



ANNUAL FINANCIAL REPORT

Overton County, Tennessee

For the Year Ended June 30, 2025

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

ANNUAL FINANCIAL REPORT
OVERTON COUNTY, TENNESSEE
FOR THE YEAR ENDED JUNE 30, 2025

COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

STEVE REEDER, CPA, CGFM, CFE
Audit Manager

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

OVERTON COUNTY, TENNESSEE

TABLE OF CONTENTS

	Exhibit	Page(s)
Summary of Audit Findings		6
INTRODUCTORY SECTION		7
Overton County Officials		8
FINANCIAL SECTION		9
Independent Auditor's Report		10-13
BASIC FINANCIAL STATEMENTS:		14
Government-wide Financial Statements:		
Statement of Net Position	A	15-16
Statement of Activities	B	17-18
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C-1	19-21
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	C-2	22
Statement of Revenues, Expenditures, and Changes in Fund Balances	C-3	23-24
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	C-4	25
Statements of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
General Fund	C-5	26-29
Solid Waste/Sanitation Fund	C-6	30
Highway/Public Works Fund	C-7	31
Fiduciary Funds:		
Statement of Net Position	D-1	32
Statement of Changes in Net Position	D-2	33
Index and Notes to the Financial Statements		34-107
REQUIRED SUPPLEMENTARY INFORMATION:		108
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios		
Based on Participation in the Public Employee Pension Plan of TCRS – Primary Government	E-1	109
Schedule of Contributions Based on Participation in the Public Employee Pension Plan of TCRS – Primary Government	E-2	110
Schedule of Contributions Based on Participation in the Teacher Retirement Plan of TCRS – Discretely Presented Overton County School Department	E-3	111
Schedule of Contributions Based on Participation in the Teacher Legacy Pension Plan of TCRS – Discretely Presented Overton County School Department	E-4	112

	Exhibit	Page(s)
Schedule of Proportionate Share of the Net Pension Asset in the Teacher Retirement Plan of TCRS – Discretely Presented Overton County School Department	E-5	113
Schedule of Proportionate Share of the Net Pension Asset in the Teacher Legacy Pension Plan of TCRS – Discretely Presented Overton County School Department	E-6	114
Schedule of Changes in Total Other Postemployment Benefits Plan Liability and Related Ratios – Local Government Plans - Primary Government	E-7	115-117
Schedule of Changes in Total Other Postemployment Benefits Plan Liability and Related Ratios – Local Education Plans - Discretely Presented Overton County School Department	E-8	118-119
Notes to the Required Supplementary Information		120
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES:		
Nonmajor Governmental Funds:		121
Combining Balance Sheet	F-1	123-124
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	F-2	125-128
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
Courthouse and Jail Maintenance Fund	F-3	129
Drug Control Fund	F-4	130
American Rescue Plan Fund	F-5	131
Major Governmental Fund:		132
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Actual and Budget:		
General Debt Service Fund	G	133
Fiduciary Funds:		134
Combining Statement of Net Position – Custodial Funds	H-1	135
Combining Statement of Changes in Net Position – Custodial Funds	H-2	136
Component Unit:		
Discretely Presented Overton County School Department:		137
Statement of Activities	I-1	138
Balance Sheet – Governmental Funds	I-2	139-140
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	I-3	141
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	I-4	142-143
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	I-5	144
Combining Balance Sheet – Nonmajor Governmental Funds	I-6	145
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	I-7	146-147

	Exhibit	Page(s)
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
General Purpose School Fund	I-8	148-150
School Federal Projects Fund	I-9	151-152
Central Cafeteria Fund	I-10	153
Education Debt Service Fund	I-11	154
Miscellaneous Schedules:		155
Schedule of Changes in Long-term Bonds and Other Loans	J-1	156
Schedule of Long-term Debt Requirements by Year	J-2	157
Schedule of Notes Receivable	J-3	158
Schedule of Transfers – Primary Government and Discretely Presented Overton County School Department	J-4	159
Schedule of Salaries and Official Bonds of Principal Officials – Primary Government and Discretely Presented Overton County School Department	J-5	160
Schedule of Detailed Revenues – All Governmental Fund Types	J-6	161-176
Schedule of Detailed Revenues – All Governmental Fund Types – Discretely Presented Overton County School Department	J-7	177-186
Schedule of Detailed Expenditures – All Governmental Fund Types	J-8	187-209
Schedule of Detailed Expenditures – All Governmental Fund Types – Discretely Presented Overton County School Department	J-9	210-227
SINGLE AUDIT SECTION		228
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 <i>Government Auditing Standards</i>		229-230
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 Uniform Guidance		231-233
Schedule of Expenditures of Federal Awards and State Grants		234-236
Summary Schedule of Prior-year Findings		237
Schedule of Findings and Questioned Costs		238-241
Management's Corrective Action Plan		242-244
Best Practice		245

Summary of Audit Findings

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

Scope

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

Results

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

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

Findings

The following are summaries of the audit findings:

OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS

- ♦ Material audit adjustments were required for proper financial statement presentation.
- ♦ The office had deficiencies regarding the construction of a community center.



INTRODUCTORY SECTION

OVERTON COUNTY OFFICIALS

June 30, 2025

Officials

Steven Barlow, County Executive
Tim Kennedy, Highway Superintendent
Donnie Holman, Director of Schools
Peggy Clark Smith, Trustee
Cara Boone, Assessor of Property
Victoria Looper, County Clerk
Lori Hammock, Circuit and General Sessions Courts Clerk
Julie Raines, Clerk and Master
Jimmy Conner, Register of Deeds
John Garrett, Sheriff
Connie York, Director of Accounts and Budgets

Board of County Commissioners

Steven Barlow, County Executive, Chairman	Patrick McCurdy
Randall Boswell	Robbie Melton
Jesse Bowman	Gregg Nivens
Roger Carr	Cindy Robbins
Darwin Clark	Donna Savage
Nathan Dale	Philip Talley
Jeff Long	Geraldine Walker
Gail McCowan	Shane Walker

Board of Education

William Abston, Chairman	Mike Hayes
Ashley Carr	Shirley Myers
James Clouse	Alice Reed
Ben Danner	Melissa Savage
Ricky Dodson	Mitch Stonecipher

Budget and Purchasing Committee

Steven Barlow, Chairman
Randall Boswell
Darwin Clark
Patrick McCurdy
Robbie Melton
Gregg Nivens

Audit Committee

Donna Savage, Chairman
Nicole Cooper
Helen Rigdon
Cindy Robbins
Tina Williams

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

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

To the County Executive 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 Overton 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 Overton County, Tennessee, as of June 30, 2025, and the respective changes in financial position and the respective budgetary comparisons for the General, Solid Waste/Sanitation, 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 Overton County Health and Rehab Center (a discretely presented component unit). We were unable to determine Overton County Health and Rehab Center's respective percentage of the assets, net position, and revenues of the aggregate discretely presented component units, because the Overton/Pickett County Emergency Communications District, a component unit requiring discrete presentation, was not included in the county's financial statements. We also did not audit the financial statements of the Internal School Fund of the Overton County School Department (a discretely presented component unit), which represent 1.05 percent, 1.18 percent, and 3.27 percent, respectively, of the assets, net position, and revenues of the discretely presented school department component. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to amounts included for the Overton County Health and Rehab Center and the Overton County School Department's Internal School Fund, are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Overton County, Tennessee, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Changes in Accounting Principle

As described in Note V.B., Overton County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences* and GASB Statement No. 102, *Certain Risk Disclosures*. GASB 101 updates the recognition and measurement guidance for compensated absences under a unified model and amends certain previously required disclosures. GASB 102 provides users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

Emphasis of Matter

We draw attention to Note I.D.10. to the financial statements, which describes a restatement to the beginning Governmental Activities net position totaling (\$67,063) for the primary government and (\$300,587) for the discretely presented Overton 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 Overton 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 Overton 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 Overton 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 total other postemployment benefits liability and related ratios, as listed under Required Supplementary Information in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Overton County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Overton County School Department (a discretely presented component unit), and miscellaneous schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Overton 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 November 4, 2025, on our consideration of Overton 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 Overton 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 Overton County's internal control over financial reporting and compliance.

Very truly yours,


Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

November 4, 2025

JEM/gc

BASIC FINANCIAL STATEMENTS SECTION

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

	Primary Government Governmental Activities	Component Units		
		Overton County School Department	Overton County Health and Rehab Center	Overton County Health and Rehab Center
ASSETS				
Cash	\$ 263,420	\$ 687,191	\$ 4,528,537	
Equity in Pooled Cash and Investments	15,881,921	31,599,356	0	
Inventories	0	40,117	0	
Accounts Receivable	1,181,868	0	1,392,201	
Allowance for Uncollectibles	(291,867)	0	(74,665)	
Due from Other Governments	1,844,203	2,331,889	0	
Due from Component Units	7,490,873	0	0	
Property Taxes Receivable	9,617,398	2,206,975	0	
Allowance for Uncollectible Property Taxes	(171,270)	(40,903)	0	
Accrued Interest Receivable	0	0	38,823	
Prepaid Items	0	0	500	
Notes Receivable - Long-term	194,417	0	0	
Net Pension Asset - Agent Plan	277,278	159,209	127,086	
Net Pension Asset - Teacher Retirement Plan	0	116,013	0	
Net Pension Asset - Teacher Legacy Pension Plan	0	5,656,900	0	
Restricted Assets - Amounts Accumulated for Pension Benefits	0	317,827	0	
Capital Assets:				
Assets Not Depreciated:				
Land	1,580,401	891,763	115,000	
Construction in Progress	995,236	606,894	0	
Intangible Assets	61,261	0	0	
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	10,192,477	18,364,211	11,339,145	
Infrastructure	18,270,594	436,204	23,606	
Other Capital Assets	3,550,507	2,200,124	366,905	
Intangible Assets	0	0	91,746	
Total Assets	\$ 70,938,717	\$ 65,573,770	\$ 17,948,884	
DEFERRED OUTFLOWS OF RESOURCES				
Pension Changes in Experience	\$ 399,854	\$ 1,747,719	\$ 183,266	
Pension Changes in Assumptions	369,226	258,106	169,229	
Pension Changes in Proportion	0	338,918	0	
Pension Contributions after Measurement Date	570,674	1,184,425	250,884	
OPEB Changes in Experience	5,717	543,789	19,014	
OPEB Changes in Proportion	0	263,562	0	
OPEB Changes in Assumptions	273,539	780,806	55,057	
OPEB Contributions After Measurement Date	22,164	220,585	980	
Total Deferred Outflows of Resources	\$ 1,641,174	\$ 5,337,910	\$ 678,430	

(Continued)

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

	Component Units		
	Primary Government	Overton County School Department	Overton County Health and Rehab Center
	Governmental Activities		
LIABILITIES			
Accounts Payable	\$ 611,300	\$ 450	\$ 150,804
Accrued Payroll	279,716	9,506	119,241
Payroll Deductions Payable	4,666	0	40,829
Cash Overdraft	918	0	0
Contracts Payable	140,362	0	0
Retainage Payable	7,388	0	0
Claims and Judgments Payable	975,000	0	0
Accrued Interest Payable	294,472	0	42,447
Due to Primary Government	0	1,775,873	5,715,000
Due to Litigants, Heirs, and Others	0	0	13,142
Noncurrent Liabilities:			
Due Within One Year - SBITA	0	0	30,509
Due Within One Year - Debt	1,029,956	0	0
Due Within One Year - Other	425,558	753,720	259,737
Due in More Than One Year - SBITA	0	0	56,403
Due in More Than One Year - Debt	20,592,557	0	0
Due in More Than One Year - Other	1,344,134	5,417,710	134,355
Total Liabilities	\$ 25,706,027	\$ 7,957,259	\$ 6,562,467
DEFERRED INFLOWS OF RESOURCES			
Deferred Current Property Taxes	\$ 9,211,348	\$ 2,107,531	\$ 0
Pension Changes in Experience	0	35,642	0
Pension Changes in Investment Earnings	256,438	1,268,547	117,534
Pension Changes in Proportion	0	218,917	0
OPEB Changes in Experience	401,320	283,055	204,526
OPEB Changes in Proportion	0	482,841	0
OPEB Changes in Assumptions	127,861	494,887	40,166
Total Deferred Inflow of Resources	\$ 9,996,967	\$ 4,891,420	\$ 362,226
NET POSITION			
Net Investment in Capital Assets	\$ 34,502,726	\$ 22,499,196	\$ 6,106,735
Restricted for:			
General Government	919,975	0	0
Finance	43,794	0	0
Administration of Justice	87,021	0	0
Public Safety	86,943	0	0
Public Health and Welfare	579,328	0	0
Highways/Public Works	827,289	0	0
Education	0	15,752,260	0
Pensions	277,278	6,249,949	127,086
Unrestricted	(447,457)	13,561,596	5,468,800
Total Net Position	\$ 36,876,897	\$ 58,063,001	\$ 11,702,621

