



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 Governmental Activities	Component Unit 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	<u>\$ 103,736,003</u>	<u>\$ 57,333,087</u>
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	<u>\$ 2,073,810</u>	<u>\$ 5,907,287</u>

(Continued)

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

	Primary Government Governmental Activities	Component Unit 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>\$ 56,220,402</u>	<u>\$ 52,632,359</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	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component Unit
					Government 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
Finance	1,958,018	778,087	7,620	0	(1,172,311)	0
Administration of Justice	1,618,943	581,850	9,000	0	(1,028,093)	0
Public Safety	4,027,549	1,013,790	346,203	682,881	(1,984,675)	0
Public Health and Welfare	4,131,771	2,035,595	237,228	311,782	(1,547,166)	0
Social, Cultural and Rec Services	724,611	18,444	141,953	0	(564,214)	0
Agriculture & Natural Resources	245,260	0	0	0	(245,260)	0
Highways/Public Works	2,841,480	2,643	2,402,399	2,357,923	1,921,485	0
Education	2,981,383	0	0	0	(2,981,383)	0
Support Services	125	0	0	0	(125)	0
Interest on Long-term Debt	1,049,755	0	0	0	(1,049,755)	0
Other Debt Service	43,840	0	0	0	(43,840)	0
Total Primary Government	\$ 23,056,653	\$ 5,049,134	\$ 3,164,598	\$ 4,045,844	\$ (10,797,077)	\$ 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	Component Unit
					Government 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)
Net Position, June 30, 2025					<u>\$ 56,220,402</u>	<u>\$ 52,632,359</u>

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	
	General	Highway / Public Works	Special Debt Service	General Capital Projects	Other Govern- mental Funds	Total Governmental Funds
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	<u>\$ 13,755,175</u>	<u>\$ 3,357,761</u>	<u>\$ 8,437,294</u>	<u>\$ 2,795,874</u>	<u>\$ 3,637,702</u>	<u>\$ 31,983,806</u>
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	<u>\$ 309,210</u>	<u>\$ 48,242</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,363</u>	<u>\$ 359,815</u>
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	<u>\$ 8,592,220</u>	<u>\$ 1,263,730</u>	<u>\$ 151,000</u>	<u>\$ 356,153</u>	<u>\$ 347,851</u>	<u>\$ 10,710,954</u>

(Continued)

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

	Major Funds				Nonmajor Funds	
	General	Highway / Public Works	Special Debt Service	General Capital Projects	Other Govern- mental Funds	Total Governmental Funds
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	<u>\$ 4,853,745</u>	<u>\$ 2,045,789</u>	<u>\$ 8,286,294</u>	<u>\$ 2,439,721</u>	<u>\$ 3,287,488</u>	<u>\$ 20,913,037</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 13,755,175</u>	<u>\$ 3,357,761</u>	<u>\$ 8,437,294</u>	<u>\$ 2,795,874</u>	<u>\$ 3,637,702</u>	<u>\$ 31,983,806</u>

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><u>\$ 56,220,402</u></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</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>		
	General	Highway / Public Works	General Debt Service	Special Debt Service	General Capital Projects
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		Total Governmental Funds
	Other Govern- mental Funds		Funds
<hr/>			
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	<u>\$ 3,458,535</u>	<u>\$</u>	<u>30,188,071</u>
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		
	Other Govern- mental Funds	Total Governmental 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	<u>\$ 3,884,348</u>	<u>\$ 55,808,950</u>	
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (425,813)</u>	<u>\$ (25,620,879)</u>	
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)	<u>\$ 673,339</u>	<u>\$ 26,380,351</u>	
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	<u>502,392</u>	<u>20,153,565</u>	
Fund Balance, June 30, 2025	<u><u>\$ 3,287,488</u></u>	<u><u>\$ 20,913,037</u></u>	

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><u>7,280,628</u></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	\$ 17,757,063	\$ 0	\$ 0	\$ 17,757,063	\$ 16,049,355	\$ 16,549,915	\$ 1,207,148
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	<u>\$ 5,463,424</u>	<u>\$ 6,449,714</u>	<u>\$ 6,449,714</u>	<u>\$ (986,290)</u>
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	<u>\$ 6,141,284</u>	<u>\$ 7,659,254</u>	<u>\$ 7,659,254</u>	<u>\$ 1,517,970</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (677,860)</u>	<u>\$ (1,209,540)</u>	<u>\$ (1,209,540)</u>	<u>\$ 531,680</u>
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	<u>\$ 7,361</u>	<u>\$ (2,400)</u>	<u>\$ (2,400)</u>	<u>\$ 9,761</u>
Net Change in Fund Balance	\$ (670,499)	\$ (1,211,940)	\$ (1,211,940)	\$ 541,441
Fund Balance, July 1, 2024	<u>2,716,288</u>	<u>1,514,337</u>	<u>1,514,337</u>	<u>1,201,951</u>
Fund Balance, June 30, 2025	<u><u>\$ 2,045,789</u></u>	<u><u>\$ 302,397</u></u>	<u><u>\$ 302,397</u></u>	<u><u>\$ 1,743,392</u></u>

