of the Sexual Offender Registry	12,312

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Jail

County Official/Administrative Officer	\$ 58,210
Assistant(s)	54,986
Captain(s)	49,839
Lieutenant(s)	45,568
Sergeant(s)	199,654
Medical Personnel	105,509
Guards	606,956
Cafeteria Personnel	51,085
Overtime Pay	12,321
Other Salaries and Wages	43,918
In-service Training	1,260
Social Security	93,372
Pensions	64,502
Maintenance and Repair Services - Buildings	28,385
Medical and Dental Services	109,066
Travel	4,538
Other Contracted Services	51,942
Custodial Supplies	7,095
Food Supplies	259,340
Office Supplies	3,761
Uniforms	1,064
Other Supplies and Materials	18,557
Data Processing Equipment	21,744
Law Enforcement Equipment	28,921
Office Equipment	1,311
Other Equipment	24,825
Total Jail	\$ 1,947,729

Workhouse

Truck Drivers	\$ 27,850
Guards	30,992
Social Security	4,501
Pensions	3,236
Maintenance and Repair Services - Vehicles	961
Other Contracted Services	34,020
Instructional Supplies and Materials	12,121

(Continued)

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

Public Safety (Cont.)

Workhouse (Cont.)

Other Charges	\$ 2,916
Other Equipment	<u>2,639</u>
Total Workhouse	\$ 119,236

Fire Prevention and Control

Contributions	\$ 1,500
Maintenance and Repair Services - Vehicles	191
Diesel Fuel	1,306
Other Equipment	<u>335</u>
Total Fire Prevention and Control	3,332

Rural Fire Protection

Other Contracted Services	\$ 119,391
Total Rural Fire Protection	119,391

Civil Defense

Supervisor/Director	\$ 8,500
In-service Training	485
Social Security	650
Pensions	467
Maintenance and Repair Services - Equipment	1,670
Maintenance and Repair Services - Vehicles	206
Gasoline	1,190
Office Supplies	284
Uniforms	336
Communication Equipment	1,085
Office Equipment	285
Other Equipment	<u>7,018</u>
Total Civil Defense	22,176

Rescue Squad

In-service Training	\$ 2,340
Maintenance and Repair Services - Vehicles	2,213
Gasoline	749
Utilities	3,000
Other Equipment	<u>1,188</u>
Total Rescue Squad	9,490

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Disaster Relief

Maintenance and Repair Services - Buildings	\$ 1,394
Maintenance and Repair Services - Vehicles	5,343
Gasoline	636
Utilities	4,711
Other Equipment	<u>26,312</u>
Total Disaster Relief	\$ 38,396

Other Emergency Management

Maintenance and Repair Services - Buildings	\$ 999
Maintenance and Repair Services - Equipment	99
Maintenance and Repair Services - Vehicles	1,457
Other Contracted Services	310
Custodial Supplies	123
Drugs and Medical Supplies	798
Gasoline	152
Office Supplies	281
Utilities	4,974
Other Equipment	<u>27,271</u>
Total Other Emergency Management	36,464

County Coroner/Medical Examiner

Medical Personnel	\$ 9,500
Medical and Dental Services	<u>35,525</u>
Total County Coroner/Medical Examiner	45,025

Public Safety Grants Program

Supervisor/Director	\$ 89,273
Social Security	6,829
Pensions	4,910
Office Supplies	9,986
Uniforms	1,028
Other Charges	96
Motor Vehicles	39,300
Office Equipment	<u>1,922</u>
Total Public Safety Grants Program	153,344

(Continued)

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

Public Safety (Cont.)

Other Public Safety

Maintenance Personnel	\$ 3,000
In-service Training	2,920
Communication	1,163
Dues and Memberships	369
Maintenance and Repair Services - Buildings	418
Maintenance and Repair Services - Equipment	358
Maintenance and Repair Services - Vehicles	516
Gasoline	458
Road Signs	4,118
Utilities	2,367
Other Equipment	26,950
Total Other Public Safety	\$ 42,637

Public Health and Welfare

Local Health Center

Advertising	\$ 1,390
Janitorial Services	7,300
Maintenance and Repair Services - Buildings	8,711
Office Supplies	2,077
Uniforms	484
Utilities	18,272
Other Supplies and Materials	375
Total Local Health Center	38,609

Rabies and Animal Control

Attendants	\$ 66,828
Overtime Pay	5,271
Social Security	5,516
Pensions	3,965
Maintenance and Repair Services - Buildings	2,804
Maintenance and Repair Services - Vehicles	2,485
Veterinary Services	12,764
Other Contracted Services	1,190
Gasoline	6,060
Uniforms	2,687
Utilities	5,113
Other Supplies and Materials	1,879
Total Rabies and Animal Control	116,562

(Continued)

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

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services

Supervisor/Director	\$ 81,061
Accountants/Bookkeepers	65,800
Medical Personnel	1,154,885
Maintenance Personnel	573
Overtime Pay	891,329
In-service Training	41,995
Social Security	166,706
Pensions	119,492
Dues and Memberships	895
Laundry Service	7,402
Licenses	2,000
Maintenance and Repair Services - Buildings	30,095
Maintenance and Repair Services - Vehicles	68,453
Postal Charges	250
Travel	481
Other Contracted Services	138,165
Custodial Supplies	2,429
Drugs and Medical Supplies	94,191
Gasoline	46,704
Instructional Supplies and Materials	11,945
Office Supplies	4,841
Tires and Tubes	7,368
Uniforms	9,406
Utilities	40,853
Premiums on Corporate Surety Bonds	50
Workers' Compensation Insurance	2,500
Fines, Assessments, and Penalties	33,000
Communication Equipment	50
Other Equipment	52,965
Total Ambulance/Emergency Medical Services	\$ 3,075,884

Crippled Children Services

Contracts with Government Agencies	\$ 2,878
Total Crippled Children Services	2,878

(Continued)

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

Public Health and Welfare (Cont.)