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

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units								
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Total Governmental Activities	Overton County School Department	Overton County Health and Rehab Center								
Primary Government:																
Governmental Activities:																
General Government	\$ 4,594,871	\$ 228,683	\$ 253,727	\$ 0	\$ (4,112,461)	\$ 0	\$ 0	\$ 0	\$ 0							
Finance	985,391	856,402	0	0	(128,989)		0		0							
Administration of Justice	1,153,187	444,314	242,813	0	(466,060)		0		0							
Public Safety	5,603,468	933,442	347,770	0	(4,322,256)		0		0							
Public Health and Welfare	6,530,886	2,516,208	1,367,256	165,793	(2,481,629)		0		0							
Social, Cultural, and Recreational Services	414,982	0	31,658	0	(383,324)		0		0							
Agriculture and Natural Resources	182,466	0	0	0	(182,466)		0		0							
Highways	3,225,480	0	2,485,505	2,924,673	2,184,698		0		0							
Education	0	0	0	979,313	979,313		0		0							
Interest on Long-term Debt	936,231	0	0	0	(936,231)		0		0							
Total Primary Government	\$ 23,626,962	\$ 4,979,049	\$ 4,728,729	\$ 4,069,779	\$ (9,849,405)		\$ 0	\$ 0	\$ 0							
Component Units:																
Overton County School Department	\$ 39,561,433	\$ 140,489	\$ 8,611,028	\$ 0	\$ 0	\$ (30,809,916)	\$ 0	\$ 0	\$ 0							
Overton County Health and Rehab Center	9,629,943	10,382,496	116,125	0	0		0	868,678								
Total Component Units	\$ 49,191,376	\$ 10,522,985	\$ 8,727,153	\$ 0	\$ 0		\$ (30,809,916)	\$ 868,678								

(Continued)

OVERTON COUNTY, TENNESSEE

Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units
					Total	Governmental Activities	Overton County School Department
General Revenues:							
Taxes:							
Property Taxes Levied for General Purposes					\$ 8,495,671	\$ 2,123,757	\$ 0
Property Taxes Levied for Debt Service					86	0	0
Local Option Sales Tax					2,205,084	3,701,666	0
Hotel/Motel Tax					77,384	0	0
Wheel Tax					0	708,087	0
Wholesale Beer Tax					0	112,574	0
Mixed Drink Tax					0	19,253	0
Litigation Taxes					121,263	0	0
Mineral Severance Tax					133,069	0	0
Business Tax					247,725	0	0
Other Local Taxes					8,139	377	0
Grants and Contributions Not Restricted for Specific Programs					1,452,375	25,353,986	0
Unrestricted Investment Income					1,576,981	707,336	91,290
Sale of Equipment					115,821	0	0
Miscellaneous					109,389	40,441	0
Total General Revenues					\$ 14,542,987	\$ 32,767,477	\$ 91,290
Insurance Recovery					\$ 8,474	\$ 13,544	\$ 0
Change in Net Position					\$ 4,702,056	\$ 1,971,105	\$ 959,968
Net Position, July 1, 2024					32,241,904	56,392,483	10,830,653
Restatements- See Note I.D.10.					(67,063)	(300,587)	(88,000)
Net Position, June 30, 2025					\$ 36,876,897	\$ 58,063,001	\$ 11,702,621

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

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

	Major Funds				Nonmajor Funds		Total Governmental Funds
			Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
	General						
ASSETS							
Cash	\$ 210,183	\$ 19,477	\$ 32,249	\$ 0	\$ 1,511	\$ 263,420	
Equity in Pooled Cash and Investments	9,934,186	2,428,041	752,484	1,445,813	1,321,397	15,881,921	
Accounts Receivable	1,048,739	119,723	11,555	0	1,851	1,181,868	
Allowance for Uncollectibles	(291,867)	0	0	0	0	(291,867)	
Due from Other Governments	564,016	178,779	1,101,408	0	0	1,844,203	
Due from Other Funds	16,547	0	0	0	0	16,547	
Due from Component Units	0	0	0	5,715,000	0	5,715,000	
Property Taxes Receivable	8,572,116	437,990	607,292	0	0	9,617,398	
Allowance for Uncollectible Property Taxes	(152,907)	(7,935)	(10,428)	0	0	(171,270)	
Notes Receivable - Long-term	194,417	0	0	0	0	194,417	
Total Assets	\$ 20,095,430	\$ 3,176,075	\$ 2,494,560	\$ 7,160,813	\$ 1,324,759	\$ 34,251,637	
LIABILITIES							
Accounts Payable	\$ 23,924	\$ 0	\$ 587,376	\$ 0	\$ 0	\$ 611,300	
Accrued Payroll	212,390	21,986	45,340	0	0	279,716	
Payroll Deductions Payable	4,031	152	483	0	0	4,666	
Cash Overdraft	0	0	0	0	918	918	
Contracts Payable	0	0	0	0	140,362	140,362	
Retainage Payable	0	0	0	0	7,388	7,388	

(Continued)

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

	Major Funds				Nonmajor Funds		Total Governmental Funds
			General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	
LIABILITIES (Cont.)							
Claims and Judgments Payable	\$ 975,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 975,000
Due to Other Funds	0	0	0	14,103	2,444	0	16,547
Total Liabilities	\$ 1,215,345	\$ 22,138	\$ 633,199	\$ 14,103	\$ 151,112	\$ 0	\$ 2,035,897

DEFERRED INFLOWS OF RESOURCES

Deferred Current Property Taxes	\$ 8,209,213	\$ 418,967	\$ 583,168	\$ 0	\$ 0	\$ 9,211,348
Deferred Delinquent Property Taxes	190,506	10,058	12,425	0	0	212,989
Other Deferred/Unavailable Revenue	619,000	81,020	847,250	0	0	1,547,270
Total Deferred Inflows of Resources	\$ 9,018,719	\$ 510,045	\$ 1,442,843	\$ 0	\$ 0	\$ 10,971,607

FUND BALANCES

Nonspendable:							
Long-term Notes Receivable	\$ 194,417	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 194,417
Restricted:							
Restricted for General Government	5,167	200,000	0	0	15,844	0	221,011
Restricted for General Government - American Rescue Plan Act	0	0	0	0	214,346	0	214,346
Restricted for Finance	43,794	0	0	0	0	0	43,794
Restricted for Administration of Justice	87,021	0	0	0	0	0	87,021
Restricted for Public Safety	16,991	0	0	0	69,952	0	86,943

(Continued)

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

FUND BALANCES (Cont.)	Major Funds				Nonmajor Funds		Total Governmental Funds
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Govern- mental Funds		
Restricted (Cont.):							
Restricted for Public Health and Welfare	\$ 393,285	\$ 0	\$ 0	\$ 0	\$ 186,043	\$ 579,328	
Restricted for Other Operations	290,202	0	0	0	0	290,202	
Restricted for Highways/Public Works	128,819	0	418,518	0	0	547,337	
Restricted for Other Purposes	0	0	0	5,715,000	0	5,715,000	
Committed:							
Committed for Public Safety	0	0	0	0	687,462	687,462	
Committed for Public Health and Welfare	0	2,443,892	0	0	0	2,443,892	
Committed for Debt Service	0	0	0	1,431,710	0	1,431,710	
Assigned:							
Assigned for General Government	53,664	0	0	0	0	53,664	
Assigned for Finance	2,124	0	0	0	0	2,124	
Assigned for Administration of Justice	5,008	0	0	0	0	5,008	
Assigned for Public Safety	56,355	0	0	0	0	56,355	
Assigned for Public Health and Welfare	136,200	0	0	0	0	136,200	
Assigned for Social, Cultural, and Recreational Services	1,249	0	0	0	0	1,249	
Assigned for Agriculture and Natural Resources	143	0	0	0	0	143	
Assigned for Other Operations	1,650	0	0	0	0	1,650	
Assigned for Highways/Public Works	66	0	0	0	0	66	
Unassigned	8,445,211	0	0	0	0	8,445,211	
Total Fund Balances	\$ 9,861,366	\$ 2,643,892	\$ 418,518	\$ 7,146,710	\$ 1,173,647	\$ 21,244,133	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 20,095,430	\$ 3,176,075	\$ 2,494,560	\$ 7,160,813	\$ 1,324,759	\$ 34,251,637	

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

OVERTON 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)	\$ 21,244,133
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	
Add: land	\$ 1,580,401
Add: construction in progress	995,236
Add: intangible assets	61,261
Add: buildings and improvements net of accumulated depreciation	10,192,477
Add: infrastructure net of accumulated depreciation	18,270,594
Add: other capital assets net of accumulated depreciation	<u>3,550,507</u>
	34,650,476
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	
Less: bonds payable	\$ (18,855,000)
Less: other loans payable	(1,775,873)
Add: debt to be contributed by the school department	1,775,873
Less: accrued interest on bonds	(294,472)
Less: unamortized premium on debt	(991,640)
Less: net OPEB liability	(1,305,882)
Less: compensated absences payable	(319,681)
Less: landfill postclosure care costs	<u>(144,129)</u>
	(21,910,804)
(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	\$ 1,339,754
Less: deferred inflows of resources related to pensions	(256,438)
Add: deferred outflows of resources related to OPEB	301,420
Less: deferred inflows of resources related to OPEB	<u>(529,181)</u>
	855,555
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.	277,278
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.	<u>1,760,259</u>
Net position of governmental activities (Exhibit A)	<u><u>\$ 36,876,897</u></u>

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

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

	Major Funds				Nonmajor Funds		Total Governmental Funds
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Govern- mental Funds		
Revenues							
Local Taxes	\$ 9,595,809	\$ 1,534,171	\$ 656,284	\$ 86	\$ 344	\$ 11,786,694	
Licenses and Permits	39,236	0	0	0	0	0	39,236
Fines, Forfeitures, and Penalties	114,000	0	0	0	5,599	119,599	
Charges for Current Services	2,077,310	524,921	0	0	2,884	2,605,115	
Other Local Revenues	191,707	62,056	87,945	1,498,027	62,725	1,902,460	
Fees Received From County Officials	1,184,409	0	0	0	0	1,184,409	
State of Tennessee	2,002,940	0	4,779,253	0	829,716	7,611,909	
Federal Government	1,284,792	0	0	0	0	1,284,792	
Other Governments and Citizens Groups	122,350	0	0	2,057,083	0	2,179,433	
Total Revenues	\$ 16,612,553	\$ 2,121,148	\$ 5,523,482	\$ 3,555,196	\$ 901,268	\$ 28,713,647	
Expenditures							
Current:							
General Government	\$ 4,240,938	\$ 134,891	\$ 0	\$ 0	\$ 24	\$ 4,375,853	
Finance	958,183	0	0	0	330	958,513	
Administration of Justice	1,148,797	0	0	0	2,520	1,151,317	
Public Safety	5,324,054	0	0	0	14,545	5,338,599	
Public Health and Welfare	4,055,538	1,768,793	0	0	0	5,824,331	
Social, Cultural, and Recreational Services	385,228	0	0	0	0	385,228	
Agriculture and Natural Resources	181,393	0	0	0	0	181,393	

(Continued)