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	<u>\$ 511,916</u>
Total Liabilities	<u>\$ 511,916</u>

NET POSITION

Restricted For Individuals, Organizations and Other Governments	<u>\$ 1,863,203</u>
Total Net Position	<u><u>\$ 1,863,203</u></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

	<u>Custodial Funds</u>
ADDITIONS	
Sales Tax Collections for Other Governments	\$ 2,925,006
Fines/Fees and Other Collections	<u>8,615,368</u>
Total Additions	<u>\$ 11,540,374</u>
DEDUCTIONS	
Payment of Sales Tax Collections to Other Governments	\$ 2,925,006
Payments to State	4,057,184
Payments to Cities, Individuals and Others	<u>4,406,957</u>
Total Deductions	<u>\$ 11,389,147</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	
	Primary Government	Discretely Presented 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 As Previously Reported	Change To or Within the Financial Reporting Entity (A)	7-1-24 As Restated
Primary Government			
Governmental Funds			
Major Fund:			
General Debt Service	\$ 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><u>\$ 643,156</u></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><u>\$ 26,158,681</u></u>	<u><u>\$ 6,010,434</u></u>	<u><u>\$ (5,662,563)</u></u>	<u><u>\$ 26,506,552</u></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><u>\$ 1,460,684</u></u>

C. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
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 between funds are made.

Interfund Transfers:

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

Primary Government

Transfers Out	Transfers In		Purpose
	General Fund	General 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		Purpose
	General Purpose School Fund	Nonmajor Governmental 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	<u>\$ 11,345,000</u>	<u>\$ 5,278,070</u>	<u>\$ 16,623,070</u>

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	<u>\$ 6,212,070</u>	<u>\$ 495,099</u>	<u>\$ 6,707,169</u>

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	<u>\$ 19,405,876</u>	<u>\$ 1,079,451</u>	<u>\$ 20,485,327</u>

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	<u>\$ 6,212,070</u>	<u>\$ 19,405,876</u>	<u>\$ 11,345,000</u>
Balance Due Within One Year	<u>\$ 923,618</u>	<u>\$ 0</u>	<u>\$ 435,220</u>

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	<u>406,172</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u><u>\$ 36,010,280</u></u>

E. Long-term Obligations

Primary Government

Changes in Long-term Obligations

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

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	<u>\$ 769,545</u>	<u>\$ 103,558</u>
Balance Due Within One Year	<u>\$ 285,152</u>	<u>\$ 24,000</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	\$ 873,103
Less: Balance Due Within One Year - Other	<u>(309,152)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 563,951</u>

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*	Other Postemployment Benefits
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	<u>\$ 5,202,992</u>

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
Total	<u><u>1,136</u></u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary 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 Developed Market	4.88 %	31 %
International Equity	5.37	14
Emerging Market	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	\$ 40,327,669	\$ 42,301,156	\$ (1,973,487)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	59.13%	\$ 23,845,751	\$ 25,012,674	\$ (1,166,923)
School Department	40.87%	16,481,918	17,288,482	(806,564)
Total		\$ 40,327,669	\$ 42,301,156	\$ (1,973,487)

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:

	1% Decrease	Current Discount Rate	1% Increase
Macon County	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	<u>\$ 3,518,017</u>	<u>\$ 620,891</u>

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

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

		Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	59.13%	\$ 2,073,810	\$ 367,133
School Department	40.87%	1,444,207	253,758
Total		<u>\$ 3,518,017</u>	<u>\$ 620,891</u>

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

Year Ending June 30	Amount
2026	\$ 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	<u>\$ 362,693</u>	<u>\$ 116,455</u>

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

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

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

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the 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	747,893	N/A
Total	\$ 2,711,324	\$ 1,144,377

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

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

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

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the 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%
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Net Pension Liability (Asset)	\$ 7,464,370	\$ (5,875,854)	\$ (16,939,749)
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Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

2. Deferred Compensation

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		Total OPEB Liability
	Macon County School Department 62.79%	State of TN 37.21%	
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	<u>\$ (21,451)</u>	<u>\$ 6,180</u>	<u>\$ (15,271)</u>
Balance June 30, 2024	<u><u>\$ 5,283,525</u></u>	<u><u>\$ 3,130,863</u></u>	<u><u>\$ 8,414,388</u></u>

