Tennessee Comptroller of the Treasury

Annual Financial Report

McMinn County, Tennessee

For the Year Ended June 30, 2025

Jason E. Mumpower
Comptroller of the Treasury

Division of Local Government Audit

ANNUAL FINANCIAL REPORT

McMINN COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2025

COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

ROBERT J. ANDERSON, CPA, CGFM
Audit Manager

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

McMINN COUNTY, TENNESSEE
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Summary of Audit Findings

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

Scope

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

Results

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

Our audit resulted in no findings.

Tennessee Comptroller of the Treasury

Introductory Section

McMINN COUNTY OFFICIALS

June 30, 2025

Officials

John Gentry, County Mayor
Dan Evans, Commissioner of Highways
Lee Parkison, Director of Schools
Phil Tuggle, Trustee
Keith Price, Assessor of Property
Melinda King, County Clerk
Rhonda Cooley, Circuit and General Sessions Courts Clerk
Patty Gaines, Clerk and Master
Cheryl Ingram, Register of Deeds
Joe Guy, Sheriff
Jason Luallen, Director of Finance

Board of County Commissioners

Scott Curtis, Chairperson
Brent Carter
Scott Cass
Travis Crisp
Tim King
Roger Masingale
J.W. McPhail
Jerry Millsaps
Tad Simpson
Charles Slack

Financial Management Committee

Roger Masingale, Chairperson
John Gentry, County Mayor
Dan Evans, Commissioner of Highways
Lee Parkison, Director of Schools
Tim King
J.W. McPhail
Tad Simpson

Board of Education

Jonathan Pierce, Chairperson
Tony Allman
Donna Casteel
Mike Cochran
Taylor Cook
Kevin Goins
Bill Irvin
Joe Malone
Tony Campbell
Dustin Prichard

Audit Committee

Scott Curtis, Chairperson
Tad Simpson
J.W. McPhail
Tim King
Charles Slack

Financial Section

Jason E. Mumpower
Comptroller

Independent Auditor's Report

McMinn County Mayor and
Board of County Commissioners
McMinn 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 McMinn 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 McMinn County, Tennessee, as of June 30, 2025, and the respective changes in financial position thereof and the respective budgetary comparison for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Internal School Fund, a special revenue fund of the discretely presented McMinn County School Department, which represent 1.96 percent, 2.23 percent, and 2.74 percent, respectively, of the assets, net position, and revenues of the discretely presented McMinn County School Department as of June 30, 2025. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Internal School Fund of the McMinn County School Department, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of McMinn 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.

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Changes in Accounting Principle

As described in Note V.B., McMinn 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.11. to the financial statements, which describes restatements to the beginning Governmental Activities net position totaling ($22,793) for the primary government and ($99,163) for the discretely presented McMinn 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 McMinn 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 McMinn 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 McMinn County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require that the schedule of changes in the county's net pension liability (asset) and related ratios, schedules of county and school contributions, schedules of school's proportionate share of the net pension liability (asset), and schedules of county and school changes in the total other postemployment benefits liability and related rations, 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 McMinn County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the Other Capital Projects Fund, combining and individual fund financial statements of the McMinn 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 Other Capital Projects Fund, combining and individual fund financial statements of the McMinn 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 September 22, 2025, on our consideration of McMinn 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 McMinn 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 McMinn County's internal control over financial reporting and compliance.

Very truly yours,

Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

September 22, 2025

JEM/gc

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Basic Financial Statements Section

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

	Primary Government	Component Unit
	Governmental Activities	McMinn County School Department
ASSETS		
Cash and Cash Equivalents	$ 276,831	$ 1,290,050
Equity in Pooled Cash and Investments	87,373,546	12,960,762
Inventories	21,988	0
Accounts Receivable	984,770	6,172
Allowance for Uncollectibles	(8,000)	0
Due from Other Governments	1,573,020	3,954,316
Property Taxes Receivable	17,770,432	2,475,021
Allowance for Uncollectible Property Taxes	(663,522)	(92,413)
Prepaid Items	0	27,830
Notes Receivable	3,795,000	0
Restricted Assets - Amounts Accumulated for Pension Benefits	0	870,505
Net Pension Asset - Agent Plan	3,706,750	2,904,182
Net Pension Asset - Teacher Retirement Plan	0	285,497
Net Pension Asset - Teacher Legacy Pension Plan	0	9,101,937
Capital Assets:		
Assets Not Depreciated:		
Land	4,581,552	990,892
Construction in Progress	675,887	0
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	18,195,279	25,673,916
Landfill Facilities and Development	2,323,759	0
Infrastructure	26,325,610	1,210,052
Other Capital Assets	6,515,957	4,036,109
Total Assets	$ 173,448,859	$ 65,694,828
DEFERRED OUTFLOWS OF RESOURCES		
Pension Changes in Experience	$ 895,607	$ 3,152,522
Pension Changes in Assumptions	0	113,451
Pension Changes in Proportion	0	202,809
Pension Contributions After Measurement Date	419,291	1,660,459
OPEB Changes in Experience	22,464	379,574
OPEB Changes in Proportion	0	91,894
OPEB Changes in Assumptions	72,647	1,076,427
OPEB Contributions After Measurement Date	0	206,891
Total Deferred Outflows of Resources	$ 1,410,009	$ 6,884,027

(Continued)

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

	Primary Government: Governmental Activities	Component Unit: McMinn County School Department
LIABILITIES		
Accounts Payable	$ 528,137	$ 940,968
Accrued Payroll	608,131	509,709
Payroll Deductions Payable	0	297,670
Noncurrent Liabilities:		
Due Within One Year - Debt	682,228	0
Due Within One Year - Other	475,214	386,551
Due in More Than One Year - Debt	6,742,313	0
Due in More Than One Year - Other	6,312,436	6,381,666
Total Liabilities	$ 15,348,459	$ 8,516,564
DEFERRED INFLOWS OF RESOURCES		
Deferred Current Property Taxes	$ 16,618,905	$ 2,314,640
Pension Changes in Experience	0	87,712
Pension Changes in Investment Earnings	479,845	2,196,798
Pension Changes in Proportion	0	388,452
OPEB Changes in Experience	56,377	465,490
OPEB Changes in Proportion	0	304,532
OPEB Changes in Assumptions	29,276	483,196
Total Deferred Inflows of Resources	$ 17,184,403	$ 6,240,820
NET POSITION		
Net Investment in Capital Assets	$ 58,618,044	$ 31,910,969
Restricted for:		
General Government	294,960	0
Finance	140,127	0
Administration of Justice	297,204	0
Public Safety	708,567	0
Public Health and Welfare	8,504,422	0
Social, Cultural, and Recreational Services	2,401,968	0
Highway/Public Works	1,560,128	0
Education	0	5,002,169
Capital Projects	38,750,716	0
Pensions	3,706,750	13,162,121
Permanent Endowment:		
Expendable	1,855,314	0
Nonspendable	3,094,167	0
Unrestricted	22,393,639	7,746,212
Total Net Position	$ 142,326,006	$ 57,821,471

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

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

		Program Revenues			Net (Expense) Revenue and Changes in Net Position	
					Primary Government	Component Unit
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	McMinn County School Department
Primary Government:						
Governmental Activities:						
General Government	$ 5,297,673	$ 778,085	$ 728,909	$ 404,592	$ (3,386,087)	$ 0
Finance	2,965,062	1,898,482	0	0	(1,066,580)	0
Administration of Justice	2,196,645	910,868	262,733	10,692	(1,012,352)	0
Public Safety	10,798,767	1,031,168	1,268,247	185,593	(8,313,759)	0
Public Health and Welfare	3,310,644	781,395	1,852,184	282,781	(394,284)	0
Social, Cultural, and Recreational Services	361,082	0	0	0	(361,082)	0
Agriculture and Natural Resources	310,973	0	0	0	(310,973)	0
Highways	8,635,237	214,586	2,872,057	555,428	(4,993,166)	0
Education	1,293,184	0	0	0	(1,293,184)	0
Interest on Long-Term Debt	93,099	0	0	0	(93,099)	0
Total Primary Government	$ 35,262,366	$ 5,614,584	$ 6,984,130	$ 1,439,086	$ (21,224,566)	$ 0
Component Unit:						
McMinn County School Department	$ 67,088,725	$ 187,219	$ 12,466,299	$ 2,440,273	$ 0	$ (51,994,934)
Total Component Unit	$ 67,088,725	$ 187,219	$ 12,466,299	$ 2,440,273	$ 0	$ (51,994,934)

(Continued)

McMINN COUNTY, TENNESSEE
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Total Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Component Unit: McMinn County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					$ 8,876,576	$ 2,447,006
Property Taxes Levied for Highways					1,605,018	0
Property Taxes Levied for Capital Projects					7,069,653	0
Local Option Sales Taxes					2,510,135	9,673,954
Hotel/Motel Tax					695,036	0
Litigation Tax					578,639	0
Business Tax					644,514	117,098
Wholesale Beer Tax					131,393	0
Other Local Taxes					89,403	1,038
Grants and Contributions Not Restricted to Specific Programs					992,454	39,261,098
Unrestricted Investment Income					2,988,917	225,367
Gain on Sale of Capital Assets					56,449	0
Miscellaneous					164,547	50,193
Total General Revenues and Transfers					$ 26,402,734	$ 51,775,754
Change in Net Position					$ 5,178,168	$ (219,180)
Net Position, July 1, 2024					137,170,631	58,139,814
Restatement - See Note I.D.11.					(22,793)	(99,163)
Net Position, June 30, 2025					$ 142,326,006	$ 57,821,471

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

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

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	Other Capital Projects	Other Govern-mental Funds	Total Governmental Funds
ASSETS					
Cash	$ 16,553	$ 0	$ 0	$ 260,278	$ 276,831
Equity in Pooled Cash and Investments	17,630,598	2,860,008	54,026,820	12,856,120	87,373,546
Inventories	21,988	0	0	0	21,988
Accounts Receivable	257,621	54,817	242,083	430,249	984,770
Allowance for Uncollectibles	0	0	0	(8,000)	(8,000)
Due from Other Governments	915,789	474,406	170,383	12,442	1,573,020
Due from Other Funds	113,531	0	0	0	113,531
Property Taxes Receivable	8,995,780	1,622,254	7,152,398	0	17,770,432
Allowance for Uncollectible Property Taxes	(335,889)	(60,573)	(267,060)	0	(663,522)
Notes Receivable - Long-term	3,795,000	0	0	0	3,795,000
Total Assets	$ 31,410,971	$ 4,950,912	$ 61,324,624	$ 13,551,089	$ 111,237,596
LIABILITIES					
Accounts Payable	$ 169,254	$ 57,559	$ 243,761	$ 57,563	$ 528,137
Accrued Payroll	513,208	70,952	0	23,971	608,131
Due to Other Funds	0	0	0	113,531	113,531
Total Liabilities	$ 682,462	$ 128,511	$ 243,761	$ 195,065	$ 1,249,799

(Continued)

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

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	Other Capital Projects	Other Govern-mental Funds	Total Governmental Funds
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	$ 8,412,852	$ 1,517,131	$ 6,688,922	$ 0	$ 16,618,905
Deferred Delinquent Property Taxes	206,688	37,273	164,334	0	408,295
Other Deferred/Unavailable Revenue	87,511	0	0	0	87,511
Total Deferred Inflows of Resources	$ 8,707,051	$ 1,554,404	$ 6,853,256	$ 0	$ 17,114,711
FUND BALANCES					
Nonspendable:					
Endowments	$ 0	$ 0	$ 0	$ 3,094,167	$ 3,094,167
Inventory	21,988	0	0	0	21,988
Long-term Notes Receivable	3,795,000	0	0	0	3,795,000
Restricted:					
Restricted for General Government	220,434	0	0	74,526	294,960
Restricted for Finance	62,180	0	0	77,947	140,127
Restricted for Administration of Justice	197,355	0	0	99,849	297,204
Restricted for Public Safety	608,871	0	0	99,696	708,567
Restricted for Public Health and Welfare	449,897	0	0	9,909,839	10,359,736
Restricted for Social, Cultural, and Recreational Services	2,401,968	0	0	0	2,401,968
Restricted for Highways/Public Works	0	1,522,855	0	0	1,522,855
Restricted for Capital Projects	0	0	38,586,382	0	38,586,382
Committed:					
Committed for General Government	620,035	0	0	0	620,035

(Continued)

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

	Major Funds			Nonmajor Funds	
FUND BALANCES (Cont.)	General	Highway / Public Works	Other Capital Projects	Other Govern-mental Funds	Total Governmental Funds
Committed (Cont.):					
Committed for Public Health and Welfare	$ 375,514	$ 0	$ 0	$ 0	$ 375,514
Committed for Highways/Public Works	0	1,745,142	0	0	1,745,142
Committed for Debt Service	2,459,050	0	0	0	2,459,050
Committed for Capital Projects	0	0	15,641,225	0	15,641,225
Assigned:					
Assigned for General Government	1,082,908	0	0	0	1,082,908
Assigned for Finance	33,860	0	0	0	33,860
Unassigned	9,692,398	0	0	0	9,692,398
Total Fund Balances	$ 22,021,458	$ 3,267,997	$ 54,227,607	$ 13,356,024	$ 92,873,086
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 31,410,971	$ 4,950,912	$ 61,324,624	$ 13,551,089	$ 111,237,596

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

McMINN 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)		$ 92,873,086
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	$ 4,581,552	
Add: construction in progress	675,887	
Add: buildings and improvements net of accumulated depreciation	18,195,279	
Add: landfill facilities net of accumulated depreciation	2,323,759	
Add: infrastructure net of accumulated depreciation	26,325,610	
Add: other capital assets net of accumulated depreciation	6,515,957	58,618,044
(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	$ (412,500)	
Less: other loans payable	(3,019,483)	
Less: bonds payable	(3,795,000)	
Less: unamortized premium on debt	(197,558)	
Less: compensated absences payable	(522,213)	
Less: landfill closure/postclosure care costs	(5,672,825)	
Less: net OPEB liability	(592,612)	(14,212,191)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	$ 1,314,898	
Less: deferred inflows of resources related to pensions	(479,845)	
Add: deferred outflows of resources related to OPEB	95,111	
Less: deferred inflows of resources related to OPEB	(85,653)	844,511
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.		3,706,750
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		495,806
Net position of governmental activities (Exhibit A)		$ 142,326,006

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

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

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	Other Capital Projects	Other Govern-mental Funds	Total Governmental Funds
Revenues					
Local Taxes	$ 13,421,689	$ 1,746,685	$ 7,307,204	$ 0	$ 22,475,578
Licenses and Permits	147,122	0	0	0	147,122
Fines, Forfeitures, and Penalties	292,677	0	0	70,892	363,569
Charges for Current Services	145,080	0	0	1,579,620	1,724,700
Other Local Revenues	1,317,059	95,787	2,170,642	1,699,282	5,282,770
Fees Received From County Officials	1,863,717	0	0	0	1,863,717
State of Tennessee	2,518,293	3,376,066	428,149	252,742	6,575,250
Federal Government	710,925	445	708,624	642	1,420,636
Other Governments and Citizens Groups	297,710	65,509	265,470	3,000	631,689
Total Revenues	$ 20,714,272	$ 5,284,492	$ 10,880,089	$ 3,606,178	$ 40,485,031
Expenditures					
Current:					
General Government	$ 1,555,018	$ 0	$ 0	$ 247,989	$ 1,803,007
Finance	2,632,182	0	0	315,335	2,947,517
Administration of Justice	1,680,198	0	0	351,236	2,031,434
Public Safety	10,309,007	0	0	97,115	10,406,122
Public Health and Welfare	829,655	0	0	1,474,751	2,304,406
Social, Cultural, and Recreational Services	257,813	0	0	0	257,813
Agriculture and Natural Resources	307,329	0	0	0	307,329
Other Operations	1,810,618	0	0	74,049	1,884,667
Highways	0	5,879,443	0	0	5,879,443

(Continued)

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

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	Other Capital Projects	Other Govern- mental Funds	Total Governmental Funds
Expenditures (Cont.)					
Debt Service:					
Principal on Debt	$ 225,000	$ 0	$ 238,752	$ 0	$ 463,752
Interest on Debt	86,588	0	22,490	0	109,078
Capital Projects	0	0	4,264,947	0	4,264,947
Total Expenditures	$ 19,693,408	$ 5,879,443	$ 4,526,189	$ 2,560,475	$ 32,659,515
Excess (Deficiency) of Revenues Over Expenditures	$ 1,020,864	$ (594,951)	$ 6,353,900	$ 1,045,703	$ 7,825,516
Other Financing Sources (Uses)					
Notes Issued	$ 0	$ 0	$ 412,500	$ 0	$ 412,500
Other Loans Issued	0	0	367,993	0	367,993
Proceeds from Sale of Capital Assets	0	90,388	0	0	90,388
Insurance Recovery	88,269	12,898	0	0	101,167
Total Other Financing Sources (Uses)	$ 88,269	$ 103,286	$ 780,493	$ 0	$ 972,048
Net Change in Fund Balances	$ 1,109,133	$ (491,665)	$ 7,134,393	$ 1,045,703	$ 8,797,564
Fund Balance, July 1, 2024	20,912,325	3,759,662	47,093,214	12,310,321	84,075,522
Fund Balance, June 30, 2025	$ 22,021,458	$ 3,267,997	$ 54,227,607	$ 13,356,024	$ 92,873,086

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

McMINN 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)		$ 8,797,564
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	$ 2,954,772	
Less: current-year depreciation expense	(4,458,978)	(1,504,206)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase (decrease) net position.		
Less: book value of capital assets disposed	$ (52,689)	
Less: capital assets transferred to the Discretely Presented McMinn County School Department	(1,293,184)	(1,345,873)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2025	$ 495,806	
Less: deferred delinquent property taxes and other deferred June 30, 2024	(596,752)	(100,946)
(4) The issuance of long-term debt (e.g., bonds, notes, other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these difference in the treatment of long-term debt and related items.		
Add: principal payment on bonds	$ 225,000	
Add: principal payment on other loans	238,752	
Add: change in unamortized premium on debt issuances	15,979	
Less: note and other loan proceeds	(780,493)	(300,762)
(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 compensated absences payable	$ (57,231)	
Change in landfill closure/postclosure care costs	(132,957)	
Change in net OPEB liability	(66,934)	
Change in net pension asset/liability	376,151	
Change in deferred outflows related to pensions	(275,216)	
Change in deferred inflows related to pensions	(214,494)	
Change in deferred outflows related to OPEB	42,962	
Change in deferred inflows related to OPEB	(39,890)	(367,609)
Change in net position of governmental activities (Exhibit B)		$ 5,178,168

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

McMINN 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)	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues						
Local Taxes	$ 13,421,689	$ 0	$ 13,421,689	$ 12,852,111	$ 13,052,455	$ 369,234
Licenses and Permits	147,122	0	147,122	161,000	161,000	(13,878)
Fines, Forfeitures, and Penalties	292,677	0	292,677	215,300	215,300	77,377
Charges for Current Services	145,080	0	145,080	95,100	138,100	6,980
Other Local Revenues	1,317,059	0	1,317,059	713,846	1,022,520	294,539
Fees Received From County Officials	1,863,717	0	1,863,717	1,370,000	1,964,572	(100,855)
State of Tennessee	2,518,293	0	2,518,293	2,208,264	2,941,152	(422,859)
Federal Government	710,925	0	710,925	153,570	428,543	282,382
Other Governments and Citizens Groups	297,710	0	297,710	119,900	119,900	177,810
Total Revenues	$ 20,714,272	$ 0	$ 20,714,272	$ 17,889,091	$ 20,043,542	$ 670,730
Expenditures						
General Government						
County Commission	$ 228,628	$ 0	$ 228,628	$ 226,571	$ 266,827	$ 38,199
County Mayor/Executive	301,503	0	301,503	331,604	347,581	46,078
County Attorney	55,707	0	55,707	59,327	60,763	5,056
Election Commission	396,641	0	396,641	384,881	434,450	37,809
Register of Deeds	29,552	0	29,552	43,100	43,100	13,548
Planning	18,245	0	18,245	83,393	83,393	65,148
County Buildings	524,742	0	524,742	550,531	597,305	72,563

(Continued)

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

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)						
Finance						
Accounting and Budgeting	$ 832,800	$ 0	$ 832,800	$ 808,120	$ 865,029	$ 32,229
Purchasing	207,011	0	207,011	10,000	224,586	17,575
Property Assessor's Office	660,328	0	660,328	623,917	717,142	56,814
County Trustee's Office	60,071	0	60,071	80,085	84,085	24,014
County Clerk's Office	848,531	33,860	882,391	799,501	916,059	33,668
Other Finance	23,441	0	23,441	25,000	25,000	1,559
Administration of Justice						
Circuit Court	657,497	0	657,497	121,300	757,993	100,496
General Sessions Court	337,234	0	337,234	349,773	352,010	14,776
Drug Court	19,819	0	19,819	30,000	30,000	10,181
Chancery Court	351,542	0	351,542	367,646	388,828	37,286
Courtroom Security	314,106	0	314,106	276,051	329,402	15,296
Public Safety						
Sheriff's Department	2,767,570	0	2,767,570	2,648,057	3,125,668	358,098
Special Patrols	772,432	0	772,432	733,000	817,412	44,980
Administration of the Sexual Offender Registry	4,411	0	4,411	3,000	6,000	1,589
Jail	4,735,563	0	4,735,563	4,184,090	5,089,640	354,077
Juvenile Services	420,020	0	420,020	424,420	458,711	38,691
Work Release Program	54,616	0	54,616	61,573	63,810	9,194
Fire Prevention and Control	304,664	0	304,664	266,732	326,732	22,068
Civil Defense	823,325	0	823,325	762,830	823,325	0

(Continued)

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

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)						
Public Safety (Cont.)						
Rescue Squad	$ 8,100	$ 0	$ 8,100	$ 8,100	$ 8,100	$ 0
Other Emergency Management	223,437	0	223,437	210,033	236,580	13,143
County Coroner/Medical Examiner	194,869	0	194,869	159,000	199,000	4,131
Public Health and Welfare						
Local Health Center	696,407	0	696,407	726,007	1,155,279	458,872
Ambulance/Emergency Medical Services	4,897	0	4,897	20,700	20,700	15,803
Alcohol and Drug Programs	0	0	0	5,000	5,000	5,000
Other Local Health Services	62,911	0	62,911	62,912	62,912	1
General Welfare Assistance	7,991	0	7,991	7,992	7,992	1
Sanitation Management	57,449	0	57,449	105,100	105,100	47,651
Other Public Health and Welfare	0	0	0	28,055	28,055	28,055
Social, Cultural, and Recreational Services						
Libraries	154,000	0	154,000	154,000	154,000	0
Parks and Fair Boards	103,813	0	103,813	142,330	142,330	38,517
Agriculture and Natural Resources						
Agricultural Extension Service	262,084	0	262,084	280,539	282,409	20,325
Soil Conservation	45,245	0	45,245	51,176	54,967	9,722
Other Operations						
Tourism	$ 198,988	$ 0	$ 198,988	$ 200,000	$ 200,000	$ 1,012
Industrial Development	145,268	0	145,268	405,060	430,060	284,792

(Continued)