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

	Major Funds				Nonmajor Funds		Total Governmental Funds
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Govern- mental Funds		
Expenditures (Cont.)							
Current (Cont.)							
Other Operations	\$ 117,468	\$ 0	\$ 0	\$ 0	\$ 1,694,541	\$ 1,812,009	
Highways	42,456	0	6,021,462	0	0	0	6,063,918
Debt Service:							
Principal on Debt	0	0	0	1,452,770	0	1,452,770	
Interest on Debt	0	0	0	978,813	0	978,813	
Other Debt Service	0	0	0	15,829	0	15,829	
Capital Projects	0	0	0	0	694,584	694,584	
Total Expenditures	\$ 16,454,055	\$ 1,903,684	\$ 6,021,462	\$ 2,447,412	\$ 2,406,544	\$ 29,233,157	
Excess (Deficiency) of Revenues Over Expenditures	\$ 158,498	\$ 217,464	\$ (497,980)	\$ 1,107,784	\$ (1,505,276)	\$ (519,510)	
Other Financing Sources (Uses)							
Insurance Recovery	\$ 8,474	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,474	
Transfers In	1,480,000	0	0	0	500,000	1,980,000	
Transfers Out	0	(32,000)	0	(1,948,000)	0	(1,980,000)	
Total Other Financing Sources (Uses)	\$ 1,488,474	\$ (32,000)	\$ 0	\$ (1,948,000)	\$ 500,000	\$ 8,474	
Net Change in Fund Balances	\$ 1,646,972	\$ 185,464	\$ (497,980)	\$ (840,216)	\$ (1,005,276)	\$ (511,036)	
Fund Balance, July 1, 2024	8,214,394	2,458,428	916,498	7,986,926	2,178,923	21,755,169	
Fund Balance, June 30, 2025	\$ 9,861,366	\$ 2,643,892	\$ 418,518	\$ 7,146,710	\$ 1,173,647	\$ 21,244,133	

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

OVERTON 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)	\$	(511,036)
(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	\$	5,539,033
Less: current-year depreciation expense		<u>(1,314,233)</u>
		4,224,800
(2) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2025	\$	1,760,259
Less: deferred delinquent property taxes and other deferred June 30, 2024		<u>(1,147,524)</u>
		612,735
(3) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Add: principal payments on bonds	\$	1,210,250
Add: principal payments on other loans		242,520
Add: change in premium on debt issuance		71,932
Less: contributions from the school department for bonds and other loans		<u>(1,077,770)</u>
		446,932
(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 governmental funds.		
Change in accrued interest payable	\$	42,582
Change in compensated absences payable		(59,586)
Change in postclosure care costs		59,269
Change in pension liability/asset		753,404
Change in deferred outflows related to pensions		(680,634)
Change in deferred inflows related to pensions		(256,438)
Change in net OPEB liability		111,604
Change in deferred outflows related to OPEB		(25,105)
Change in deferred inflows related to OPEB		<u>(16,471)</u>
		(71,375)
Change in net position of governmental activities (Exhibit B)	\$	<u>4,702,056</u>

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

OVERTON COUNTY, TENNESSEE

**Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund
For the Year Ended June 30, 2025**

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 9,595,809	\$ 0	\$ 0	\$ 9,595,809	\$ 8,949,341	\$ 8,981,445	\$ 614,364
Licenses and Permits	39,236	0	0	39,236	47,500	47,500	(8,264)
Fines, Forfeitures, and Penalties	114,000	0	0	114,000	83,824	83,824	30,176
Charges for Current Services	2,077,310	0	0	2,077,310	1,675,355	1,694,251	383,059
Other Local Revenues	191,707	0	0	191,707	142,130	190,100	1,607
Fees Received From County Officials	1,184,409	0	0	1,184,409	1,057,100	1,057,100	127,309
State of Tennessee	2,002,940	0	0	2,002,940	2,035,632	2,648,739	(645,799)
Federal Government	1,284,792	0	0	1,284,792	3,397,961	3,661,868	(2,377,076)
Other Governments and Citizens Groups	122,350	0	0	122,350	80,500	80,500	41,850
Total Revenues	\$ 16,612,553	\$ 0	\$ 0	\$ 16,612,553	\$ 17,469,343	\$ 18,445,327	\$ (1,832,774)
Expenditures							
General Government							
County Commission	\$ 168,011	\$ (550)	\$ 0	\$ 167,461	\$ 178,498	\$ 177,748	\$ 10,287
Board of Equalization	1,600	0	0	1,600	3,000	3,000	1,400
County Mayor/Executive	327,430	(6,277)	17,750	338,903	377,312	371,312	32,409
County Attorney	63,071	0	0	63,071	55,646	71,896	8,825
Election Commission	224,310	(4,306)	200	220,204	259,087	259,087	38,883
Register of Deeds	220,766	(1,140)	240	219,866	231,963	231,963	12,097
Planning	20,921	0	0	20,921	20,948	22,948	2,027

(Continued)

OVERTON COUNTY, TENNESSEE

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
General Government (Cont.)							
County Buildings	\$ 1,920,185	\$ (14,545)	\$ 35,474	\$ 1,941,114	\$ 4,708,144	\$ 4,761,044	\$ 2,819,930
Other General Administration	1,275,662	(250)	0	1,275,412	1,333,230	1,331,933	56,521
Preservation of Records	18,982	0	0	18,982	19,118	36,118	17,136
Finance							
Accounting and Budgeting	95,533	0	0	95,533	94,244	95,941	408
Property Assessor's Office	286,457	(125)	1,103	287,435	315,033	315,033	27,598
County Trustee's Office	265,375	(250)	433	265,558	261,337	273,337	7,779
County Clerk's Office	310,818	(2,376)	588	309,030	375,615	370,386	61,356
Administration of Justice							
Circuit Court	391,976	(1,960)	375	390,391	401,588	401,588	11,197
General Sessions Court	204,763	(350)	0	204,413	213,026	213,026	8,613
Drug Court	202,917	(21,203)	4,233	185,947	252,614	509,142	323,195
Chancery Court	287,204	0	0	287,204	354,340	354,340	67,136
Juvenile Court	29,279	0	0	29,279	33,948	33,948	4,669
District Attorney General	0	0	0	0	8,431	8,431	8,431
Judicial Commissioners	32,658	0	400	33,058	43,472	43,472	10,414
Public Safety							
Sheriff's Department	2,645,671	(17,141)	27,092	2,655,622	2,817,509	3,185,154	529,532
Special Patrols	59,120	0	500	59,620	72,876	72,876	13,256

(Continued)

OVERTON COUNTY, TENNESSEE

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Public Safety (Cont.)							
Jail	\$ 2,095,444	\$ (19,296)	\$ 28,413	\$ 2,104,561	\$ 2,619,575	\$ 2,644,575	\$ 540,014
Fire Prevention and Control	237,874	0	0	237,874	250,000	240,000	2,126
Civil Defense	11,046	0	350	11,396	28,855	28,855	17,459
Rescue Squad	10,100	0	0	10,100	10,100	10,100	0
Other Emergency Management	200,000	0	0	200,000	200,000	200,000	0
County Coroner/Medical Examiner	64,799	0	0	64,799	55,000	95,000	30,201
Public Health and Welfare							
Local Health Center	69,887	(383)	0	69,504	153,857	162,557	93,053
Ambulance/Emergency Medical Services	3,390,948	(262,592)	131,350	3,259,706	3,675,570	3,928,005	668,299
Regional Mental Health Center	516,854	0	3,164	520,018	6,327	634,303	114,285
Other Public Health and Welfare	77,849	(536)	1,686	78,999	93,382	93,382	14,383
Social, Cultural, and Recreational Services							
Senior Citizens Assistance	87,978	(3,746)	0	84,232	89,001	91,001	6,769
Libraries	267,850	(406)	1,249	268,693	252,832	274,212	5,519
Other Social, Cultural, and Recreational	29,400	0	0	29,400	38,000	39,000	9,600
Agriculture and Natural Resources							
Agricultural Extension Service	82,835	0	143	82,978	117,731	117,731	34,753
Soil Conservation	98,558	0	0	98,558	107,750	107,750	9,192

(Continued)

OVERTON COUNTY, TENNESSEE

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

	Actual (GAAP Basis)	Less: Encumbrances	Add: Encumbrances	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Other Operations							
Tourism	\$ 2,602	\$ 0	\$ 1,050	\$ 3,652	\$ 5,000	\$ 5,000	\$ 1,348
Industrial Development	43,726	0	600	44,326	46,000	48,250	3,924
Other Economic and Community Development	3,000	0	0	3,000	396,436	377,586	374,586
Airport	5,135	0	0	5,135	7,200	7,200	2,065
Veterans' Services	43,899	(170)	0	43,729	58,403	58,703	14,974
Contributions to Other Agencies	19,106	0	0	19,106	20,000	20,000	894
Highways							
Traffic Control	1,842	0	0	1,842	9,000	9,000	7,158
Litter and Trash Collection	40,614	0	66	40,680	44,500	44,500	3,820
Total Expenditures	\$ 16,454,055	\$ (357,602)	\$ 256,459	\$ 16,352,912	\$ 20,715,498	\$ 22,380,433	\$ 6,027,521
Excess (Deficiency) of Revenues Over Expenditures	\$ 158,498	\$ 357,602	\$ (256,459)	\$ 259,641	\$ (3,246,155)	\$ (3,935,106)	\$ 4,194,747
Other Financing Sources (Uses)							
Insurance Recovery	\$ 8,474	\$ 0	\$ 0	\$ 8,474	\$ 0	\$ 59,474	\$ (51,000)
Transfers In	1,480,000	0	0	1,480,000	1,480,000	1,480,000	0
Total Other Financing Sources	\$ 1,488,474	\$ 0	\$ 0	\$ 1,488,474	\$ 1,480,000	\$ 1,539,474	\$ (51,000)
Net Change in Fund Balance Fund Balance, July 1, 2024	\$ 1,646,972	\$ 357,602	\$ (256,459)	\$ 1,748,115	\$ (1,766,155)	\$ (2,395,632)	\$ 4,143,747
	8,214,394	(357,602)	0	7,856,792	7,373,014	7,373,014	483,778
Fund Balance, June 30, 2025	\$ 9,861,366	\$ 0	\$ (256,459)	\$ 9,604,907	\$ 5,606,859	\$ 4,977,382	\$ 4,627,525

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

OVERTON COUNTY, TENNESSEE

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 1,534,171	\$ 0	\$ 0	\$ 1,534,171	\$ 1,374,227	\$ 1,374,227	\$ 159,944
Charges for Current Services	524,921	0	0	524,921	378,500	378,500	146,421
Other Local Revenues	62,056	0	0	62,056	75,000	75,000	(12,944)
Total Revenues	\$ 2,121,148	\$ 0	\$ 0	\$ 2,121,148	\$ 1,827,727	\$ 1,827,727	\$ 293,421
Expenditures							
General Government							
Other General Administration	\$ 134,891	\$ (240)	\$ 0	\$ 134,651	\$ 157,700	\$ 166,700	\$ 32,049
Public Health and Welfare							
Convenience Centers	316,268	0	2,010	318,278	533,359	421,359	103,081
Transfer Stations	1,390,353	(6,880)	7,141	1,390,614	1,796,042	1,898,042	507,428
Recycling Center	32,830	(591)	1,252	33,491	131,000	132,000	98,509
Other Waste Disposal	0	0	0	0	6,500	6,500	6,500
Postclosure Care Costs	29,342	(9,250)	10,650	30,742	81,000	81,000	50,258
Total Expenditures	\$ 1,903,684	\$ (16,961)	\$ 21,053	\$ 1,907,776	\$ 2,705,601	\$ 2,705,601	\$ 797,825
Excess (Deficiency) of Revenues Over Expenditures	\$ 217,464	\$ 16,961	\$ (21,053)	\$ 213,372	\$ (877,874)	\$ (877,874)	\$ 1,091,246
Other Financing Sources (Uses)							
Transfers Out	\$ (32,000)	\$ 0	\$ 0	\$ (32,000)	\$ (32,000)	\$ (32,000)	\$ 0
Total Other Financing Sources	\$ (32,000)	\$ 0	\$ 0	\$ (32,000)	\$ (32,000)	\$ (32,000)	\$ 0
Net Change in Fund Balance	\$ 185,464	\$ 16,961	\$ (21,053)	\$ 181,372	\$ (909,874)	\$ (909,874)	\$ 1,091,246
Fund Balance, July 1, 2024	2,458,428	(16,961)	0	2,441,467	1,908,079	1,908,079	533,388
Fund Balance, June 30, 2025	\$ 2,643,892	\$ 0	\$ (21,053)	\$ 2,622,839	\$ 998,205	\$ 998,205	\$ 1,624,634