Other Local Health Services

Social Workers	\$ 110,752
Part-time Personnel	41,210
Social Security	11,584
Pensions	6,024
Travel	8,691
Other Contracted Services	3,306
Total Other Local Health Services	\$ 181,567

Regional Mental Health Center

Contributions	\$ 5,965
Total Regional Mental Health Center	5,965

Appropriation to State

Other Contracted Services	\$ 42,701
Total Appropriation to State	42,701

Other Local Welfare Services

Contributions	\$ 49,223
Pauper Burials	1,600
Total Other Local Welfare Services	50,823

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Contributions	\$ 15,000
Total Senior Citizens Assistance	15,000

Libraries

Assistant(s)	\$ 1,120
Supervisor/Director	43,929
Clerical Personnel	137,328
Custodial Personnel	20,066
Social Security	15,484
Pensions	8,948
Communication	7,442
Dues and Memberships	632
Maintenance and Repair Services - Buildings	5,758

(Continued)

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

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Postal Charges	\$ 252
Printing, Stationery, and Forms	798
Travel	900
Other Contracted Services	3,797
Custodial Supplies	899
Library Books/Media	5,000
Office Supplies	471
Utilities	15,251
Other Supplies and Materials	1,496
Other Charges	496
Data Processing Equipment	319
Office Equipment	750
Total Libraries	\$ 271,136

Parks and Fair Boards

Contributions	\$ 29,000
Maintenance and Repair Services - Buildings	<u>30,458</u>
Total Parks and Fair Boards	59,458

Other Social, Cultural, and Recreational

In-service Training	\$ 2,000
Travel	3,452
Other Contracted Services	2,550
Library Books/Media	8,337
Other Charges	1,476
Total Other Social, Cultural, and Recreational	17,815

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$ 58,223
Secretary(ies)	12,116
Social Security	4,457
Pensions	9,086
Employee and Dependent Insurance	16,383
Dues and Memberships	538
Maintenance and Repair Services - Buildings	8,232

(Continued)

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

Agriculture and Natural Resources (Cont.)

Agricultural Extension Service (Cont.)

Travel	\$ 950
Utilities	5,114
Office Equipment	2,000
Total Agricultural Extension Service	\$ 117,099

Soil Conservation

Secretary(ies)	\$ 24,128
Clerical Personnel	41,464
Social Security	4,941
Pensions	3,608
Office Supplies	635
Total Soil Conservation	74,776

Other Operations

Tourism

Dues and Memberships	\$ 400
Other Supplies and Materials	2,675
Total Tourism	3,075

Industrial Development

Supervisor/Director	\$ 33,087
Social Security	1,459
Pensions	1,820
Maintenance and Repair Services - Buildings	9,955
Other Charges	800
Total Industrial Development	47,121

Veterans' Services

Supervisor/Director	\$ 24,544
Social Security	1,878
Pensions	1,350
Travel	602
Other Contracted Services	929
Office Supplies	225
Total Veterans' Services	29,528

(Continued)

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

Other Operations (Cont.)

Other Charges

Employee and Dependent Insurance	\$ 1,559,939
Liability Insurance	376,014
Trustee's Commission	215,657
Workers' Compensation Insurance	<u>192,065</u>
Total Other Charges	\$ 2,343,675

Contributions to Other Agencies

Maintenance and Repair Services - Buildings	\$ 712
Matching Share	12,166
Other Supplies and Materials	<u>20</u>
Total Contributions to Other Agencies	12,898

Employee Benefits

Unemployment Compensation	\$ 5,122
Other Charges	<u>1,778</u>
Total Employee Benefits	6,900

Miscellaneous

Contributions	\$ 7,000
Dues and Memberships	<u>8,080</u>
Total Miscellaneous	15,080

Support Services

Other Programs

Other Charges	\$ 125
Total Other Programs	125

Capital Projects

Highway and Street Capital Projects

Bridge Construction	\$ 35,617
Total Highway and Street Capital Projects	<u>35,617</u>

Total General Fund \$ 16,870,259

(Continued)

MACON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)****Solid Waste/Sanitation Fund**

Public Health and Welfare

Transfer Stations

Accountants/Bookkeepers	\$ 45,760
Equipment Operators - Heavy	138,412
Overtime Pay	4,093
Social Security	14,321
Pensions	8,257
Employee and Dependent Insurance	40,263
Legal Notices, Recording, and Court Costs	846
Maintenance and Repair Services - Buildings	23,913
Maintenance and Repair Services - Vehicles	44,275
Contracts for Landfill Facilities	195,923
Custodial Supplies	474
Gasoline	31,501
Office Supplies	887
Utilities	8,204
Other Supplies and Materials	13,203
Trustee's Commission	7,467
Landfill Closure/Postclosure Care Costs	14,700
Total Transfer Stations	<u>\$ 592,499</u>
Total Solid Waste/Sanitation Fund	\$ 592,499

Drug Control Fund

Public Safety

Drug Enforcement

Confidential Drug Enforcement Payments	\$ 20,000
Other Charges	7,572
Law Enforcement Equipment	5,000
Total Drug Enforcement	<u>\$ 32,572</u>

Total Drug Control Fund

32,572

Constitutional Officers - Fees Fund

Administration of Justice

Chancery Court

Special Commissioner Fees/Special Master Fees	\$ 20,976
Total Chancery Court	<u>\$ 20,976</u>

Total Constitutional Officers - Fees Fund

20,976

(Continued)

MACON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)****Highway/Public Works Fund****Highways****Administration**