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

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)						
Other Operations (Cont.)						
Airport	$ 79,908	$ 0	$ 79,908	$ 83,600	$ 83,600	$ 3,692
Veterans' Services	104,395	0	104,395	115,341	118,341	13,946
Other Charges	930,635	0	930,635	596,000	952,344	21,709
Employee Benefits	351,424	0	351,424	336,575	536,575	185,151
Principal on Debt						
General Government	225,000	0	225,000	0	225,000	0
Interest on Debt						
General Government	86,588	0	86,588	0	86,588	0
Total Expenditures	$ 19,693,408	$ 33,860	$ 19,727,268	$ 17,952,022	$ 22,329,783	$ 2,602,515
Excess (Deficiency) of Revenues Over Expenditures	$ 1,020,864	$ (33,860)	$ 987,004	$ (62,931)	$ (2,286,241)	$ 3,273,245
Other Financing Sources (Uses)						
Insurance Recovery	$ 88,269	$ 0	$ 88,269	$ 0	$ 88,269	$ 0
Total Other Financing Sources	$ 88,269	$ 0	$ 88,269	$ 0	$ 88,269	$ 0
Net Change in Fund Balance	$ 1,109,133	$ (33,860)	$ 1,075,273	$ (62,931)	$ (2,197,972)	$ 3,273,245
Fund Balance, July 1, 2024	20,912,325	0	20,912,325	8,119,561	8,119,561	12,792,764
Fund Balance, June 30, 2025	$ 22,021,458	$ (33,860)	$ 21,987,598	$ 8,056,630	$ 5,921,589	$ 16,066,009

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

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Local Taxes	$ 1,746,685	$ 0	$ 0	$ 1,746,685	$ 1,791,393	$ 1,832,087	$ (85,402)
Other Local Revenues	95,787	0	0	95,787	66,000	66,000	29,787
State of Tennessee	3,376,066	0	0	3,376,066	3,030,800	3,365,010	11,056
Federal Government	445	0	0	445	1,545	1,545	(1,100)
Other Governments and Citizens Groups	65,509	0	0	65,509	60,000	60,000	5,509
Total Revenues	$ 5,284,492	$ 0	$ 0	$ 5,284,492	$ 4,949,738	$ 5,324,642	$ (40,150)
Expenditures							
Highways							
Administration	$ 303,332	$ 0	$ 0	$ 303,332	$ 345,889	$ 363,926	$ 60,594
Highway and Bridge Maintenance	2,834,635	(679,960)	827,788	2,982,463	2,998,952	4,251,180	1,268,717
Operation and Maintenance of Equipment	638,378	0	0	638,378	652,919	670,020	31,642
Other Charges	366,474	0	0	366,474	269,925	386,119	19,645
Employee Benefits	332,767	0	0	332,767	395,050	395,050	62,283
Capital Outlay	1,403,857	(286,222)	0	1,117,635	871,500	1,212,531	94,896
Interest on Debt							
Highways and Streets	0	0	0	0	1,000	1,000	1,000
Total Expenditures	$ 5,879,443	$ (966,182)	$ 827,788	$ 5,741,049	$ 5,535,235	$ 7,279,826	$ 1,538,777

(Continued)

McMINN COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balance - Actual (Budgetary Basis) and Budget
Highway/Public Works Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Excess (Deficiency) of Revenues Over Expenditures	$ (594,951)	$ 966,182	$ (827,788)	$ (456,557)	$ (585,497)	$ (1,955,184)	$ 1,498,627
Other Financing Sources (Uses)							
Proceeds from Sale of Capital Assets	$ 90,388	$ 0	$ 0	$ 90,388	$ 0	$ 0	$ 90,388
Insurance Recovery	12,898	0	0	12,898	0	0	12,898
Total Other Financing Sources	$ 103,286	$ 0	$ 0	$ 103,286	$ 0	$ 0	$ 103,286
Net Change in Fund Balance	$ (491,665)	$ 966,182	$ (827,788)	$ (353,271)	$ (585,497)	$ (1,955,184)	$ 1,601,913
Fund Balance, July 1, 2024	3,759,662	(966,182)	0	2,793,480	3,003,123	3,003,123	(209,643)
Fund Balance, June 30, 2025	$ 3,267,997	$ 0	$ (827,788)	$ 2,440,209	$ 2,417,626	$ 1,047,939	$ 1,392,270

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

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

		Custodial Funds
ASSETS		
Cash	$	5,645,828
Equity in Pooled Cash and Investments		149,193
Accounts Receivable		6,324
Due from Other Governments		2,456,141
Property Taxes Receivable		933,864
Allowance for Uncollectible Property Taxes		(34,870)
Total Assets	$	9,156,480
LIABILITIES		
Accounts Payable	$	755
Due to Other Taxing Units		2,469,520
Total Liabilities	$	2,470,275
DEFERRED INFLOWS OF RESOURCES		
Deferred Current Property Taxes	$	873,349
Total Deferred Inflows of Resources	$	873,349
NET POSITION		
Restricted for Individuals, Organizations and Other Governments	$	5,812,856
Total Net Position	$	5,812,856

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

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

		Custodial Funds
ADDITIONS		
Sales Tax Collections for Other Governments	$	10,895,276
ADA - Educational Funds Collected for Cities		4,568,057
Fines/Fees and Other Collections		11,470,141
Drug Task Force Collections		314,144
District Attorney General Collections		38,121
Total Additions	$	27,285,739
DEDUCTIONS		
Payment of Sales Tax Collections to Other Governments	$	10,895,276
Payments to City School Systems		4,568,057
Payments to State		7,248,602
Payments to Cities		385,369
Payments to Individuals and Others		6,586,200
Payment of Drug Task Force Expenses		409,097
Payment of District Attorney General Expenses		39,391
Total Deductions	$	30,131,992
Net Increase (Decrease) in Fiduciary in Net Position	$	(2,846,253)
Net Position, July 1, 2024		8,659,109
Net Position, June 30, 2025	$	5,812,856

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

McMINN COUNTY, TENNESSEE
INDEX OF NOTES TO THE FINANCIAL STATEMENTS

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

McMinn 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 McMinn County:

A. Reporting Entity

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

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

The McMinn County School Department operates the public school system in the county, and the voters of McMinn 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 McMinn County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of McMinn County, and the McMinn 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 McMinn County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

The McMinn 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 McMinn County Emergency Communications District can be obtained from their administrative offices at the following addresses:

Administrative Office:

McMinn County Emergency Communications District
1107 South Congress Parkway
Athens, TN 37303

Related Organizations – The McMinn County Industrial Development Board and the McMinn County Economic Development Authority are related organizations of McMinn County. The county commission appoints board members, but the county's accountability for the organizations does not extend beyond making the appointments.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all 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 McMinn 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 McMinn 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.

McMinn County issues all debt for the discretely presented McMinn County School Department. There were no debt issues contributed by the county to the school department during the year ended June 30, 2025.

Separate financial statements are provided for governmental funds and fiduciary funds. 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 McMinn County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund balance/fund net position, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary; however, McMinn County has no proprietary funds to report. An emphasis is placed on major funds within the governmental category.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 60 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. McMinn 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.

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

Fiduciary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category does not include any trust funds. The category only includes custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement.

McMinn 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.

Other Capital Projects Fund – This fund accounts for resources restricted or committed for capital expenditures of McMinn County and the discretely presented McMinn County School Department.

Additionally, McMinn County reports the following fund types:

Permanent Fund – The Endowment Fund is used to account for an endowment established from receipts of funds resulting from the previous sale of the Woods Memorial Hospital. The principal must remain intact while interest earned on the principal is to be expended for health benefits inside the county.

Custodial Funds – These funds account for amounts collected in a custodial capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in McMinn County, the city school systems' share of educational revenues, state grants and other restricted revenues held for the benefit of the Judicial District Drug Task Force, and restricted revenues held for the benefit of the Office of District Attorney General.

The discretely presented McMinn County School Department reports the following major governmental funds:

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.

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

Central Cafeteria Fund – This special revenue fund is used to account for the cafeteria operations in each of the schools. Service charges and federal grants are the foundational revenues of this fund.

Internal School Fund – This special revenue fund is used to account for the 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 McMinn 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, Capital Projects and Endowment funds. McMinn 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. McMinn 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 reserve 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 property taxes and solid waste receivables are shown with an allowance for uncollectibles. Solid waste receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to 1.94 percent of total taxes levied.

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

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current fiscal year. These property taxes receivable are presented on the balance sheet as a deferred inflow of resources to reflect amounts not available as of June 30. Property taxes collected within 60 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.

Payables are disaggregated on the face of the financial statements.

3. Inventories and Prepaid Items

Inventories of McMinn County are recorded at cost, determined on the first-in, first-out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories are offset in the nonspendable fund balance account in governmental funds.

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

4. Restricted Assets

Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of the discretely presented McMinn 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 McMinn County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the McMinn 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.

5. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. The county's threshold for additions to capital assets is $10,000 and an estimated useful life in excess of one year except for buildings and improvements that are capitalized when the cost is $50,000 or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

Assets	Years
Buildings	40-50
Infrastructure	40-50
Building Improvements	10-20
Other Capital Assets	4-20

6. Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds Balance Sheet. These items are from the following sources: current and delinquent property taxes; pension changes in experience, investment earnings, and proportion; OPEB changes in experience, proportion, and assumptions; 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.

7. Compensated Absences

It is the county and school department's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Employees are allowed to carryover 24 days to the next year. All vacation pay is accrued when incurred in the government-wide financial statements for the county and the school department.

Employees of both the primary government and school department who meet the requirement of a full-service retirement under TCRS will be paid for unused sick leave days on record at retirement. Payment for each unused day will be at a rate of one-half of the minimum substitute teacher pay paid by the McMinn County Board of Education. Therefore, 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. Sick leave expected to be credited to TCRS service is not accrued.

A liability for vacation and sick pay 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 and school department policies

The primary government and school department also offer retirement incentive benefits that are discussed in Note V.I. - Other Postemployment Benefits and Note V.J. - Retirement Incentives.

8. Long-term Debt and Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Debt premiums and discounts are deferred and are amortized over the life of the new debt using the straight-line method. Debt issuance costs are expensed in the period incurred. In refunding transactions, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the refunded debt or the life of the new debt issued, whichever is shorter.

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

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

9. Net Position and Fund Balance

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

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

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

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

The government-wide Statement of Net Position reports $56,364,842 of restricted net position, of which $1,163,547 is restricted by enabling legislation.

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 makes assignments for the primary government. The Board of Education makes assignments for the school department. Assigned fund balance in the General Fund primarily represents amounts assigned for appropriations for use in the 2025-26 year budget ($1,082,908). Assigned fund balance in the school department's General Purpose School Fund represents amounts assigned for encumbrances ($278,842), for textbooks ($523,362), and for capital projects ($24,371).

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

10. Minimum Fund Balance Policy

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

General Fund – unassigned fund balance of 8 percent of the next year's budget.

Highway/Public Works Fund – 20 percent of the next year's budget.

11. Restatements

With the implementation of GASB Statement 101, *Compensated Absences,* McMinn County must recognize a restatement to the beginning net position in the Government-wide financial statements for the primary government and the discretely presented McMinn County School Department to record a compensated absences liability. A restatement of ($22,793) has been presented to reflect the beginning balance of the primary government and ($99,163) for the discretely presented McMinn County School Department. The following table reflects the restatement amounts necessary to implement this standard:

	Government Wide - Governmental Activities	
	Primary Government	Discretely Presented McMinn County School Department
Net Position, as previously reported	$ 137,170,631	$ 58,139,814
Adjustments for GASB 101 Implementation:		
Compensated Absences Liability	(22,793)	(99,163)
Net Change in Beginning Net Position	$ (22,793)	$ (99,163)
Net Position, June 30, 2024 Restated	$ 137,147,838	$ 58,040,651

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

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

F. Other Postemployment Benefit (OPEB) Plans

Primary Government

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

Discretely Presented McMinn 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 McMinn 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 McMinn 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 McMinn 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

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds except the Constitutional Officers - Fees Fund, the school department's Internal School Fund (special revenue funds), and the Endowment Fund (permanent 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, County Mayor, County Attorney, etc.). Management may make revisions within major categories, but only the county commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

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

On June 30, 2025, McMinn County and the McMinn County School Department reported the following significant encumbrances:

Funds		Amount
Primary Government:		
Major Funds:		
General	$	33,860
Highway/Public Works		827,788
Other Capital Projects		1,292,914
Nonmajor governmental funds		159,117
School Department:		
Major Funds:		
General Purpose School		278,842
Central Cafeteria		8,500

IV. DETAILED NOTES ON ALL FUNDS

A. *Deposits and Investments*

McMinn County and the McMinn 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 represent nonpooled amounts held separately by individual funds.

Deposits

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

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

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

Investments

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

Investment Balances. As of June 30, 2025, McMinn County had the following investments carried at amortized cost using a stable Net Asset Value. Pooled investments are held in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for McMinn County and the discretely presented McMinn County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity	Maturities		Amortized Cost
State Treasurer's Investment Pool	1 to 45 days	N/A	$	570,381

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State statutes limit the maturities of certain investments as previously disclosed. McMinn County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments as previously explained. McMinn County has no investment policy that would further limit its investment choices. As of June 30, 2025, McMinn County's investment in the State Treasurer's Investment Pool was unrated.

Further information concerning the legal provisions, investment policies, investment types, and credit risks for the State Treasurer's Investment Pool and the State Treasurer's Intermediate Term Investment Fund can be obtained by reviewing the State of Tennessee Annual Comprehensive Financial Report.

TCRS Stabilization Trust

Legal Provisions. The McMinn 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 McMinn 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 McMinn 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	$	269,856
Developed Market International Equity	N/A	N/A		121,871
Emerging Market International Equity	N/A	N/A		34,820
U.S. Fixed Income	N/A	N/A		174,101
Real Estate	N/A	N/A		87,051
Short-term Securities	N/A	N/A		8,705
Private Equity and Strategic Lending	N/A	N/A		174,101
Total			$	870,505

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

B. Notes Receivable

Hiwassee Utilities Commission has executed a note in favor of McMinn County committing to pay the principal and interest requirements on general obligation refunding bonds that were issued by the county on behalf of the commission. The balance of the note on June 30, 2025, was $3,795,000 and the amount not expected to be received within one year was $3,570,000.

C. *Capital Assets*

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

Primary Government

Governmental Activities:

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	$ 3,876,476	$ 705,076	$ 0	$ 4,581,552
Construction in Progress	1,568,451	1,238,690	(2,131,254)	675,887
Total Capital Assets Not Depreciated	$ 5,444,927	$ 1,943,766	$ (2,131,254)	$ 5,257,439
Capital Assets Depreciated:				
Buildings and Improvements	$ 31,356,147	$ 2,131,254	$ (1,293,184)	$ 32,194,217
Landfill Facilities and Development	6,373,603	0	0	6,373,603
Infrastructure	101,212,677	68,181	(90,908)	101,189,950
Other Capital Assets	18,778,194	942,825	(353,748)	19,367,271
Total Capital Assets Depreciated	$ 157,720,621	$ 3,142,260	$ (1,737,840)	$ 159,125,041
Less Accumulated Depreciation For:				
Buildings and Improvements	$ 13,216,256	$ 782,682	$ 0	$ 13,998,938
Landfill Facilities and Development	4,047,524	2,320	0	4,049,844
Infrastructure	72,273,272	2,681,976	(90,908)	74,864,340
Other Capital Assets	12,160,373	992,000	(301,059)	12,851,314
Total Accumulated Depreciation	$ 101,697,425	$ 4,458,978	$ (391,967)	$ 105,764,436
Total Capital Assets Depreciated, Net	$ 56,023,196	$ (1,316,718)	$ (1,345,873)	$ 53,360,605
Governmental Activities Capital Assets, Net	$ 61,468,123	$ 627,048	$ (3,477,127)	$ 58,618,044

Decreases to buildings and improvements include $1,293,184 for capital assets contributed to the school department upon completion and before being placed in service and depreciated.

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

Governmental Activities:

General Government	$ 810,989
Administration of Justice	984
Public Safety	542,805
Public Health and Welfare	168,223
Social, Cultural, and Recreational Services	102,905
Highways/Public Works	2,833,072
Total Depreciation Expense - Governmental Activities	$ 4,458,978

Discretely Presented McMinn County School Department

Governmental Activities:

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	$ 990,892	$ 0	$ 0	$ 990,892
Construction in Progress	398,677	0	(398,677)	0
Total Capital Assets Not Depreciated	$ 1,389,569	$ 0	$ (398,677)	$ 990,892
Capital Assets Depreciated:				
Buildings and Improvements	$ 60,939,484	$ 2,235,922	$ 0	$ 63,175,406
Infrastructure	3,563,295	0	0	3,563,295
Other Capital Assets	12,406,647	1,043,951	(314,420)	13,136,178
Total Capital Assets Depreciated	$ 76,909,426	$ 3,279,873	$ (314,420)	$ 79,874,879
Less Accumulated Depreciation For:				
Buildings and Improvements	$ 35,990,152	$ 1,511,338	$ 0	$ 37,501,490
Infrastructure	2,035,429	317,814	0	2,353,243
Other Capital Assets	8,710,637	703,852	(314,420)	9,100,069
Total Accumulated Depreciation	$ 46,736,218	$ 2,533,004	$ (314,420)	$ 48,954,802
Total Capital Assets Depreciated, Net	$ 30,173,208	$ 746,869	$ 0	$ 30,920,077
Governmental Activities Capital Assets, Net	$ 31,562,777	$ 746,869	$ (398,677)	$ 31,910,969

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

Governmental Activities:

Instruction	$	344,490
Support Services		2,160,476
Operation of Non-instructional Services		28,038
Total Depreciation Expense - Governmental Activities	$	2,533,004

D. Construction Commitments

On June 30, 2025, the Other Capital Projects Fund had uncompleted construction contracts of approximately $1,276,842 for paving, airport improvements, health department building construction, park renovations, a waterline, and flooring at an elementary school. The General Purpose School Fund had uncompleted construction contracts of approximately $272,342 for tennis court and track resurfacing, and flooring at an elementary school. Funding has been received for these future expenditures.

E. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

Receivable Fund	Payable Fund		Amount
Primary Government:			
General	Nonmajor governmental	$	113,531

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

F. Long-term Debt

Primary Government

General Obligation Bonds, Notes and Other Loans

General Obligation Bonds – McMinn County has issued general obligation refunding bonds to provide refinancing for utility improvements of the Hiwassee Utilities Commission. These refunding bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. The outstanding bonds were issued for an original term of 21 years. Repayment terms are structured with generally level amounts of principal maturing annually with interest requirements decreasing over the term of the debt. The bonds included in long-term debt as of June 30, 2025, will be retired from the General Fund and reimbursed by the Hiwassee Utilities Commission under a note receivable discussed in Note IV.B.

Direct Borrowing and Direct Placements - McMinn County issues other loans to provide funds for energy upgrades for the discretely presented school department. Capital outlay notes are issued to purchase land. 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 3 years for notes and up to 11 years for other loans. 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 Other Capital Projects Fund.

General obligation refunding 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 -				
Refunding	1.5 to 3 %	5-1-42	$ 4,685,000	$ 3,795,000
Direct Borrowing and Direct Placement:				
Energy Efficient Schools				
Initiative Loan	0.5	9-1-34	3,258,235	3,019,483
Capital Outlay Notes	0	1-15-28	412,500	412,500

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

Year Ending June 30	Bonds Principal	Bonds Interest	Bonds Total
2026	$ 225,000	$ 79,838	$ 304,838
2027	225,000	73,088	298,088
2028	225,000	66,337	291,337
2029	225,000	59,588	284,588
2030	225,000	52,837	277,837
2031-2035	1,125,000	207,936	1,332,936
2036-2040	1,105,000	110,100	1,215,100
2041-2042	440,000	13,200	453,200
Total	$ 3,795,000	$ 662,924	$ 4,457,924

Year Ending June 30	Notes - Direct Placement Principal	Interest	Total
2026	$ 137,500	$ 0	$ 137,500
2027	137,500	0	137,500
2028	137,500	0	137,500
Total	$ 412,500	$ 0	$ 412,500

Year Ending	Other Loans - Direct Placement		
June 30	Principal	Interest	Total
2026	$ 319,728	$ 14,232	$ 333,960
2027	321,336	12,624	333,960
2028	322,944	11,016	333,960
2029	324,564	9,396	333,960
2030	326,196	7,764	333,960
2031-2035	1,404,715	14,660	1,419,375
Total	$ 3,019,483	$ 69,692	$ 3,089,175

Bonded debt per capita totaled $71, based on the 2020 federal census. Total debt per capita, including bonds, other loans, and unamortized debt premiums, totaled $139 based on the 2020 federal census.

Changes in Long-term Debt

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

Governmental Activities:	Bonds	Notes - Direct Placement	Other Loans - Direct Placement
Balance July 1, 2024	$ 4,020,000	$ 0	$ 2,890,242
Additions	0	412,500	367,993
Reductions	(225,000)	0	(238,752)
Balance, June 30, 2025	$ 3,795,000	$ 412,500	$ 3,019,483
Balance Due Within One Year	$ 225,000	$ 137,500	$ 319,728

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2025	$ 7,226,983
Less: Balance Due Within One Year - Debt	(682,228)
Add: Unamortized Premium on Debt	197,558
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	$ 6,742,313

G. *Long-term Obligations*

Primary Government

Changes in Long-term Obligations

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

Governmental Activities:		Compensated Absences*		Other Post-employment Benefits		Landfill Closure/ Postclosure Care Costs
Balance, July 1, 2024	$	464,982	$	525,678	$	5,539,868
Additions		57,231		140,902		166,912
Reductions		0		(73,968)		(33,955)
Balance, June 30, 2025	$	522,213	$	592,612	$	5,672,825
Balance Due Within One Year	$	475,214	$	0	$	0

* Restated beginning balance – see Note I.D.11. The change in compensated absences is presented as a net change.

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2025	$	6,787,650
Less: Balance Due Within One Year - Other		(475,214)
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	$	6,312,436

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

Discretely Presented McMinn County School Department

Changes in Long-term Obligations

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

Governmental Activities:		Compensated Absences*		Retirement Incentive		Other Post-employment Benefits
Balance, July 1, 2024	$	602,574	$	279,890	$	5,243,636
Additions		29,883		107,650		675,281
Reductions		0		(75,355)		(95,342)
Balance, June 30, 2025	$	632,457	$	312,185	$	5,823,575
Balance Due Within One Year	$	136,600	$	43,060	$	206,891

*Restated beginning balance – see Note I.D.11. The change in compensated absences is presented as a net change.

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2025	$ 6,768,217
Less: Balance Due Within One Year - Other	(386,551)
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	$ 6,381,666

Compensated absences, retirement incentives, and other postemployment benefits will be paid from the General Purpose School, School Federal Projects, and Central Cafeteria funds.

H. On-Behalf Payments

Discretely Presented McMinn County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the McMinn County School Department. These payments are made by the state to the Local Education Group Insurance Plan 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 $139,758. 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

It is the policy of the county to purchase commercial insurance for employee health insurance. Settled claims did not exceed commercial health insurance coverage during the fiscal year. All full-time employees of the primary government are eligible to participate along with eligible pre-65 retirees as discussed in Note V.I., Other Postemployment Benefits.

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

McMinn County and the discretely presented McMinn County School Department are exposed to various risks related to general liability, property, casualty, and workers' compensation losses. The county and the school department decided it was more economically feasible to join a public entity risk pool as opposed to purchasing commercial insurance for general liability, property, casualty, and workers' compensation coverage. The county and 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 Government Tort Liability Act to provide Governmental insurance coverage. The county and the school department pay annual premiums to the TN-RMT for their general liability, property, casualty, and workers' compensation insurance coverage. The creation of 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. *Conduit Debt Obligations*

McMinn County and the Hiwassee Utilities Commission (a joint venture discussed in Note V.F.) entered into a loan agreement with the Tennessee Department of Local Development Authority and the Tennessee Department of Environment and Conservation during the year ended June 30, 2022. The amount authorized for the loan is $1,459,450, and the loan contract is for a term of 20 years. Draws began on this loan during 2023-2024 to fund construction of utility improvements. As security for the loan, Hiwassee Utility Commission has pledged its fee revenues and McMinn County has pledged its ad valorem taxes and state shared revenues. McMinn County, as the guarantor for the loan, would be obligated for the loan payments in the event of default by the utility commission. On June 30, 2025, outstanding principal on the loan was $1,148,789. The project is ongoing as of the date of this report.