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

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)	
	Actual	Original	Final		
Revenues					
Local Taxes	\$ 656,284	\$ 593,899	\$ 593,899	\$ 62,385	
Other Local Revenues	87,945	27,000	110,871	(22,926)	
State of Tennessee	4,779,253	5,579,755	6,187,621	(1,408,368)	
Total Revenues	\$ 5,523,482	\$ 6,200,654	\$ 6,892,391	\$ (1,368,909)	
Expenditures					
Highways					
Administration	\$ 220,226	\$ 245,693	\$ 262,393	\$ 42,167	
Highway and Bridge Maintenance	1,564,020	1,718,460	1,737,060	173,040	
Operation and Maintenance of Equipment	510,326	477,300	640,684	130,358	
Quarry Operations	160,849	294,303	220,303	59,454	
Other Charges	211,225	237,000	232,000	20,775	
Employee Benefits	524,329	634,606	634,606	110,277	
Capital Outlay	2,830,487	2,865,000	3,472,866	642,379	
Total Expenditures	\$ 6,021,462	\$ 6,472,362	\$ 7,199,912	\$ 1,178,450	
Excess (Deficiency) of Revenues Over Expenditures	\$ (497,980)	\$ (271,708)	\$ (307,521)	\$ (190,459)	
Net Change in Fund Balance	\$ (497,980)	\$ (271,708)	\$ (307,521)	\$ (190,459)	
Fund Balance, July 1, 2024	916,498	685,536	685,536	230,962	
Fund Balance, June 30, 2025	\$ 418,518	\$ 413,828	\$ 378,015	\$ 40,503	

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

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

	Custodial Funds
ASSETS	
Cash	\$ 1,339,513
Due from Other Governments	259,923
Total Assets	\$ 1,599,436
LIABILITIES	
Due to Other Taxing Units	\$ 259,923
Total Liabilities	\$ 259,923
NET POSITION	
Restricted for Individuals, Organizations and Other Governments	\$ 1,339,513
Total Net Position	\$ 1,339,513

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

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

	Custodial Funds
ADDITIONS	
Sales Tax Collections for Other Governments	\$ 1,477,121
Fines/Fees and Other Collections	8,375,857
Total Additions	<u><u>\$ 9,852,978</u></u>
DEDUCTIONS	
Payment of Sales Tax Collections to Other Governments	\$ 1,477,121
Payments to State	3,657,445
Payments to Cities, Individuals and Others	4,841,408
Total Deductions	<u><u>\$ 9,975,974</u></u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ (122,996)
Net Position, July 1, 2024	<u><u>1,462,509</u></u>
Net Position, June 30, 2025	<u><u>\$ 1,339,513</u></u>

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

OVERTON COUNTY, TENNESSEE

INDEX OF NOTES TO THE FINANCIAL STATEMENTS

Note	Page(s)
I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	
A. Reporting Entity	36
B. Government-wide and Fund Financial Statements	37
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	37
D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance	
1. Deposits and Investments	39
2. Receivables and Payables	40
3. Inventories	41
4. Restricted Assets	41
5. Capital Assets	42
6. Deferred Outflows/Inflows of Resources	43
7. Compensated Absences	43
8. Long-term Debt and Long-term Obligations	44
9. Net Position and Fund Balance	44
10. Restatements	45
E. Pension Plans	46
F. Other Postemployment Benefit (OPEB) Plans	46
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	47
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	47
III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY	
A. Budgetary Information	47
B. Budgetary Basis Fund Deficit	48
C. Cash Shortage - Prior Year	48
D. Cash Overdraft	48
E. Investigation	48
IV. DETAILED NOTES ON ALL FUNDS	
A. Deposits and Investments	49
B. Notes Receivable	52
C. Capital Assets	53
D. Insurance Recovery	55
E. Construction Commitments	56
F. Interfund Receivables, Payables, and Transfers	56
G. Long-term Debt	57
H. Long-term Obligations	60
I. On-Behalf Payments	61

OVERTON COUNTY, TENNESSEE INDEX OF NOTES TO THE FINANCIAL STATEMENTS (CONT.)

Note		Page(s)
V.	OTHER INFORMATION	
	A. Risk Management	61
	B. Accounting Changes	62
	C. Contingent Liabilities	62
	D. Changes in Administration	63
	E. Landfill Postclosure Care Costs	63
	F. Joint Venture	63
	G. Retirement Commitments	
	1. Tennessee Consolidated Retirement System (TCRS)	63
	2. Deferred Compensation	77
	H. Other Postemployment Benefits (OPEB)	77
	I. Office of Central Accounting and Budgeting	89
	J. Purchasing Laws	89
	K. Subsequent Event	89
VI.	OTHER NOTES - DISCRETELY PRESENTED OVERTON COUNTY HEALTH AND REHAB CENTER	89

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Overton 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 Overton County:

A. *Reporting Entity*

Overton County is a public municipal corporation governed by an elected 15-member board. As required by GAAP, these financial statements present Overton County (the primary government) and its component units. The financial statements of the Overton/Pickett 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 Overton County School Department operates the public school system in the county, and the voters of Overton 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 Overton County Health and Rehab Center provides residential nursing care to the citizens of Overton County, and the Overton County Commission appoints its governing body. Patient charges provide the majority of the revenues for the entity. Before the issuance of debt instruments, the entity must obtain the county commission's approval.

The Overton/Pickett County Emergency Communications District was established with the merger of the Pickett County Emergency Communications District and the Overton County Emergency Communications District. The merger was adopted by both boards with an effective date of February 1, 2002. The board of the district includes 13 members: nine are appointed by the Overton County Commission, and the remaining four are appointed by the Pickett County Commission. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt, the district must obtain the county commission's approval. The financial statements of the Overton/Pickett County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

The Overton 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 Overton County Health and Rehab Center and the Overton/Pickett County Emergency Communications District can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Overton County Health and Rehab Center
318 Bilbrey Street
Livingston, TN 38570

Overton/Pickett County Emergency Communications District
255 Industrial Park Drive
Livingston, TN 38570

Related Organization – The Industrial Development Authority for Overton County provides assistance in industrial recruitment in Overton County, and the county commission appoints its seven-member board. Overton County did not contribute to the operations of the Industrial Development Authority during the year ended June 30, 2025.

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 Overton 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 Overton 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.

Overton County issues all debt for the discretely presented Overton County School Department and the discretely presented Overton County Health and Rehab Center. There were no debt issues contributed by the county to the school department or the health and rehab center during the year ended June 30, 2025.

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

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

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

Fund financial statements of Overton 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/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. Overton County has no proprietary funds to report.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Overton County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the debt service funds for payments to be made early in the following year.

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

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

Overton 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.

Solid Waste/Sanitation Fund – This special revenue fund accounts for transactions related to the disposal of Overton County's solid waste. Local taxes and general service charges are the foundational revenues of this fund.

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

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

Additionally, Overton County reports the following fund types:

Capital Projects Funds – These funds account for financial resources that are used for the acquisition or construction of capital facilities and other capital assets.

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

The discretely presented Overton 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.

Education Capital Projects Fund – This fund is used to account for funds contributed from the General Purpose School fund for building construction and renovation.

Additionally, the Overton County School Department reports the following fund type:

Debt Service Fund – The Education Debt Service Fund accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs on debt issued by the primary government for the school department.

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

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

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

1. Deposits and Investments

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Overton 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 Debt Service Fund. Overton 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. Overton County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value.

2. Receivables and Payables

Activity between funds for unremitted current collections outstanding at the end of the fiscal year is referred to as due to/from other funds.

All ambulance and property taxes receivable are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to .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 30 days of year-end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount of the receivable that will be filed in court for collection. Delinquent taxes filed in court for collection are not included in taxes receivable since they are neither measurable nor available.

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

Notes receivable of \$194,417 are recognized in the General Fund for a loan to the county's Industrial Development Authority.

Overton County has issued debt on behalf of the Overton County School Department and the Overton County Health and Rehab Center, discretely presented component units that are a part of Overton County's reporting entity. Overton County, the school department, and the health and rehab center have agreed that the school department and the health and rehab center will repay Overton County the debt service requirements as they become due. Overton County has recognized a due from component units for the principal of the debt on the government-wide financial statements.

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

Claims and judgments payable in the General Fund represents the liability assessed to the county in the settlement of a wrongful death suit. On January 9, 2024, Overton County reached a settlement agreement totaling \$1,300,000 in which the county is required to make annual payments of \$162,500 for a period of eight years. On June 30, 2025, the outstanding balance of \$975,000 is reflected in the General Fund as claims and judgments payable.

Retainage payable in the primary government's nonmajor governmental funds represents amounts withheld from payments made on construction contracts pending completion of the projects. The amount is held by the county trustee as Equity in Pooled Cash and Investments on June 30, 2025.

3. Inventories

Inventories of the discretely presented Overton County School Department 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.

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 Overton 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 Overton County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Overton 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.

Primary Government

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as land and infrastructure with a cost of more than \$1, buildings with a cost of more than \$25,000, and other assets with an initial, individual cost of \$5,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

Assets	Years
Buildings and Improvements	25 - 40
Other Capital Assets	5 - 15
Infrastructure:	
Roads	25-50
Bridges	75

Discretely Presented Overton County School Department

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as land with a cost of more than \$1 and other assets with an initial, individual cost of \$25,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

Assets	Years
Buildings and Improvements	40
Other Capital Assets	5 - 30

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 and OPEB changes in experience, assumptions, proportionate share of contributions, and employer contributions made after the measurement date.

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

7. Compensated Absences

Primary Government

It is the county's policy to permit employees to accumulate earned but unused vacation, compensatory time, and sick pay benefits. All vacation and compensatory pay is accrued when incurred in the government-wide financial statements for the county. Upon termination of employment for any purpose other than retirement, all unused sick leave will be forfeited. Only a portion of the unpaid accumulated sick leave is accrued. The criteria for accrual includes a "more likely than not," to be used or paid. Since Overton County does not have a policy to pay any amounts when employees separate from service with the government, only the portion of sick leave "more likely than not" expected to be used is accrued in the government-wide financial statements. Sick leave expected to be credited to TCRS service is not accrued. A liability for vacation pay, compensatory time, and sick leave is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements and payable under the county's policies.

Discretely Presented Overton County School Department

It is the school department's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide financial statements for the school department. The general policy of the school department permits the unlimited accumulation of unused sick leave days. The criteria for accrual includes a "more likely than not," to be used or paid. Upon retirement, employees with fifteen years of continuous service have the option of applying accumulated sick leave toward retirement in the Tennessee Consolidated Retirement System or receiving a lump sum payment

of \$20 per day for all days accumulated up to 200 days. Since the Overton County School Department has a policy to potentially pay amounts when employees retire, the portion of sick leave “more likely than not” expected to be used or paid out is accrued in the government-wide financial statements. Sick leave expected to be credited to TCRS service is not accrued. A liability for vacation pay or sick leave is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements and payable under the county’s policies.

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, other postemployment benefits, and landfill postclosure care costs, 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 \$2,821,628 of restricted net position for the primary government, of which \$290,202 is restricted by enabling legislation.

As of June 30, 2025, Overton County had \$14,915,873 in outstanding debt for the discretely presented Overton County School Department and \$5,715,000 in outstanding debt for the Overton County Health and Rehab Center. This debt is a liability of Overton County, but the capital assets acquired are reported in the financial statements of the school department and the health and rehab center.