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	130,681	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	1%	Current	1%
	Decrease	Discount	Increase
	2.93%	Rate	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	1%	Current	1%
	Decrease	Trend	Increase
	9.68 to 3.5%	Rates	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)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
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				Debt Service Fund	Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total	General Debt Service	
ASSETS						
Cash	\$ 100	\$ 0	\$ 1,922	\$ 2,022	\$ 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	\$ 3,637,702
LIABILITIES						
Payroll Deductions Payable	\$ 405	\$ 0	\$ 0	\$ 405	\$ 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	\$ 2,363
DEFERRED INFLOWS OF RESOURCES						
Deferred Current Property Taxes	\$ 340,110	\$ 0	\$ 0	\$ 340,110	\$ 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	\$ 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	General Debt Service	
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	<u>\$ 499,119</u>	<u>\$ 221,991</u>	<u>\$ 0</u>	<u>\$ 721,110</u>	<u>\$ 2,566,378</u>	<u>\$ 3,287,488</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 847,375</u>	<u>\$ 221,991</u>	<u>\$ 1,958</u>	<u>\$ 1,071,324</u>	<u>\$ 2,566,378</u>	<u>\$ 3,637,702</u>

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	Constitutional Officers - Fees	Total	Formerly Major General Debt Service
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	\$ 229,304	\$ (10,586)	\$ 0	\$ 218,718	\$ 28,808
Change to or Within the Reporting Entity	0	0	0	0	2,537,570
Fund Balance, July 1, 2024	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.)**

	Capital Projects Fund		
	Education Capital Projects	Total Nonmajor Governmental Funds	
<hr/>			
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	<u>\$ 0</u>	<u>\$ 3,458,535</u>	
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.)**

	<div>Capital Projects Fund</div>	
	Education Capital Projects	Total Nonmajor Governmental Funds
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	\$ 0	\$ 247,526
Change to or Within the Reporting Entity	0	2,537,570
Fund Balance, July 1, 2024	<u>0</u>	<u>502,392</u>
Fund Balance, June 30, 2025	<u><u>\$ 0</u></u>	<u><u>\$ 3,287,488</u></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	<u>\$ 821,803</u>	<u>\$ 646,411</u>	<u>\$ 646,411</u>	<u>\$ 175,392</u>
Expenditures				
Public Health and Welfare				
Transfer Stations	\$ 592,499	\$ 689,567	\$ 699,567	\$ 107,068
Total Expenditures	<u>\$ 592,499</u>	<u>\$ 689,567</u>	<u>\$ 699,567</u>	<u>\$ 107,068</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 229,304</u>	<u>\$ (43,156)</u>	<u>\$ (53,156)</u>	<u>\$ 282,460</u>
Net Change in Fund Balance	\$ 229,304	\$ (43,156)	\$ (53,156)	\$ 282,460
Fund Balance, July 1, 2024	<u>269,815</u>	<u>308,759</u>	<u>298,759</u>	<u>(28,944)</u>
Fund Balance, June 30, 2025	<u><u>\$ 499,119</u></u>	<u><u>\$ 265,603</u></u>	<u><u>\$ 245,603</u></u>	<u><u>\$ 253,516</u></u>

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		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	\$ (10,586)	\$ 800	\$ (44,059)	\$ 33,473
Fund Balance, July 1, 2024	<u>232,577</u>	<u>234,117</u>	<u>189,261</u>	<u>43,316</u>
Fund Balance, June 30, 2025	<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	<u>\$ 2,573,770</u>	<u>\$ 1,716,000</u>	<u>\$ 2,241,038</u>	<u>\$ 332,732</u>
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	<u>\$ 1,284,962</u>	<u>\$ 766,644</u>	<u>\$ 1,291,682</u>	<u>\$ 6,720</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,288,808</u>	<u>\$ 949,356</u>	<u>\$ 949,356</u>	<u>\$ 339,452</u>
Other Financing Sources (Uses)				
Transfers Out	\$ (1,260,000)	\$ 0	\$ (1,260,000)	\$ 0
Total Other Financing Sources	<u>\$ (1,260,000)</u>	<u>\$ 0</u>	<u>\$ (1,260,000)</u>	<u>\$ 0</u>
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	<u>0</u>	<u>2,532,681</u>	<u>1,272,681</u>	<u>(1,272,681)</u>
Fund Balance, June 30, 2025	<u><u>\$ 2,566,378</u></u>	<u><u>\$ 3,482,037</u></u>	<u><u>\$ 962,037</u></u>	<u><u>\$ 1,604,341</u></u>

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	\$ 2,202,571	\$ 1,825,000	\$ 1,825,000	\$ 377,571
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	0
Total Expenditures	\$ 1,045,192	\$ 30,000	\$ 1,058,044	\$ 12,852
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,157,379	\$ 1,795,000	\$ 766,956	\$ 390,423
Net Change in Fund Balance	\$ 1,157,379	\$ 1,795,000	\$ 766,956	\$ 390,423
Fund Balance, July 1, 2024	7,128,915	7,120,078	6,092,032	1,036,883
Fund Balance, June 30, 2025	\$ 8,286,294	\$ 8,915,078	\$ 6,858,988	\$ 1,427,306