E. *Landfill Closure/Postclosure Care Costs*

McMinn County has active permits on file with the state Department of Environment and Conservation for a sanitary landfill and a demolition landfill. The county has provided financial assurances for estimated closure and 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. The $5,672,825 reported as landfill closure and postclosure care liability on June 30, 2025, represents the cumulative amount reported to date based on the use of 47 percent of the estimated capacity of the New Landfill Expansion Site. The amounts reported as closure/postclosure liability on June 30, 2025, are based on what it would cost to perform all closure and postclosure care in 2025. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The county will recognize the remaining estimated costs of closure and postclosure as the remaining estimated capacity is filled. Currently, the New Landfill Expansion Site is not accepting waste. However, the county maintains an active license should they decide to restart operations of the sanitary portion of site.

F. *Joint Ventures*

McMinn County is a participant in a joint venture with Bradley County in the operation of the Hiwassee Utilities Commission (the "commission"). The commission was established in 1972 under the Inter-local Cooperation Act to provide service as an urban public utility. The commission became operational in 1982. Each of the participants appoints three members of the Board to oversee the operations. McMinn County has issued its general obligation debt to provide financing of capital purchases for the utility. Hiwassee Utilities Commission has issued a note to McMinn County to document its commitment to pay the principal and interest requirements on the debt. See notes IV.B. and IV.F. for further discussion of the note receivable and the bonds payable. The commission has also entered into loan agreements for which the county is the guarantor. See note V.D. for further details.

The city of Athens and McMinn County participate in the joint operation of the E.G. Fisher Public Library. In 1995, the library was formed as a not-for-profit corporation under the laws of the State of Tennessee. The library is a full-service library offering circulation and reference services, reader's advisory, children's services and programs, and a strong genealogical collection, to residents of McMinn County. The library's board consists of four members appointed by the McMinn County Commission and three members appointed by the Athens City Council. In addition, two members of the Ocoee Regional Library Board serve as ex officio voting members of the E.G. Fisher Public Library Board. Those two members are also appointed by McMinn County. Even though the county appoints six total members of the board, four of those members are appointed based on nominations by other cities and towns (Calhoun, Etowah, Niota, and Englewood). Therefore, those four appointments are not considered substantive for purposes of determining the county's reporting relationship with the library board.

The Tenth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Tenth Judicial District; Bradley, McMinn, Monroe, and Polk counties; and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district.

McMinn County does not have an equity interest in the above-noted joint ventures. Complete financial statements for the joint ventures can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Hiwassee Utilities Commission
3973 Chatata Valley Road
Charleston, TN 37310

E.G. Fisher Public Library Board
1289 Ingleside Avenue
Athens, TN 37303

District Attorney General
Tenth Judicial District
P.O. Box 647
Athens, TN 37371-0647

G. Jointly Governed Organization

McMinn County, in conjunction with Bradley, Monroe, and Polk counties, participates in the Southeast Tennessee Community Corrections Program. The program's 20-member board comprises the county mayor/executive and the sheriff of each of the four counties, the district attorney, and one member from a nonprofit organization. The remaining ten members are appointed by the board from the private sector. The program provides alternative sentencing for selected nonviolent offenders and receives funding from the Tennessee Department of Correction. The counties that participate in the program do not have any ongoing financial interest or responsibility for the program.

H. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of McMinn County and non-certified employees of the discretely presented McMinn County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 56.07 percent and the non-certified employees of the discretely presented school department comprised 43.93 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	473
Inactive Employees Entitled to But Not Yet Receiving Benefits	781
Active Employees	479
Total	1,733

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. McMinn County makes employer contributions at a rate higher than the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2025, the employer contributions for McMinn County were $721,294 based on an elected rate of 4.17 percent of covered payroll. The rate set by the Board of Trustees for the year ended June 30, 2025, was 3.55 percent. By law, employer contributions are required to be paid. The TCRS may intercept McMinn 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)

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

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

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

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

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

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

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

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

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from McMinn 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 (Aset) (a)-(b)
Balance, July 1, 2023	$ 69,689,875	$ 75,603,882	$ (5,914,007)
Changes for the Year:			
Service Cost	$ 1,620,435	$ 0	$ 1,620,435
Interest	4,686,304	0	4,686,304
Differences Between Expected and Actual Experience	1,710,336	0	1,710,336
Contributions-Employer	0	688,628	(688,628)
Contributions-Employees	0	826,965	(826,965)
Net Investment Income	0	7,267,446	(7,267,446)
Benefit Payments, Including Refunds of Employee Contributions	(3,767,179)	(3,767,179)	0
Administrative Expense	0	(69,039)	69,039
Net Changes	$ 4,249,896	$ 4,946,821	$ (696,925)
Balance, June 30, 2024	$ 73,939,771	$ 80,550,703	$ (6,610,932)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	56.07%	$ 41,458,029	$ 45,164,779	$ (3,706,750)
School Department	43.93%	32,481,742	35,385,924	(2,904,182)
Total		$ 73,939,771	$ 80,550,703	$ (6,610,932)

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

McMinn County	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	$ 2,837,074	$ (6,610,932)	$ (14,386,178)

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, McMinn County recognized pension expense (negative pension expense) of $955,498.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, McMinn 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	$ 1,597,301	$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	855,797
Contributions Subsequent to the Measurement Date of June 30, 2024 (1)	721,294	N/A
Total	$ 2,318,595	$ 855,797

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	$ 1,314,898	$ 479,845
School Department	1,003,697	375,952
Total	$ 2,318,595	$ 855,797

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	$ (475,955)
2027	1,682,834
2028	(16,875)
2029	(448,501)
2030	0
Thereafter	0

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

Discretely Presented McMinn County School Department - Non-certified Employees

General Information About the Pension Plans

Plan Description. As noted above under the primary government, employees of McMinn County and non-certified employees of the discretely presented McMinn 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 56.07 percent and the non-certified employees of the discretely presented school department comprise 43.93 percent of the plan based on contribution data.

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

General Information About the Pension Plan

Plan Description. Teachers of the McMinn 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 $300,998, which is three percent of covered payroll. In addition, employer contributions of $95,621, 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 ($285,497) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2024, the school department's proportion was 0.400636 percent. The proportion as of June 30, 2023, was 0.376759 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, the McMinn County School Department recognized pension expense (negative pension expense) of $236,017.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, the school department reported deferred outflows 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	$ 23,583	$ 87,712
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	48,159
Changes in Assumptions	113,451	0
Changes in Proportion of Net Pension Liability (Asset)	21,800	41,163
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	300,998	N/A
Total	$ 459,832	$ 177,034

The school department's employer contributions of $300,998 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	$ (30,433)
2027	36,197
2028	(20,294)
2029	(20,030)
2030	3,362
Thereafter	12,999

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

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

Mortality rates are based on actuarial 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 reflect more closely actual and expected future experience.

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

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

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

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

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75 percent, as well as what the school department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75 percent) or one percentage point higher (7.75 percent) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	$ 752,946	$ (285,497)	$ (1,058,315)

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

General Information About the Pension Plan

Plan Description. Teachers of the McMinn 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 McMinn County School Department for the year ended June 30, 2025, to the Teacher Legacy Pension Plan were $1,057,458, 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 ($9,101,937) 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 0.528303 percent. The proportion measured as of June 30, 2023, was 0.502176 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, the school department recognized pension expense (negative pension expense) of $1,923,143.

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	$ 2,427,245	$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	1,772,687
Changes in Proportion of Net Pension Liability (Asset)	181,009	347,289
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	1,057,458	N/A
Total	$ 3,665,712	$ 2,119,976

The school department's employer contributions of $1,057,458 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	$ (1,073,756)
2027	3,420,229
2028	(924,865)
2029	(933,331)
2030	0
Thereafter	0

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

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

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

Mortality rates 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 reflect more closely actual and expected future experience.

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

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

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

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

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75 percent, as well as what the school department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75 percent) or one percentage point higher (7.75 percent) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	$ 11,562,614	$ (9,101,937)	$ (26,240,362)

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

McMinn 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. 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 $501,242 and teachers contributed $256,722 to this deferred compensation pension plan.

I. Other Postemployment Benefits (OPEB)

McMinn County and the discretely presented McMinn County School Department provide OPEB benefits to their retirees under various OPEB plans. These include OPEB provided through a state administered public entity risk pool for the school department and a commercial health insurance plan for the primary government. For reporting purposes, the plans are considered single employer defined benefit OPEB plans based on criteria in Statement No. 75 of the Governmental Accounting Standards Board (GASB). The plans are funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

OPEB Provided through Commercial Plan – Primary Government

Plan Description. McMinn County primary government provides postemployment healthcare benefits through Blue Cross Blue Shield. Benefits are established and may be amended by an insurance committee established by the county commission.

Benefits Provided. Eligible employees must attain age 55 and obtain ten years of service, or any age and have 30 years of service. Ten of these years must be with McMinn County. Benefits cease when the retiree becomes Medicare eligible. Spouse benefits are provided while the retiree is eligible for coverage. Surviving spouse benefits are not provided. The county does not contribute towards health insurance premiums. Retirees pay 100 percent of the premium. However, retirees with 30 years of creditable service are reimbursed either $2,000 annually for up to five years until Medicare eligible or $10,000 in one lump sum payment. The county also reimburses a portion of the retiree and spouse deductible through a health reimbursement arrangement (HRA) until Medicare eligibility.

Employees Covered by Benefit Terms. As of the measurement date of June 30, 2025, the following employees were covered by the benefit terms:

Inactive Employees Currently Receiving Benefits	1
Inactive Employees Entitled To But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	212
Total	213

Total OPEB Liability

The total OPEB liability of $592,612 was determined based on a valuation date of July 1, 2024, and a measurement date of June 30, 2025.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the actuarial valuation 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
Salary Scale	3.5%
Discount Rate	5.2%
Healthcare Cost Trend Rates	7.5% for FY25; decreasing .5% per year to an ultimate rate of 5%.
Retirees Share of Benefit-related Cost	See discussion under Benefits Provided

The discount rate was based on the Bond Buyer's 20 Bond Index as of June 30, 2025.

The mortality rates are from the PUB-2010 Mortality Table, fully generational with scale MP-2021. The actuarial assumptions used in the valuation were based on plan data and costs presented by the county with concurrence by the actuary.

Changes in the Total OPEB Liability

	OPEB Liability
Balance June 30, 2024	$ 525,678
Changes for the Year:	
Service Cost	$ 44,446
Interest	24,813
Differences Between Expected and Actual Experience	(55,092)
Changes in Assumption	71,643
Benefit Payments	(18,876)
Net Changes	$ 66,934
Balance June 30, 2025	$ 592,612

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, the primary government recognized OPEB expense of $82,738. On June 30, 2025, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 22,464	$ 56,377
Changes of Assumptions	72,647	29,276
Total	$ 95,111	$ 85,653

Amounts reported as deferred inflows and deferred outflows of resources will be recognized in OPEB expense as follows:

Year Ending June 30	McMinn County
2026	$ 10,774
2027	4,001
2028	(6,082)
2029	(4,772)
2030	(1,612)
Thereafter	7,149

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

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

Discount Rate

	1% Decrease 4.2%	Discount Rate 5.2%	1% Increase 6.2%
Total OPEB Liability	$ 636,884	$ 592,612	$ 551,872

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

Healthcare Cost Trend Rate	1% Decrease (6.5% decreasing to 4%)	Current Trend Rate (7.5% decreasing to 5%)	1% Increase (8.5% decreasing to 6%)
Total OPEB Liability	$ 557,697	$ 592,612	$ 629,578

Discretely Presented McMinn County School Department

The McMinn County School Department provides healthcare benefits to its certified retirees under the closed Local Education Plan (LEP) until they reach Medicare eligibility. The certified retirees of McMinn 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 benefits provided

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

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

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

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

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

Plan Description. Employees of the McMinn 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 McMinn 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 the retiree premiums. The school department does not provide a direct subsidy and is only subject to the implicit subsidy.

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

Inactive Employees Currently Receiving Benefits	35
Inactive Employees Entitled To But Not Yet Receiving Benefits	2
Active Employees Eligible for Benefits	343
Total	380

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 $206,891 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		
	McMinn County School Department 61%	State of TN 39%	Total OPEB Liability
Balance July 1, 2023	$ 5,243,636	$ 3,457,374	$ 8,701,010
Changes for the Year:			
Service Cost	$ 245,445	$ 156,948	$ 402,393
Interest	199,799	127,761	327,560
Difference between Expected and Actual Experience	125,213	80,067	205,280
Changes in Proportion	56,868	(56,868)	0
Changes in Assumption	104,824	67,029	171,853
Benefit Payments	(152,210)	(108,460)	(260,670)
Net Changes	$ 579,939	$ 266,477	$ 846,416
Balance June 30, 2024	$ 5,823,575	$ 3,723,851	$ 9,547,426

The McMinn 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 McMinn 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 $382,168 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the McMinn County School Department's proportionate share of the collective OPEB liability was 61 percent and the State of Tennessee's share was 39 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 $877,161, 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	$ 379,574	$ 465,490
Changes in Proportion	91,894	304,532
Changes of Assumptions	1,076,427	483,196
Benefits Paid After the Measurement Date of June 30, 2024	206,891	0
Total	$ 1,754,786	$ 1,253,218

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

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

Year Ending June 30		School Department
2026	$	49,749
2027		53,271
2028		67,348
2029		94,783
2030		(3,326)
Thereafter		32,852

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

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

Discount Rate	1% Decrease 2.93%	Current Discount Rate 3.93%	1% Increase 4.93%
Proportionate Share of the Collective Total OPEB Liability	$ 6,275,965	$ 5,823,575	$ 5,395,513

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

Healthcare Cost Trend Rate	1% Decrease 9.68 to 3.5%	Current Rate 10.68 to 4.5%	1% Increase 11.68 to 5.5%
Proportionate Share of the Collective Total OPEB Liability	$ 5,214,870	$ 5,823,575	$ 6,531,068

J. Retirement Incentives

The school department offers a retirement incentive program in accordance with contract provisions. The plan is available to certified employees who have earned 30 years of verified teaching experience, the last ten years of employment being with the McMinn County School System. The plan is available to classified employees who have earned 30 years of service within McMinn County Government, the last ten being with the McMinn County School System. The plan gives employees who meet the above requirements a one-time payment of $10,000. During the 2024-25 year, seven employees participated in the program. The financial statements of this report reflect expenditures of $70,000 in the General Purpose School Fund for the retirement incentive payments. A non-discounted long-term liability of $312,185 is reflected on the government-wide Statement of Net Position for retirement incentives. Of that amount, $43,060 is due within one year.

The primary government also offers retirement incentives to its employees. These incentives are insurance related and have been included in the liability reported for OPEB. These benefits are discussed in Note V.I. Other Postemployment Benefits.

K. Office of Central Accounting, Budgeting, and Purchasing

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

L. Purchasing Law

The County Financial Management System of 1981 provides for the finance director or a deputy appointed by him to serve as the county purchasing agent. The finance director serves as the purchasing agent for McMinn County. All purchase orders are issued by the finance department. Purchases exceeding $50,000 are required to be competitively bid.

M. Subsequent Event

The McMinn County Board of Education entered a contract for Julie Goodin to serve as Director of Schools beginning August 1, 2025. Lee Parkison, acting Director of Schools as of June 30, 2025, remained through his contract term ending September 5, 2025.

Required Supplementary Information Section

McMINN 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	$ 1,091,600	$ 1,129,071	$ 1,120,614	$ 1,262,067	$ 1,230,795	$ 1,233,219	$ 1,250,561	$ 1,519,010	$ 1,616,630	$ 1,620,435
Interest	3,638,857	3,728,179	3,817,779	3,891,056	3,980,521	4,066,912	4,244,285	4,287,206	4,499,118	4,686,304
Differences Between Actual and Expected Experience	(582,624)	(672,700)	(610,319)	(892,363)	(916,416)	343,669	(1,884,698)	669,542	294,329	1,710,336
Changes in Assumptions	0	0	1,313,201	0	0	0	4,385,706	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(3,081,017)	(2,907,673)	(3,055,176)	(2,978,257)	(3,012,695)	(3,198,774)	(3,230,452)	(3,353,553)	(3,514,337)	(3,767,179)
Net Change in Total Pension Liability	$ 1,066,816	$ 1,276,877	$ 2,586,099	$ 1,282,503	$ 1,282,205	$ 2,445,026	$ 4,765,402	$ 3,122,205	$ 2,895,740	$ 4,249,896
Total Pension Liability, Beginning	48,967,002	50,033,818	51,310,695	53,896,794	55,179,297	56,461,502	58,906,528	63,671,930	66,794,135	69,689,875
Total Pension Liability, Ending (a)	$ 50,033,818	$ 51,310,695	$ 53,896,794	$ 55,179,297	$ 56,461,502	$ 58,906,528	$ 63,671,930	$ 66,794,135	$ 69,689,875	$ 73,939,771
Plan Fiduciary Net Position										
Contributions - Employer	$ 392,050	$ 382,097	$ 537,446	$ 546,375	$ 551,405	$ 558,529	$ 589,234	$ 616,920	$ 647,024	$ 688,628
Contributions - Employee	626,191	612,288	650,525	680,031	661,159	669,990	706,518	744,129	776,438	826,965
Net Investment Income	1,643,662	1,406,797	5,934,826	4,674,162	4,405,546	3,057,719	16,177,396	(2,941,172)	4,829,498	7,267,446
Benefit Payments, Including Refunds of Employee Contributions	(3,081,017)	(2,907,673)	(3,055,176)	(2,978,257)	(3,012,695)	(3,198,774)	(3,230,452)	(3,353,553)	(3,514,337)	(3,767,179)
Administrative Expense	(24,023)	(34,614)	(38,629)	(44,142)	(40,872)	(40,698)	(41,412)	(45,611)	(55,440)	(69,039)
Other	0	3,705	(203,044)	0	0	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	$ (443,137)	$ (537,400)	$ 3,825,948	$ 2,878,169	$ 2,564,543	$ 1,046,766	$ 14,201,284	$ (4,979,287)	$ 2,683,183	$ 4,946,821
Plan Fiduciary Net Position, Beginning	54,363,813	53,920,676	53,383,276	57,209,224	60,087,393	62,651,936	63,698,702	77,899,986	72,920,699	75,603,882
Plan Fiduciary Net Position, Ending (b)	$ 53,920,676	$ 53,383,276	$ 57,209,224	$ 60,087,393	$ 62,651,936	$ 63,698,702	$ 77,899,986	$ 72,920,699	$ 75,603,882	$ 80,550,703
Net Pension Liability (Asset), Ending (a - b)	$ (3,886,858)	$ (2,072,581)	$ (3,312,430)	$ (4,908,096)	$ (6,190,434)	$ (4,792,174)	$ (14,228,056)	$ (6,126,564)	$ (5,914,007)	$ (6,610,932)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	107.77%	104.04%	106.15%	108.89%	110.96%	108.14%	122.35%	109.17%	108.49%	108.94%
Covered Payroll	$ 12,375,395	$ 12,103,298	$ 12,888,387	$ 13,102,460	$ 13,223,121	$ 13,393,940	$ 14,130,259	$ 14,794,227	$ 15,516,166	$ 16,458,816
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(31.41%)	(17.12%)	(25.70%)	(37.46%)	(46.82%)	(35.78%)	(100.69%)	(41.41%)	(38.12%)	(40.17%)

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.

McMINN 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	$ 382,097	$ 408,562	$ 546,375	$ 551,405	$ 475,486	$ 501,626	$ 525,196	$ 550,823	$ 586,242	$ 614,268
Less: Contributions in Relation to the Actuarially Determined Contribution	(382,097)	(537,446)	(546,375)	(551,405)	(558,529)	(589,234)	(616,920)	(647,024)	(688,628)	(721,294)
Contribution Deficiency (Excess)	$ 0	$ (128,884)	$ 0	$ 0	$ (83,043)	$ (87,608)	$ (91,724)	$ (96,201)	$ (102,386)	$ (107,026)
Covered Payroll	$ 12,103,298	$ 12,888,387	$ 13,102,460	$ 13,223,121	$ 13,393,940	$ 14,130,259	$ 14,794,227	$ 15,516,166	$ 16,458,816	$ 17,303,321
Contributions as a Percentage of Covered Payroll	3.16%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.18%	4.17%

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.

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	$ 28,451	$ 95,073	$ 53,949	$ 84,078	$ 104,563	$ 106,372	$ 133,998	$ 215,075	$ 277,641	$ 300,998
Less: Contributions in Relation to the Contractually Required Contribution	(45,463)	(95,073)	(132,330)	(84,078)	(104,563)	(106,372)	(133,998)	(215,075)	(277,641)	(300,998)
Contribution Deficiency (Excess)	$ (17,012)	$ 0	$ (78,381)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Covered Payroll	$ 1,136,567	$ 2,376,825	$ 3,308,232	$ 4,334,240	$ 5,150,882	$ 5,415,341	$ 6,666,485	$ 7,440,065	$ 9,411,563	$ 10,033,244
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	1.94%	2.03%	1.96%	2.01%	2.89%	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%

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	$ 1,836,601	$ 1,773,029	$ 1,717,811	$ 1,914,309	$ 1,889,424	$ 1,779,059	$ 1,744,747	$ 1,416,111	$ 1,187,765	$ 1,057,458
Less: Contributions in Relation to the Contractually Required Contribution	(1,836,601)	(1,773,029)	(1,717,811)	(1,914,309)	(1,889,424)	(1,779,059)	(1,744,747)	(1,416,111)	(1,187,765)	(1,057,458)
Contribution Deficiency (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Covered Payroll	$ 20,313,260	$ 19,613,167	$ 18,918,665	$ 18,301,207	$ 17,774,441	$ 17,322,868	$ 16,939,314	$ 16,295,856	$ 17,441,467	$ 16,616,598
Contributions as a Percentage of Covered Payroll	9.04%	9.04%	9.08%	10.46%	10.63%	10.27%	10.30%	8.69%	6.81%	6.36%

McMINN COUNTY, TENNESSEE
Schedule of Proportionate Share of the Net Pension Liability (Asset)
in the Teacher Retirement Plan of TCRS
Discretely Presented McMinn 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)	0.276518%	0.258308%	0.362132%	0.378570%	0.409557%	0.408178%	0.364874%	0.390381%	0.376759%	0.400636%
School Department's Proportionate Share of the Net Pension Liability (Asset)	$ (11,124)	$ (26,891)	$ (95,542)	$ (171,692)	$ (231,189)	$ (232,107)	$ (395,236)	$ (118,256)	$ (159,759)	$ (285,497)
Covered Payroll	$ 574,530	$ 1,136,567	$ 2,376,825	$ 3,308,232	$ 4,334,240	$ 5,150,882	$ 5,415,341	$ 6,666,485	$ 7,440,065	$ 9,411,563
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94%)	(2.37%)	(4.02%)	(5.19%)	(5.33%)	(4.51%)	(7.30%)	(1.77%)	(2.15%)	(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%

McMINN COUNTY, TENNESSEE
Schedule of Proportionate Share of the Net Pension Liability (Asset)
in the Teacher Legacy Pension Plan of TCRS
Discretely Presented McMinn 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)	0.552247%	0.562726%	0.554835%	0.540274%	0.545793%	0.534047%	0.527787%	0.514725%	0.502176%	0.528303%
School Department's Proportionate Share of the Net Pension Liability (Asset)	$ 226,219	$ 3,516,723	$ (181,533)	$ (1,901,178)	$ (5,611,738)	$ (4,072,499)	$ (22,764,719)	$ (6,312,618)	$ (5,920,529)	$ (9,101,937)
Covered Payroll	$ 20,673,397	$ 20,313,260	$ 19,613,167	$ 18,918,665	$ 18,301,207	$ 17,774,441	$ 17,322,868	$ 16,939,314	$ 16,295,856	$ 17,441,467
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	1.09%	17.31%	(0.93%)	(10.05%)	(30.66%)	(22.91%)	(131.41%)	(37.27%)	(36.33%)	(52.19%)
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%

McMINN COUNTY, TENNESSEE
Schedule of Changes in the Total OPEB Liability and Related Ratios - Commercial Plan
Primary Government
For the Fiscal Year Ended June 30

	2018	2019	2020	2021	2022	2023	2024	2025
Total OPEB Liability								
Service Cost	$ 24,140	$ 30,587	$ 30,322	$ 35,455	$ 36,616	$ 45,307	$ 45,669	$ 44,446
Interest	10,446	13,420	12,805	8,680	9,070	16,887	19,159	24,813
Changes in Benefit Terms	0	0	(1,005)	0	0	0	0	0
Differences Between Actual and Expected Experience	0	52,370	0	(15,023)	0	49,566	0	(55,092)
Changes in Assumptions or Other Inputs	(6,257)	(2,184)	0	(5,061)	(39,011)	3,246	(10,848)	71,643
Benefit Payments	(31,812)	(26,497)	(22,379)	(15,629)	(23,407)	(6,542)	(14,964)	(18,876)
Net Change in Total OPEB Liability	$ (3,483)	$ 67,696	$ 19,743	$ 8,422	$ (16,732)	$ 108,464	$ 39,016	$ 66,934
Total OPEB Liability, Beginning	283,430	279,947	347,643	386,508	394,930	378,198	486,662	525,678
Total OPEB Liability, Ending	$ 279,947	$ 347,643	$ 367,386	$ 394,930	$ 378,198	$ 486,662	$ 525,678	$ 592,612
Primary Government Covered Employee Payroll	$ N/A	$ 7,998,661	$ 8,198,628	$ 8,276,258	$ 7,620,502	$ 7,762,381	$ 8,082,353	$ 8,771,067
Net OPEB Liability as a Percentage of Covered Employee Payroll	N/A	4.3%	4.5%	4.8%	5.0%	6.3%	6.5%	6.8%

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:

2018	3.87%
2019	3.50%
2020	2.21%
2021	2.16%
2022	3.54%
2023	3.65%
2024	3.93%
2025	5.20%

(b) In 2022, the mortality improvement scale was updated from Scale MP-2020 to Scale MP-2021.