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

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

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

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

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

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

Unassigned Fund Balance – the residual classification of the General and General Purpose School funds. This classification represents fund balance that has not been assigned to other funds and 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. Restatements

With the implementation of GASB Statement 101, *Compensated Absences*, Overton County must recognize a restatement to the beginning net position in the Government-wide financial statements for the primary government and the discretely presented Overton County School Department to record compensated absences liabilities. A restatement of (\$67,063) has been presented to reflect the beginning balance of the primary government and (\$300,587) for the discretely presented Overton County School Department. The following table reflects the restatement amounts necessary to implement this standard:

	Government Wide - Governmental Activities	
	Discretely Presented	
	Primary Government	Overton County School Department
Net Position, as previously reported	\$ 32,241,904	\$ 56,392,483
Adjustments for GASB 101 Implementation:		
Compensated Absences Liability	(67,063)	(300,587)
Net Change in Beginning Net Position	<u>\$ (67,063)</u>	<u>\$ (300,587)</u>
Net Position, June 30, 2024 Restated	<u>\$ 32,174,841</u>	<u>\$ 56,091,896</u>

E. Pension Plans

Primary Government

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Overton County's participation in the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Overton 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 Overton 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 Overton County. For this purpose, Overton County recognizes benefit payments when due and payable in accordance with benefit terms. Overton County's OPEB plan is not administered through a trust.

Discretely Presented Overton 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 Overton 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 Overton 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 Overton County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. *Budgetary Information*

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

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

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

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

On June 30, 2025, Overton County and the discretely presented Overton County School Department reported the following encumbrances:

Funds	Amount
Primary Government:	
Major Funds:	
General	\$ 256,459
Solid Waste/Sanitation	21,053
Nonmajor Funds:	
Drug Control	50
American Rescue Plan	278,913
School Department:	
Major Fund:	
General Purpose School	29,397

B. Budgetary Basis Fund Deficit

The American Rescue Plan Fund reported a budgetary basis deficit of \$64,567 on June 30, 2025. This resulted from the recognition of budgeted expenditures for outstanding encumbrances in the amount of \$278,913. Due to grant expenditure reporting prescribed by the U.S. Treasury for the State and Local Fiscal Recovery Funds Grant (ALN 21.027), the grant expenditures can only be reported in April of each year. Overton County has obligated grant funds but has not yet reported expenditures of those grant funds which resulted in the budgetary basis deficit.

C. Cash Shortage – Prior Year

The State Comptroller issued a special report dated June 4, 2012, regarding allegations of suspected irregularities at the Millard Oakley Public Library, which is a department of the county's General Fund. The investigation revealed a cash shortage of \$5,600 on March 2, 2012, which was attributed to alleged illegal activity by the library's deputy director. Refunds by the bank and funds returned by the deputy director reduced the shortage to \$3,710 on March 26, 2012. On February 18, 2014, the defendant pled guilty to theft of property over \$1,000 and received a three-year sentence suspended to three years of supervised probation and 100 hours community service as well as being ordered to pay restitution of \$3,710. This shortage is not reflected in the financial statements of Overton County on June 30, 2025, due to the uncertainty of collection. No restitution was received during the year examined leaving a balance of \$650 on June 30, 2025.

D. Cash Overdraft

The Office of County Clerk had a cash overdraft of \$918 on June 30, 2025, as a result of the clerk issuing checks exceeding cash on deposit. This cash overdraft was liquidated subsequent to June 30, 2025.

E. Investigation

On January 30, 2025, the Comptroller's Division of Investigations issued an investigative report on the discretely presented Overton County School Department. This report disclosed one deficiency in internal controls and two in compliance. Three school system employees improperly received at least \$24,420 in compensation by reporting at least 877 hours of time not worked. In addition, afterschool program attendance data was inaccurately reported by the former afterschool director. On May 19, 2025, two of the employees pled guilty to theft over \$2,500 and were ordered to pay restitution in the amounts of \$13,610 and \$9,010. The Overton County School Department received these restitution payments in May and June 2025, leaving an uncollected balance of \$1,800. This amount was attributed

to another individual, whom the District Attorney did not seek charges against. The Overton County School Department does not anticipate receiving compensation for the remaining balance. This report is available at www.comptroller.tn.gov/ia.

IV. DETAILED NOTES ON ALL FUNDS

A. *Deposits and Investments*

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

Deposits

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

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

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

Investments

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

Investment Balances

As of June 30, 2025, Overton County had the following investments carried at amortized cost using a Stable Net Asset Value and fair value within the fair value hierarchy established by generally accepted accounting principles. Separate disclosures concerning pooled investments cannot be made for Overton County and the discretely presented Overton County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity	Maturity	Fair Value or Amortized Cost
Investments at Amortized Cost:			
State Treasurer's Investment Pool	1 to 45 days	N/A	\$ 45,542,339
Investments at Fair Value:			
U.S. Treasury Bills	N/A	10-2-25	494,540
U.S. Treasury Notes	N/A	7-31-25	498,310
U.S. Treasury Notes	N/A	1-31-26	1,000,956
			<u>\$ 47,536,145</u>

Investment by Fair Value Level	Fair Value 6-30-25	Fair Value Measurements Using			
		Quoted Prices in Active Markets for Identical	Significant Other Observable	Significant Inputs Unobservable	Inputs (Level 3)
U.S. Treasury Bills	\$ 494,540	\$ 494,540	\$ 0	\$ 0	0
U.S. Treasury Notes	1,499,266	1,499,266	0	0	0
Total	\$ 1,993,806	\$ 1,993,806	\$ 0	\$ 0	0

Fair value investments classified at Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fair value investments classified as Level 2 of the fair value hierarchy are valued using the active market rates for the underlying securities. Fair value investments classified as Level 3 of the fair value hierarchy are valued using non-observable inputs.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State statutes limit the maturities of certain investments as previously disclosed. Overton 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. Overton County has no investment policy that would further limit its investment choices. As of June 30, 2025, Overton 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 Overton 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 Overton 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 Overton 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	\$ 98,526
Developed Market International Equity	N/A	N/A	44,496
Emerging Market International Equity	N/A	N/A	12,713
U.S. Fixed Income	N/A	N/A	63,565
Real Estate	N/A	N/A	31,783
Short-term Securities	N/A	N/A	3,179
NAV - Private Equity and Strategic Lending	N/A	N/A	<u>63,565</u>
Total			<u>\$ 317,827</u>

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

B. Notes Receivable

The General Fund had a long-term note receivable of \$194,417 on June 30, 2025, resulting from funds loaned to the Industrial Development Authority for the purchase of property. The amount of the notes outstanding on June 30, 2025, is reflected as a nonspendable fund balance in the General Fund.

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	Balance 6-30-25
Capital Assets Not Depreciated:			
Land	\$ 700,401	\$ 880,000	\$ 1,580,401
Intangible Assets- Indefinite Life	61,261	0	61,261
Construction in Progress	0	995,236	995,236
Total Capital Assets Not Depreciated	\$ 761,662	\$ 1,875,236	\$ 2,636,898
 Capital Assets Depreciated:			
Buildings and Improvements	\$ 14,294,962	\$ 888,360	\$ 15,183,322
Infrastructure	20,990,504	2,452,715	23,443,219
Other Capital Assets	11,352,594	322,722	11,675,316
Total Capital Assets Depreciated	\$ 46,638,060	\$ 3,663,797	\$ 50,301,857
 Less Accumulated Depreciation For:			
Buildings and Improvements	\$ 4,690,867	\$ 299,978	\$ 4,990,845
Infrastructure	4,956,844	215,781	5,172,625
Other Capital Assets	7,326,335	798,474	8,124,809
Total Accumulated Depreciation	\$ 16,974,046	\$ 1,314,233	\$ 18,288,279
Total Capital Assets Depreciated, Net	\$ 29,664,014	\$ 2,349,564	\$ 32,013,578
Governmental Activities Capital Assets, Net	\$ 30,425,676	\$ 4,224,800	\$ 34,650,476

There were no decreases in capital assets to report during the year ended June 30, 2025.

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

Governmental Activities:

General Government	\$ 133,984
Administration of Justice	1,595
Public Safety	484,266
Public Health and Welfare	298,612
Social, Cultural, and Recreational Services	31,359
Agriculture and Natural Resources	1,897
Highways/Public Works	<u>362,520</u>
 Total Depreciation Expense - Governmental Activities	 <u>\$ 1,314,233</u>

Net Investment in Capital Assets

Capital Assets	\$ 34,650,476
Add:	
Outstanding principal of capital debt related to school department capital assets	14,915,873
Outstanding principal of capital debt related to health and rehab center capital assets	5,715,000
Less:	
Outstanding principal of capital debt and other capital borrowings	(20,630,873)
Outstanding contract and retainage payments	<u>(147,750)</u>
 Net Investment in Capital Assets	 <u>\$ 34,502,726</u>

Discretely Presented Overton County School Department

Governmental Activities:

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	\$ 891,763	\$ 0	\$ 0	\$ 891,763
Construction in Progress	1,633,826	606,894	(1,633,826)	606,894
Total Capital Assets Not Depreciated	\$ 2,525,589	\$ 606,894	\$ (1,633,826)	\$ 1,498,657
Capital Assets Depreciated:				
Buildings and Improvements	\$ 31,223,032	\$ 2,113,555	\$ (47,931)	\$ 33,288,656
Infrastructure	963,193	0	0	963,193
Other Capital Assets	4,596,233	302,734	0	4,898,967
Total Capital Assets Depreciated	\$ 36,782,458	\$ 2,416,289	\$ (47,931)	\$ 39,150,816
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 14,279,531	\$ 667,021	\$ (22,107)	\$ 14,924,445
Infrastructure	504,298	22,691	0	526,989
Other Capital Assets	2,444,943	253,900	0	2,698,843
Total Accumulated Depreciation	\$ 17,228,772	\$ 943,612	\$ (22,107)	\$ 18,150,277
Total Capital Assets Depreciated, Net	\$ 19,553,686	\$ 1,472,677	\$ (25,824)	\$ 21,000,539
Governmental Activities Capital Assets, Net	\$ 22,079,275	\$ 2,079,571	\$ (1,659,650)	\$ 22,499,196

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

Governmental Activities:

Instruction	\$ 639,610
Support Services	<u>304,002</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 943,612</u>

D. Insurance Recovery

During the year examined, the county received insurance proceeds of \$8,474 for damage to a sheriff's department vehicle sustained in an accident, and the discretely presented school department received insurance proceeds of \$13,544 for storm damage to an elementary school. These funds were not spent as of June 30, 2025, and have been reflected in the financial statements of this report.

E. Construction Commitments

On June 30, 2025, Overton County had an uncompleted construction contract of approximately \$4,420,250 for the construction of a health department. Funding for these future expenditures is expected to be received from federal grants.

F. 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	General Debt Service	\$ 14,103
"	Nonmajor governmental	2,444

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.

Due to/from Primary Government and Component Unit:

Receivable Fund	Payable Fund	Amount
Primary Government:		
Governmental Activities	Component Unit: School Department	\$ 1,775,873
General Debt Service	Health and Rehab Center	5,715,000

The amounts reflected as Due to the Primary Government from the discretely presented school department on the government-wide Statement of Net Position represent amounts for debt contributions.

The receivable from the health and rehab center represents amounts due to the county for debt issued on behalf of the center.

Interfund Transfers:

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

Primary Government

Transfers Out	Transfers In			Purpose
	General Fund	Nonmajor Governmental Funds		
Solid Waste/Sanitation Fund	\$ 32,000	\$ 0		Operations
General Debt Service Fund	1,000,000	0		"
"	448,000	0		Land purchase
"	0	500,000		Establish new fund
	\$ 1,480,000	\$ 500,000		

Discretely Presented Overton County School Department

Transfers Out	Transfers In		
	General Fund	Nonmajor Governmental Funds	Purpose
General Purpose School Fund	\$ 0	\$ 1,248,871	Debt retirement
School Federal Projects Fund	27,190	0	Indirect cost
Total	\$ 27,190	\$ 1,248,871	

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

G. *Long-term Debt*

Primary Government

General Obligation Bonds and Other Loans

General Obligation Bonds - Overton County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government, the discretely presented school department, and the discretely presented Overton County Health and Rehab Center. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 25 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2025, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements - Overton County issues other loans to provide funds for the acquisition and construction of major capital facilities for the primary government, the discretely presented school department, and the discretely presented Overton County Health and Rehab Center. Other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Other loans outstanding were issued for original terms of up to 13 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. Other loans included in long-term debt as of June 30, 2025, will be retired from the General Debt Service Fund.