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	<u>\$ 1,306,478</u>	<u>\$ 7,601,127</u>	<u>\$ 10,527,326</u>	<u>\$ (9,220,848)</u>
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	<u>\$ 27,867,867</u>	<u>\$ 10,716,369</u>	<u>\$ 38,569,921</u>	<u>\$ 10,702,054</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (26,561,389)</u>	<u>\$ (3,115,242)</u>	<u>\$ (28,042,595)</u>	<u>\$ 1,481,206</u>
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	<u>\$ 25,885,864</u>	<u>\$ 0</u>	<u>\$ 24,927,352</u>	<u>\$ 958,512</u>
Net Change in Fund Balance	<u>\$ (675,525)</u>	<u>\$ (3,115,242)</u>	<u>\$ (3,115,243)</u>	<u>\$ 2,439,718</u>
Fund Balance, July 1, 2024	<u>3,115,246</u>	<u>3,115,242</u>	<u>3,115,243</u>	<u>3</u>
Fund Balance, June 30, 2025	<u><u>\$ 2,439,721</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 2,439,721</u></u>

CUSTODIAL FUNDS

Custodial Funds are used to account for assets held by the county in a custodial capacity or as an agent for individuals, private organizations, 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 -	
		Sales	tional	
		Tax	Officers -	
			Custodial	Total
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
Additions			
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	0	4,057,184	4,057,184
Payments to Cities, Individuals, and Others	0	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	0	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	
					Total Governmental Activities
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					(250,906)
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

	Nonmajor Funds		
	Major Fund	Other	Total
	General Purpose School	Govern- mental Funds	Governmental Funds
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	<u>\$ 20,395,032</u>	<u>\$ 3,545,002</u>	<u>\$ 23,940,034</u>
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	<u>\$ 2,322</u>	<u>\$ 30,124</u>	<u>\$ 32,446</u>
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	<u>\$ 2,593,135</u>	<u>\$ 0</u>	<u>\$ 2,593,135</u>
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	<u>\$ 17,799,575</u>	<u>\$ 3,514,878</u>	<u>\$ 21,314,453</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 20,395,032</u>	<u>\$ 3,545,002</u>	<u>\$ 23,940,034</u>

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><u>52,632,359</u></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	
	<i>General Purpose School</i>	<i>Formerly Major School Federal Projects</i>	<i>Formerly Major Internal School</i>	<i>Other Govern- mental Funds</i>	<i>Total Governmental Funds</i>
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	<u>\$ 47,674,734</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 11,568,321</u>	<u>\$ 59,243,055</u>
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	
	General Purpose School	<i>Formerly Major School Federal Projects</i>	<i>Formerly Major Internal School</i>	Other Govern- mental Funds	Total Governmental 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	
	<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>	<i>Total Nonmajor Governmental Funds</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	<u>\$ 4,902,457</u>	<u>\$ 3,528,636</u>	<u>\$ 2,109,184</u>	<u>\$ 10,540,277</u>	<u>\$ 1,028,044</u>	<u>\$ 11,568,321</u>
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	<u>\$ 4,878,220</u>	<u>\$ 3,398,813</u>	<u>\$ 2,072,595</u>	<u>\$ 10,349,628</u>	<u>\$ 1,027,592</u>	<u>\$ 11,377,220</u>

(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	
	<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>	<i>Total Nonmajor Governmental Funds</i>
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**

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	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	<u>\$ 47,674,734</u>	<u>\$ 42,424,805</u>	<u>\$ 48,502,160</u>	<u>\$ (827,426)</u>
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.)

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Expenditures (Cont.)				
Operation of Non-Instructional Services (Cont.)				
Early Childhood Education	\$ 374,578	\$ 387,494	\$ 387,819	\$ 13,241
Capital Outlay				
Regular Capital Outlay	454,857	994,773	1,419,829	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	<u>\$ 44,994,260</u>	<u>\$ 42,475,364</u>	<u>\$ 48,840,532</u>	<u>\$ 3,846,272</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 2,680,474</u>	<u>\$ (50,559)</u>	<u>\$ (338,372)</u>	<u>\$ 3,018,846</u>
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	<u>\$ (247,349)</u>	<u>\$ (265,000)</u>	<u>\$ (265,000)</u>	<u>\$ 17,651</u>
Net Change in Fund Balance	\$ 2,433,125	\$ (315,559)	\$ (603,372)	\$ 3,036,497
Fund Balance, July 1, 2024	<u>15,366,450</u>	<u>12,878,617</u>	<u>12,563,058</u>	<u>2,803,392</u>
Fund Balance, June 30, 2025	<u><u>\$ 17,799,575</u></u>	<u><u>\$ 12,563,058</u></u>	<u><u>\$ 11,959,686</u></u>	<u><u>\$ 5,839,889</u></u>