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

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

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service Cost	$ 372,466	$ 344,213	$ 320,236	$ 311,386	$ 407,706	$ 506,470	$ 374,185	$ 402,393
Interest	182,563	219,431	207,123	211,640	167,771	193,283	296,677	327,560
Differences Between Actual and Expected Experience	0	(788,482)	589,144	429,728	(341,641)	83,045	(454,383)	205,280
Changes in Assumptions or Other Inputs	(282,767)	159,550	(472,777)	821,087	1,345,049	(904,723)	630,661	171,853
Benefit Payments	(309,933)	(354,804)	(354,116)	(299,043)	(316,779)	(324,924)	(302,674)	(260,670)
Net Change in Total OPEB Liability	$ (37,671)	$ (420,092)	$ 289,610	$ 1,474,798	$ 1,262,106	$ (446,849)	$ 544,466	$ 846,416
Total OPEB Liability, Beginning	6,034,642	5,996,971	5,576,879	5,866,489	7,341,287	8,603,393	8,156,544	8,701,010
Total OPEB Liability, Ending	$ 5,996,971	$ 5,576,879	$ 5,866,489	$ 7,341,287	$ 8,603,393	$ 8,156,544	$ 8,701,010	$ 9,547,426
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	$ 2,086,346	$ 1,907,025	$ 2,069,040	$ 2,480,709	$ 3,050,153	$ 3,074,863	$ 3,457,374	$ 3,723,851
Employer Proportionate Share of the Total OPEB Liability	3,910,625	3,669,854	3,797,449	4,860,578	5,553,240	5,081,681	5,243,636	5,823,575
Covered Employee Payroll	N/A	N/A	N/A	$ 29,040,874	$ 29,040,874	$ 29,401,152	$ 28,101,999	$ 31,369,345
Net OPEB Liability as a Percentage of Covered Employee Payroll	N/A	N/A	N/A	16.74%	19.12%	17.28%	18.66%	18.56%

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.

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for 2025 were calculated based on the June 30, 2023, actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed (Not to Exceed 20 Years)
Remaining Amortization Period	Varies by Year
Asset Valuation	10-Year Smoothed Within a 20% Corridor to Fair Value
Inflation	2.25%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, averaging 4%
Investment Rate of Return	6.75%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience Including an Adjustment for Some Anticipated Improvement
Cost of Living Adjustment	2.125%

Changes of assumptions: In 2021, the following assumptions were changed: decreased inflation rate from 2.5 percent to 2.25 percent; decreased the investment rate of return from 7.25 percent to 6.75 percent; decreased the cost-of-living adjustment from 2.25 percent to 2.125 percent; and modified mortality assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3 percent to 2.5 percent; decreased the investment rate of return from 7.5 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.5 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4 percent; and modified mortality assumptions.

Combining and Individual Fund Financial Statements and Schedules

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Law Library Fund – The Law Library Fund is used to account for a special tax levied by private act on litigation. Proceeds of the tax must be expended for the benefit of the county's law library.

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

Special Purpose Fund – The Special Purpose Fund is used to account for transactions related to opioid lawsuit settlement funds.

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.

PERMANENT FUNDS

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry.

Endowment Fund – The Endowment Fund is used to account for an endowment received by the county for which the principal amount must remain intact while interest earned on the principal is to be expended for healthcare needs within the county.

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

	Special Revenue Funds					
	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control	Constitu - tional Officers - Fees	Total
ASSETS						
Cash	$ 0	$ 400	$ 0	$ 0	$ 259,878	$ 260,278
Equity in Pooled Cash and Investments	98,438	7,208,178	501,830	98,193	0	7,906,639
Accounts Receivable	1,411	411,687	10,883	142	6,126	430,249
Allowance for Uncollectibles	0	(8,000)	0	0	0	(8,000)
Due from Other Governments	0	11,000	0	1,442	0	12,442
Total Assets	$ 99,849	$ 7,623,265	$ 512,713	$ 99,777	$ 266,004	$ 8,601,608
LIABILITIES						
Accounts Payable	$ 0	$ 32,482	$ 25,000	$ 81	$ 0	$ 57,563
Accrued Payroll	0	23,971	0	0	0	23,971
Due to Other Funds	0	0	0	0	113,531	113,531
Total Liabilities	$ 0	$ 56,453	$ 25,000	$ 81	$ 113,531	$ 195,065
FUND BALANCES						
Nonspendable:						
Endowments	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Restricted:						
Restricted for General Government	0	0	0	0	74,526	74,526
Restricted for Finance	0	0	0	0	77,947	77,947
Restricted for Administration of Justice	99,849	0	0	0	0	99,849
Restricted for Public Safety	0	0	0	99,696	0	99,696
Restricted for Public Health and Welfare	0	7,566,812	487,713	0	0	8,054,525
Total Fund Balances	$ 99,849	$ 7,566,812	$ 487,713	$ 99,696	$ 152,473	$ 8,406,543
Total Liabilities and Fund Balances	$ 99,849	$ 7,623,265	$ 512,713	$ 99,777	$ 266,004	$ 8,601,608

(Continued)

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

	Permanent Fund	
	Endowment	Total Nonmajor Governmental Funds
ASSETS		
Cash	$ 0	$ 260,278
Equity in Pooled Cash and Investments	4,949,481	12,856,120
Accounts Receivable	0	430,249
Allowance for Uncollectibles	0	(8,000)
Due from Other Governments	0	12,442
Total Assets	$ 4,949,481	$ 13,551,089
LIABILITIES		
Accounts Payable	$ 0	$ 57,563
Accrued Payroll	0	23,971
Due to Other Funds	0	113,531
Total Liabilities	$ 0	$ 195,065
FUND BALANCES		
Nonspendable:		
Endowments	$ 3,094,167	$ 3,094,167
Restricted:		
Restricted for General Government	0	74,526
Restricted for Finance	0	77,947
Restricted for Administration of Justice	0	99,849
Restricted for Public Safety	0	99,696
Restricted for Public Health and Welfare	1,855,314	9,909,839
Total Fund Balances	$ 4,949,481	$ 13,356,024
Total Liabilities and Fund Balances	$ 4,949,481	$ 13,551,089

McMINN 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					
	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control	Constitu - tional Officers - Fees	Total
Revenues						
Fines, Forfeitures, and Penalties	$ 3,304	$ 0	$ 0	$ 67,588	$ 0	$ 70,892
Charges for Current Services	0	703,619	0	0	876,001	1,579,620
Other Local Revenues	2,710	1,464,182	22,133	4,816	0	1,493,841
State of Tennessee	0	50,257	202,485	0	0	252,742
Federal Government	0	0	0	642	0	642
Other Governments and Citizens Groups	0	0	0	3,000	0	3,000
Total Revenues	$ 6,014	$ 2,218,058	$ 224,618	$ 76,046	$ 876,001	$ 3,400,737
Expenditures						
Current:						
General Government	$ 0	$ 0	$ 0	$ 0	$ 247,989	$ 247,989
Finance	0	0	0	0	315,335	315,335
Administration of Justice	58	0	0	0	351,178	351,236
Public Safety	0	0	0	97,115	0	97,115
Public Health and Welfare	0	1,213,092	261,659	0	0	1,474,751
Other Operations	0	73,859	0	0	0	73,859
Total Expenditures	$ 58	$ 1,286,951	$ 261,659	$ 97,115	$ 914,502	$ 2,560,285
Excess (Deficiency) of Revenues Over Expenditures	$ 5,956	$ 931,107	$ (37,041)	$ (21,069)	$ (38,501)	$ 840,452
Net Change in Fund Balances	$ 5,956	$ 931,107	$ (37,041)	$ (21,069)	$ (38,501)	$ 840,452
Fund Balance, July 1, 2024	93,893	6,635,705	524,754	120,765	190,974	7,566,091
Fund Balance, June 30, 2025	$ 99,849	$ 7,566,812	$ 487,713	$ 99,696	$ 152,473	$ 8,406,543

(Continued)

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

	Permanent Fund	
	Endowment	Total Nonmajor Governmental Funds
Revenues		
Fines, Forfeitures, and Penalties	$ 0	$ 70,892
Charges for Current Services	0	1,579,620
Other Local Revenues	205,441	1,699,282
State of Tennessee	0	252,742
Federal Government	0	642
Other Governments and Citizens Groups	0	3,000
Total Revenues	$ 205,441	$ 3,606,178
Expenditures		
Current:		
General Government	$ 0	$ 247,989
Finance	0	315,335
Administration of Justice	0	351,236
Public Safety	0	97,115
Public Health and Welfare	0	1,474,751
Other Operations	190	74,049
Total Expenditures	$ 190	$ 2,560,475
Excess (Deficiency) of Revenues Over Expenditures	$ 205,251	$ 1,045,703
Net Change in Fund Balances	$ 205,251	$ 1,045,703
Fund Balance, July 1, 2024	4,744,230	12,310,321
Fund Balance, June 30, 2025	$ 4,949,481	$ 13,356,024

McMINN COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget
Law Library Fund
For the Year Ended June 30, 2025

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Fines, Forfeitures, and Penalties	$ 3,304	$ 3,400	$ 3,400	$ (96)
Other Local Revenues	2,710	0	0	2,710
Total Revenues	$ 6,014	$ 3,400	$ 3,400	$ 2,614
Expenditures				
Administration of Justice				
Other Administration of Justice	$ 58	$ 3,400	$ 3,400	$ 3,342
Total Expenditures	$ 58	$ 3,400	$ 3,400	$ 3,342
Excess (Deficiency) of Revenues Over Expenditures	$ 5,956	$ 0	$ 0	$ 5,956
Net Change in Fund Balance	$ 5,956	$ 0	$ 0	$ 5,956
Fund Balance, July 1, 2024	93,893	90,411	90,411	3,482
Fund Balance, June 30, 2025	$ 99,849	$ 90,411	$ 90,411	$ 9,438

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

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues						
Charges for Current Services	$ 703,619	$ 0	$ 703,619	$ 621,000	$ 621,000	$ 82,619
Other Local Revenues	1,464,182	0	1,464,182	845,423	845,423	618,759
State of Tennessee	50,257	0	50,257	40,000	40,000	10,257
Total Revenues	$ 2,218,058	$ 0	$ 2,218,058	$ 1,506,423	$ 1,506,423	$ 711,635
Expenditures						
Public Health and Welfare						
Landfill Operation and Maintenance	$ 1,162,546	$ 0	$ 1,162,546	$ 1,341,661	$ 1,357,316	$ 194,770
Other Waste Disposal	16,591	26,617	43,208	455,000	455,000	411,792
Postclosure Care Costs	33,955	0	33,955	100,000	100,000	66,045
Other Operations						
Other Charges	73,859	0	73,859	55,365	76,265	2,406
Total Expenditures	$ 1,286,951	$ 26,617	$ 1,313,568	$ 1,952,026	$ 1,988,581	$ 675,013
Excess (Deficiency) of Revenues Over Expenditures	$ 931,107	$ (26,617)	$ 904,490	$ (445,603)	$ (482,158)	$ 1,386,648
Net Change in Fund Balance	$ 931,107	$ (26,617)	$ 904,490	$ (445,603)	$ (482,158)	$ 1,386,648
Fund Balance, July 1, 2024	6,635,705	0	6,635,705	5,969,439	5,969,439	666,266
Fund Balance, June 30, 2025	$ 7,566,812	$ (26,617)	$ 7,540,195	$ 5,523,836	$ 5,487,281	$ 2,052,914

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

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues						
Other Local Revenues	$ 22,133	$ 0	$ 22,133	$ 0	$ 0	$ 22,133
State of Tennessee	202,485	0	202,485	0	0	202,485
Total Revenues	$ 224,618	$ 0	$ 224,618	$ 0	$ 0	$ 224,618
Expenditures						
Public Health and Welfare						
Other Local Health Services	$ 261,659	$ 132,500	$ 394,159	$ 0	$ 523,585	$ 129,426
Total Expenditures	$ 261,659	$ 132,500	$ 394,159	$ 0	$ 523,585	$ 129,426
Excess (Deficiency) of Revenues Over Expenditures	$ (37,041)	$ (132,500)	$ (169,541)	$ 0	$ (523,585)	$ 354,044
Net Change in Fund Balance	$ (37,041)	$ (132,500)	$ (169,541)	$ 0	$ (523,585)	$ 354,044
Fund Balance, July 1, 2024	524,754	0	524,754	523,585	523,585	1,169
Fund Balance, June 30, 2025	$ 487,713	$ (132,500)	$ 355,213	$ 523,585	$ 0	$ 355,213

McMINN 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 Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Fines, Forfeitures, and Penalties	$ 67,588	$ 66,183	$ 66,183	$ 1,405
Other Local Revenues	4,816	25	25	4,791
Federal Government	642	0	0	642
Other Governments and Citizens Groups	3,000	0	0	3,000
Total Revenues	$ 76,046	$ 66,208	$ 66,208	$ 9,838
Expenditures				
Public Safety				
Drug Enforcement	$ 97,115	$ 90,504	$ 108,424	$ 11,309
Total Expenditures	$ 97,115	$ 90,504	$ 108,424	$ 11,309
Excess (Deficiency) of Revenues Over Expenditures	$ (21,069)	$ (24,296)	$ (42,216)	$ 21,147
Net Change in Fund Balance	$ (21,069)	$ (24,296)	$ (42,216)	$ 21,147
Fund Balance, July 1, 2024	120,765	123,201	123,201	(2,436)
Fund Balance, June 30, 2025	$ 99,696	$ 98,905	$ 80,985	$ 18,711

MAJOR GOVERNMENTAL FUND

CAPITAL PROJECTS FUND

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

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

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Local Taxes	$ 7,307,204	$ 0	$ 0	$ 7,307,204	$ 7,342,724	$ 7,510,256	$ (203,052)
Other Local Revenues	2,170,642	0	0	2,170,642	970,000	970,000	1,200,642
State of Tennessee	428,149	0	0	428,149	0	959,086	(530,937)
Federal Government	708,624	0	0	708,624	0	40,914	667,710
Other Governments and Citizens Groups	265,470	0	0	265,470	0	250,470	15,000
Total Revenues	$ 10,880,089	$ 0	$ 0	$ 10,880,089	$ 8,312,724	$ 9,730,726	$ 1,149,363
Expenditures							
Principal on Debt							
Education	$ 238,752	$ 0	$ 0	$ 238,752	$ 0	$ 238,752	$ 0
Interest on Debt							
Education	22,490	0	0	22,490	0	22,490	0
Capital Projects							
General Administration Projects	1,867,786	(586,369)	337,796	1,619,213	930,000	10,123,318	8,504,105
Administration of Justice Projects	155,953	(119,868)	0	36,085	445,000	2,075,394	2,039,309
Public Health and Welfare Projects	373,059	0	91,943	465,002	100,000	2,103,681	1,638,679
Other General Government Projects	423,893	0	0	423,893	267,000	782,056	358,163
Highway and Street Capital Projects	777,349	0	311,555	1,088,904	500,000	1,203,232	114,328
Education Capital Projects	666,907	(460,513)	551,620	758,014	6,100,000	25,152,999	24,394,985
Total Expenditures	$ 4,526,189	$ (1,166,750)	$ 1,292,914	$ 4,652,353	$ 8,342,000	$ 41,701,922	$ 37,049,569

(Continued)

McMINN COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Other Capital Projects Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Excess (Deficiency) of Revenues Over Expenditures	$ 6,353,900	$ 1,166,750	$ (1,292,914)	$ 6,227,736	$ (29,276)	$ (31,971,196)	$ 38,198,932
Other Financing Sources (Uses)							
Notes Issued	$ 412,500	$ 0	$ 0	$ 412,500	$ 0	$ 550,000	$ (137,500)
Other Loans Issued	367,993	0	0	367,993	0	367,993	0
Total Other Financing Sources	$ 780,493	$ 0	$ 0	$ 780,493	$ 0	$ 917,993	$ (137,500)
Net Change in Fund Balance	$ 7,134,393	$ 1,166,750	$ (1,292,914)	$ 7,008,229	$ (29,276)	$ (31,053,203)	$ 38,061,432
Fund Balance, July 1, 2024	47,093,214	(1,166,750)	0	45,926,464	3,733,657	31,410,424	14,516,040
Fund Balance, June 30, 2025	$ 54,227,607	$ 0	$ (1,292,914)	$ 52,934,693	$ 3,704,381	$ 357,221	$ 52,577,472

CUSTODIAL FUNDS

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

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

City School ADA – Athens Fund and City School ADA – Etowah Fund – These two funds are used to account for the city school systems' shares of education revenues collected by the county that must be apportioned between the various school systems on an average daily attendance basis. These collections are remitted to the city school systems on a monthly basis.

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

Judicial District Drug Fund – The Judicial District Drug Fund is used to account for grants and other restricted revenues for the benefit of the multi-jurisdictional drug task force, which was created by contract (mutual aid agreement) between the participating city and county governments.

District Attorney General Fund – The District Attorney General Fund is used to account for restricted revenue held for the benefit of the Office of District Attorney General.

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

	Custodial Funds						
	Cities - Sales Tax	City School ADA - Athens	City School ADA - Etowah	Constitu - tional Officers - Custodial	Judicial District Drug	District Attorney General	Total
ASSETS							
Cash	$ 0	$ 0	$ 0	$ 5,645,828	$ 0	$ 0	$ 5,645,828
Equity in Pooled Cash and Investments	0	0	0	0	80,077	69,116	149,193
Accounts Receivable	0	2,230	435	0	548	3,111	6,324
Due from Other Governments	1,861,164	485,457	94,589	0	14,931	0	2,456,141
Property Taxes Receivable	0	786,873	146,991	0	0	0	933,864
Allowance for Uncollectible Property Taxes	0	(29,381)	(5,489)	0	0	0	(34,870)
Total Assets	$ 1,861,164	$ 1,245,179	$ 236,526	$ 5,645,828	$ 95,556	$ 72,227	$ 9,156,480
LIABILITIES							
Accounts Payable	$ 0	$ 0	$ 0	$ 0	$ 755	$ 0	$ 755
Due to Other Taxing Units	1,861,164	509,296	99,060	0	0	0	2,469,520
Total Liabilities	$ 1,861,164	$ 509,296	$ 99,060	$ 0	$ 755	$ 0	$ 2,470,275
DEFERRED INFLOWS OF RESOURCES							
Deferred Current Property Taxes	$ 0	$ 735,883	$ 137,466	$ 0	$ 0	$ 0	$ 873,349
Total Deferred Inflows of Resources	$ 0	$ 735,883	$ 137,466	$ 0	$ 0	$ 0	$ 873,349
NET POSITION							
Restricted for Individuals, Organizations, and Other Governments	$ 0	$ 0	$ 0	$ 5,645,828	$ 94,801	$ 72,227	$ 5,812,856
Total Net Position	$ 0	$ 0	$ 0	$ 5,645,828	$ 94,801	$ 72,227	$ 5,812,856

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

	Custodial Funds						
	Cities - Sales Tax	City School ADA - Athens	City School ADA - Etowah	Constitu - tional Officers - Custodial	Judicial District Drug	District Attorney General	Total
Additions							
Sales Tax Collections for Other Governments	$ 10,895,276	$ 0	$ 0	$ 0	$ 0	$ 0	$ 10,895,276
ADA - Educational Funds Collected for Cities	0	3,843,810	724,247	0	0	0	4,568,057
Fines/Fees and Other Collections	0	0	0	11,470,141	0	0	11,470,141
Drug Task Force Collections	0	0	0	0	314,144	0	314,144
District Attorney General Collections	0	0	0	0	0	38,121	38,121
Total Additions	$ 10,895,276	$ 3,843,810	$ 724,247	$ 11,470,141	$ 314,144	$ 38,121	$ 27,285,739
Deductions							
Payment of Sales Tax Collections for Other Governments	$ 10,895,276	$ 0	$ 0	$ 0	$ 0	$ 0	$ 10,895,276
Payments to City School Systems	0	3,843,810	724,247	0	0	0	4,568,057
Payments to State	0	0	0	7,248,602	0	0	7,248,602
Payments to Cities	0	0	0	385,369	0	0	385,369
Payments to Individuals and Others	0	0	0	6,586,200	0	0	6,586,200
Payment of Drug Task Force Expenses	0	0	0	0	409,097	0	409,097
Payment of District Attorney General Expenses	0	0	0	0	0	39,391	39,391
Total Deductions	$ 10,895,276	$ 3,843,810	$ 724,247	$ 14,220,171	$ 409,097	$ 39,391	$ 30,131,992
Change in Net Position	$ 0	$ 0	$ 0	$ (2,750,030)	$ (94,953)	$ (1,270)	$ (2,846,253)
Net Position July 1, 2024	0	0	0	8,395,858	189,754	73,497	8,659,109
Net Position June 30, 2025	$ 0	$ 0	$ 0	$ 5,645,828	$ 94,801	$ 72,227	$ 5,812,856

McMINN COUNTY SCHOOL DEPARTMENT

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

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

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

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

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

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

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Total Governmental Activities
Governmental Activities:					
Instruction	$ 34,377,652	$ 0	$ 3,716,726	$ 893,117	$ (29,767,809)
Support Services	24,060,858	0	1,310,589	1,293,184	(21,457,085)
Operation of Non-instructional Services	8,650,215	187,219	7,438,984	253,972	(770,040)
Total Governmental Activities	$ 67,088,725	$ 187,219	$ 12,466,299	$ 2,440,273	$ (51,994,934)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					$ 2,447,006
Local Option Sales Taxes					9,673,954
Business Taxes					117,098
Other Local Taxes					1,038
Grants and Contributions Not Restricted for Specific Programs					39,261,098
Unrestricted Investment Income					225,367
Miscellaneous					50,193
Total General Revenues					$ 51,775,754
Change in Net Position					$ (219,180)
Net Position, July 1, 2024					58,139,814
Restatement - See Note I.D.11.					(99,163)
Net Position, June 30, 2025					$ 57,821,471

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

	Major Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total Governmental Funds
ASSETS					
Cash	$ 0	$ 0	$ 0	$ 1,290,050	$ 1,290,050
Equity in Pooled Cash and Investments	7,659,065	2,186,888	3,114,809	0	12,960,762
Accounts Receivable	3,643	0	2,529	0	6,172
Due from Other Governments	3,214,499	329,419	410,398	0	3,954,316
Property Taxes Receivable	2,475,021	0	0	0	2,475,021
Allowance for Uncollectible Property Taxes	(92,413)	0	0	0	(92,413)
Prepaid Items	27,830	0	0	0	27,830
Restricted Assets	870,505	0	0	0	870,505
Total Assets	$ 14,158,150	$ 2,516,307	$ 3,527,736	$ 1,290,050	$ 21,492,243
LIABILITIES					
Accounts Payable	$ 890,897	$ 0	$ 50,071	$ 0	$ 940,968
Accrued Payroll	466,521	0	43,188	0	509,709
Payroll Deductions Payable	267,700	16,307	13,663	0	297,670
Total Liabilities	$ 1,625,118	$ 16,307	$ 106,922	$ 0	$ 1,748,347

(Continued)

McMINN COUNTY, TENNESSEE
Balance Sheet - Governmental Funds
Discretely Presented McMinn County School Department (Cont.)