General obligation bonds 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	2.58 to 5 %	4-1-45	\$ 22,255,000	\$ 18,855,000
Direct Borrowing and Direct Payment:				
Other Loans	1	8-1-32	2,925,917	1,775,873

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2026	\$ 785,000	\$ 775,019	\$ 1,560,019
2027	820,000	744,494	1,564,494
2028	855,000	712,301	1,567,301
2029	890,000	679,251	1,569,251
2030	925,000	644,513	1,569,513
2031-2035	4,675,000	2,638,514	7,313,514
2036-2040	4,870,000	1,630,863	6,500,863
2041-2045	5,035,000	578,457	5,613,457
Total	\$ 18,855,000	\$ 8,403,412	\$ 27,258,412

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2026	\$ 244,956	\$ 16,992	\$ 261,948
2027	247,416	14,532	261,948
2028	249,912	12,036	261,948
2029	252,420	9,528	261,948
2030	254,952	6,996	261,948
2031-2033	526,217	41,337	567,554
Total	\$ 1,775,873	\$ 101,421	\$ 1,877,294

There is \$7,146,710 available in the General Debt Service Fund and \$1,616,147 in the school department's Education Debt Service Fund to service long-term debt. However, of the General Debt Service Fund amount, \$5,715,000 has been loaned to the discretely presented Overton County Health and Rehab Center and will be repaid over the next 17 years. Bonded debt per capita totaled \$838, based on the 2020 federal census. Total debt per capita, including bonds, other loans, and unamortized debt premiums, totaled \$961, based on the 2020 federal census.

The school department and the Overton County Health and Rehab Center are currently contributing funds to service the debt issued on their behalf by the primary government as noted in the table below. This debt is reflected in the government-wide financial statements as Due to the Primary Government in the financial statements of the school department and the health and rehab center and as Due from Component Units in the financial statements of the primary government.

Description of Debt	Outstanding 6-30-25
---------------------	------------------------

Discretely Presented Overton County School Department

Other Loans Payable - Direct Placement

Contributions from the Education Debt Service Fund

Tennessee Energy Efficiency School Initiative Loan	\$ 1,775,873
Total School Department	<u><u>\$ 1,775,873</u></u>

Discretely Presented Overton Health and Rehab Center

Bonds Payable

Contributions from the Health and Rehab Center

Nursing Home Improvements	\$ 1,865,000
Nursing Home Renovation and Construction	3,850,000
Total Health and Rehab Center	<u><u>\$ 5,715,000</u></u>
Total Due from Component Units	<u><u>\$ 7,490,873</u></u>

Changes in Long-term Debt

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

Governmental Activities:

	Bonds	Other Loans - Direct Placement
Balance, July 1, 2024	\$ 20,065,250	\$ 2,018,393
Reductions	<u>(1,210,250)</u>	<u>(242,520)</u>
Balance, June 30, 2025	<u><u>\$ 18,855,000</u></u>	<u><u>\$ 1,775,873</u></u>
Balance Due Within One Year	<u><u>\$ 785,000</u></u>	<u><u>\$ 244,956</u></u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2025	\$ 20,630,873
Less: Balance Due Within One Year - Debt	(1,029,956)
Add: Unamortized Premium on Debt	<u>991,640</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u><u>\$ 20,592,557</u></u>

H. 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:

	Other	Postemployment Benefits	Compensated Absences *	Postclosure Care Costs	Landfill Liability - Agent Plan ^	Net Pension
Balance, July 1, 2024	\$ 1,417,486		\$ 260,095	\$ 203,398	\$ 476,126	
Additions		261,899		59,586	3,378	2,317,907
Reductions			(373,503)	0	(62,647)	(3,071,311)
Balance, June 30, 2025	\$ 1,305,882		\$ 319,681	\$ 144,129	\$ (277,278)	
Balance Due Within One Year	\$ 22,164		\$ 259,265	\$ 144,129	\$ 0	

*Restated beginning balance – see Note I.D.10. The change in compensated absences is presented as a net change.

^On June 30, 2025, the agent plan had a net pension asset.

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, Other - June 30, 2025	\$ 1,769,692
Less: Balance Due Within One Year - Other	<u>(425,558)</u>
Noncurrent Liabilities - Due in	
More Than One Year - Other - Exhibit A	<u>\$ 1,344,134</u>

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

Discretely Presented Overton County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	Other Postemployment Benefits	Compensated Absences *	Net Pension Liability - Agent Plan ^
Balance, July 1, 2024	\$ 5,440,600	\$ 327,469	\$ 254,511
Additions	612,733	219,660	1,344,984
Reductions	(429,032)	0	(1,758,704)
Balance, June 30, 2025	<u>\$ 5,624,301</u>	<u>\$ 547,129</u>	<u>\$ (159,209)</u>
Balance Due Within One Year	<u>\$ 220,585</u>	<u>\$ 533,135</u>	<u>0</u>

*Restated beginning balance – see Note I.D.10. The change in compensated absences is presented as a net change.

^On June 30, 2025, the agent plan had a net pension asset.

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2025	\$ 6,171,430
Less: Balance Due Within One Year - Other	<u>(753,720)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 5,417,710</u>

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

I. On-Behalf Payments

Discretely Presented Overton County School Department

The State of Tennessee pays health insurance premiums for retired teachers on behalf of the Overton County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both plans are 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 and the Medicare Supplement Plan for the year ended June 30, 2025, were \$132,690 and \$50,535, respectively. 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

Primary Government

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

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

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

Discretely Presented Overton County School Department

The school department participates in the Tennessee Risk Management Trust (TN-RMT), which is a public entity risk pool created under the auspices of the Tennessee Governmental Tort Liability Act to provide governmental insurance coverage. The school department pays annual premiums to the TN-RMT for its general liability, property, casualty, and workers' compensation insurance coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

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

B. Accounting Changes

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

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

C. Contingent Liabilities

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

The county is involved in several pending lawsuits. 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. *Changes in Administration*

On August 31, 2024, James Norrod left the Office of Highway Superintendent and was succeeded by Tim Kennedy, and Dorothy Stanton left the Office of Clerk and Master and was succeeded by Julie Raines.

E. *Landfill Postclosure Care Costs*

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

State and federal laws and regulations require the county to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. These closure and postclosure care costs generally are paid near or after the date that the landfill stops accepting waste. Overton County closed its landfill in 1994. The Solid Waste/Sanitation Fund reports the postclosure care costs of the closed landfill as expenditures in each period in which they are incurred. The \$144,129 reported as landfill postclosure care liability on June 30, 2025, represents the net amount reported to date based on 100 percent use of the estimated capacity of the landfill. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

F. *Joint Venture*

The Thirteenth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Thirteenth Judicial District, Clay, Cumberland, DeKalb, Overton, Pickett, Putnam, and White counties, and participating municipalities within the district. 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. Overton County did not make appropriations to the DTF for the year ended June 30, 2025. Overton County does not have an equity interest in the DTF. Complete financial statements for the DTF can be obtained from its administrative office at the following address:

Administrative Office:

Office of District Attorney General
Thirteenth Judicial District Drug Task Force
1289 S. Walnut Avenue
Cookeville, TN 38501

G. *Retirement Commitments*

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Overton County, non-certified employees of the discretely presented Overton County School Department, and employees of the discretely presented Overton County Health and Rehab Center 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 49.2 percent, the non-certified employees of the discretely presented school department comprise 28.25 percent, and the discretely presented Overton County Health and Rehab Center comprises 22.55 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	275
Inactive Employees Entitled to But Not Yet Receiving Benefits	703
Active Employees	455
<hr/> Total	<hr/> 1,433

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of their salary to the plan. Overton County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2025, the employer contributions for Overton County were \$1,161,635 based on a rate of 6.88 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Overton 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)

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

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

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

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

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

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

Asset Class	Long-term Expected Real Rate of Return	Percentage Allocations	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 Overton County will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2023	\$ 46,033,911	\$ 45,083,175	\$ 950,736
Changes for the Year:			
Service Cost	\$ 1,495,333	\$ 0	\$ 1,495,333
Interest	3,144,247	0	3,144,247
Differences Between Expected and Actual Experience	18,712	0	18,712
Contributions-Employer	0	1,059,170	(1,059,170)
Contributions-Employees	0	770,933	(770,933)
Net Investment Income	0	4,395,399	(4,395,399)
Benefit Payments, Including Refunds of Employee Contributions	(1,895,622)	(1,895,622)	0
Administrative Expense	0	(52,901)	52,901
Net Changes	\$ 2,762,670	\$ 4,276,979	\$ (1,514,309)
Balance, June 30, 2024	\$ 48,796,581	\$ 49,360,154	\$ (563,573)

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

		Plan	Net
	Total Pension Liability	Fiduciary Net Position	Pension Liability (Asset)
Primary Government	49.20%	\$ 24,007,918	\$ 24,285,196
School Department	28.25%	13,785,034	13,944,244
Health and Rehab Center	22.55%	11,003,629	11,130,715
Total		\$ 48,796,581	\$ 49,360,154
			\$ (563,573)

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

Overton County	1%	Current Discount Rate	1%
	Decrease	Rate	Increase
Net Pension Liability (Asset)	5.75%	6.75%	7.75%

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, Overton County recognized pension expense (negative pension expense) of \$1,496,631.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, Overton 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	\$ 812,711	\$ 0
Net Difference Between Projected and Actual		
Earnings on Pension Plan Investments	0	521,215
Changes in Assumptions	750,460	0
Contributions Subsequent to the Measurement Date of June 30, 2024 (1)	<u>1,161,635</u>	N/A
Total	<u>\$ 2,724,806</u>	<u>\$ 521,215</u>

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 1,339,754	\$ 256,438
School Department	781,674	147,243
Health and Rehab Center	<u>603,378</u>	<u>117,534</u>
Total	<u>\$ 2,724,806</u>	<u>\$ 521,215</u>

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

Year Ending June 30	Amount
2026	\$ 446,509
2027	999,882
2028	(133,175)
2029	(271,256)
2030	0
Thereafter	0

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

Payable to the Pension Plan

On June 30, 2025, Overton County reported a payable of \$150 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2025.

Discretely Presented Overton County School Department - Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Overton County, non-certified employees of the discretely presented Overton County School Department, and employees of the discretely presented Overton County Health and Rehab Center 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 49.2 percent, the non-certified employees of the discretely presented school department comprise 28.25 percent, and the discretely presented Overton County Health and Rehab Center comprises 22.55 percent of the plan based on contribution data.

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

General Information About the Pension Plan

Plan Description. Teachers of the Overton 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 \$134,879, which is three percent of covered payroll. In addition, employer contributions of \$44,352, which is one percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Pension Liabilities (Assets), Pension Expense (Negative Pension Expense), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Liabilities (Assets). On June 30, 2025, the school department reported a liability (asset) of (\$116,013) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2024, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2024, the school department's proportion was 0.162801 percent. The proportion as of June 30, 2023, was 0.139782 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, the Overton County School Department recognized pension expense (negative pension expense) of \$94,590.