County Official/Administrative Officer	\$ 104,776
Secretary(ies)	107,502
Overtime Pay	4,816
Advertising	189
Data Processing Services	17,583
Dues and Memberships	2,961
Evaluation and Testing	188
Janitorial Services	2,335
Laundry Service	336
Postal Charges	302
Printing, Stationery, and Forms	926
Travel	700
Custodial Supplies	748
Office Supplies	1,062
Other Charges	1,259
Data Processing Equipment	350
Total Administration	\$ 246,033

Highway and Bridge Maintenance

Equipment Operators	\$ 141,381
Truck Drivers	192,822
Laborers	300,532
Overtime Pay	14,873
Other Contracted Services	200
Asphalt	95,264
Asphalt - Cold Mix	37,922
Concrete	1,914
Crushed Stone	363,930
Diesel Fuel	143,189
Pipe - Metal	22,424
Road Signs	3,963
Small Tools	1,444
Wood Products	3,300
Other Supplies and Materials	2,723
Other Charges	110
Total Highway and Bridge Maintenance	\$ 1,325,991

(Continued)

MACON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)****Highway/Public Works Fund (Cont.)**

Highways (Cont.)

Operation and Maintenance of Equipment

Mechanic(s)	\$ 78,343
Overtime Pay	2,526
Freight Expenses	844
Maintenance and Repair Services - Equipment	26,105
Other Contracted Services	2,068
Equipment and Machinery Parts	188,230
Garage Supplies	5,763
Gasoline	22,887
Lubricants	19,740
Small Tools	3,121
Tires and Tubes	52,730
Total Operation and Maintenance of Equipment	\$ 402,357

Other Charges

Communication	\$ 7,128
Pest Control	230
Electricity	5,068
Water and Sewer	1,875
Liability Insurance	194,584
Trustee's Commission	38,747
Total Other Charges	247,632

Employee Benefits

Social Security	\$ 58,749
Pensions	49,740
Medical Insurance	171,103
Unemployment Compensation	4,527
Employer Medicare	13,740
Workers' Compensation Insurance	48,016
Total Employee Benefits	345,875

Capital Outlay

General Construction Materials	\$ 9,095
Building Construction	1,875
Furniture and Fixtures	816
Highway Construction	335,898

(Continued)

MACON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)****Highway/Public Works Fund (Cont.)****Highways (Cont.)****Capital Outlay (Cont.)**

Highway Equipment

\$ 694,687

State Aid Projects

2,334,311

Total Capital Outlay

\$ 3,376,682

Principal on Debt**Highways and Streets**

Principal on Notes

\$ 147,214

Total Highways and Streets

147,214

Interest on Debt**Highways and Streets**

Interest on Notes

\$ 49,500

Total Highways and Streets

49,500

Total Highway/Public Works Fund

\$ 6,141,284

General Debt Service Fund**Principal on Debt****General Government**

Principal on Notes

\$ 46,050

Total General Government

\$ 46,050

Highways and Streets

Principal on Notes

\$ 591,248

Total Highways and Streets

591,248

Education

Principal on Bonds

\$ 370,000

Total Education

370,000

Interest on Debt**General Government**

Interest on Notes

\$ 5,941

Total General Government

5,941

(Continued)

MACON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)****General Debt Service Fund (Cont.)**

Interest on Debt (Cont.)

Highways and Streets

Interest on Notes

Total Highways and Streets

\$	103,404	
\$	103,404	

Education

Interest on Bonds

Total Education

\$	155,038	
\$	155,038	

Other Debt Service

General Government

Trustee's Commission

Total General Government

\$	13,281	
\$	13,281	

Total General Debt Service Fund

\$ 1,284,962

Special Debt Service Fund

Other Operations

Other Charges

Trustee's Commission

Total Other Charges

\$	17,148	
\$	17,148	

Capital Projects

Education Capital Projects

Contributions

Total Education Capital Projects

\$	1,028,044	
\$	1,028,044	

Total Special Debt Service Fund

\$ 1,045,192

General Capital Projects Fund

Principal on Debt

General Government

Principal on Other Loans

Total General Government

\$	4,367,053	
\$	4,367,053	

Interest on Debt

General Government

Interest on Other Loans

Total General Government

\$	138,501	
\$	138,501	

(Continued)

MACON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)****General Capital Projects Fund (Cont.)**

Other Debt Service

General Government

Other Debt Service

Total General Government

\$	<u>30,559</u>	\$	30,559
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Capital Projects

General Administration Projects

Engineering Services

Building Construction

Total General Administration Projects

\$	<u>6,855</u>	\$	3,696,170
			<u>3,703,025</u>

Public Safety Projects

Consultants

Engineering Services

Building Construction

Motor Vehicles

Total Public Safety Projects

\$	<u>39,426</u>	\$	192,669
			16,726,830
			<u>853,853</u>
			17,812,778

Public Health and Welfare Projects

Building Improvements

Total Public Health and Welfare Projects

\$	<u>120,315</u>	\$	120,315
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Other General Government Projects

Consultants

Trustee's Commission

Total Other General Government Projects

\$	<u>24,970</u>	\$	5,820
			<u>30,790</u>

Highway and Street Capital Projects

Highway Construction

Total Highway and Street Capital Projects

\$	<u>246,259</u>	\$	246,259
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American Rescue Plan Act Grant #1

Consultants

Engineering Services

Building Construction

Site Development

Total American Rescue Plan Act Grant #1

\$	<u>335,250</u>	\$	6,666
			598,197
			<u>1,000</u>
			941,113

(Continued)

MACON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)****General Capital Projects Fund (Cont.)**

Capital Projects (Cont.)