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**

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	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	<u>\$ 3,528,636</u>	<u>\$ 3,280,451</u>	<u>\$ 3,280,451</u>	<u>\$ 248,185</u>
Expenditures				
Operation of Non-Instructional Services				
Food Service	\$ 3,398,813	\$ 3,580,451	\$ 3,580,451	\$ 181,638
Total Expenditures	<u>\$ 3,398,813</u>	<u>\$ 3,580,451</u>	<u>\$ 3,580,451</u>	<u>\$ 181,638</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 129,823</u>	<u>\$ (300,000)</u>	<u>\$ (300,000)</u>	<u>\$ 429,823</u>
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	<u>\$ 301,252</u>	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 1,252</u>
Net Change in Fund Balance	\$ 431,075	\$ 0	\$ 0	\$ 431,075
Fund Balance, July 1, 2024	<u>797,675</u>	<u>0</u>	<u>0</u>	<u>797,675</u>
Fund Balance, June 30, 2025	<u><u>\$ 1,228,750</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 1,228,750</u></u>

MACON COUNTY, TENNESSEE
Statement of Fiduciary Net Position - Fiduciary Funds
Discretely Presented Macon County School Department
June 30, 2025

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

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	Endowment
		Fund #1	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					<u>\$ 4,043,243</u>	<u>\$ 0</u>	<u>\$ 637,298</u>	<u>\$ 3,405,945</u>
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					<u>\$ 1,000,000</u>	<u>\$ 0</u>	<u>\$ 147,214</u>	<u>\$ 852,786</u>
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					<u>\$ 0</u>	<u>\$ 1,953,339</u>	<u>\$ 0</u>	<u>\$ 1,953,339</u>
Total Notes Payable					<u>\$ 5,043,243</u>	<u>\$ 1,953,339</u>	<u>\$ 784,512</u>	<u>\$ 6,212,070</u>
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					<u>\$ 3,860,998</u>	<u>\$ 19,911,931</u>	<u>\$ 4,367,053</u>	<u>\$ 19,405,876</u>
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					<u>\$ 7,215,000</u>	<u>\$ 4,500,000</u>	<u>\$ 370,000</u>	<u>\$ 11,345,000</u>

(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	1,260,000
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>\$ 112,315</u>			
Supervisor of Roads		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u>\$ 104,776</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>\$ 130,633</u>			
Trustee		Section 8-24-102, <i>TCA</i>	\$ 1,250,000	Auto-Owners Insurance Company
Base salary/Total compensation	<u>\$ 95,251</u>			
Assessor of Property		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u>\$ 95,251</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>\$ 96,201</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>\$ 95,251</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>\$ 116,227</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>\$ 95,301</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>\$ 105,576</u>			
Administrator of Elections		Section 2-12-208, <i>TCA</i>		
Base salary/Total compensation	<u>\$ 85,726</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	Constitutional 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
Discount on Property Taxes	(87,276)	(3,724)	0	0	(8,101)	0
Trustee's Collections - Prior Year	118,366	6,391	0	0	12,708	0
Circuit Clerk/Clerk and Master Collections - Prior Years	50,117	2,778	0	0	4,637	0
Interest and Penalty	29,119	1,471	0	0	2,996	0
County Local Option Taxes						
Local Option Sales Tax	925,375	0	0	0	0	0
Hotel/Motel Tax	47,477	0	0	0	0	0
Wheel Tax	371,508	0	0	0	0	1,243,744
Litigation Tax - General	147,422	0	0	0	0	18,698
Litigation Tax - Special Purpose	272	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	25	0	0	0	0	47,250
Business Tax	286,708	0	0	0	0	0
Adequate Facilities/Development Tax	728,170	0	0	0	0	0
Statutory Local Taxes						
Bank Excise Tax	126,627	7,019	0	0	13,835	0
Wholesale Beer Tax	61,763	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	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
Licenses and Permits						
Licenses						
Cable TV Franchise	\$ 106,311	\$ 0	\$ 0	\$ 0	\$ 0	0
Permits						
Beer Permits	570	0	0	0	0	0
Building Permits	325,532	0	0	0	0	0
Other Permits	1,852	0	0	0	0	0
Total Licenses and Permits	<u>\$ 434,265</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
Fines, Forfeitures, and Penalties						
Circuit Court						
Fines	\$ 19,024	\$ 0	\$ 0	\$ 0	\$ 0	0
DUI Treatment Fines	111	0	0	0	0	0
Data Entry Fee - Circuit Court	1,186	0	0	0	0	0
Courtroom Security Fee	4,088	0	0	0	0	0
General Sessions Court						
Fines	22,994	0	0	0	0	0
Officers Costs	48,573	0	0	0	0	0
Game and Fish Fines	16	0	0	0	0	0
Drug Control Fines	0	0	18,910	0	0	0

(Continued)