	Major Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total Governmental Funds
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	$ 2,314,640	$ 0	$ 0	$ 0	$ 2,314,640
Deferred Delinquent Property Taxes	56,866	0	0	0	56,866
Total Deferred Inflows of Resources	$ 2,371,506	$ 0	$ 0	$ 0	$ 2,371,506
FUND BALANCES					
Nonspendable:					
Prepaid Items	$ 27,830	$ 0	$ 0	$ 0	$ 27,830
Restricted:					
Restricted for Education	291,305	0	3,420,814	1,290,050	5,002,169
Restricted for Hybrid Retirement Stabilization Funds	870,505	0	0	0	870,505
Committed:					
Committed for Education	0	2,500,000	0	0	2,500,000
Assigned:					
Assigned for Education	826,575	0	0	0	826,575
Unassigned	8,145,311	0	0	0	8,145,311
Total Fund Balances	$ 10,161,526	$ 2,500,000	$ 3,420,814	$ 1,290,050	$ 17,372,390
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 14,158,150	$ 2,516,307	$ 3,527,736	$ 1,290,050	$ 21,492,243

McMINN COUNTY, TENNESSEE
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
Discretely Presented McMinn 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)		$ 17,372,390
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	$ 990,892	
Add: buildings and improvements net of accumulated depreciation	25,673,916	
Add: infrastructure net of accumulated depreciation	1,210,052	
Add: other capital assets net of accumulated depreciation	4,036,109	31,910,969
(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	$ (632,457)	
Less: retirement incentive payable	(312,185)	
Less: other postemployment benefits liability	(5,823,575)	(6,768,217)
(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	$ 5,129,241	
Less: deferred inflows of resources related to pensions	(2,672,962)	
Add: deferred outflows of resources related to OPEB	1,754,786	
Less: deferred inflows of resources related to OPEB	(1,253,218)	2,957,847
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds:		
Add: net pension asset - agent plan	$ 2,904,182	
Add: net pension asset - teacher retirement plan	285,497	
Add: net pension asset - teacher legacy pension plan	9,101,937	12,291,616
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		56,866
Net position of governmental activities (Exhibit A)		$ 57,821,471

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

	Major Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total Governmental Funds
Revenues					
Local Taxes	$ 12,316,886	$ 0	$ 0	$ 0	$ 12,316,886
Licenses and Permits	2,898	0	0	0	2,898
Charges for Current Services	47,102	0	140,117	0	187,219
Other Local Revenues	584,209	0	5,023	1,830,442	2,419,674
State of Tennessee	40,341,033	0	30,867	0	40,371,900
Federal Government	476,573	4,439,497	4,369,737	0	9,285,807
Other Governments and Citizens Groups	740,073	0	0	0	740,073
Total Revenues	$ 54,508,774	$ 4,439,497	$ 4,545,744	$ 1,830,442	$ 65,324,457
Expenditures					
Current:					
Instruction	$ 29,968,880	$ 2,836,173	$ 0	$ 0	$ 32,805,053
Support Services	21,339,690	1,349,352	0	0	22,689,042
Operation of Non-Instructional Services	1,212,786	0	4,390,926	1,808,268	7,411,980
Capital Outlay	1,361,604	253,972	0	0	1,615,576
Debt Service:					
Other Debt Service	250,470	0	0	0	250,470
Total Expenditures	$ 54,133,430	$ 4,439,497	$ 4,390,926	$ 1,808,268	$ 64,772,121

(Continued)

McMINN COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
Discretely Presented McMinn County School Department (Cont.)

	Major Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total Governmental Funds
Excess (Deficiency) of Revenues Over Expenditures	$ 375,344	$ 0	$ 154,818	$ 22,174	$ 552,336
Other Financing Sources (Uses)					
Insurance Recovery	$ 99,949	$ 0	$ 0	$ 0	$ 99,949
Total Other Financing Sources (Uses)	$ 99,949	$ 0	$ 0	$ 0	$ 99,949
Net Change in Fund Balances	$ 475,293	$ 0	$ 154,818	$ 22,174	$ 652,285
Fund Balance, July 1, 2024	9,686,233	2,500,000	3,265,996	1,267,876	16,720,105
Fund Balance, June 30, 2025	$ 10,161,526	$ 2,500,000	$ 3,420,814	$ 1,290,050	$ 17,372,390

McMINN COUNTY, TENNESSEE
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Discretely Presented McMinn 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)		$ 652,285
(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	$ 1,588,012	
Less: current-year depreciation expense	(2,533,004)	(944,992)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Add: capital assets transferred from the primary government		1,293,184
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2025	$ 56,866	
Less: deferred delinquent property taxes and other deferred June 30, 2024	(47,372)	9,494
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in compensated absences payable	$ (29,883)	
Change in retirement incentive payable	(32,295)	
Change in net pension asset/liability	3,627,920	
Change in deferred outflows related to pensions	(2,439,138)	
Change in deferred inflows related to pensions	(2,067,653)	
Change in OPEB liability	(579,939)	
Change in deferred outflows related to OPEB	24,426	
Change in deferred inflows related to OPEB	267,411	(1,229,151)
Change in net position of governmental activities (Exhibit B)		$ (219,180)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Local Taxes	$ 12,316,886	$ 0	$ 0	$ 12,316,886	$ 11,384,062	$ 11,384,062	$ 932,824
Licenses and Permits	2,898	0	0	2,898	2,550	2,550	348
Charges for Current Services	47,102	0	0	47,102	0	0	47,102
Other Local Revenues	584,209	0	0	584,209	155,500	181,103	403,106
State of Tennessee	40,341,033	0	0	40,341,033	38,799,074	42,674,367	(2,333,334)
Federal Government	476,573	0	0	476,573	184,962	553,012	(76,439)
Other Governments and Citizens Groups	740,073	0	0	740,073	0	731,469	8,604
Total Revenues	$ 54,508,774	$ 0	$ 0	$ 54,508,774	$ 50,526,148	$ 55,526,563	$ (1,017,789)
Expenditures							
Instruction							
Regular Instruction Program	$ 23,782,735	$ 0	$ 0	$ 23,782,735	$ 23,284,481	$ 25,297,499	$ 1,514,764
Alternative Instruction Program	167,817	0	0	167,817	183,120	183,120	15,303
Special Education Program	3,400,345	0	0	3,400,345	3,461,324	3,555,886	155,541
Career and Technical Education Program	2,524,534	0	0	2,524,534	2,278,647	3,392,743	868,209
Other	93,449	0	0	93,449	0	93,449	0
Support Services							
Attendance	190,126	0	0	190,126	205,623	205,623	15,497
Health Services	495,212	0	0	495,212	548,743	569,139	73,927
Other Student Support	1,785,668	(10,741)	0	1,774,927	1,706,819	1,801,661	26,734
Regular Instruction Program	3,042,875	0	0	3,042,875	3,149,496	3,201,240	158,365
Special Education Program	496,295	0	0	496,295	543,391	509,429	13,134
Career and Technical Education Program	326,057	0	0	326,057	270,486	339,028	12,971
Technology	1,261,267	0	0	1,261,267	550,168	1,345,587	84,320

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)							
Support Services (Cont.)							
Other Programs	$ 148,303	$ 0	$ 0	$ 148,303	$ 8,545	$ 148,303	$ 0
Board of Education	1,031,931	0	0	1,031,931	848,973	1,040,387	8,456
Director of Schools	488,873	0	0	488,873	512,347	513,347	24,474
Office of the Principal	3,319,964	0	0	3,319,964	3,352,223	3,374,408	54,444
Operation of Plant	3,530,193	0	0	3,530,193	3,780,829	3,623,218	93,025
Maintenance of Plant	2,232,871	(73,545)	159,800	2,319,126	1,551,783	2,351,171	32,045
Transportation	2,990,055	0	0	2,990,055	2,862,075	3,299,315	309,260
Operation of Non-Instructional Services							
Community Services	192,439	0	0	192,439	91,417	194,999	2,560
Early Childhood Education	1,020,347	0	0	1,020,347	1,026,776	1,024,215	3,868
Capital Outlay							
Regular Capital Outlay	1,361,604	(488,701)	119,042	991,945	308,882	1,957,675	965,730
Other Debt Service							
Education	250,470	0	0	250,470	0	250,470	0
Total Expenditures	$ 54,133,430	$ (572,987)	$ 278,842	$ 53,839,285	$ 50,526,148	$ 58,271,912	$ 4,432,627
Excess (Deficiency) of Revenues Over Expenditures	$ 375,344	$ 572,987	$ (278,842)	$ 669,489	$ 0	$ (2,745,349)	$ 3,414,838
Other Financing Sources (Uses)							
Insurance Recovery	$ 99,949	$ 0	$ 0	$ 99,949	$ 0	$ 99,949	$ 0
Total Other Financing Sources	$ 99,949	$ 0	$ 0	$ 99,949	$ 0	$ 99,949	$ 0
Net Change in Fund Balance	$ 475,293	$ 572,987	$ (278,842)	$ 769,438	$ 0	$ (2,645,400)	$ 3,414,838
Fund Balance, July 1, 2024	9,686,233	(572,987)	0	9,113,246	5,812,055	5,812,055	3,301,191
Fund Balance, June 30, 2025	$ 10,161,526	$ 0	$ (278,842)	$ 9,882,684	$ 5,812,055	$ 3,166,655	$ 6,716,029

McMINN COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented McMinn County School Department
School Federal Projects Fund
For the Year Ended June 30, 2025

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues						
Federal Government	$ 4,439,497	$ 0	$ 4,439,497	$ 3,639,359	$ 5,031,366	$ (591,869)
Total Revenues	$ 4,439,497	$ 0	$ 4,439,497	$ 3,639,359	$ 5,031,366	$ (591,869)
Expenditures						
Instruction						
Regular Instruction Program	$ 1,317,713	$ 0	$ 1,317,713	$ 1,140,872	$ 1,347,177	$ 29,464
Special Education Program	1,376,001	0	1,376,001	1,291,567	1,548,723	172,722
Career and Technical Education Program	142,459	0	142,459	124,859	142,459	0
Support Services						
Health Services	63,852	0	63,852	0	63,852	0
Other Student Support	109,236	0	109,236	44,992	274,493	165,257
Regular Instruction Program	815,516	0	815,516	668,170	898,502	82,986
Special Education Program	209,531	0	209,531	198,924	326,295	116,764
Career and Technical Education Program	3,849	0	3,849	9,000	3,849	0
Fiscal Services	6,338	0	6,338	0	6,338	0
Transportation	141,030	0	141,030	160,975	165,706	24,676
Capital Outlay						
Regular Capital Outlay	253,972	(253,972)	0	0	253,972	253,972
Total Expenditures	$ 4,439,497	$ (253,972)	$ 4,185,525	$ 3,639,359	$ 5,031,366	$ 845,841
Excess (Deficiency) of Revenues Over Expenditures	$ 0	$ 253,972	$ 253,972	$ 0	$ 0	$ 253,972
Net Change in Fund Balance	$ 0	$ 253,972	$ 253,972	$ 0	$ 0	$ 253,972
Fund Balance, July 1, 2024	2,500,000	(253,972)	2,246,028	2,500,000	2,500,000	(253,972)
Fund Balance, June 30, 2025	$ 2,500,000	$ 0	$ 2,500,000	$ 2,500,000	$ 2,500,000	$ 0

McMINN COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented McMinn County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2025

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues						
Charges for Current Services	$ 140,117	$ 0	$ 140,117	$ 164,300	$ 164,300	$ (24,183)
Other Local Revenues	5,023	0	5,023	0	1,000	4,023
State of Tennessee	30,867	0	30,867	31,000	31,000	(133)
Federal Government	4,369,737	0	4,369,737	4,581,337	4,581,337	(211,600)
Total Revenues	$ 4,545,744	$ 0	$ 4,545,744	$ 4,776,637	$ 4,777,637	$ (231,893)
Expenditures						
Operation of Non-Instructional Services						
Food Service	$ 4,390,926	$ 8,500	$ 4,399,426	$ 4,776,637	$ 4,777,637	$ 378,211
Total Expenditures	$ 4,390,926	$ 8,500	$ 4,399,426	$ 4,776,637	$ 4,777,637	$ 378,211
Excess (Deficiency) of Revenues Over Expenditures	$ 154,818	$ (8,500)	$ 146,318	$ 0	$ 0	$ 146,318
Net Change in Fund Balance	$ 154,818	$ (8,500)	$ 146,318	$ 0	$ 0	$ 146,318
Fund Balance, July 1, 2024	3,265,996	0	3,265,996	3,592,449	3,592,449	(326,453)
Fund Balance, June 30, 2025	$ 3,420,814	$ (8,500)	$ 3,412,314	$ 3,592,449	$ 3,592,449	$ (180,135)

MISCELLANEOUS SCHEDULES

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

Description of Indebtedness	Original Amount of Issue	Interest Rate		Date of Issue	Last Maturity Date	Outstanding 7-1-24	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-25
OTHER LOANS PAYABLE									
Payable through Other Capital Projects Fund									
Energy Efficient Schools Initiative	$ 3,258,235	0.5	%	12-18-23	9-1-34	$ 2,890,242	$ 367,993	$ 238,752	$ 3,019,483
Total Other Loans Payable						$ 2,890,242	$ 367,993	$ 238,752	$ 3,019,483
BONDS PAYABLE									
Payable through General Fund									
General Obligation Refunding, Series 2020A (Hiwassee Utilities Commission)	4,685,000	1.5 to 3		5-25-21	5-1-42	$ 4,020,000	$ 0	$ 225,000	$ 3,795,000
Total Bonds Payable						$ 4,020,000	$ 0	$ 225,000	$ 3,795,000
NOTES PAYABLE									
Payable through Other Capital Projects Fund									
Land Purchase	412,500	0		1-17-25	1-15-28	$ 0	$ 412,500	$ 0	$ 412,500
Total Notes Payable						$ 0	$ 412,500	$ 0	$ 412,500

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

Year Ending June 30	Other Loans Principal	Other Loans Interest	Other Loans Total
2026	$ 319,728	$ 14,232	$ 333,960
2027	321,336	12,624	333,960
2028	322,944	11,016	333,960
2029	324,564	9,396	333,960
2030	326,196	7,764	333,960
2031	327,828	6,132	333,960
2032	329,472	4,488	333,960
2033	331,116	2,844	333,960
2034	332,784	1,176	333,960
2035	83,515	20	83,535
Total	$ 3,019,483	$ 69,692	$ 3,089,175

Year Ending June 30	Bonds Principal	Bonds Interest	Bonds Total
2026	$ 225,000	$ 79,838	$ 304,838
2027	225,000	73,088	298,088
2028	225,000	66,337	291,337
2029	225,000	59,588	284,588
2030	225,000	52,837	277,837
2031	225,000	48,338	273,338
2032	225,000	44,962	269,962
2033	225,000	41,588	266,588
2034	225,000	38,211	263,211
2035	225,000	34,837	259,837
2036	225,000	30,900	255,900
2037	220,000	26,400	246,400
2038	220,000	22,000	242,000
2039	220,000	17,600	237,600
2040	220,000	13,200	233,200
2041	220,000	8,800	228,800
2042	220,000	4,400	224,400
Total	$ 3,795,000	$ 662,924	$ 4,457,924

(Continued)

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

Year Ending June 30	Notes Principal	Notes Interest	Notes Total
2026	$ 137,500	$ 0	$ 137,500
2027	137,500	0	137,500
2028	137,500	0	137,500
Total	$ 412,500	$ 0	$ 412,500

McMINN COUNTY, TENNESSEE
Schedule of Notes Receivable
For the Year Ended June 30, 2025

Description	Debtor		Original Amount of Note	Date of Issue	Date of Maturity	Interest Rate			Balance 6-30-25
General Fund									
Intergovernmental Revenue Note	Hiwassee Utility Commission	$	4,685,000	5-25-21	5-1-42	1.5 to 3	%	$	3,795,000
Total Notes Receivable								$	3,795,000

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

Official		Salary	Authorization	Bond	Surety
County Mayor			Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary	$	140,704			
Longevity bonus		8,000			
Total compensation	$	148,704			
Commissioner of Highways			Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary	$	117,858			
Longevity bonus		11,000			
Total compensation	$	128,858			
Director of Schools			State Board of Education and	(1)	Tennessee Risk Management Trust
Base Salary	$	142,533	County Board of Education		
CEO training supplement		1,000			
Total compensation	$	143,533			
Trustee			Section 8-24-102, *TCA*	$ 2,309,944	Cincinnati Insurance Company
Base salary	$	107,144			
Longevity bonus		10,000			
Total compensation	$	117,144			
Assessor of Property			Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary	$	107,144			
Longevity bonus		10,000			
Total compensation	$	117,144			
County Clerk			Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary	$	107,144			
Longevity bonus		10,000			
Total compensation	$	117,144			
Circuit and General Sessions Courts Clerk			Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary	$	107,144			
Longevity bonus		10,000			
Total compensation	$	117,144			
Clerk and Master			Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary	$	107,144			
Longevity bonus		10,000			
Special commissioner fees		10,607			
Total compensation	$	127,751			
Register of Deeds			Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary	$	107,144			
Longevity bonus		10,000			
Total compensation	$	117,144			
Sheriff			Section 8-24-102, *TCA*	(1)	Tennessee Risk Management Trust
Base salary	$	117,858			
Longevity bonus		11,000			
Law enforcement retention bonus		800			
Law enforcement training supplement		800			
Total compensation	$	130,458			
Administrator of Elections			Section 2-12-208, *TCA*	(1)	Tennessee Risk Management Trust
Base salary	$	102,735			
Longevity bonus		9,000			
Total compensation	$	111,735			
Director of Finance			County Commission	(1)	Tennessee Risk Management Trust
Base salary	$	124,886			
Longevity bonus		6,000			
Total compensation	$	130,886			
Employee Blanket Bonds:					
Employee Fidelity - County Departments				400,000	Tennessee Risk Management Trust
Employee Fidelity - School Department				400,000	"

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

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

		Special Revenue Funds				
	General	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control	Constitu - tional Officers - Fees
Local Taxes						
County Property Taxes						
Current Property Tax	$ 8,449,769	$ 0	$ 0	$ 0	$ 0	$ 0
Trustee's Collections - Prior Year	180,818	0	0	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	130,267	0	0	0	0	0
Interest and Penalty	80,975	0	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	138,683	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	0	0	0	0	0	0
County Local Option Taxes						
Local Option Sales Tax	2,510,135	0	0	0	0	0
Hotel/Motel Tax	695,036	0	0	0	0	0
Litigation Tax - General	270,107	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	0
Litigation Tax - Courthouse Security	154,266	0	0	0	0	0
Business Tax	612,809	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
Statutory Local Taxes						
Bank Excise Tax	67,432	0	0	0	0	0
Wholesale Beer Tax	131,392	0	0	0	0	0
Total Local Taxes	$ 13,421,689	$ 0	$ 0	$ 0	$ 0	$ 0

(Continued)

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

	General	Special Revenue Funds: Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control	Constitu - tional Officers - Fees
Licenses and Permits						
Licenses						
Cable TV Franchise	$ 145,412	$ 0	$ 0	$ 0	$ 0	$ 0
Permits						
Beer Permits	1,710	0	0	0	0	0
Total Licenses and Permits	$ 147,122	$ 0	$ 0	$ 0	$ 0	$ 0
Fines, Forfeitures, and Penalties						
Circuit Court						
Fines	$ 122,919	$ 0	$ 0	$ 0	$ 0	$ 0
Officers Costs	93,019	546	0	0	0	0
Drug Control Fines	0	0	0	0	29,966	0
Drug Court Fees	2,380	0	0	0	0	0
Data Entry Fee - Circuit Court	3,609	0	0	0	0	0
Courtroom Security Fee	17	0	0	0	0	0
General Sessions Court						
Fines	0	2,293	0	0	0	0
Drug Court Fees	17,439	0	0	0	0	0
DUI Treatment Fines	15,087	0	0	0	0	0
Data Entry Fee - General Sessions Court	22,994	0	0	0	0	0
Courtroom Security Fee	314	0	0	0	0	0

(Continued)

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

		Special Revenue Funds				
	General	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control	Constitu - tional Officers - Fees
Fines, Forfeitures, and Penalties (Cont.)						
Juvenile Court						
Fines	$ 170	$ 0	$ 0	$ 0	$ 0	$ 0
Data Entry Fee - Juvenile Court	1,708	0	0	0	0	0
Chancery Court						
Officers Costs	2,436	465	0	0	0	0
Data Entry Fee - Chancery Court	9,721	0	0	0	0	0
Courtroom Security Fee	864	0	0	0	0	0
Judicial District Drug Program						
Drug Task Force Forfeitures and Seizures	0	0	0	0	37,622	0
Total Fines, Forfeitures, and Penalties	$ 292,677	$ 3,304	$ 0	$ 0	$ 67,588	$ 0
Charges for Current Services						
General Service Charges						
Tipping Fees	$ 0	$ 0	$ 656,769	$ 0	$ 0	$ 0
Surcharge - Waste Tire Disposal	0	0	46,850	0	0	0
Fees						
Copy Fees	112	0	0	0	0	0
Greenbelt Late Application Fee	500	0	0	0	0	0
Telephone Commissions	43,568	0	0	0	0	0

(Continued)