American Rescue Plan Act Grant #3

Building Construction

\$ 46,511

Total American Rescue Plan Act Grant #3

\$ 46,511

American Rescue Plan Act Grant #4

Consultants

\$ 30,000

Engineering Services

369,251

Total American Rescue Plan Act Grant #4

399,251

American Rescue Plan Act Grant #5

Other Supplies and Materials

\$ 2,389

Data Processing Equipment

7,533

Office Equipment

21,790

Total American Rescue Plan Act Grant #5

31,712

Total General Capital Projects Fund

\$ 27,867,867

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Contributions

\$ 1,953,339

Total Education Capital Projects

\$ 1,953,339

Total Education Capital Projects Fund

1,953,339

Total Governmental Funds - Primary Government

\$ 55,808,950

MACON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**Discretely Presented Macon County School Department
For the Year Ended June 30, 2025**General Purpose School Fund**

Instruction

Regular Instruction Program

Teachers	\$	12,926,704
Career Ladder Program		21,999
Homebound Teachers		22,662
Educational Assistants		988,012
Bonus Payments		177,300
Other Salaries and Wages		44,535
Certified Substitute Teachers		47,657
Non-certified Substitute Teachers		113,928
Social Security		837,012
Pensions		983,355
Life Insurance		6,363
Medical Insurance		2,755,277
Unemployment Compensation		7,070
Employer Medicare		197,733
Contracts with Other Public Agencies		7,811
Tuition		160,000
Instructional Supplies and Materials		84,390
Textbooks - Bound		562,630
Software		42,430
Fee Waivers		18,628
TISA - On-behalf Payments		62,125
Regular Instruction Equipment		217,207
Total Regular Instruction Program	\$	20,284,828

Alternative Instruction Program

Teachers	\$	170,222
Career Ladder Program		1,000
Educational Assistants		45,457
Bonus Payments		1,825
Certified Substitute Teachers		1,605
Social Security		13,482
Pensions		15,076
Life Insurance		89
Medical Insurance		41,411
Unemployment Compensation		127

(Continued)

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

Discretely Presented Macon County School Department (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Alternative Instruction Program (Cont.)

Employer Medicare	\$	3,180
Software		3,645
Regular Instruction Equipment		467,356
Total Alternative Instruction Program		\$ 764,475

Special Education Program

Teachers	\$	1,565,647
Career Ladder Program		83
Homebound Teachers		5,390
Educational Assistants		460,809
Speech Pathologist		208,916
Bonus Payments		20,725
Certified Substitute Teachers		910
Non-certified Substitute Teachers		11,257
Social Security		130,223
Pensions		149,310
Life Insurance		891
Medical Insurance		699,660
Unemployment Compensation		1,363
Employer Medicare		30,956
Instructional Supplies and Materials		31,650
Other Supplies and Materials		3,774
Special Education Equipment		6,314
Total Special Education Program		3,327,878

Career and Technical Education Program

Teachers	\$	943,879
Bonus Payments		11,975
Other Salaries and Wages		19,680
Certified Substitute Teachers		6,822
Non-certified Substitute Teachers		10,331
Social Security		58,095
Pensions		71,560
Life Insurance		471
Medical Insurance		179,133

(Continued)

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

Discretely Presented Macon County School Department (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Career and Technical Education Program (Cont.)

Unemployment Compensation	\$	459
Employer Medicare		13,602
Contracts with Other School Systems		521,644
Instructional Supplies and Materials		10,368
Software		11,802
Other Supplies and Materials		1,967
Vocational Instruction Equipment		143,969
Total Career and Technical Education Program		\$ 2,005,757

Support Services

Attendance

Supervisor/Director	\$	89,537
Clerical Personnel		39,763
Bonus Payments		1,175
Social Security		8,013
Pensions		7,956
Life Insurance		27
Medical Insurance		19,094
Unemployment Compensation		20
Employer Medicare		1,874
Travel		8,423
Software		23,298
Other Supplies and Materials		3,294
Attendance Equipment		4,640
Total Attendance		207,114

Health Services

Supervisor/Director	\$	74,606
Medical Personnel		268,761
Social Security		20,076
Pensions		24,863
Medical Insurance		89,664
Unemployment Compensation		210
Employer Medicare		4,695
Travel		405

(Continued)

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

Discretely Presented Macon County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Health Services (Cont.)

Drugs and Medical Supplies	\$ 6,738
Other Supplies and Materials	1,789
In Service/Staff Development	1,452
Other Charges	17,258
Health Equipment	7,759
Total Health Services	\$ 518,276

Other Student Support

Career Ladder Program	\$ 3,000
Guidance Personnel	619,311
Bonus Payments	9,050
Social Security	36,646
Pensions	43,843
Life Insurance	284
Medical Insurance	114,255
Unemployment Compensation	207
Employer Medicare	8,571
Contracts with Government Agencies	77,325
Evaluation and Testing	18,918
Internet Connectivity	495,929
Other Contracted Services	116,210
Other Supplies and Materials	14,774
Other Equipment	67,904
Total Other Student Support	1,626,227

Regular Instruction Program

Supervisor/Director	\$ 181,377
Career Ladder Program	4,000
Librarians	423,181
Instructional Computer Personnel	18,000
Clerical Personnel	44,064
Bonus Payments	12,464
Other Salaries and Wages	177,417
Social Security	50,629
Pensions	52,676

(Continued)

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

Discretely Presented Macon County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Life Insurance	\$	289
Medical Insurance		108,599
Unemployment Compensation		267
Employer Medicare		12,007
Travel		4,961
Library Books/Media		32,780
Other Supplies and Materials		8,302
In Service/Staff Development		84,750
Other Equipment		28,779
Total Regular Instruction Program	\$	1,244,542

Special Education Program

Supervisor/Director	\$	89,603
Career Ladder Program		1,000
Psychological Personnel		87,750
Assessment Personnel		49,338
Clerical Personnel		39,917
Bonus Payments		2,425
Social Security		13,264
Pensions		13,693
Life Insurance		58
Medical Insurance		31,227
Unemployment Compensation		105
Employer Medicare		3,817
Contracts with Private Agencies		488,513
Travel		3,408
Other Contracted Services		45,480
Other Supplies and Materials		2,009
In Service/Staff Development		13,104
Total Special Education Program		884,711

Career and Technical Education Program

Supervisor/Director	\$	61,320
Career Ladder Program		83
Social Security		3,264

(Continued)

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

Discretely Presented Macon County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program (Cont.)