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

	General	Special Revenue Funds				Debt Service Funds
		Solid Waste / Sanitation	Drug Control	Constitutional 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
District Attorney General Fees	9,494	0	0	0	0	0
DUI Treatment Fines	4,924	0	0	0	0	0
Data Entry Fee - General Sessions Court	7,662	0	0	0	0	0
Courtroom Security Fee	2,378	0	0	0	0	0
Juvenile Court						
Fines	2,660	0	0	0	0	0
Officers Costs	314	0	0	0	0	0
Jail Fees	846	0	0	0	0	0
Data Entry Fee - Juvenile Court	544	0	0	0	0	0
Courtroom Security Fee	277	0	0	0	0	0
Chancery Court						
Officers Costs	2,799	0	0	0	0	0
Data Entry Fee - Chancery Court	1,476	0	0	0	0	0
Other Fines, Forfeitures, and Penalties						
Proceeds from Confiscated Property	0	0	4,085	0	0	0
Other Fines, Forfeitures, and Penalties	22,427	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 162,891	\$ 0	\$ 22,995	\$ 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
Patient Charges	1,548,506	0	0	0	0	0
Work Release Charges for Board	31,672	0	0	0	0	0
Service Charges	3,500	0	0	0	0	0
Fees						
Library Fees	18,444	0	0	0	0	0
Greenbelt Late Application Fee	250	0	0	0	0	0
Telephone Commissions	95,432	0	0	0	0	0
Vending Machine Collections	29	0	0	0	0	0
Additional Fees - Titling and Registration	25,560	0	0	0	0	0
Constitutional Officers' Fees and Commissions	7,064	0	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	20,976	0	0
Data Processing Fee - Register	10,014	0	0	0	0	0
Probation Fees	100,759	0	0	0	0	0
Data Processing Fee - Sheriff	2,816	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	7,800	0	0	0	0	0
Data Processing Fee - County Clerk	2,691	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	7,055	0	0	0	0	0
Total Charges for Current Services	\$ 1,861,592	\$ 390,318	\$ 0	\$ 20,976	\$ 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	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
Other Local Revenues						
Recurring Items						
Investment Income	\$ 212,835	\$ 0	\$ 0	\$ 0	\$ 0	0
Lease/Rentals/PPP	70,417	0	0	0	0	6,000
Sale of Materials and Supplies	1,061	0	0	0	1,582	0
Commissary Sales	75,311	0	0	0	0	0
Sale of Animals/Livestock	6,939	0	0	0	0	0
Miscellaneous Refunds	193,833	1	9,420	0	9,389	0
Nonrecurring Items						
Sale of Equipment	5,205	0	9,571	0	6,300	0
Contributions and Gifts	436,956	0	0	0	0	0
Total Other Local Revenues	<u>\$ 1,002,557</u>	<u>\$ 1</u>	<u>\$ 18,991</u>	<u>\$ 0</u>	<u>\$ 17,271</u>	<u>\$ 6,000</u>
Fees Received From County Officials						
Fees In-Lieu-of Salary						
County Clerk	\$ 395,042	\$ 0	\$ 0	\$ 0	\$ 0	0
Circuit Court Clerk	58,889	0	0	0	0	0
General Sessions Court Clerk	147,912	0	0	0	0	0
Clerk and Master	49,121	0	0	0	0	0
Juvenile Court Clerk	8,427	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	Constitutional 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
Sheriff	21,445	0	0	0	0	0
Trustee	373,049	0	0	0	0	0
Total Fees Received From County Officials	<u>\$ 1,204,594</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
State of Tennessee						
General Government Grants						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	0
Public Safety Grants						
Law Enforcement Training Programs	29,000	0	0	0	0	0
School Resource Officer Grants	606,400	0	0	0	0	0
Other Public Safety Grants	76,481	0	0	0	0	0
Health and Welfare Grants						
Health Department Programs	194,943	0	0	0	0	0
Emergency Medical Services Training Programs	11,200	0	0	0	0	0
Public Works Grants						
State Aid Program	0	0	0	0	2,357,923	0
Litter Program	31,085	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	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
State of Tennessee (Cont.)						
Other State Revenues						
Beer Tax	\$ 17,752	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Vehicle Certificate of Title Fees	7,620	0	0	0	0	0
Alcoholic Beverage Tax	66,242	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	92,598	0	0	0	0	0
State Revenue Sharing - T.V.A.	351,655	0	0	0	0	0
State Revenue Sharing - Telecommunications	178,112	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	40,261	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
Other State Grants	325,008	69,935	0	0	0	0
Other State Revenues	8,169	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	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
Federal Government						
Federal Through State						
Appalachian Regional Commission	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Community Development	0	0	0	0	0	0
American Rescue Plan Act Grant #1	0	0	0	0	0	0
American Rescue Plan Act Grant #4	0	0	0	0	0	0
Other Federal through State	5,031	0	0	0	0	0
Direct Federal Revenue						
Other Direct Federal Revenue	22,200	0	0	0	0	0
Total Federal Government	<u>\$ 27,231</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Other Governments and Citizens Groups						
Other Governments						
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 525,038
Other						
Opioid Settlement Funds - Past Remediation	45,590	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 45,590</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 525,038</u>
Total	<u>\$ 17,757,063</u>	<u>\$ 821,803</u>	<u>\$ 41,986</u>	<u>\$ 20,976</u>	<u>\$ 5,463,424</u>	<u>\$ 2,573,770</u>