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

		Special Revenue Funds				
	General	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control	Constitu - tional Officers - Fees
Charges for Current Services (Cont.)						
Fees (Cont.)						
Additional Fees - Titling and Registration	$ 55,227	$ 0	$ 0	$ 0	$ 0	$ 0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	865,394
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	10,607
Data Processing Fee - Register	15,484	0	0	0	0	0
Data Processing Fee - Sheriff	3,258	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	10,050	0	0	0	0	0
Data Processing Fee - County Clerk	5,661	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	11,220	0	0	0	0	0
Total Charges for Current Services	$ 145,080	$ 0	$ 703,619	$ 0	$ 0	$ 876,001
Other Local Revenues						
Recurring Items						
Investment Income	$ 686,055	$ 2,710	$ 188,083	$ 22,133	$ 1,894	$ 0
Lease/Rentals/PPP	163,130	0	0	0	0	0
Commissary Sales	38,370	0	0	0	0	0
Sale of Gasoline	214,586	0	0	0	0	0
Sale of Recycled Materials	0	0	23,133	0	2,922	0
Miscellaneous Refunds	66,460	0	0	0	0	0

(Continued)

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

	General	Special Revenue Funds: Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control	Constitu - tional Officers - Fees
Other Local Revenues (Cont.)						
Nonrecurring Items						
Sale of Property	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Damages Recovered from Individuals	90,193	0	0	0	0	0
Other Local Revenues						
Other Local Revenues	58,265	0	1,252,966	0	0	0
Total Other Local Revenues	$ 1,317,059	$ 2,710	$ 1,464,182	$ 22,133	$ 4,816	$ 0
Fees Received From County Officials						
Excess Fees						
Register	$ 39,688	$ 0	$ 0	$ 0	$ 0	$ 0
Trustee	516,000	0	0	0	0	0
Fees In-Lieu-of Salary						
County Clerk	639,235	0	0	0	0	0
Circuit Court Clerk	347,521	0	0	0	0	0
Clerk and Master	287,971	0	0	0	0	0
Sheriff	33,302	0	0	0	0	0
Total Fees Received From County Officials	$ 1,863,717	$ 0	$ 0	$ 0	$ 0	$ 0

(Continued)

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

	General	Special Revenue Funds: Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control	Constitu - tional Officers - Fees
State of Tennessee						
General Government Grants						
Juvenile Services Program	$ 9,000	$ 0	$ 0	$ 0	$ 0	$ 0
Airport Maintenance Program	20,000	0	0	0	0	0
Other General Government Grants	0	0	0	0	0	0
Public Safety Grants						
Law Enforcement Training Programs	57,600	0	0	0	0	0
Safe and Drug-Free Schools and Communities	641,615	0	0	0	0	0
Health and Welfare Grants						
Health Department Programs	318,245	0	0	0	0	0
Public Works Grants						
State Aid Program	0	0	0	0	0	0
Other State Revenues						
Beer Tax	17,752	0	0	0	0	0
Vehicle Certificate of Title Fees	10,857	0	0	0	0	0
Alcoholic Beverage Tax	120,854	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	0	0	0	202,485	0	0
State Revenue Sharing - Telecommunications	40,801	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	77,101	0	0	0	0	0
Contracted Prisoner Boarding	812,427	0	0	0	0	0

(Continued)

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

		Special Revenue Funds				
	General	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control	Constitu - tional Officers - Fees
State of Tennessee (Cont.)						
Other State Revenues (Cont.)						
Gasoline and Motor Fuel Tax	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
State Shared Sales Tax - Cities	14,647	0	0	0	0	0
Other State Grants	356,594	0	0	0	0	0
Other State Revenues	5,636	0	50,257	0	0	0
Total State of Tennessee	$ 2,518,293	$ 0	$ 50,257	$ 202,485	$ 0	$ 0
Federal Government						
Federal Through State						
Community Development	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Homeland Security Grants	29,703	0	0	0	0	0
American Rescue Plan Act Grant #1	0	0	0	0	0	0
American Rescue Plan Act Grant #2	0	0	0	0	0	0
Other Federal through State	678,422	0	0	0	642	0
Direct Federal Revenue						
Forest Service	0	0	0	0	0	0

(Continued)

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

		Special Revenue Funds				
	General	Law Library	Solid Waste / Sanitation	Special Purpose	Drug Control	Constitu - tional Officers - Fees
Federal Government (Cont.)						
Direct Federal Revenue (Cont.)						
Other Direct Federal Revenue	$ 2,800	$ 0	$ 0	$ 0	$ 0	$ 0
Total Federal Government	$ 710,925	$ 0	$ 0	$ 0	$ 642	$ 0
Other Governments and Citizens Groups						
Other Governments						
Paving and Maintenance	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Contributions	159,071	0	0	0	0	0
Citizens Groups						
Donations	0	0	0	0	3,000	0
Other						
Other	1,512	0	0	0	0	0
Opioid Settlement Funds - Past Remediation	137,127	0	0	0	0	0
Total Other Governments and Citizens Groups	$ 297,710	$ 0	$ 0	$ 0	$ 3,000	$ 0
Total	$ 20,714,272	$ 6,014	$ 2,218,058	$ 224,618	$ 76,046	$ 876,001

(Continued)

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

	Special Revenue Fund	Capital Projects Fund	Permanent Fund	
	Highway / Public Works	Other Capital Projects	Endowment	Total
Local Taxes				
County Property Taxes				
Current Property Tax	$ 1,523,972	$ 6,717,725	$ 0	$ 16,691,466
Trustee's Collections - Prior Year	36,615	155,501	0	372,934
Circuit Clerk/Clerk and Master Collections - Prior Years	24,222	104,055	0	258,544
Interest and Penalty	14,918	65,402	0	161,295
Payments in-Lieu-of Taxes - Local Utilities	25,012	110,255	0	273,950
Payments in-Lieu-of Taxes - Other	4,342	0	0	4,342
County Local Option Taxes				
Local Option Sales Tax	0	0	0	2,510,135
Hotel/Motel Tax	0	0	0	695,036
Litigation Tax - General	0	0	0	270,107
Litigation Tax - Jail, Workhouse, or Courthouse	0	154,266	0	154,266
Litigation Tax - Courthouse Security	0	0	0	154,266
Business Tax	31,705	0	0	644,514
Mineral Severance Tax	78,575	0	0	78,575
Statutory Local Taxes				
Bank Excise Tax	7,324	0	0	74,756
Wholesale Beer Tax	0	0	0	131,392
Total Local Taxes	$ 1,746,685	$ 7,307,204	$ 0	$ 22,475,578

(Continued)

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

	Special Revenue Fund	Capital Projects Fund	Permanent Fund	
	Highway / Public Works	Other Capital Projects	Endowment	Total
Licenses and Permits				
Licenses				
Cable TV Franchise	$ 0	$ 0	$ 0	$ 145,412
Permits				
Beer Permits	0	0	0	1,710
Total Licenses and Permits	$ 0	$ 0	$ 0	$ 147,122
Fines, Forfeitures, and Penalties				
Circuit Court				
Fines	$ 0	$ 0	$ 0	$ 122,919
Officers Costs	0	0	0	93,565
Drug Control Fines	0	0	0	29,966
Drug Court Fees	0	0	0	2,380
Data Entry Fee - Circuit Court	0	0	0	3,609
Courtroom Security Fee	0	0	0	17
General Sessions Court				
Fines	0	0	0	2,293
Drug Court Fees	0	0	0	17,439
DUI Treatment Fines	0	0	0	15,087
Data Entry Fee - General Sessions Court	0	0	0	22,994
Courtroom Security Fee	0	0	0	314

(Continued)

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

	Special Revenue Fund	Capital Projects Fund	Permanent Fund	
	Highway / Public Works	Other Capital Projects	Endowment	Total
Fines, Forfeitures, and Penalties (Cont.)				
Juvenile Court				
Fines	$ 0	$ 0	$ 0	$ 170
Data Entry Fee - Juvenile Court	0	0	0	1,708
Chancery Court				
Officers Costs	0	0	0	2,901
Data Entry Fee - Chancery Court	0	0	0	9,721
Courtroom Security Fee	0	0	0	864
Judicial District Drug Program				
Drug Task Force Forfeitures and Seizures	0	0	0	37,622
Total Fines, Forfeitures, and Penalties	$ 0	$ 0	$ 0	$ 363,569
Charges for Current Services				
General Service Charges				
Tipping Fees	$ 0	$ 0	$ 0	$ 656,769
Surcharge - Waste Tire Disposal	0	0	0	46,850
Fees				
Copy Fees	0	0	0	112
Greenbelt Late Application Fee	0	0	0	500
Telephone Commissions	0	0	0	43,568

(Continued)

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

	Special Revenue Fund	Capital Projects Fund	Permanent Fund	
	Highway / Public Works	Other Capital Projects	Endowment	Total
Charges for Current Services (Cont.)				
Fees (Cont.)				
Additional Fees - Titling and Registration	$ 0	$ 0	$ 0	$ 55,227
Constitutional Officers' Fees and Commissions	0	0	0	865,394
Special Commissioner Fees/Special Master Fees	0	0	0	10,607
Data Processing Fee - Register	0	0	0	15,484
Data Processing Fee - Sheriff	0	0	0	3,258
Sexual Offender Registration Fee - Sheriff	0	0	0	10,050
Data Processing Fee - County Clerk	0	0	0	5,661
Vehicle Insurance Coverage and Reinstatement Fees	0	0	0	11,220
Total Charges for Current Services	$ 0	$ 0	$ 0	$ 1,724,700
Other Local Revenues				
Recurring Items				
Investment Income	$ 94,323	$ 1,788,928	$ 204,791	$ 2,988,917
Lease/Rentals/PPP	0	4,001	0	167,131
Commissary Sales	0	0	0	38,370
Sale of Gasoline	0	0	0	214,586
Sale of Recycled Materials	1,464	0	0	27,519
Miscellaneous Refunds	0	0	0	66,460

(Continued)

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

	Special Revenue Fund	Capital Projects Fund	Permanent Fund	
	Highway / Public Works	Other Capital Projects	Endowment	Total
Other Local Revenues (Cont.)				
Nonrecurring Items				
Sale of Property	$ 0	$ 10,177	$ 0	$ 10,177
Damages Recovered from Individuals	0	0	0	90,193
Other Local Revenues				
Other Local Revenues	0	367,536	650	1,679,417
Total Other Local Revenues	$ 95,787	$ 2,170,642	$ 205,441	$ 5,282,770
Fees Received From County Officials				
Excess Fees				
Register	$ 0	$ 0	$ 0	$ 39,688
Trustee	0	0	0	516,000
Fees In-Lieu-of Salary				
County Clerk	0	0	0	639,235
Circuit Court Clerk	0	0	0	347,521
Clerk and Master	0	0	0	287,971
Sheriff	0	0	0	33,302
Total Fees Received From County Officials	$ 0	$ 0	$ 0	$ 1,863,717

(Continued)

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

	Special Revenue Fund	Capital Projects Fund	Permanent Fund	
	Highway / Public Works	Other Capital Projects	Endowment	Total
State of Tennessee				
General Government Grants				
Juvenile Services Program	$ 0	$ 0	$ 0	$ 9,000
Airport Maintenance Program	0	256,556	0	276,556
Other General Government Grants	0	32,105	0	32,105
Public Safety Grants				
Law Enforcement Training Programs	0	0	0	57,600
Safe and Drug-Free Schools and Communities	0	0	0	641,615
Health and Welfare Grants				
Health Department Programs	0	0	0	318,245
Public Works Grants				
State Aid Program	555,428	0	0	555,428
Other State Revenues				
Beer Tax	0	0	0	17,752
Vehicle Certificate of Title Fees	0	0	0	10,857
Alcoholic Beverage Tax	0	0	0	120,854
Opioid Settlement Funds - TN Abatement Council	0	0	0	202,485
State Revenue Sharing - Telecommunications	0	0	0	40,801
State Shared Sports Gaming Privilege Tax	0	0	0	77,101
Contracted Prisoner Boarding	0	0	0	812,427

(Continued)

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

	Special Revenue Fund	Capital Projects Fund	Permanent Fund	
	Highway / Public Works	Other Capital Projects	Endowment	Total
State of Tennessee (Cont.)				
Other State Revenues (Cont.)				
Gasoline and Motor Fuel Tax	$ 2,752,106	$ 0	$ 0	$ 2,752,106
Hybrid/Electric Vehicle Registration Fee	33,232	0	0	33,232
Petroleum Special Tax	35,300	0	0	35,300
Registrar's Salary Supplement	0	0	0	15,164
State Shared Sales Tax - Cities	0	0	0	14,647
Other State Grants	0	0	0	356,594
Other State Revenues	0	139,488	0	195,381
Total State of Tennessee	$ 3,376,066	$ 428,149	$ 0	$ 6,575,250
Federal Government				
Federal Through State				
Community Development	$ 0	$ 40,914	$ 0	$ 40,914
Homeland Security Grants	0	0	0	29,703
American Rescue Plan Act Grant #1	0	354,208	0	354,208
American Rescue Plan Act Grant #2	0	241,867	0	241,867
Other Federal through State	0	71,635	0	750,699
Direct Federal Revenue				
Forest Service	445	0	0	445

(Continued)

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

	Special Revenue Fund	Capital Projects Fund	Permanent Fund	
	Highway / Public Works	Other Capital Projects	Endowment	Total
Federal Government (Cont.)				
Direct Federal Revenue (Cont.)				
Other Direct Federal Revenue	$ 0	$ 0	$ 0	$ 2,800
Total Federal Government	$ 445	$ 708,624	$ 0	$ 1,420,636
Other Governments and Citizens Groups				
Other Governments				
Paving and Maintenance	$ 65,509	$ 0	$ 0	$ 65,509
Contributions	0	250,470	0	409,541
Citizens Groups				
Donations	0	15,000	0	18,000
Other				
Other	0	0	0	1,512
Opioid Settlement Funds - Past Remediation	0	0	0	137,127
Total Other Governments and Citizens Groups	$ 65,509	$ 265,470	$ 0	$ 631,689
Total	$ 5,284,492	$ 10,880,089	$ 205,441	$ 40,485,031

McMINN COUNTY, TENNESSEE
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented McMinn County School Department
For the Year Ended June 30, 2025

	General Purpose School	Special Revenue Funds: School Federal Projects	Special Revenue Funds: Central Cafeteria	Special Revenue Funds: Internal School	Total
Local Taxes					
County Property Taxes					
Current Property Tax	$ 2,324,015	$ 0	$ 0	$ 0	$ 2,324,015
Trustee's Collections - Prior Year	55,920	0	0	0	55,920
Circuit Clerk/Clerk and Master Collections - Prior Years	36,285	0	0	0	36,285
Interest and Penalty	21,292	0	0	0	21,292
Payments in-Lieu-of Taxes - T.V.A.	35,704	0	0	0	35,704
Payments in-Lieu-of Taxes - Local Utilities	38,095	0	0	0	38,095
Payments in-Lieu-of Taxes - Other	3,153	0	0	0	3,153
County Local Option Taxes					
Local Option Sales Tax	9,673,954	0	0	0	9,673,954
Business Tax	117,098	0	0	0	117,098
Mixed Drink Tax	1,038	0	0	0	1,038
Statutory Local Taxes					
Bank Excise Tax	10,332	0	0	0	10,332
Total Local Taxes	$ 12,316,886	$ 0	$ 0	$ 0	$ 12,316,886

(Continued)

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

		Special Revenue Funds			
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
Licenses and Permits					
Licenses					
Marriage Licenses	$ 2,898	$ 0	$ 0	$ 0	$ 2,898
Total Licenses and Permits	$ 2,898	$ 0	$ 0	$ 0	$ 2,898
Charges for Current Services					
Education Charges					
Lunch Payments - Children	$ 0	$ 0	$ 112,284	$ 0	$ 112,284
Lunch Payments - Adults	0	0	27,149	0	27,149
Income from Breakfast	0	0	684	0	684
Receipts from Individual Schools	47,102	0	0	0	47,102
Total Charges for Current Services	$ 47,102	$ 0	$ 140,117	$ 0	$ 187,219
Other Local Revenues					
Recurring Items					
Investment Income	$ 327,228	$ 0	$ 0	$ 0	$ 327,228
Rebates	0	0	5,023	0	5,023
Miscellaneous Refunds	38,480	0	0	0	38,480

(Continued)

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

	General Purpose School	Special Revenue Funds: School Federal Projects	Special Revenue Funds: Central Cafeteria	Special Revenue Funds: Internal School	Total
Other Local Revenues (Cont.)					
Nonrecurring Items					
Sale of Equipment	$ 28,016	$ 0	$ 0	$ 0	$ 28,016
Other Local Revenues					
Other Local Revenues	190,485	0	0	1,830,442	2,020,927
Total Other Local Revenues	$ 584,209	$ 0	$ 5,023	$ 1,830,442	$ 2,419,674
State of Tennessee					
General Government Grants					
On-behalf Contributions for OPEB	$ 139,758	$ 0	$ 0	$ 0	$ 139,758
State Education Funds					
Tennessee Investment in Student Achievement	36,642,901	0	0	0	36,642,901
TISA - On-behalf Payments	103,304	0	0	0	103,304
Early Childhood Education	1,096,286	0	0	0	1,096,286
School Food Service	0	0	30,867	0	30,867
Other State Education Funds	394,284	0	0	0	394,284
Paid Parental Leave	61,292	0	0	0	61,292
Career Ladder Program	8,562	0	0	0	8,562
Other Vocational	893,117	0	0	0	893,117

(Continued)

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

	General Purpose School	Special Revenue Funds: School Federal Projects	Special Revenue Funds: Central Cafeteria	Special Revenue Funds: Internal School	Total
State of Tennessee (Cont.)					
Other State Revenues					
State Revenue Sharing - T.V.A.	$ 1,001,529	$ 0	$ 0	$ 0	$ 1,001,529
Total State of Tennessee	$ 40,341,033	$ 0	$ 30,867	$ 0	$ 40,371,900
Federal Government					
Federal Through State					
USDA School Lunch Program	$ 0	$ 0	$ 2,787,173	$ 0	$ 2,787,173
USDA - Commodities	0	0	268,888	0	268,888
Breakfast	0	0	1,268,103	0	1,268,103
USDA - Other	0	0	45,573	0	45,573
Vocational Education - Basic Grants to States	0	170,372	0	0	170,372
Title I Grants to Local Education Agencies	0	1,395,166	0	0	1,395,166
Special Education - Grants to States	67,458	1,672,127	0	0	1,739,585
Special Education Preschool Grants	0	54,434	0	0	54,434
English Language Acquisition Grants	0	15,160	0	0	15,160
21st Century Community Learning Centers	193,024	0	0	0	193,024
Eisenhower Professional Development State Grants	0	358,123	0	0	358,123
COVID-19 Grant D	0	82,800	0	0	82,800

(Continued)

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

	General Purpose School	Special Revenue Funds: School Federal Projects	Special Revenue Funds: Central Cafeteria	Special Revenue Funds: Internal School	Total
Federal Government (Cont.)					
Federal Through State (Cont.)					
American Rescue Plan Act Grant #1	$ 104,116	$ 507,114	$ 0	$ 0	$ 611,230
American Rescue Plan Act Grant #4	0	1,771	0	0	1,771
Other Federal through State	111,975	182,430	0	0	294,405
Total Federal Government	$ 476,573	$ 4,439,497	$ 4,369,737	$ 0	$ 9,285,807
Other Governments and Citizens Groups					
Other Governments					
Contributions	$ 711,569	$ 0	$ 0	$ 0	$ 711,569
Other					
Other	28,504	0	0	0	28,504
Total Other Governments and Citizens Groups	$ 740,073	$ 0	$ 0	$ 0	$ 740,073
Total	$ 54,508,774	$ 4,439,497	$ 4,545,744	$ 1,830,442	$ 65,324,457

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

General Fund				
General Government				
County Commission				
Longevity Pay	$	36,000		
Board and Committee Members Fees		90,005		
Social Security		8,751		
Pensions		4,187		
Employee and Dependent Insurance		63,297		
Life Insurance		1,194		
Dues and Memberships		1,750		
Travel		15,565		
Other Charges		7,879		
Total County Commission			$	228,628
County Mayor/Executive				
County Official/Administrative Officer	$	140,704		
Supervisor/Director		38,052		
Secretary(ies)		43,701		
Longevity Pay		12,000		
Social Security		16,828		
Pensions		8,190		
Employee and Dependent Insurance		29,310		
Life Insurance		198		
Unemployment Compensation		41		
Communication		1,911		
Maintenance and Repair Services - Office Equipment		2,691		
Maintenance and Repair Services - Vehicles		954		
Printing, Stationery, and Forms		532		
Travel		3,860		
Office Supplies		1,472		
Other Supplies and Materials		101		
Office Equipment		958		
Total County Mayor/Executive				301,503
County Attorney				
County Official/Administrative Officer	$	33,282		
Social Security		1,899		
Pensions		1,388		
Employee and Dependent Insurance		18,523		

(Continued)

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

General Fund (Cont.)		
General Government (Cont.)		
County Attorney (Cont.)		
Life Insurance	$ 132	
Unemployment Compensation	21	
Legal Services	462	
Total County Attorney		$ 55,707
Election Commission		
County Official/Administrative Officer	$ 102,735	
Clerical Personnel	66,558	
Longevity Pay	14,000	
Overtime Pay	2,525	
Other Salaries and Wages	280	
Board and Committee Members Fees	12,445	
Election Workers	60,938	
Social Security	14,919	
Pensions	7,277	
Employee and Dependent Insurance	28,139	
Life Insurance	264	
Unemployment Compensation	107	
Communication	1,276	
Legal Notices, Recording, and Court Costs	10,248	
Maintenance and Repair Services - Equipment	34,458	
Postal Charges	5,499	
Printing, Stationery, and Forms	16,460	
Rentals	1,491	
Travel	4,721	
Office Supplies	8,109	
Other Charges	2,692	
Office Equipment	1,500	
Total Election Commission		396,641
Register of Deeds		
Communication	$ 942	
Dues and Memberships	1,128	
Postal Charges	226	
Printing, Stationery, and Forms	221	
Rentals	1,147	

(Continued)

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

General Fund (Cont.)		
General Government (Cont.)		
Register of Deeds (Cont.)		
Travel	$ 1,933	
Duplicating Supplies	271	
Office Supplies	2,933	
Data Processing Equipment	15,859	
Office Equipment	4,892	
Total Register of Deeds		$ 29,552
Planning		
Communication	$ 520	
Contracts with Government Agencies	15,142	
Office Supplies	575	
Other Charges	2,008	
Total Planning		18,245
County Buildings		
Longevity Pay	$ 15,000	
Other Salaries and Wages	267,671	
Social Security	20,835	
Pensions	10,237	
Employee and Dependent Insurance	46,708	
Life Insurance	308	
Unemployment Compensation	174	
Communication	7,805	
Maintenance and Repair Services - Vehicles	4,672	
Rentals	3,000	
Other Contracted Services	7,322	
Utilities	64,868	
Other Supplies and Materials	73,823	
Other Equipment	2,319	
Total County Buildings		524,742
Finance		
Accounting and Budgeting		
County Official/Administrative Officer	$ 124,886	
Longevity Pay	24,000	
Other Salaries and Wages	445,740	

(Continued)

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

General Fund (Cont.)		
Finance (Cont.)		
Accounting and Budgeting (Cont.)		
Social Security	$ 43,692	
Pensions	24,357	
Employee and Dependent Insurance	96,248	
Life Insurance	808	
Unemployment Compensation	367	
Communication	2,734	
Data Processing Services	29,926	
Dues and Memberships	155	
Legal Notices, Recording, and Court Costs	8,411	
Maintenance and Repair Services - Office Equipment	2,240	
Postal Charges	13,232	
Printing, Stationery, and Forms	10,136	
Travel	3,920	
Office Supplies	1,948	
Total Accounting and Budgeting		$ 832,800
Purchasing		
Diesel Fuel	$ 141,682	
Gasoline	65,329	
Total Purchasing		207,011
Property Assessor's Office		
County Official/Administrative Officer	$ 107,144	
Part-time Personnel	37,025	
Longevity Pay	22,000	
Other Salaries and Wages	244,132	
Board and Committee Members Fees	2,050	
Social Security	28,819	
Pensions	15,583	
Employee and Dependent Insurance	84,320	
Life Insurance	528	
Unemployment Compensation	197	
Communication	2,562	
Data Processing Services	17,511	
Dues and Memberships	100	
Postal Charges	4,893	