Pensions	\$	4,137
Life Insurance		24
Medical Insurance		8,174
Unemployment Compensation		67
Employer Medicare		885
Travel		1,062
In Service/Staff Development		1,575
Other Charges		18,112
Other Equipment		8,510
Total Career and Technical Education Program	\$	107,213

Technology

Supervisor/Director	\$	81,413
Clerical Personnel		28,386
Bonus Payments		1,025
Social Security		6,716
Pensions		6,804
Life Insurance		29
Medical Insurance		19,065
Unemployment Compensation		28
Employer Medicare		1,571
Internet Connectivity		58,074
Other Contracted Services		260,987
Software		18,025
Total Technology		482,123

Other Programs

On-behalf Payments to OPEB	\$	95,704
Total Other Programs		95,704

Board of Education

Other Salaries and Wages	\$	720
Board and Committee Members Fees		13,700
Social Security		894
Pensions		40

(Continued)

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

Discretely Presented Macon County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

Employer Medicare	\$	209
Payments to Retirees		15,960
Audit Services		13,000
Dues and Memberships		14,128
Legal Services		16,715
Payments to Schools - Other		56,480
Travel		4,049
Trustee's Commission		45,926
Workers' Compensation Insurance		212,784
Criminal Investigation of Applicants - TBI		5,500
Refund to Applicant for Criminal Investigation		27,755
Other Charges		30,867
Total Board of Education	\$	458,727

Director of Schools

County Official/Administrative Officer	\$	128,383
Bonus Payments		1,250
Other Salaries and Wages		1,000
Social Security		8,072
Pensions		7,938
Life Insurance		29
Medical Insurance		9,750
Unemployment Compensation		21
Employer Medicare		1,888
Communication		45,343
Dues and Memberships		2,767
Postal Charges		4,385
Travel		3,203
Other Contracted Services		3,285
Office Supplies		5,135
Total Director of Schools	\$	222,449

Office of the Principal

Principals	\$	707,083
Career Ladder Program		2,833

(Continued)

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

Discretely Presented Macon County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

Accountants/Bookkeepers	\$	250,160
Assistant Principals		297,537
Clerical Personnel		286,920
Bonus Payments		13,500
Social Security		92,996
Pensions		92,866
Life Insurance		337
Medical Insurance		275,571
Unemployment Compensation		638
Employer Medicare		21,750
Communication		1,147
Dues and Memberships		2,275
Travel		2,127
Administration Equipment		7,415
Total Office of the Principal	\$	2,055,155

Fiscal Services

Accountants/Bookkeepers	\$	98,425
Clerical Personnel		81,755
Social Security		9,743
Pensions		9,910
Medical Insurance		48,235
Unemployment Compensation		126
Employer Medicare		2,279
Data Processing Services		21,562
Travel		2,432
Other Contracted Services		7,203
Data Processing Supplies		3,803
Office Supplies		993
Administration Equipment		5,554
Total Fiscal Services	\$	292,020

Operation of Plant

Custodial Personnel	\$	946,933
Other Salaries and Wages		9,156

(Continued)

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

Discretely Presented Macon County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant (Cont.)

Social Security	\$	57,855
Pensions		49,676
Medical Insurance		208,504
Unemployment Compensation		747
Employer Medicare		13,643
Contracts with Private Agencies		1,953,339
Disposal Fees		52,806
Custodial Supplies		258,018
Electricity		750,650
Natural Gas		58,927
Propane Gas		6,452
Water and Sewer		162,471
Other Supplies and Materials		6,646
Building and Contents Insurance		440,804
Plant Operation Equipment		126
Total Operation of Plant	\$	4,976,753

Maintenance of Plant

Supervisor/Director	\$	64,230
Clerical Personnel		36,587
Maintenance Personnel		370,699
Other Salaries and Wages		10,656
Social Security		29,587
Pensions		26,698
Medical Insurance		110,640
Unemployment Compensation		236
Employer Medicare		6,920
Travel		1,876
Other Contracted Services		273,467
Other Supplies and Materials		481,682
In Service/Staff Development		4,598
Maintenance Equipment		6,995
Total Maintenance of Plant		1,424,871

(Continued)

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

Discretely Presented Macon County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation

Supervisor/Director	\$	64,230
Mechanic(s)		240,499
Bus Drivers		840,850
Clerical Personnel		32,163
Other Salaries and Wages		26,597
Social Security		68,458
Pensions		53,653
Medical Insurance		83,479
Unemployment Compensation		801
Employer Medicare		17,461
Medical and Dental Services		9,485
Travel		2,996
Other Contracted Services		900
Diesel Fuel		255,169
Garage Supplies		32,442
Lubricants		23,690
Tires and Tubes		31,090
Vehicle Parts		134,238
Software		1,831
Other Charges		24,105
Transportation Equipment		528,675
Total Transportation	\$	2,472,812

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	60,757
Clerical Personnel		4,500
Cafeteria Personnel		36,653
Social Security		6,268
Pensions		5,412
Medical Insurance		10,185
Unemployment Compensation		26
Employer Medicare		1,466
Food Supplies		62,885
Total Food Service	\$	188,152

(Continued)

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

Discretely Presented Macon County School Department (Cont.)