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	\$ 9,583	\$ 35,642
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	19,570
Changes in Assumptions	46,101	0
Changes in Proportion of Net Pension Liability (Asset)	2,241	24,496
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	<u>134,879</u>	N/A
Total	\$ 192,804	79,708

The school department's employer contributions of \$134,879, 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	\$ (13,684)
2027	13,392
2028	(9,563)
2029	(9,456)
2030	70
Thereafter	(2,541)

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

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

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

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

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

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

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

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

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

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75 percent, as well as what the school

department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75 percent) or one percentage point higher (7.75 percent) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease	Current Discount Rate	1% Increase
Net Pension Liability (Asset)	5.75%	6.75%	7.75%

\$ 305,964 \$ (116,013) \$ (430,052)

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

General Information About the Pension Plan

Plan Description. Teachers of the Overton 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 Overton County School Department for the year ended June 30, 2025, to the Teacher Legacy Pension Plan were \$709,468 which is 6.36 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Pension Liabilities (Assets), Pension Expense (Negative Pension Expense), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Liability (Assets). On June 30, 2025, the school department reported a liability (asset) of (\$5,656,900) 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 0.328343 percent. The proportion measured as of June 30, 2023, was 0.353672 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, the school department recognized pension expense (negative pension expense) of \$1,279,785.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,508,545	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	1,101,734
Changes in Proportion of Net Pension Liability (Asset)	336,677	194,421
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	<u>709,468</u>	N/A
Total	<u>\$ 2,554,690</u>	<u>\$ 1,296,155</u>

The school department's employer contributions of \$709,468 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	\$ (563,761)
2027	2,267,706
2028	(574,808)
2029	(580,070)
2030	0
Thereafter	0

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

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

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

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

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

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCPS 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	%
Developed Market		31
International Equity	5.37	14
Emerging Market		
International Equity	6.09	4
Private Equity and		
Strategic Lending	6.57	20
U.S. Fixed Income	1.20	20
Real Estate	4.38	10
Short-term Securities	0.00	1
 Total	 100	 %

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

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

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the 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)	\$ 7,186,223	\$ (5,656,900)	\$ (16,308,518)

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

Primary Government

Overton County offers its employees two deferred compensation plans, one established pursuant to IRC Section 457 and the other pursuant to IRC Section 401(k). All costs of administering and funding these programs are the responsibility of plan participants. The Section 401(k) and Section 457 plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 401(k) and 457 establish participation, contribution, and withdrawal provisions for the plans.

Discretely Presented Overton County School Department

The discretely presented Overton County School Department offers its employees two deferred compensation plans, each established pursuant to IRC Section 403(b). All costs of administering and funding these programs are the responsibility of plan participants. The Section 403(b) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Section 403(b) establishes 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 \$214,743 and teachers contributed \$189,843 to this deferred compensation pension plan.

H. Other Postemployment Benefits (OPEB)

Overton County and the discretely presented Overton County School Department provide OPEB benefits to its retirees through state administered public entity risk pools. For reporting purposes, the plans are considered single employer defined benefit OPEB plans based on criteria in Statement No. 75 of the Governmental Accounting Standards Board (GASB). The plans are funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

OPEB Provided through State Administered Public Entity Risk Pools

Primary Government

Retirees of Overton County are provided healthcare under a Local Government Plan (LGP) until they reach Medicare eligibility. Likewise, the school department provides healthcare benefits to its employees under the Local Education Plan (LEP) until they reach Medicare eligibility. The retirees of the Overton County School Department may then join the Tennessee Plan – Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare.

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

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

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

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

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

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2024, valuations were the same as those employed in the July 1, 2022, Pension Actuarial Valuation of the TCRS. These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-weighted employee mortality table for non-disabled pre-retirement mortality, with mortality improvement projected generationally with MP-2021 from 2010. Post-retirement rates are headcount-weighted below median healthy annuitant and adjusted with a 6 percent load for males and a 14 percent load for females, projected generationally with MP-2021 from 2010. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load, projected generationally from 2018 with MP-2021.

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

Local Government OPEB Plans (Primary Government)

Plan Description. Employees of Overton County who were hired prior to July 1, 2015, are provided with pre-65 retiree health insurance benefits through closed Local Government Plans (LGPs) administered by the Tennessee Department of Finance and Administration. All eligible pre-65 retired employees and disability participants of local governments, who choose coverage, participate in the LGP.

Benefits Provided. Overton County offers the LGPs to provide health insurance coverage to eligible pre-65 retirees and disabled participants of local governments. With the exception of a small group of grandfathered individuals, retirees are required to discontinue coverage under the LGPs upon obtaining

Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with *TCA* 8-27-701 establishes and amends the benefit terms of the LGPs. 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 LGPs, 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. Overton County provides a direct subsidy equal to that of active employee for retirees who are at least 55 years old, who worked for the county for ten years, and who had health insurance with the county at least three years.

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

Inactive Employees Currently Receiving Benefit Payments	1
Inactive Employees Entitled To But Not Yet Receiving Benefit Payments	0
Active Employees Eligible for Benefits	<u>151</u>
 Total	 <u>152</u>

An insurance committee, created in accordance with *TCA* 8-27-701, establishes the required payments to the LGP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2025, the county paid \$19,886 to the LGP for OPEB benefits as they came due.

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

	Overton County
Balance July 1, 2023	<u>\$ 1,282,456</u>
Changes for the Year:	
Service Cost	\$ 159,400
Interest	52,252
Changes in Benefit Terms	(195,865)
Difference between Expected and Actuarial Experience	(134,076)
Changes in Assumption	40,953
Benefit Payments	<u>(20,783)</u>
Net Changes	<u>\$ (98,119)</u>
 Balance June 30, 2024	 <u>\$ 1,184,337</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, the county recognized OPEB expense (negative OPEB expense) of (\$2,109). 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 Actual and Expected Experience	\$ 5,314	\$ 268,541
Changes of Assumptions	255,321	72,614
Benefits Paid After the Measurement Date of June 30, 2024	19,886	0
Total	\$ 280,521	\$ 341,155

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

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

Year Ending June 30	Overton County
2026	\$ (16,601)
2027	(7,375)
2028	(3,876)
2029	(13,240)
2030	(22,851)
Thereafter	(16,577)

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

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

Discount Rate	Current		
	1% Decrease	Discount Rate	1% Increase
Overton County	2.93%	3.93%	4.93%
Total OPEB Liability	\$ 1,266,520	\$ 1,184,337	\$ 1,107,149

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

Healthcare Cost Trend Rate	Current		
	1%	Trend	1%
	Decrease	Rate	Increase
Overton County	9.68 to 3.5%	10.68 to 4.5%	11.68 to 5.5%
Total OPEB Liability	\$ 1,066,863	\$ 1,184,337	\$ 1,321,011

Tennessee Plan – Medicare (Primary Government)

Plan Description. Employees of Overton County who were hired prior to July 1, 2015, are provided with post-65 retiree health insurance benefits through the closed Tennessee Plan – Medicare (TNM) administered by the Tennessee Department of Finance and Administration. All eligible post-65 retirees and disability participants of local governments, who choose coverage, participate in the TNM. The TNM also includes eligible retirees of the state, certain component units of the state, and local education agencies. This plan was closed to the employees of all participating employers that were hired on or after July 1, 2015. The county's total OPEB liability for the TNM Plan was measured as of June 30, 2024, and was determined by an actuarial valuation as of that date.

Benefits Provided. The state offers the TNM to help fill most of the coverage gaps created by Medicare for eligible post-65 retirees and disabled participants of local governments. Insurance coverage is the only postemployment benefit provided to retirees. The TNM does not include pharmacy. In accordance with *TCA* 8-27-209, benefits of the TNM are established and amended by cooperation of insurance committees created by *TCA* Sections 8-27-201, 8-27-301 and 8-27-701. Retirees and disabled employees of the state, component units, local education agencies, and certain local governments who have reached the age of 65 are Medicare eligible and also receive a benefit from the Tennessee Consolidated Retirement System (TCRS) may participate in this plan. All plan members receive the same plan benefits at the same premium rates. Participating employers determine their own policy related to subsidizing the retiree premiums. Overton County provided a direct subsidy of \$50 for eligible retirees with 30 or more years of service, \$37.50 for eligible retirees with 20-29 years of service, and \$20 for eligible retirees with less than 20 years of service.

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

Inactive Employees Currently Receiving Benefit Payments	10
Inactive Employees Entitled To But Not Yet Receiving Benefit Payments	8
Active Employees Eligible for Benefits	<u>102</u>
Total	<u>120</u>

In accordance with *TCA* 8-27-209, the state insurance committees established by *TCA* Sections 8-27-201, 8-27-301, and 8-27-701 determine the required payments to the plan by member employers and 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. For the fiscal year ended June 30, 2025, the county paid \$2,278 to the TNM for OPEB benefits as they came due.

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

	Overton County
Balance July 1, 2023	<u>\$ 135,030</u>
Changes for the Year:	
Service Cost	\$ 4,265
Interest	5,029
Difference between Expected and Actuarial Experience	(14,554)
Changes in Assumption	(5,160)
Benefit Payments	(3,065)
Net Changes	<u>\$ (13,485)</u>
Balance June 30, 2024	<u>\$ 121,545</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, the county recognized OPEB expense (negative OPEB expense) of (\$45,755). 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 Actual and Expected Experience	\$ 403	\$ 132,779
Changes of Assumptions	18,218	55,247
Benefits Paid After the Measurement Date of June 30, 2024	<u>2,278</u>	0
Total	<u>\$ 20,899</u>	<u>\$ 188,026</u>

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

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

Year Ending June 30	Overton County
2026	\$ (55,049)
2027	(43,562)
2028	(37,088)
2029	(15,683)
2030	(9,494)
Thereafter	(8,529)

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

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

Discount Rate	Current		
	1% Decrease	Rate	1% Increase
Overton County	2.93%	3.93%	4.93%
Total OPEB Liability	\$ 141,318	\$ 121,545	\$ 105,204

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The premium subsidies provided to retirees in the TNM plan are assumed to remain unchanged for the entire projection period, therefore trend rates are not applicable to the plan calculations.

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

Plan Description. Employees of the Overton 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 Overton County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with *TCA 8-27-301* establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. Overton County does not provide a direct subsidy and is only subject to the implicit subsidy. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

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

Inactive Employees Currently Receiving Benefits	27
Inactive Employees Entitled To But Not Yet Receiving Benefits	1
Active Employees Eligible for Benefits	<u>263</u>
Total	<u><u>291</u></u>

A state insurance committee, created in accordance with *TCA 8-27-301*, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial

and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$212,610 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		
	Overton County School Department 63.94%	State of TN 36.06%	Total OPEB Liability
Balance July 1, 2023	\$ 5,266,577	\$ 3,127,094	\$ 8,393,671
Changes for the Year:			
Service Cost	\$ 209,799	\$ 118,319	\$ 328,118
Interest	200,109	112,855	312,964
Difference between Expected and Actuarial Experience	(212,609)	(119,904)	(332,513)
Change in Proportion	100,389	(100,389)	0
Changes in Assumption	93,960	52,991	146,951
Benefit Payments	(190,240)	(107,289)	(297,529)
Net Changes	\$ 201,408	\$ (43,417)	\$ 157,991
Balance June 30, 2024	\$ 5,467,985	\$ 3,083,677	\$ 8,551,662

The Overton 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 Overton 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 \$322,892 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department employees.

During the year, the Overton County School Department's proportionate share of the collective OPEB liability was 63.94 percent and the State of Tennessee's share was 36.06 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 \$848,438, 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	\$ 538,655	\$ 273,733
Changes in Proportion	176,054	269,702
Changes of Assumptions	761,376	456,609
Benefits Paid After the Measurement Date of June 30, 2024	212,610	0
Total	\$ 1,688,695	\$ 1,000,044

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

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

Year Ending June 30	School Department
2026	\$ 115,634
2027	115,634
2028	128,225
2029	106,294
2030	3,599
Thereafter	6,655

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	1% Increase 3.93%
Proportionate Share of the Collective Total OPEB Liability	\$ 5,875,830	\$ 5,467,985	\$ 5,079,757

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	\$ 4,924,669	\$ 5,467,985	\$ 6,093,072
---	--------------	--------------	--------------

Closed Tennessee Plan – Medicare (Discretely Presented School Department)

Plan Description. Employees of the Overton County School Department, who were hired prior to July 1, 2015, are provided with post-65 retiree health insurance benefits through the closed Tennessee Plan - Medicare (TNM) administered by the Tennessee Department of Finance and Administration. All eligible post-65 retired teachers and disability participants of local education agencies, who choose coverage, participate in the TNM. The TNM also includes eligible retirees of the state, certain component units of the state, and certain local governmental entities. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015. The school department's total OPEB liability for the TNM Plan was measured as of June 30, 2024, and was determined by an actuarial valuation as of that date.