(Continued)

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

General Fund (Cont.)		
Finance (Cont.)		
Property Assessor's Office (Cont.)		
Printing, Stationery, and Forms	$ 779	
Travel	8,118	
Other Contracted Services	81,371	
Office Supplies	2,515	
Office Equipment	681	
Total Property Assessor's Office		$ 660,328
County Trustee's Office		
Longevity Pay	$ 4,000	
Communication	1,874	
Data Processing Services	6,899	
Dues and Memberships	1,153	
Legal Notices, Recording, and Court Costs	117	
Maintenance and Repair Services - Office Equipment	17,881	
Postal Charges	15,438	
Printing, Stationery, and Forms	10,597	
Travel	118	
Office Supplies	1,641	
Office Equipment	353	
Total County Trustee's Office		60,071
County Clerk's Office		
County Official/Administrative Officer	$ 107,144	
Part-time Personnel	30,438	
Longevity Pay	49,000	
Other Salaries and Wages	398,650	
Social Security	41,886	
Pensions	22,400	
Employee and Dependent Insurance	113,530	
Life Insurance	814	
Unemployment Compensation	295	
Communication	4,658	
Data Processing Services	34,602	
Dues and Memberships	1,043	
Legal Notices, Recording, and Court Costs	1,206	
Maintenance and Repair Services - Office Equipment	1,234	

(Continued)

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

General Fund (Cont.)		
Finance (Cont.)		
County Clerk's Office (Cont.)		
Postal Charges	$ 23,219	
Printing, Stationery, and Forms	658	
Rentals	1,086	
Travel	1,516	
Office Supplies	1,806	
Data Processing Equipment	1,315	
Office Equipment	12,031	
Total County Clerk's Office		$ 848,531
Other Finance		
Audit Services	$ 23,441	
Total Other Finance		23,441
Administration of Justice		
Circuit Court		
County Official/Administrative Officer	$ 53,572	
Part-time Personnel	24,877	
Longevity Pay	35,000	
Other Salaries and Wages	277,685	
Jury and Witness Expense	14,699	
Social Security	25,458	
Pensions	13,801	
Employee and Dependent Insurance	132,304	
Life Insurance	462	
Unemployment Compensation	352	
Communication	10,255	
Data Processing Services	36,177	
Dues and Memberships	1,098	
Legal Notices, Recording, and Court Costs	1,174	
Postal Charges	9,848	
Printing, Stationery, and Forms	9,353	
Travel	1,421	
Office Supplies	7,189	
Data Processing Equipment	2,772	
Total Circuit Court		657,497

(Continued)

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

General Fund (Cont.)		
Administration of Justice (Cont.)		
General Sessions Court		
Judge(s)	$ 201,653	
Longevity Pay	2,000	
Other Salaries and Wages	36,048	
Special Commissioner Fees/Special Master Fees	40,187	
Social Security	18,179	
Pensions	9,188	
Employee and Dependent Insurance	18,523	
Life Insurance	132	
Unemployment Compensation	114	
Travel	10,685	
Other Charges	525	
Total General Sessions Court		$ 337,234
Drug Court		
Other Contracted Services	$ 19,819	
Total Drug Court		19,819
Chancery Court		
County Official/Administrative Officer	$ 107,144	
Longevity Pay	14,000	
Other Salaries and Wages	123,969	
Social Security	18,248	
Pensions	7,983	
Employee and Dependent Insurance	32,969	
Life Insurance	292	
Unemployment Compensation	176	
Communication	2,471	
Data Processing Services	16,184	
Dues and Memberships	1,098	
Legal Notices, Recording, and Court Costs	1,058	
Maintenance and Repair Services - Office Equipment	830	
Postal Charges	11,151	
Printing, Stationery, and Forms	3,339	
Rentals	796	
Office Supplies	2,963	
Data Processing Equipment	6,422	
Office Equipment	449	
Total Chancery Court		351,542

(Continued)

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

General Fund (Cont.)		
Administration of Justice (Cont.)		
Courtroom Security		
Longevity Pay	$ 10,000	
Other Salaries and Wages	221,717	
Social Security	17,121	
Pensions	9,009	
Employee and Dependent Insurance	49,132	
Life Insurance	286	
Unemployment Compensation	105	
Other Supplies and Materials	6,736	
Total Courtroom Security		$ 314,106
Public Safety		
Sheriff's Department		
County Official/Administrative Officer	$ 119,458	
Deputy(ies)	1,174,862	
Secretary(ies)	87,576	
Longevity Pay	41,000	
Overtime Pay	217,077	
In-service Training	2,967	
Social Security	122,695	
Pensions	64,160	
Employee and Dependent Insurance	257,767	
Life Insurance	1,606	
Unemployment Compensation	638	
Communication	48,208	
Contracts with Government Agencies	10,702	
Dues and Memberships	600	
Maintenance and Repair Services - Equipment	3,823	
Maintenance and Repair Services - Office Equipment	57,010	
Maintenance and Repair Services - Vehicles	197,393	
Postal Charges	1,597	
Printing, Stationery, and Forms	3,272	
Travel	5,700	
Gasoline	134,199	
Law Enforcement Supplies	24,403	
Office Supplies	5,381	
Uniforms	14,825	

(Continued)

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

General Fund (Cont.)		
Public Safety (Cont.)		
Sheriff's Department (Cont.)		
Other Supplies and Materials	$ 17,609	
Liability Insurance	7,228	
Other Equipment	145,814	
Total Sheriff's Department		$ 2,767,570
Special Patrols		
Deputy(ies)	$ 515,331	
Longevity Pay	13,000	
Social Security	39,273	
Pensions	21,164	
Employee and Dependent Insurance	97,131	
Life Insurance	676	
Unemployment Compensation	210	
Communication	4,877	
Maintenance and Repair Services - Vehicles	11,065	
Gasoline	16,036	
Law Enforcement Supplies	41	
Uniforms	1,442	
Refunds	22,347	
Workers' Compensation Insurance	12,525	
Law Enforcement Equipment	17,314	
Total Special Patrols		772,432
Administration of the Sexual Offender Registry		
Law Enforcement Supplies	$ 4,411	
Total Administration of the Sexual Offender Registry		4,411
Jail		
Medical Personnel	$ 104,621	
Clerical Personnel	37,649	
Cafeteria Personnel	75,433	
Longevity Pay	25,000	
Overtime Pay	236,875	
Other Salaries and Wages	1,681,077	
In-service Training	990	
Social Security	161,063	

(Continued)

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

General Fund (Cont.)		
Public Safety (Cont.)		
Jail (Cont.)		
Pensions	$ 71,491	
Employee and Dependent Insurance	362,294	
Life Insurance	2,530	
Unemployment Compensation	1,573	
Communication	3,005	
Contracts with Other School Systems	42,205	
Maintenance and Repair Services - Buildings	130,276	
Medical and Dental Services	321,176	
Transportation - Other than Students	14,641	
Travel	407	
Custodial Supplies	40,236	
Food Supplies	894,606	
Law Enforcement Supplies	7,956	
Office Supplies	23,546	
Prisoners Clothing	30,400	
Utilities	337,054	
Other Supplies and Materials	119,329	
Other Equipment	10,130	
Total Jail		$ 4,735,563
Juvenile Services		
Longevity Pay	$ 15,000	
Other Salaries and Wages	291,919	
Social Security	22,687	
Pensions	12,500	
Employee and Dependent Insurance	54,671	
Life Insurance	446	
Unemployment Compensation	136	
Communication	1,911	
Contracts with Government Agencies	8,446	
Maintenance and Repair Services - Office Equipment	4,403	
Travel	4,342	
Other Contracted Services	3,557	
Office Supplies	2	
Total Juvenile Services		420,020

(Continued)

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

General Fund (Cont.)		
Public Safety (Cont.)		
Work Release Program		
Longevity Pay	$ 2,000	
Other Salaries and Wages	39,688	
Social Security	3,134	
Pensions	1,738	
Employee and Dependent Insurance	4,964	
Life Insurance	44	
Unemployment Compensation	23	
Maintenance and Repair Services - Vehicles	3,025	
Total Work Release Program		$ 54,616
Fire Prevention and Control		
Supervisor/Director	$ 7,753	
Social Security	593	
Maintenance and Repair Services - Vehicles	193,534	
Other Contracted Services	99,367	
Other Charges	1,992	
Other Equipment	1,425	
Total Fire Prevention and Control		304,664
Civil Defense		
Communication	$ 762,830	
Other Contracted Services	60,495	
Total Civil Defense		823,325
Rescue Squad		
Contributions	$ 8,100	
Total Rescue Squad		8,100
Other Emergency Management		
Longevity Pay	$ 6,000	
Other Salaries and Wages	100,519	
Social Security	8,021	
Pensions	4,442	
Employee and Dependent Insurance	10,730	
Life Insurance	132	
Unemployment Compensation	42	

(Continued)

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

General Fund (Cont.)				
Public Safety (Cont.)				
Other Emergency Management (Cont.)				
Communication	$	7,398		
Maintenance and Repair Services - Vehicles		2,760		
Rentals		6,000		
Travel		810		
Other Contracted Services		29,742		
Workers' Compensation Insurance		96		
Other Equipment		46,745		
Total Other Emergency Management			$	223,437
County Coroner/Medical Examiner				
Medical Personnel	$	75,769		
Pauper Burials		702		
Transportation - Other than Students		118,398		
Total County Coroner/Medical Examiner				194,869
Public Health and Welfare				
Local Health Center				
Temporary Personnel	$	593,294		
Communication		4,471		
Contracts with Government Agencies		62,907		
Maintenance and Repair Services - Buildings		4,510		
Other Contracted Services		6,854		
Utilities		20,749		
Other Charges		3,622		
Total Local Health Center				696,407
Ambulance/Emergency Medical Services				
Rentals	$	3,600		
Building Improvements		1,297		
Total Ambulance/Emergency Medical Services				4,897
Other Local Health Services				
Contracts with Government Agencies	$	5,593		
Contracts with Other Public Agencies		2,000		
Contributions		34,200		
Veterinary Services		21,118		
Total Other Local Health Services				62,911

(Continued)

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

General Fund (Cont.)		
Public Health and Welfare (Cont.)		
General Welfare Assistance		
Contributions	$ 7,991	
Total General Welfare Assistance		$ 7,991
Sanitation Management		
Other Salaries and Wages	$ 38,100	
Social Security	2,915	
Unemployment Compensation	39	
Equipment and Machinery Parts	3,572	
Other Supplies and Materials	5,199	
Other Charges	7,624	
Total Sanitation Management		57,449
Social, Cultural, and Recreational Services		
Libraries		
Contracts with Other Public Agencies	$ 154,000	
Total Libraries		154,000
Parks and Fair Boards		
Other Salaries and Wages	$ 37,123	
Social Security	2,800	
Pensions	1,239	
Employee and Dependent Insurance	13,931	
Life Insurance	88	
Unemployment Compensation	38	
Maintenance and Repair Services - Equipment	630	
Gasoline	1,349	
Utilities	37,439	
Other Supplies and Materials	9,176	
Total Parks and Fair Boards		103,813
Agriculture and Natural Resources		
Agricultural Extension Service		
Other Salaries and Wages	$ 175,565	
Other Fringe Benefits	69,003	
Communication	3,620	
Dues and Memberships	550	

(Continued)

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

General Fund (Cont.)		
Agriculture and Natural Resources (Cont.)		
Agricultural Extension Service (Cont.)		
Maintenance and Repair Services - Buildings	$ 2,580	
Maintenance and Repair Services - Equipment	1,937	
Travel	1,500	
Office Supplies	2,529	
Utilities	4,800	
Total Agricultural Extension Service		$ 262,084
Soil Conservation		
Secretary(ies)	$ 36,110	
Longevity Pay	2,000	
Social Security	2,952	
Pensions	1,589	
Employee and Dependent Insurance	1,350	
Life Insurance	33	
Unemployment Compensation	21	
Dues and Memberships	1,190	
Total Soil Conservation		45,245
Other Operations		
Tourism		
Contributions	$ 49,015	
Other Charges	100,991	
Other Capital Outlay	48,982	
Total Tourism		198,988
Industrial Development		
Contracts with Other Public Agencies	$ 39,088	
Contributions	71,000	
Dues and Memberships	2,108	
Other Contracted Services	5,549	
Other Charges	27,523	
Total Industrial Development		145,268
Airport		
Maintenance and Repair Services - Equipment	$ 29,143	
Other Contracted Services	30,000	
Utilities	20,765	
Total Airport		79,908

(Continued)

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

General Fund (Cont.)				
Other Operations (Cont.)				
Veterans' Services				
Supervisor/Director	$	43,028		
Part-time Personnel		3,543		
Other Salaries and Wages		31,443		
Social Security		5,937		
Pensions		2,616		
Employee and Dependent Insurance		9,928		
Life Insurance		99		
Unemployment Compensation		67		
Communication		613		
Maintenance and Repair Services - Office Equipment		1,753		
Postal Charges		52		
Travel		2,714		
Office Supplies		1,602		
Other Supplies and Materials		1,000		
Total Veterans' Services			$	104,395
Other Charges				
Judgments	$	200,344		
Liability Insurance		496,711		
Trustee's Commission		233,580		
Total Other Charges				930,635
Employee Benefits				
Social Security	$	2,689		
Pensions		28,353		
Employee and Dependent Insurance		269,937		
Unemployment Compensation		13		
Payments to Retirees		10,000		
Other Fringe Benefits		39,392		
Other Contracted Services		1,040		
Total Employee Benefits				351,424
Principal on Debt				
General Government				
Principal on Bonds	$	225,000		
Total General Government				225,000

(Continued)

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

General Fund (Cont.)			
Interest on Debt			
General Government			
Interest on Bonds	$ 86,588		
Total General Government		$ 86,588	
Total General Fund			$ 19,693,408
Law Library Fund			
Administration of Justice			
Other Administration of Justice			
Trustee's Commission	$ 58		
Total Other Administration of Justice		$ 58	
Total Law Library Fund			58
Solid Waste/Sanitation Fund			
Public Health and Welfare			
Landfill Operation and Maintenance			
Longevity Pay	$ 14,000		
Other Salaries and Wages	336,445		
Social Security	26,635		
Pensions	12,946		
Employee and Dependent Insurance	60,216		
Life Insurance	280		
Unemployment Compensation	221		
Communication	3,496		
Engineering Services	44,030		
Maintenance and Repair Services - Equipment	239,790		
Postal Charges	619		
Travel	1,598		
Disposal Fees	89,876		
Permits	8,770		
Other Contracted Services	190,619		
Crushed Stone	25,842		
Gasoline	60,106		
Office Supplies	2,751		
Uniforms	1,061		
Utilities	10,878		

(Continued)

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

Solid Waste/Sanitation Fund (Cont.)			
Public Health and Welfare (Cont.)			
Landfill Operation and Maintenance (Cont.)			
Other Supplies and Materials	$ 11,656		
Surcharge	2,112		
Other Equipment	18,599		
Total Landfill Operation and Maintenance		$ 1,162,546	
Other Waste Disposal			
Engineering Services	$ 16,591		
Total Other Waste Disposal		16,591	
Postclosure Care Costs			
Engineering Services	$ 33,955		
Total Postclosure Care Costs		33,955	
Other Operations			
Other Charges			
Building and Contents Insurance	$ 690		
Liability Insurance	1,656		
Trustee's Commission	10,316		
Vehicle and Equipment Insurance	48,774		
Workers' Compensation Insurance	12,423		
Total Other Charges		73,859	
Total Solid Waste/Sanitation Fund			$ 1,286,951
Special Purpose Fund			
Public Health and Welfare			
Other Local Health Services			
Other Charges	$ 213,500		
Health Equipment	48,159		
Total Other Local Health Services		$ 261,659	
Total Special Purpose Fund			261,659

(Continued)

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

Drug Control Fund			
Public Safety			
Drug Enforcement			
Deputy(ies)	$ 51,927		
Overtime Pay	3,742		
Social Security	4,259		
Pensions	2,255		
Employee and Dependent Insurance	6,283		
Life Insurance	132		
Unemployment Compensation	13		
Maintenance and Repair Services - Vehicles	189		
Law Enforcement Supplies	867		
Other Supplies and Materials	8,859		
Liability Insurance	12,004		
Workers' Compensation Insurance	900		
Law Enforcement Equipment	5,685		
Total Drug Enforcement		$ 97,115	
Total Drug Control Fund			$ 97,115
Constitutional Officers - Fees Fund			
General Government			
Register of Deeds			
County Official/Administrative Officer	$ 107,144		
Deputy(ies)	79,130		
Part-time Personnel	8,071		
Longevity Pay	10,000		
Social Security	14,555		
Medical Insurance	29,089		
Total Register of Deeds		$ 247,989	
Finance			
County Trustee's Office			
County Official/Administrative Officer	$ 107,144		
Deputy(ies)	129,228		
Part-time Personnel	20,936		
Longevity Pay	6,000		
Social Security	19,777		
Medical Insurance	30,526		

(Continued)

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

Constitutional Officers - Fees Fund (Cont.)			
Finance (Cont.)			
County Trustee's Office (Cont.)			
Unemployment Compensation	$ 1,063		
Other Charges	348		
Total County Trustee's Office		$ 315,022	
County Clerk's Office			
Constitutional Officers' Operating Expenses	$ 313		
Total County Clerk's Office		313	
Administration of Justice			
Circuit Court			
County Official/Administrative Officer	$ 53,572		
Deputy(ies)	42,739		
Part-time Personnel	40,302		
Social Security	23,039		
Total Circuit Court		159,652	
General Sessions Court			
Deputy(ies)	$ 180,919		
Total General Sessions Court		180,919	
Chancery Court			
Special Commissioner Fees/Special Master Fees	$ 10,607		
Total Chancery Court		10,607	
Total Constitutional Officers - Fees Fund			$ 914,502
Highway/Public Works Fund			
Highways			
Administration			
County Official/Administrative Officer	$ 117,858		
Assistant(s)	26,322		
Longevity Pay	22,000		
Other Salaries and Wages	92,566		
Social Security	18,824		
Pensions	10,254		
Unemployment Compensation	280		

(Continued)

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

Highway/Public Works Fund (Cont.)		
Highways (Cont.)		
Administration (Cont.)		
Dues and Memberships	$ 5,811	
Postal Charges	117	
Travel	5,374	
Office Supplies	3,926	
Total Administration		$ 303,332
Highway and Bridge Maintenance		
Foremen	$ 170,177	
Equipment Operators	508,452	
Truck Drivers	262,642	
Laborers	220,182	
Longevity Pay	41,000	
Social Security	89,738	
Pensions	48,990	
Employee and Dependent Insurance	1,350	
Unemployment Compensation	3,937	
Rentals	10,200	
Asphalt - Cold Mix	24,969	
Asphalt - Hot Mix	745,908	
Asphalt - Liquid	397,966	
Crushed Stone	171,401	
Other Road Materials	2,756	
Pipe - Metal	90,268	
Road Signs	13,009	
Salt	5,412	
Other Construction	26,278	
Total Highway and Bridge Maintenance		2,834,635
Operation and Maintenance of Equipment		
Foremen	$ 58,410	
Mechanic(s)	105,434	
Custodial Personnel	9,445	
Longevity Pay	11,000	
Social Security	13,118	
Pensions	6,925	
Unemployment Compensation	534	

(Continued)

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

Highway/Public Works Fund (Cont.)			
Highways (Cont.)			
Operation and Maintenance of Equipment (Cont.)			
Maintenance and Repair Services - Equipment	$ 60,856		
Diesel Fuel	105,218		
Equipment and Machinery Parts	195,725		
Garage Supplies	460		
Gasoline	34,428		
Lubricants	1,719		
Tires and Tubes	35,106		
Total Operation and Maintenance of Equipment		$ 638,378	
Other Charges			
Communication	$ 4,539		
Electricity	7,442		
Natural Gas	2,215		
Water and Sewer	466		
Building and Contents Insurance	2,070		
Judgments	40,694		
Liability Insurance	48,483		
Trustee's Commission	61,347		
Vehicle and Equipment Insurance	146,767		
Workers' Compensation Insurance	52,451		
Total Other Charges		366,474	
Employee Benefits			
Employee and Dependent Insurance	$ 324,131		
Life Insurance	2,068		
Other Fringe Benefits	1,339		
Uniforms	5,229		
Total Employee Benefits		332,767	
Capital Outlay			
Highway Equipment	$ 289,588		
Motor Vehicles	518,532		
State Aid Projects	538,729		
Other Construction	57,008		
Total Capital Outlay		1,403,857	
Total Highway/Public Works Fund			$ 5,879,443

(Continued)

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

Other Capital Projects Fund		
Principal on Debt		
Education		
Principal on Other Loans	$ 238,752	
Total Education		$ 238,752
Interest on Debt		
Education		
Interest on Other Loans	$ 22,490	
Total Education		22,490
Capital Projects		
General Administration Projects		
Judgments	$ 167,532	
Trustee's Commission	135,891	
Airport Improvement	432,143	
Building Construction	131,292	
Communication Equipment	13,750	
Land	561,100	
Building Purchases	348,656	
Other Equipment	77,422	
Total General Administration Projects		1,867,786
Administration of Justice Projects		
Building Construction	$ 27,350	
Law Enforcement Equipment	128,603	
Total Administration of Justice Projects		155,953
Public Health and Welfare Projects		
Other Capital Outlay	$ 373,059	
Total Public Health and Welfare Projects		373,059
Other General Government Projects		
Data Processing Equipment	$ 20,171	
Other Capital Outlay	403,722	
Total Other General Government Projects		423,893
Highway and Street Capital Projects		
Highway Construction	$ 777,349	
Total Highway and Street Capital Projects		777,349

(Continued)

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

Other Capital Projects Fund (Cont.)			
Capital Projects (Cont.)			
Education Capital Projects			
Building Construction	$ 666,907		
Total Education Capital Projects		$ 666,907	
Total Other Capital Projects Fund			$ 4,526,189
Endowment Fund			
Other Operations			
Other Charges			
Trustee's Commission	$ 190		
Total Other Charges		$ 190	
Total Endowment Fund			190
Total Governmental Funds - Primary Government			$ 32,659,515

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

General Purpose School Fund		
Instruction		
Regular Instruction Program		
Teachers	$ 15,100,134	
Career Ladder Program	18,000	
Homebound Teachers	58,392	
Educational Assistants	605,255	
Other Salaries and Wages	4,330	
Certified Substitute Teachers	92,859	
Non-certified Substitute Teachers	88,126	
Social Security	934,882	
Pensions	897,434	
Life Insurance	29,862	
Medical Insurance	3,073,360	
Employer Medicare	220,340	
Retirement - Hybrid Stabilization	197,922	
Contracts for Substitute Teachers - Certified	31,304	
Contracts for Substitute Teachers - Non-certified	98,036	
Instructional Supplies and Materials	472,586	
Textbooks - Bound	653,301	
Other Supplies and Materials	66,324	
Fee Waivers	40,000	
TISA - On-behalf Payments	86,678	
Other Charges	83,498	
Regular Instruction Equipment	930,112	
Total Regular Instruction Program		$ 23,782,735
Alternative Instruction Program		
Teachers	$ 128,499	
Career Ladder Program	905	
Social Security	7,494	
Pensions	8,048	
Life Insurance	223	
Medical Insurance	20,193	
Employer Medicare	1,759	
Instructional Supplies and Materials	696	
Total Alternative Instruction Program		167,817