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education

Supervisor/Director	\$ 3,000
Teachers	184,778
Career Ladder Program	1,000
Educational Assistants	65,762
Bonus Payments	3,450
Certified Substitute Teachers	54
Non-certified Substitute Teachers	1,678
Social Security	15,223
Pensions	15,746
Life Insurance	88
Medical Insurance	63,962
Unemployment Compensation	136
Employer Medicare	3,570
Travel	95
Food Supplies	2,038
Instructional Supplies and Materials	9,308
In Service/Staff Development	1,193
Other Charges	1,479
Other Equipment	2,018
Total Early Childhood Education	\$ 374,578

Capital Outlay

Regular Capital Outlay

Architects	\$ 3,000
Building Improvements	394,361
Other Capital Outlay	57,496
Total Regular Capital Outlay	454,857

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$ 525,038
Total Education	525,038

Total General Purpose School Fund

\$ 44,994,260

(Continued)

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

Discretely Presented Macon County School Department (Cont.)

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	362,414
Educational Assistants		426,839
Certified Substitute Teachers		1,416
Non-certified Substitute Teachers		4,127
Social Security		45,744
Pensions		45,529
Life Insurance		144
Medical Insurance		49,152
Unemployment Compensation		582
Employer Medicare		10,712
Instructional Supplies and Materials		181,577
Other Supplies and Materials		32,148
Other Charges		5,520
Regular Instruction Equipment		25,694
Total Regular Instruction Program	\$	1,191,598

Special Education Program

Educational Assistants	\$	681,474
Social Security		39,900
Pensions		36,153
Medical Insurance		32,421
Unemployment Compensation		726
Employer Medicare		9,333
Instructional Supplies and Materials		2,078
Other Supplies and Materials		2,823
Total Special Education Program	\$	804,908

Career and Technical Education Program

Other Salaries and Wages	\$	3,000
Social Security		186
Pensions		191
Employer Medicare		44
Instructional Supplies and Materials		9,515
Software		22,161
Other Supplies and Materials		39,684

(Continued)

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

Discretely Presented Macon County School Department (Cont.)

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Career and Technical Education Program (Cont.)

Other Charges	\$ 190
Vocational Instruction Equipment	<u>24,068</u>
Total Career and Technical Education Program	\$ 99,039

Support Services

Health Services

Social Workers	\$ 157,030
Clerical Personnel	32,864
Social Security	11,088
Pensions	10,444
Medical Insurance	34,066
Unemployment Compensation	63
Employer Medicare	2,593
Travel	3,135
Health Equipment	<u>5,785</u>
Total Health Services	257,068

Other Student Support

Other Contracted Services	\$ 500
In Service/Staff Development	9,160
Other Charges	32,788
Other Equipment	<u>2,640</u>
Total Other Student Support	45,088

Regular Instruction Program

Supervisor/Director	\$ 102,621
Clerical Personnel	44,071
Other Salaries and Wages	391,762
Certified Substitute Teachers	428
Non-certified Substitute Teachers	1,756
Social Security	32,387
Pensions	34,464
Life Insurance	175
Medical Insurance	65,778
Unemployment Compensation	166

(Continued)

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

Discretely Presented Macon County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Employer Medicare	\$	7,576
Travel		1,267
Other Supplies and Materials		4,929
In Service/Staff Development		57,628
Other Charges		130,323
Other Equipment		4,695
Total Regular Instruction Program	\$	880,026

Special Education Program

Contracts with Private Agencies	\$	69,870
Maintenance and Repair Services - Equipment		1,014
Travel		631
Other Contracted Services		12,503
Other Supplies and Materials		3,591
In Service/Staff Development		2,695
Total Special Education Program		90,304

Career and Technical Education Program

Other Salaries and Wages	\$	1,250
Social Security		78
Pensions		81
Employer Medicare		18
Travel		335
In Service/Staff Development		2,500
Total Career and Technical Education Program		4,262

Fiscal Services

Accountants/Bookkeepers	\$	1,000
Social Security		62
Pensions		55
Employer Medicare		14
Total Fiscal Services		1,131

Operation of Plant

Plant Operation Equipment	\$	288,392
Total Operation of Plant		288,392

(Continued)

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

Discretely Presented Macon County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Transportation

Bus Drivers	\$ 40,549
Other Salaries and Wages	64,848
Social Security	6,405
Pensions	4,326
Unemployment Compensation	99
Employer Medicare	1,499
Transportation Equipment	<u>462,108</u>
Total Transportation	\$ 579,834

Capital Outlay

Regular Capital Outlay

Architects	\$ 6,870
Building Construction	164,744
Building Improvements	<u>464,956</u>
Total Regular Capital Outlay	<u>636,570</u>

Total School Federal Projects Fund

\$ 4,878,220

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Accountants/Bookkeepers	\$ 33,197
Cafeteria Personnel	965,573
In-service Training	7,584
Social Security	60,417
Pensions	52,734
Medical Insurance	343,509
Unemployment Compensation	1,019
Employer Medicare	14,130
Communication	3,262
Maintenance and Repair Services - Equipment	12,526
Travel	2,919
Other Contracted Services	100,155
Food Supplies	1,395,418
Office Supplies	4,051

(Continued)

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

Discretely Presented Macon County School Department (Cont.)

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

USDA - Commodities	\$ 254,521
Other Supplies and Materials	57,065
Workers' Compensation Insurance	37,093
In Service/Staff Development	3,735
Other Charges	4,725
Administration Equipment	3,645
Food Service Equipment	41,535
Total Food Service	\$ 3,398,813

Total Central Cafeteria Fund

\$ 3,398,813

Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$ 2,072,595
Total Community Services	\$ 2,072,595

Total Internal School Fund

2,072,595

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Architects	\$ 997,592
Building Construction	30,000
Total Education Capital Projects	\$ 1,027,592

Total Education Capital Projects Fund

1,027,592

Total Governmental Funds - Macon County School Department

\$ 56,371,480

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***

Macon County Mayor and
Board of County Commissioners
Macon 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 Macon County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Macon County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated October 3, 2025. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of Macon County School Department (a discretely presented component unit), as described in our report on Macon 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 Macon County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Macon County's internal control. Accordingly, we do not express an opinion on the effectiveness of Macon 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be a significant deficiency: 2025-001.