(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
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	\$ 2,202,571	\$ 280,794	\$ 15,894,953

(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	\$ 106,311
Permits			
Beer Permits	0	0	570
Building Permits	0	0	325,532
Other Permits	0	0	1,852
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 434,265</u>
Fines, Forfeitures, and Penalties			
Circuit Court			
Fines	\$ 0	\$ 0	\$ 19,024
DUI Treatment Fines	0	0	111
Data Entry Fee - Circuit Court	0	0	1,186
Courtroom Security Fee	0	0	4,088
General Sessions Court			
Fines	0	0	22,994
Officers Costs	0	0	48,573
Game and Fish Fines	0	0	16
Drug Control Fines	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	
	Special Debt Service	General Capital Projects	Total
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	
	Special Debt Service	General Capital Projects	Total
<hr/>			
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	<u>\$ 0</u>	<u>\$ 20,644</u>	<u>\$ 1,065,464</u>
<hr/>			
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	\$ 150,709
Sheriff	0	0	21,445
Trustee	0	0	373,049
Total Fees Received From County Officials	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,204,594</u>
State of Tennessee			
General Government Grants			
Juvenile Services Program	\$ 0	\$ 0	\$ 9,000
Public Safety Grants			
Law Enforcement Training Programs	0	0	29,000
School Resource Officer Grants	0	0	606,400
Other Public Safety Grants	0	0	76,481
Health and Welfare Grants			
Health Department Programs	0	0	194,943
Emergency Medical Services Training Programs	0	0	11,200
Public Works Grants			
State Aid Program	0	0	2,357,923
Litter Program	0	0	31,085

(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
<hr/>			
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	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,527,124</u>

(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
Federal Government			
Federal Through State			
Appalachian Regional Commission	\$ 0	\$ 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	5,031
Direct Federal Revenue			
Other Direct Federal Revenue	0	0	22,200
Total Federal Government	<u>\$ 0</u>	<u>\$ 1,005,040</u>	<u>\$ 1,032,271</u>
Other Governments and Citizens Groups			
Other Governments			
Contributions	\$ 0	\$ 0	\$ 525,038
Other			
Opioid Settlement Funds - Past Remediation	0	0	45,590
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 570,628</u>
Total	<u>\$ 2,202,571</u>	<u>\$ 1,306,478</u>	<u>\$ 30,188,071</u>

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	<u>\$ 6,390,868</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 6,390,868</u>
Licenses and Permits						
Licenses						
Marriage Licenses	\$ 1,834	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,834
Total Licenses and Permits	<u>\$ 1,834</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,834</u>

(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	<u>\$ 50,576</u>	<u>\$ 0</u>	<u>\$ 235,804</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 286,380</u>
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	<u>\$ 79,992</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,109,184</u>	<u>\$ 0</u>	<u>\$ 2,189,176</u>

(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	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	
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	<u>\$ 154,377</u>	<u>\$ 4,902,457</u>	<u>\$ 3,292,832</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 8,349,666</u>
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	<u>\$ 2,449,268</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,028,044</u>	<u>\$ 3,477,312</u>
Total	<u>\$ 47,674,734</u>	<u>\$ 4,902,457</u>	<u>\$ 3,528,636</u>	<u>\$ 2,109,184</u>	<u>\$ 1,028,044</u>	<u>\$ 59,243,055</u>

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		1,466	
Total Planning			\$ 148,789

Building

Maintenance and Repair Services - Buildings	\$	21,142	
Maintenance and Repair Services - Equipment		4,827	
Electricity		9,904	
Other Charges		33	
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		9,637	
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			\$ 382,314

Other General Administration

Supervisor/Director	\$	3,000	
Social Security		226	
Pensions		165	
Total Other General Administration			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			19,117

Risk Management

Supervisor/Director	\$	16,317	
Social Security		1,248	
Pensions		898	
Other Contracted Services		4,531	
Total Risk Management			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		14,376	
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		509	
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		2,302	
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		2,639	
Total Workhouse			\$ 119,236

Fire Prevention and Control

Contributions	\$	1,500	
Maintenance and Repair Services - Vehicles		191	
Diesel Fuel		1,306	
Other Equipment		335	
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		7,018	
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		1,188	
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		26,312	
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		27,271	
Total Other Emergency Management			36,464