(Continued)

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

General Purpose School Fund (Cont.)		
Instruction (Cont.)		
Special Education Program		
Teachers	$ 1,607,967	
Career Ladder Program	1,000	
Homebound Teachers	18,806	
Educational Assistants	378,711	
Speech Pathologist	126,745	
Certified Substitute Teachers	2,665	
Non-certified Substitute Teachers	7,268	
Social Security	127,791	
Pensions	109,219	
Life Insurance	4,934	
Medical Insurance	391,831	
Employer Medicare	29,893	
Retirement - Hybrid Stabilization	30,889	
Contracts with Private Agencies	519,722	
Contracts for Substitute Teachers - Certified	2,484	
Contracts for Substitute Teachers - Non-certified	7,650	
Instructional Supplies and Materials	94	
Other Supplies and Materials	10,819	
TISA - On-behalf Payments	16,626	
Special Education Equipment	5,231	
Total Special Education Program		$ 3,400,345
Career and Technical Education Program		
Teachers	$ 1,637,443	
Certified Substitute Teachers	2,450	
Non-certified Substitute Teachers	21,625	
Social Security	96,366	
Pensions	91,878	
Life Insurance	3,094	
Medical Insurance	282,021	
Employer Medicare	22,546	
Retirement - Hybrid Stabilization	27,320	
Contracts for Substitute Teachers - Certified	1,500	
Contracts for Substitute Teachers - Non-certified	18,169	
Instructional Supplies and Materials	36,381	

(Continued)

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

General Purpose School Fund (Cont.)		
Instruction (Cont.)		
Career and Technical Education Program (Cont.)		
Other Supplies and Materials	$ 60,496	
Other Charges	16,977	
Vocational Instruction Equipment	206,268	
Total Career and Technical Education Program		$ 2,524,534
Other		
Assistant(s)	$ 21,899	
Educational Assistants	47,379	
Social Security	3,896	
Pensions	2,889	
Life Insurance	247	
Medical Insurance	16,228	
Employer Medicare	911	
Total Other		93,449
Support Services		
Attendance		
Supervisor/Director	$ 117,449	
Social Security	7,237	
Pensions	7,470	
Life Insurance	108	
Medical Insurance	8,178	
Employer Medicare	1,693	
Travel	361	
Other Contracted Services	47,630	
Total Attendance		190,126
Health Services		
Supervisor/Director	$ 88,432	
Medical Personnel	268,276	
Other Salaries and Wages	17,587	
Social Security	21,459	
Pensions	14,399	
Life Insurance	1,063	
Medical Insurance	64,024	

(Continued)

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Health Services (Cont.)		
Employer Medicare	$ 5,274	
Travel	1,531	
Other Supplies and Materials	2,796	
In Service/Staff Development	100	
Other Charges	484	
Other Equipment	9,787	
Total Health Services		$ 495,212
Other Student Support		
Career Ladder Program	$ 1,000	
Guidance Personnel	791,451	
Secretary(ies)	29,389	
Other Salaries and Wages	399,514	
Social Security	68,168	
Pensions	62,112	
Life Insurance	1,555	
Medical Insurance	129,982	
Employer Medicare	17,044	
Retirement - Hybrid Stabilization	8,798	
Contracts with Government Agencies	67,071	
Evaluation and Testing	97,603	
Travel	237	
Other Contracted Services	22,524	
Other Supplies and Materials	18,204	
In Service/Staff Development	8,584	
Other Charges	62,432	
Total Other Student Support		1,785,668
Regular Instruction Program		
Supervisor/Director	$ 558,337	
Career Ladder Program	9,985	
Librarians	574,368	
Instructional Computer Personnel	244,512	
Secretary(ies)	64,267	
Educational Assistants	56,305	

(Continued)

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Regular Instruction Program (Cont.)		
Temporary Personnel	$ 93,913	
Instructional Coaches	525,481	
Other Salaries and Wages	176,417	
Social Security	137,748	
Pensions	133,865	
Life Insurance	4,231	
Medical Insurance	287,904	
Employer Medicare	32,230	
Retirement - Hybrid Stabilization	1,759	
Travel	12,176	
Library Books/Media	10,821	
Other Supplies and Materials	14,490	
In Service/Staff Development	23,647	
Other Charges	4,361	
Other Equipment	76,058	
Total Regular Instruction Program		$ 3,042,875
Special Education Program		
Supervisor/Director	$ 107,947	
Psychological Personnel	75,094	
Clerical Personnel	41,001	
Other Salaries and Wages	4,300	
Social Security	13,901	
Pensions	12,603	
Life Insurance	322	
Medical Insurance	36,283	
Employer Medicare	3,251	
Retirement - Hybrid Stabilization	2,253	
Contracts with Other Public Agencies	139,357	
Evaluation and Testing	401	
Travel	6,084	
Other Contracted Services	20,760	
Other Supplies and Materials	8,948	
In Service/Staff Development	23,790	
Total Special Education Program		496,295

(Continued)

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Career and Technical Education Program		
Supervisor/Director	$ 112,217	
Secretary(ies)	36,967	
Other Salaries and Wages	109,063	
Social Security	12,090	
Pensions	11,347	
Life Insurance	352	
Medical Insurance	31,279	
Employer Medicare	3,635	
Retirement - Hybrid Stabilization	1,601	
Travel	3,134	
In Service/Staff Development	4,372	
Total Career and Technical Education Program		$ 326,057
Technology		
Supervisor/Director	$ 76,592	
Other Salaries and Wages	22,606	
Social Security	5,817	
Pensions	4,324	
Life Insurance	165	
Medical Insurance	6,829	
Employer Medicare	1,361	
Retirement - Hybrid Stabilization	678	
Maintenance and Repair Services - Equipment	217,714	
Internet Connectivity	853,601	
Travel	1,633	
In Service/Staff Development	4,605	
Other Equipment	65,342	
Total Technology		1,261,267
Other Programs		
Assistant(s)	$ 2,718	
Educational Assistants	4,160	
Social Security	426	
Pensions	287	
Life Insurance	54	

(Continued)

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Other Programs (Cont.)		
Medical Insurance	$ 800	
Employer Medicare	100	
On-behalf Payments to OPEB	139,758	
Total Other Programs		$ 148,303
Board of Education		
Secretary to Board	$ 3,450	
Board and Committee Members Fees	48,236	
Social Security	4,766	
Pensions	337	
Employer Medicare	1,269	
Other Fringe Benefits	111,321	
Audit Services	30,000	
Dues and Memberships	16,627	
Legal Services	64,383	
Travel	11,893	
Other Supplies and Materials	8,604	
Judgments	67,150	
Liability Insurance	120,461	
Trustee's Commission	216,654	
Workers' Compensation Insurance	222,837	
Criminal Investigation of Applicants - TBI	30,844	
Other Charges	73,099	
Total Board of Education		1,031,931
Director of Schools		
County Official/Administrative Officer	$ 142,533	
Secretary(ies)	177,440	
Other Salaries and Wages	1,000	
Social Security	18,301	
Pensions	16,489	
Life Insurance	1,613	
Medical Insurance	50,560	
Employer Medicare	4,293	
Other Fringe Benefits	395	

(Continued)

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Director of Schools (Cont.)		
Communication	$ 54,426	
Dues and Memberships	4,249	
Travel	1,790	
Office Supplies	5,996	
Other Charges	9,788	
Total Director of Schools		$ 488,873
Office of the Principal		
Principals	$ 1,122,341	
Career Ladder Program	1,000	
Assistant Principals	723,254	
Secretary(ies)	646,194	
Social Security	147,887	
Pensions	142,130	
Life Insurance	4,281	
Medical Insurance	412,320	
Employer Medicare	34,599	
Communication	28,300	
Travel	12,750	
Other Charges	44,908	
Total Office of the Principal		3,319,964
Operation of Plant		
Custodial Personnel	$ 923,637	
Social Security	53,725	
Pensions	36,230	
Life Insurance	3,341	
Medical Insurance	290,939	
Employer Medicare	12,677	
Other Contracted Services	17,485	
Electricity	1,060,163	
Natural Gas	107,961	
Water and Sewer	237,024	
Other Supplies and Materials	244,417	
Building and Contents Insurance	314,456	

(Continued)

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Operation of Plant (Cont.)		
Other Charges	$ 176,723	
Plant Operation Equipment	51,415	
Total Operation of Plant		$ 3,530,193
Maintenance of Plant		
Supervisor/Director	$ 54,913	
Other Salaries and Wages	355,432	
Social Security	24,731	
Pensions	16,547	
Life Insurance	1,079	
Medical Insurance	96,837	
Employer Medicare	5,784	
Maintenance and Repair Services - Buildings	1,073,855	
Maintenance and Repair Services - Equipment	42,774	
Other Supplies and Materials	342,467	
Other Charges	218,452	
Total Maintenance of Plant		2,232,871
Transportation		
Assistant(s)	$ 43,330	
Supervisor/Director	149,967	
Mechanic(s)	166,832	
Bus Drivers	803,060	
Social Security	68,736	
Pensions	48,652	
Life Insurance	4,239	
Medical Insurance	369,692	
Employer Medicare	16,227	
Retirement - Hybrid Stabilization	394	
Contracts with Parents	92,986	
Gasoline	237,157	
Tires and Tubes	72,028	
Vehicle Parts	105,421	
Other Supplies and Materials	106,516	
Vehicle and Equipment Insurance	68,770	

(Continued)

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Transportation (Cont.)		
Other Charges	$ 35,612	
Transportation Equipment	600,436	
Total Transportation		$ 2,990,055
Operation of Non-Instructional Services		
Community Services		
Supervisor/Director	$ 26,111	
Teachers	33,892	
Educational Assistants	19,876	
Other Salaries and Wages	40,232	
Social Security	7,139	
Pensions	6,026	
Life Insurance	34	
Medical Insurance	4,542	
Employer Medicare	1,698	
Retirement - Hybrid Stabilization	1,755	
Travel	183	
Other Contracted Services	3,688	
Food Supplies	401	
Instructional Supplies and Materials	29,378	
Other Supplies and Materials	15,220	
In Service/Staff Development	2,264	
Total Community Services		192,439
Early Childhood Education		
Teachers	$ 641,796	
Clerical Personnel	8,942	
Educational Assistants	241,521	
Social Security	52,138	
Pensions	45,609	
Life Insurance	2,374	
Medical Insurance	4,171	
Employer Medicare	12,194	
Retirement - Hybrid Stabilization	11,602	
Total Early Childhood Education		1,020,347

(Continued)

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

General Purpose School Fund (Cont.)						
Capital Outlay						
Regular Capital Outlay						
Architects	$	12,450				
Building Construction		540,589				
Building Improvements		808,565				
Total Regular Capital Outlay			$	1,361,604		
Other Debt Service						
Education						
Debt Service Contribution to Primary Government	$	250,470				
Total Education				250,470		
Total General Purpose School Fund					$	54,133,430
School Federal Projects Fund						
Instruction						
Regular Instruction Program						
Teachers	$	572,075				
Educational Assistants		262,498				
Social Security		48,346				
Pensions		51,227				
Life Insurance		2,263				
Medical Insurance		210,635				
Employer Medicare		11,307				
Instructional Supplies and Materials		41,604				
Textbooks - Bound		67,067				
Regular Instruction Equipment		50,691				
Total Regular Instruction Program			$	1,317,713		
Special Education Program						
Teachers	$	312,840				
Educational Assistants		499,459				
Speech Pathologist		74,156				
Social Security		51,883				
Pensions		49,601				
Life Insurance		2,842				
Medical Insurance		258,912				

(Continued)

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

School Federal Projects Fund (Cont.)		
Instruction (Cont.)		
Special Education Program (Cont.)		
Employer Medicare	$ 12,164	
Instructional Supplies and Materials	82,033	
Other Supplies and Materials	20,000	
Special Education Equipment	12,111	
Total Special Education Program		$ 1,376,001
Career and Technical Education Program		
Instructional Supplies and Materials	$ 28,183	
Software	18,236	
Other Supplies and Materials	4,190	
Vocational Instruction Equipment	91,850	
Total Career and Technical Education Program		142,459
Support Services		
Health Services		
Medical Personnel	$ 44,829	
Social Security	2,619	
Pensions	1,883	
Medical Insurance	13,909	
Employer Medicare	612	
Total Health Services		63,852
Other Student Support		
Other Salaries and Wages	$ 8,400	
Social Security	516	
Pensions	574	
Employer Medicare	121	
Travel	695	
Other Contracted Services	63,263	
In Service/Staff Development	10,699	
Other Charges	24,968	
Total Other Student Support		109,236
Regular Instruction Program		
Supervisor/Director	$ 114,237	

(Continued)

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

School Federal Projects Fund (Cont.)		
Support Services (Cont.)		
Regular Instruction Program (Cont.)		
Secretary(ies)	$ 41,024	
Instructional Coaches	310,700	
Other Salaries and Wages	94,123	
Social Security	33,456	
Pensions	34,425	
Life Insurance	901	
Medical Insurance	66,321	
Employer Medicare	7,824	
Other Contracted Services	72,800	
Other Supplies and Materials	7,214	
In Service/Staff Development	22,020	
Other Charges	495	
Other Equipment	9,976	
Total Regular Instruction Program		$ 815,516
Special Education Program		
Psychological Personnel	$ 82,079	
Instructional Coaches	62,637	
Other Salaries and Wages	719	
Social Security	8,945	
Pensions	9,321	
Life Insurance	216	
Medical Insurance	8,808	
Employer Medicare	2,151	
Evaluation and Testing	3,193	
Other Contracted Services	27,667	
In Service/Staff Development	3,795	
Total Special Education Program		209,531
Career and Technical Education Program		
Other Equipment	$ 3,849	
Total Career and Technical Education Program		3,849
Fiscal Services		
Other Contracted Services	$ 6,338	
Total Fiscal Services		6,338

(Continued)

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

School Federal Projects Fund (Cont.)			
Support Services (Cont.)			
Transportation			
Bus Drivers	$ 87,365		
Social Security	5,155		
Pensions	3,620		
Life Insurance	565		
Medical Insurance	43,119		
Employer Medicare	1,206		
Total Transportation		$ 141,030	
Capital Outlay			
Regular Capital Outlay			
Building Improvements	$ 253,972		
Total Regular Capital Outlay		253,972	
Total School Federal Projects Fund			$ 4,439,497
Central Cafeteria Fund			
Operation of Non-Instructional Services			
Food Service			
Supervisor/Director	$ 80,635		
Clerical Personnel	41,001		
Cafeteria Personnel	1,270,876		
Other Salaries and Wages	99,360		
Social Security	84,816		
Pensions	53,558		
Life Insurance	5,852		
Medical Insurance	476,824		
Employer Medicare	20,421		
Travel	1,759		
Food Preparation Supplies	1,588,610		
USDA - Commodities	268,888		
Other Supplies and Materials	151,481		
Other Charges	53,923		
Food Service Equipment	192,922		
Total Food Service		$ 4,390,926	
Total Central Cafeteria Fund			4,390,926

(Continued)

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

Internal School Fund			
Operation of Non-Instructional Services			
Community Services			
Other Charges	$ 1,808,268		
Total Community Services		$ 1,808,268	
Total Internal School Fund			$ 1,808,268
Total Governmental Funds - McMinn County School Department			$ 64,772,121

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*

McMinn County Mayor and
Board of County Commissioners
McMinn 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 McMinn County, Tennessee as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise McMinn County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated September 22, 2025. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the discretely presented McMinn County School Department, as described in our report on McMinn 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 McMinn 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 McMinn County's internal control. Accordingly, we do not express an opinion on the effectiveness of McMinn 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. However, material weaknesses or significant deficiencies may exist that were not identified.

Cordell Hull Building | 425 Rep. John Lewis Way N. | Nashville, Tennessee 37243

Report on Compliance and Other Matters

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

Purpose of this Report

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

September 22, 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

McMinn County Mayor and
Board of County Commissioners
McMinn 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 McMinn 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 McMinn County's major federal programs for the year ended June 30, 2025. McMinn 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, McMinn 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 McMinn 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 McMinn 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 McMinn 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 McMinn 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 McMinn 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 McMinn 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 McMinn County's 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 McMinn County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of McMinn County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise McMinn County's basic financial statements. We issued our report thereon dated September 22, 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

September 22, 2025

JEM/gc

Federal/Pass-through Agency/State Grantor Program Title	Assistance Listing Number	Passed-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures
U.S. Department of Agriculture:				
Passed-through State Department of Education:				
Child Nutrition Cluster: (3)				
School Breakfast Program	10.553	N/A	$ 0	$ 1,274,729
National School Lunch Program	10.555	N/A	0	2,801,736 (4)
Passed-through State Department of Agriculture:				
Child Nutrition Cluster: (3)				
National School Lunch Program(Commodities - Cash Assistance)	10.555	N/A	0	11,264 (4)
National School Lunch Program(Commodities - Noncash Assistance)	10.555	N/A	0	268,888 (4)
Schools and Roads Cluster: (3)				
Schools and Roads - Grants to States	10.665	N/A	0	768
Passed-through State Department of Health:				
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-25-83727	0	98,007
Passed-through East Tennessee Human Resource Agency:				
Child and Adult Care Food Program	10.558	(7)	0	34,309
Total U.S. Department of Agriculture				$ 4,489,701
U.S. Department of Housing and Urban Development:				
Passed-through State Department of Economic and Community Development:				
Community Development Block Grants/State's program	14.228	N/A	0	$ 40,914
Total U.S. Department of Housing and Urban Development				$ 40,914
U.S. Department of the Interior:				
Direct Program:				
Payments in Lieu of Taxes	15.226	N/A	0	$ 7,495
Total U.S. Department of the Interior				$ 7,495
U.S. Department of Transportation:				
Passed-through State Department of Transportation:				
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106	3-47-SBGP-64	0	$ 71,635
Passed-through State Department of Safety and Homeland Security:				
Alcohol Open Container Requirements	20.607	(5)	0	21,190
Total U.S. Department of Transportation				$ 92,825
U.S. Department of the Treasury:				
Passed-through State Department of Environment and Conservation:				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds (ARP)	21.027	(7)	354,208	$ 354,208 (4) (9)
Passed-through State Department of Health:				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds (ARP)	21.027	(7)	0	241,867 (4)
Passed-through State Department of Education:				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds (ARP)	21.027	N/A	0	104,116 (4)
Total U.S. Department of the Treasury				$ 700,191
U.S. Department of Education:				
Passed-through State Department of Education:				
Title I Grants to Local Educational Agencies	84.010	N/A	0	$ 1,545,190
Special Education Cluster: (3)				
Special Education Grants to States	84.027	N/A		1,739,585
Special Education Preschool Grants	84.173	N/A	0	54,434
Career and Technical Education -- Basic Grants to States	84.048	N/A	0	170,372
Twenty-First Century Community Learning Centers	84.287	N/A		193,024
English Language Acquisition State Grants	84.365	N/A	0	15,160
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367	N/A	0	326,571
Comprehensive Literacy Development	84.371	N/A	0	82,800
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	N/A	0	6,339 (4)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund - Homeless Children and Youth (ESSER ARP)	84.425W	N/A	0	1,771 (4)
Passed-through State Department of Human Services:				
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	N/A	0	111,652
Total U.S. Department of Education				$ 4,246,898

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Assistance Listing Number	Passed-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures	
U.S. Department of Health and Human Services:					
Passed-through State Department of Health:					
Racial and Ethnic Approaches to Community Health	93.304	GG-25-83727	$ 0	$ 56,438	(6)
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	GG-25-83727	0	838	(4) (6)
Medicaid Cluster: (3)					
Medical Assistance Program	93.778	GG-25-83727	0	61,852	(6)
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	GG-25-83727	0	10,596	(6)
Maternal and Child Health Services Block Grant to the States	93.994	GG-25-83727	0	47,242	(6)
Passed-through State Department of Education:					
COVID 19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	N/A	0	63,958	(4)
Total U.S. Department of Health and Human Services				$ 240,924	
U.S. Department of Homeland Security:					
Passed-through State Department of Military:					
Emergency Management Performance Grants	97.042	34101-21324	0	$ 35,722	
Homeland Security Grant Program	97.067	34101-17823	0	29,703	
Total U.S. Department of Homeland Security				$ 65,425	
Total Expenditures of Federal Grants				$ 9,884,373	

State Grants		**Contract Number**		
Juvenile Services Program - State Children's Services Commission	N/A	(7)	0	$ 9,000
Training Equipment Grant - State Corrections Institute	N/A	(7)	0	10,692
Early Childhood Education - State Department of Education	N/A	(7)	0	1,096,286
Innovative School Models - State Department of Education	N/A	(7)	0	893,117
Summer Learning Camps - State Department of Education	N/A	(7)	0	322,765
Summer Learning Camps-Transportation - State Department of Education	N/A	(7)	0	69,806
Local Parks and Recreation Fund Grant (LPRF) - State Department of Environment And Conservation	N/A	(7)	0	32,105
OCJP Evidence Based Programming - State Department of Finance and Administration	N/A	(7)	0	185,593
School Resource Officer Grant - State Department of Finance and Administration	N/A	(7)	0	641,615
VCIF - Competitive Collaborative Enhancement Grant - State Department of Finance and Administration	N/A	(7)	0	147,367
Health Department Grants - State Department of Health	N/A	(7)	0	318,245
Airport Improvement Program - State Department of Transportation	N/A	(7)	0	271,739
Litter Program - State Department of Transportation	N/A	(7)	0	51,419
Total State Grants				$ 4,049,749

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) McMinn County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
(3) Child Nutrition Cluster total $4,356,617; Schools and Roads Cluster total $768; Special Education Cluster total $1,794,019; Medicaid Cluster total $61,852.
(4) Total for ALN 10.555 is $3,081,888; Total for ALN 21.027 is $700,191; Total for ALN 84.425 is $8,110; Total for ALN 93.354 is $64,796.
(5) Z-24-THS183: $6,865; Z-25-THS192: $14,325.
(6) Total for GG-25-83727 is $176,966.
(7) Information not available.
(8) CONSOLIDATED ADMINISTRATION
The following amounts were consolidated for administration purposes:

Program Title	ALN	Amount Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	$ 186,861
Supporting Effective Instruction State Grants	84.367	13,983
Total amounts consolidated for administration purposes		$ 200,844

(9) SUBRECIPIENT AMOUNTS
The following amounts were paid to subrecipients from the Coronavirus State and Local Fiscal Recovery Funds:

Subrecipient	ALN	Amount Provided to Subrecipients
Riceville Utility District	21.027	$ 354,208
Total amounts consolidated for administration purposes		$ 354,208

McMINN 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 McMinn 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
OFFICE OF SHERIFF					
2024	188	2024-001	The office did not review a list of voided transactions.	N/A	Corrected

Prior-year Federal Awards Findings

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

McMINN 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 McMinn County is unmodified.

2. Internal Control Over Financial Reporting:

    * Material weakness identified? **NO**

    * Significant deficiency identified? **NONE REPORTED**

3. Noncompliance material to the financial statements noted? **NO**

Federal Awards:

4. Internal Control Over Major Federal Programs:

    * Material weakness identified? **NO**

    * Significant deficiency identified? **NONE REPORTED**

5. Type of report auditor issued on compliance for major programs: **UNMODIFIED**

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**

7. Identification of major federal programs:

    * Assistance Listing Numbers: 10.553 and 10.555 — Child Nutrition Cluster: School Breakfast Program and National School Lunch Program

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

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

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

There were no findings and recommendations as a result of our audit of the financial statements of McMinn County, Tennessee.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2025.

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

The audit of McMinn County did not report findings and recommendations. Therefore, no management responses are required by the auditee requirements within Title 2 U.S. *Code of Federal Regulations* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).