Report on Compliance and Other Matters

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

Macon County's Response to Finding

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Macon 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 3, 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

Macon County Mayor and
Board of County Commissioners
Macon 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 Macon 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 Macon County's major federal programs for the year ended June 30, 2025. Macon 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, Macon 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 Macon 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 Macon 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 Macon 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 Macon 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 Macon 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 Macon 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 Macon 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 Macon 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

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2025-002 to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on Macon County's response to the internal control over compliance findings identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. Macon County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Macon County is responsible for preparing a corrective action plan to address each internal control audit finding included in our auditor's report in accordance with the Uniform Guidance. Macon County's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the corrective action plan.

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 Macon County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Macon County's basic financial statements. We issued our report thereon dated October 3, 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. Mumppower
Comptroller of the Treasury
Nashville, Tennessee

October 3, 2025

JEM/gc

MACON COUNTY, TENNESSEE, AND THE MACON COUNTY SCHOOL DEPARTMENT

Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7)

For the Year-Ended June 30, 2025

Federal/Pass-through Agency/State Grantor Program Title	Assistance Listing Number	Passed-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster: (5)			
School Breakfast Program	10.553	(4)	\$ 830,616
National School Lunch Program	10.555	(4)	2,207,695 (6)
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (5)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	(4)	254,521 (6)
Total U.S. Department of Agriculture			<u><u>\$ 3,292,832</u></u>
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Economic and Community Development:			
COVID 19 - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	(4)	\$ 364,465
Total U.S. Department of Housing and Urban Development			<u><u>\$ 364,465</u></u>
U.S. Department of the Treasury:			
Passed-through Tennessee State Department of Environment and Conservation:			
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds(ARP)	21.027	32701-05112	\$ 328,293 (6)
Passed-through Tennessee State Department of Health:			
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds(ARP)	21.027	(4)	311,783 (6)
Passed-through State Department of Education:			
Coronavirus State And Local Fiscal Recovery Funds	21.027	(4)	107,323 (6)
Total U.S. Department of the Treasury			<u><u>\$ 747,399</u></u>
U.S. Appalachian Regional Commission:			
Passed-through Tennessee State Department of Economic and Community Development:			
Appalachian Regional Development (See individual Appalachian Programs)	23.001	(4)	\$ 500
Total U.S. Appalachian Regional Commission			<u><u>\$ 500</u></u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	(4)	\$ 1,504,159
Special Education Cluster (IDEA): (5)			
Special Education Grants to States	84.027	(4)	1,018,201
Special Education Preschool Grants	84.173	(4)	29,534
Career and Technical Education - Basic Grants to States	84.048	(4)	138,449
School Safety National Activities	84.184	(4)	9,999
Rural Education	84.358B	(4)	114,981
English Language Acquisition State Grants	84.365	(4)	41,046
Supporting Effective Instruction State Grants	84.367	(4)	264,629
Student Support and Academic Enrichment Program	84.424A	(4)	23,762 (6)
Student Support and Academic Enrichment Program	84.424F	(4)	291,871 (6)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	25-560000	1,492,625
Total U.S. Department of Education			<u><u>\$ 4,929,256</u></u>
U.S. Department of Homeland Security:			
Passed-through Passed through Tennessee Department of Military:			
Emergency Management Performance Grants	97.042	(4)	\$ 5,031
Total U.S. Department of Homeland Security			<u><u>\$ 5,031</u></u>
Total Expenditures of Federal Grants			<u><u>\$ 9,339,483</u></u>

(Continued)

MACON COUNTY, TENNESSEE, AND THE MACON COUNTY SCHOOL DEPARTMENT

Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7) (Cont.)

State Grants

	Assistance Listing Number	Contract Number	Expenditures
Book Bus Grant - Governor's Early Literacy Foundation	N/A	N/A	\$ 14,200
HAVA Election Security Grants - Secretary of State	N/A	N/A	6,765
Juvenile Justice - State Commission on Children & Youth	N/A	N/A	9,000
Rescue Squad Grant Program - State Department of Commerce and Insurance	N/A	N/A	71,381
TLETA Cost Sharing Grant - State Department of Commerce and Insurance	N/A	N/A	18,000
Early Childhood Education - Pilot/State - State Department of Education	N/A	N/A	464,216
Learning Camp Transportation - State Department of Education	N/A	N/A	38,202
Summer Learning Camp - State Department of Education	N/A	N/A	611,035
Evidence Based Programming Grant - State Department of Finance and Administration	N/A	N/A	150,770
Mental Health Transport Grant - State Department of Finance and Administration	N/A	N/A	57,530
SRO Grant - State Department of Safety and Homeland Security	N/A	N/A	606,400
Rural Local Health Services - State Department of Health	N/A	N/A	194,943
Litter grant - State Department of Transportation	N/A	N/A	31,085
Court Security Grant - Tennessee Administrative Office of the Courts	N/A	N/A	77,229
Training Equipment Grant - Tennessee Corrections Institute	N/A	N/A	14,714
Convenience Center Grant - Tennessee Department of Environment and Conservation	N/A	32701-05188	50,000
 Total State Grants			 \$ 2,415,470

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

(3) No amounts (\$0) were passed-through to subrecipients.

(4) Information not available.

(5) Child Nutrition Cluster total \$3,292,832; Special Education Cluster (IDEA) total \$1,047,735.