County Coroner/Medical Examiner

Medical Personnel	\$	9,500	
Medical and Dental Services		35,525	
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		1,922	
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		30,458	
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	192,065	
Total Other Charges		\$ 2,343,675

Contributions to Other Agencies

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

Employee Benefits

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

Miscellaneous

Contributions	\$ 7,000	
Dues and Memberships	8,080	
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		35,617

Total General Fund		\$ 16,870,259
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(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			\$ 592,499

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			\$ 32,572

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			\$ 20,976

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	<u>2,334,311</u>	
Total Capital Outlay		\$ 3,376,682

Principal on Debt

Highways and Streets

Principal on Notes	\$ <u>147,214</u>	
Total Highways and Streets		147,214

Interest on Debt

Highways and Streets

Interest on Notes	\$ <u>49,500</u>	
Total Highways and Streets		<u>49,500</u>

Total Highway/Public Works Fund \$ 6,141,284

General Debt Service Fund

Principal on Debt

General Government

Principal on Notes	\$ <u>46,050</u>	
Total General Government		\$ 46,050

Highways and Streets

Principal on Notes	\$ <u>591,248</u>	
Total Highways and Streets		591,248

Education

Principal on Bonds	\$ <u>370,000</u>	
Total Education		370,000

Interest on Debt

General Government

Interest on Notes	\$ <u>5,941</u>	
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	\$ 103,404	
Total Highways and Streets		\$ 103,404

Education

Interest on Bonds	\$ 155,038	
Total Education		155,038

Other Debt Service

General Government

Trustee's Commission	\$ 13,281	
Total General Government		13,281

Total General Debt Service Fund

\$ 1,284,962

Special Debt Service Fund

Other Operations

Other Charges

Trustee's Commission	\$ 17,148	
Total Other Charges		\$ 17,148

Capital Projects

Education Capital Projects

Contributions	\$ 1,028,044	
Total Education Capital Projects		1,028,044

Total Special Debt Service Fund

1,045,192

General Capital Projects Fund

Principal on Debt

General Government

Principal on Other Loans	\$ 4,367,053	
Total General Government		\$ 4,367,053

Interest on Debt

General Government

Interest on Other Loans	\$ 138,501	
Total General Government		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	\$ 30,559	
Total General Government		\$ 30,559

Capital Projects

General Administration Projects

Engineering Services	\$ 6,855	
Building Construction	3,696,170	
Total General Administration Projects		3,703,025

Public Safety Projects

Consultants	\$ 39,426	
Engineering Services	192,669	
Building Construction	16,726,830	
Motor Vehicles	853,853	
Total Public Safety Projects		17,812,778

Public Health and Welfare Projects

Building Improvements	\$ 120,315	
Total Public Health and Welfare Projects		120,315

Other General Government Projects

Consultants	\$ 24,970	
Trustee's Commission	5,820	
Total Other General Government Projects		30,790

Highway and Street Capital Projects

Highway Construction	\$ 246,259	
Total Highway and Street Capital Projects		246,259

American Rescue Plan Act Grant #1

Consultants	\$ 335,250	
Engineering Services	6,666	
Building Construction	598,197	
Site Development	1,000	
Total American Rescue Plan Act Grant #1		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
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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
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Total Governmental Funds - Primary Government		\$ 55,808,950
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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		24,068	
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		5,785	
Total Health Services			257,068

Other Student Support

Other Contracted Services	\$	500	
In Service/Staff Development		9,160	
Other Charges		32,788	
Other Equipment		2,640	
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		462,108	
Total Transportation			\$ 579,834

Capital Outlay

Regular Capital Outlay

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

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
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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
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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
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Total Governmental Funds - Macon County School Department			\$ 56,371,480
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SINGLE AUDIT SECTION



JASON E. MUMPOWER
Comptroller

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

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*.

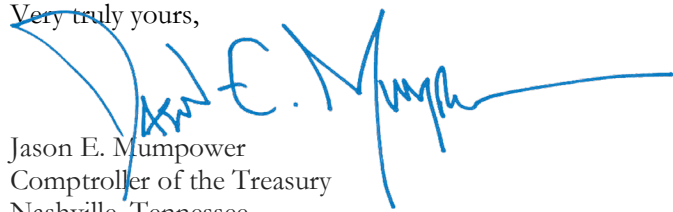
Macon County's Response to Finding

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. Mumpower
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>\$ 3,292,832</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>\$ 364,465</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>\$ 747,399</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>\$ 500</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>\$ 4,929,256</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>\$ 5,031</u>
Total Expenditures of Federal Grants			<u>\$ 9,339,483</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.)

	Assistance Listing Number	Contract Number	Expenditures
State Grants			
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			<u>\$ 2,415,470</u>

ALN = Assistance Listing Number

N/A = Not Applicable

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

(2) 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		<u>\$ 183,924</u>

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.