(6) Total for ALN 10.555 is \$2,462,216; Total for ALN 21.027 is \$747,399; Total for ALN 84.424 is \$315,633.

(7) **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	\$ 154,744
Rural Education	84.358B	4,880
English Language Acquisition State Grants	84.365	100
Supporting Effective Instruction State Grant	84.367	24,200
Total amounts consolidated for administration purposes		 \$ 183,924

MACON 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 Macon 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 SHERIFF

2024	186	2024-001	Unclaimed commissary funds were not reported and paid to the state.	N/A	Corrected
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Prior-year Federal Awards Findings

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

MACON 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 Macon 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? **YES**

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)? **YES**

7. Identification of major federal programs:

* Assistance Listing Numbers: 84.027 and 84.173 Special Education Cluster: Special Education - Grants to States and Special Education - Preschool Grants

* Assistance Listing Number: 84.010 Title I Grants to Local Educational Agencies

* Assistance Listing Number: 84.425U COVID 19 - Education Stabilization Fund - Elementary and Secondary School Emergency Relief 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

A finding and recommendation, as a result of our audit, is presented below. We reviewed the finding and recommendation with management to provide an opportunity for their response. A written response for the finding is paraphrased and presented following the 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.

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 2025-001

THE SCHOOL DEPARTMENT HAD DEFICIENCIES IN THE ADMINISTRATION OF A FEDERAL GRANT

(Internal Control – Significant Deficiency Under *Government Auditing Standards* and OMB Uniform Guidance)

The school department received COVID 19 – Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER ARP – ALN 84.425U), a major federal program. As part of our audit procedures to document and test internal controls, we tested all expenditures for the fiscal year ended June 30, 2025, which consisted of nine individually significant purchases and 21 sampled items, which made up the remainder of expenditures for the grant. In seven of 30 instances, invoices were not signed, and in two of those instances the director did not sign the payment application or change document. Invoices are required to be signed and reviewed by management to prevent unauthorized purchases. The failure to obtain proper approval of invoices increases the risk of unauthorized purchases.

RECOMMENDATION

Invoices should be signed to document proper approval and to decrease the risk of unauthorized purchases.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

We concur with the finding.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

A finding and recommendation, as a result of our audit of federal awards of Macon County, Tennessee, for the year ended June 30, 2025, is presented below. Our audit followed 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).

We reviewed this finding and recommendation with federal program management to provide an opportunity for their response. Responses and/or corrective action plans for all findings, whether related to the financial statements or federal awards, are presented separately in the Management's Corrective Action Plan section of this report.

Findings relating specifically to the audit of the financial statements of Macon County, Tennessee, are separately presented under Part II, Findings Relating to the Financial Statements.

FINDING 2025-002

THE SCHOOL DEPARTMENT HAD DEFICIENCIES IN THE ADMINISTRATION OF A FEDERAL GRANT

(Internal Control – Significant Deficiency Under *Government Auditing Standards* and OMB Uniform Guidance)

Entity	Macon County, Tennessee – School Department
Repeat Finding Number (if applicable)	N/A
Assistance Listing Number	84.425U
Assistance Listing Title	COVID 19 – Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER ARP – ALN 84.425U)
Federal Agency	Department of Education
State Pass-Through Agency	Department of Education
Grant/Contract No.	25-560000
Federal Award Year(s)	2021-2025
Finding Type	Internal Control – Significant Deficiency – 84.425U
Compliance Requirement	Allowable Costs
Known Questioned Costs	N/A

The school department received COVID 19 – Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER ARP – FAL No. 84.425U), a major federal program. As part of our audit procedures to document and test internal controls, we tested all expenditures for the fiscal year ended June 30, 2025, which consisted of nine individually significant purchases and 21 sampled items, which made up the remainder of expenditures for the grant. In seven of 30 instances, invoices were not signed, and in two of those instances the director did not sign the payment application or change document. Invoices are required to be signed and reviewed by management to prevent unauthorized purchases. The failure to obtain proper approval of invoices increases the risk of unauthorized purchases.

RECOMMENDATION

Invoices should be signed to document proper approval and to decrease the risk of unauthorized purchases.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

We concur with the finding.

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

We reviewed the financial statements and federal awards 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 is presented in this section and has 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 SCHOOLS - GOVERNMENT AUDITING STANDARDS AND FEDERAL AWARD FINDING

2025-001 & 2025-002	The school department had deficiencies in the administration of a federal grant.	199
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October 15, 2025

MACON COUNTY CORRECTIVE ACTION PLAN

FINDING 2025-001: DEFICIENCIES IN ADMINISTRATION OF A FEDERAL GRANT

Response and Corrective Action Plan: Shawn Carter, Director of Schools

Person Responsible for Implementing the Corrective Action: Shawn Carter, Director of Schools and Melissa Evetts, MCSS Bookkeeper

Anticipated Completion Date of Corrective Action: October 16, 2025

Repeat Finding: No

Planned Corrective Action:

This finding pertained to the Elementary and Secondary School Emergency School Emergency Relief Fund (ESSER). There were instances in which the Director of Schools did not sign invoices that were ultimately paid anyway. In many of these cases, the Director of Schools is at fault due to not signing them before submitting them for payment. This practice is being changed and the DoS will not submit any invoice without first signing it. The bookkeeper is also going to be more vigilant in making sure that no check is written without ensuring that the invoice has been signed by the appropriate party.

Signature: 

Inspiring and Empowering Students

Macon County Board of Education, 501 College Street, Lafayette, TN 37083
Phone: 615-666-2125 Fax: 615-666-7878 or 615-666-3280 Special Education: 615-666-2685

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 Macon County.

MACON COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING

Macon County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the county commission resulting in decentralization and some duplication of effort. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Macon County. Therefore, we recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.