Benefits Provided. The state offers the TNM to help fill most of the coverage gaps created by Medicare for eligible post-65 retired teachers and disabled participants of local education agencies. Insurance coverage is the only postemployment benefit provided to retirees. The TNM does not include pharmacy. In accordance with *TCA* 8-27-209, benefits of the TNM are established and amended by cooperation of insurance committees created by *TCA* Sections 8-27-201, 8-27-301 and 8-27-701. Retirees and disabled employees of the state, component units, local education agencies, and certain local governments who have reached the age of 65, are Medicare eligible and also receive a benefit from the Tennessee Consolidated Retirement System may participate in this plan. All plan members receive the same plan benefits at the same premium rates. Participating employers determine their own policy related to subsidizing the retiree premiums. The Overton County School Department provides a subsidy of \$50 per month for retirees with 30 or more years of service, retirees with 20-29 years of service receive \$37.50, and retirees with 15-19 years of service receive \$25. The state, as a governmental nonemployer contributing entity, contributes to the premiums of eligible retirees of local education agencies based on years of service. The State of Tennessee provides a subsidy of \$50 per month for retirees with 30 or more years of service, retirees with 20-29 years of service receive \$37.50, and retirees with 15-19 years of service receive \$25.

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	99
Inactive Employees Entitled To But Not Yet Receiving Benefits	39
Active Employees Eligible for Benefits	<u>278</u>
Total	<u>416</u>

In accordance with *TCA* 8-27-209, the state insurance committees established by *TCA* Sections 8-27-201, 8-27-301 and 8-27-701 determine the required payments to the plan by member employers and 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. For the fiscal

year ended June 30, 2025, the school department paid \$7,975 to the TNM for OPEB benefits as they came due.

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

	Share of Collective Liability		
	Overton County School Department 13.63%	State of TN 86.37%	Total OPEB Liability
Balance July 1, 2023	\$ 174,023	\$ 1,016,697	\$ 1,190,720
Changes for the Year:			
Service Cost	\$ 2,600	\$ 16,474	\$ 19,074
Interest	5,876	37,234	43,110
Difference between Expected and Actuarial Experience	(1,155)	(7,322)	(8,477)
Changes in Proportion	(11,725)	11,725	0
Changes in Assumption	(5,411)	(34,287)	(39,698)
Benefit Payments	(7,892)	(50,007)	(57,899)
Net Changes	\$ (17,707)	\$ (26,183)	\$ (43,890)
Balance June 30, 2024	\$ 156,316	\$ 990,514	\$ 1,146,830

The Overton County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retirees participating in the TNM. The Overton 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 is required by GASB Statement No. 75 to recognize revenue for subsidies provided by nonemployer contributing entities for benefits paid by the TNM for school department employees. The amount of the subsidy is equal to the nonemployer share of collective OPEB expenses. The school department recognized \$141,050 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Overton County School Department's proportionate share of the collective OPEB liability was 13.63 percent and the State of Tennessee's share was 86.37 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 (negative OPEB expense) of (\$16,709) including the state's share of the OPEB 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	\$ 5,134	\$ 9,322
Changes in Proportion	87,508	213,139
Changes of Assumptions	19,430	38,278
Benefits Paid After the Measurement Date of June 30, 2024	7,975	0
Total	\$ 120,047	\$ 260,739

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

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

Year Ending June 30	School Department
2026	\$ (97,471)
2027	(6,042)
2028	(29,384)
2029	(11,876)
2030	(3,894)
Thereafter	0

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 TNM, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate.

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

Proportionate Share of the Collective Total OPEB Liability	\$ 177,021	\$ 156,316	\$ 139,109
---	------------	------------	------------

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The premium subsidies provided to retirees in the TNM plan are assumed to remain unchanged for the entire projection period, therefore trend rates are not applicable to the plan calculations.

I. *Office of Central Accounting and Budgeting*

Overton County operates under the provisions of the Fiscal Control Acts of 1957. These acts provide for a central system of accounting, budgeting, and purchasing covering all funds administered by the county executive and highway superintendent. These funds are maintained in the Office of Central Accounting and Budgeting under the supervision of the director of accounts and budgets.

J. *Purchasing Laws*

Offices of County Executive and Highway Superintendent

Purchasing procedures for these offices are governed by provisions of the County Purchasing Law of 1957, Section 5-14-101, et seq., *Tennessee Code Annotated (TCA)*. Purchasing procedures in the highway department are also governed by the Uniform Road Law, Section 54-7-113, *TCA*. In addition, the county commission adopted the provisions of 12-3-1212, *TCA*. These statutes provide for the purchasing agent to make all purchases for these departments, with purchases exceeding \$25,000 to be made on the basis of competitive bids solicited through public advertisement. The county executive serves as purchasing agent for Overton County.

Office of Director of Schools

Purchasing procedures for the discretely presented Overton County School Department are governed by purchasing laws applicable to the schools as set forth in Section 49-2-203, *TCA*, which provides for the county Board of Education, through its executive committee (director of schools and the chairman of the Board of Education), to make all purchases. Furthermore, the Board of Education adopted the provisions of Section 12-3-1212, *TCA*. This statute requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$25,000.

K. *Subsequent Event*

On July 1, 2025, Donnie Holman left the Office of Director of Schools and succeeded by Kim Dillon.

VI. OTHER NOTES – DISCRETELY PRESENTED OVERTON COUNTY HEALTH AND REHAB CENTER

A. *Summary of Significant Accounting Policies*

This summary of significant accounting policies of Overton County Health and Rehab Center (the center) is presented to assist in understanding the center's financial statements. The financial statements and notes are representations of the center's management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles.

1. *Organization*

Overton County Health and Rehab Center is a non-profit corporation chartered under the laws of the State of Tennessee on April 5, 1962, operating as a political subdivision of Overton County, Tennessee (the county). The purpose of the center is to provide nursing care to residents primarily from the Overton County area. The corporation is managed by a board of five directors who are county commissioners, appointed by the county commission of Overton County, Tennessee.

2. Financial Reporting Entity – Component Unit

The center is a component unit of the primary government of Overton County, Tennessee. The center reports its financial information separately from Overton County; however, the county in its financial report also presents the center's financial information.

Legally, the center is a separate nonprofit entity that has considerable legal, financial and administrative autonomy. However, as the governing board is not elected but instead is entirely appointed by the county's board of commissioners, and the county is contingently liable for all of the center's debt obligations, the center cannot be a primary government. Instead, it qualifies as a component unit according to the directives of the Governmental Accounting Standards Board (GASB).

The GASB specifies that component units must be legally separate organizations which have financial accountability to a primary government. Financial accountability exists *prima facie* if a special-purpose government is not fiscally independent. GASB states that to be fiscally independent, the government has to have the authority to do all three activities. One of these activities is to issue bonded debt without approval by another government. Overton County Health and Rehab Center may not issue debt without Overton County, Tennessee's approval and the county remain contingently liable for all debt obligations. Because the center is both a legal entity and financially accountable to the primary government of Overton County as the county commission appoints all members of the governing board and by the nature of its fiscal dependence on Overton County as described above, it is a component unit of Overton County, Tennessee.

On June 30, 2025, there was an amount due to Overton County. This is described in detail in Note VI.J. The center did not engage in any other activities that were subject to the approval of Overton County.

3. Basis of Presentation

The financial statements are presented on the full accrual basis of accounting and conform to accounting principles generally accepted in the United States of America.

As a component unit of Overton County, the accounts of the center are organized on the basis of a proprietary fund type, specifically an enterprise fund. The activities of this fund are accounted for with a separate set of self-balancing accounts that comprise the center's assets, liabilities, net position, revenues, and expenses. Enterprise funds account for activities (i) that are financed with debt that is secured by a pledge of the net revenues from fees and charges of the activity, or (ii) that are required by laws or regulations that the activity's costs of providing services, including capital costs (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues; or (iii) that the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service).

The accounting and financial reporting treatment applied to the center is determined by its measurement focus. The transactions of the center are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the balance sheet. Net position (i.e. total assets plus net deferred outflows net of total liabilities and net deferred inflows) is segregated into net investment in capital assets, restricted for pensions, and unrestricted components. When both restricted and unrestricted resources are available for use, it is the center's policy to use restricted resources first and then unrestricted resources as they are needed.

4. Cash Flow - Cash and Cash Equivalents

Overton County Health and Rehab Center presents its cash flow statement using the direct method. For purposes of cash flow presentation, the center considers cash in operating bank accounts, cash on hand, and certificates of deposit, which have original maturities of three months or less as cash and cash equivalents. On June 30, 2025, there were no certificates of deposit that qualified as cash equivalents.

5. Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are stated at the amount that the center expects to collect from outstanding balances. The center provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based upon a review of outstanding receivables, historical collection information and existing economic conditions. The allowance for doubtful accounts was \$74,665 on June 30, 2025. Account balances are charged against the allowance after reasonable collection efforts have been exhausted and the potential for recovery is considered remote.

6. Net Patient Revenue

Gross patient revenue is recorded on an accrual basis based on services rendered at amounts equal to established rates. Allowances for contractual adjustments are recorded for the differences between established rates and amounts estimated to be paid by the Medicare and Medicaid programs and other third-party payors. Contractual adjustments are deducted from gross patient revenue to determine net patient revenue. Amounts paid under the Medicare and Medicaid programs are generally based on fixed rates per patient day, adjusted prospectively. All amounts earned under the Medicare, Medicaid, and other governmental programs are subject to review by the third-party payors. Any differences between estimated settlements and final determinations are reflected in operations in the year finalized.

7. Property and Equipment

Property and equipment are stated at cost. Donated capital assets are recorded at estimated fair market value at the date of donation. Purchases of assets with useful lives greater than one year and costing more than \$1,000 are capitalized. For financial statement purposes, depreciation of property and equipment is provided using the straight-line method. The center estimates the useful lives of the respective classes of plant and equipment as follows:

Assets	Years
Land and Improvements	5 - 20
Buildings and Improvements	5 - 50
Transportation Equipment	4 - 5
Equipment	3 - 25

Maintenance and repairs are charged to operations when incurred. The center eliminates the costs and related allowances from the accounts for properties sold or retired, and any resulting gains or losses are included in income.

8. Accrued Compensated Absences

Center employees earn vacation by prescribed formula based on length of service. The center accrues vacation pay when earned. All center employees that become full-time accrue sick time at the rate of $\frac{1}{2}$ day for each month worked after six months as full-time. Sick leave carries over from year to year until the maximum of 480 hours have accumulated. Any unused sick

time accrued will not be paid to the employee in the event of termination. An estimate of accumulated leave that is attributable to services already rendered that is more likely than not to be used for time off or otherwise paid in cash is accrued at year end.

9. Pensions

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

10. Other Postemployment Benefit (OPEB) Plans

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and the OPEB expense, have been determined on the same basis as they are reported by the center. For this purpose, benefit payments are recognized when due and payable in accordance with benefit terms. The center's OPEB plan is not administered through a trust.

11. 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) until then. The center has items that qualify for reporting in this category. These items include pension differences between expected and actual experience, pension changes in assumptions, and employer contributions to the pension plan after the measurement date. In addition, OPEB differences between expected and actual experience, OPEB changes in assumptions, and employer payment for the OPEB plans after the measurement date are included in deferred outflows of resources.

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 center has items that qualify for reporting in this category. These items include pension differences between projected and actual earnings on pension plan investments. In addition, the center had OPEB differences between actual and expected experience and OPEB changes in assumptions that are included in deferred inflows of resources.

12. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

13. Income Taxes

The Internal Revenue Service has determined that the center is exempt from federal income taxes under Section 501(c)(3) of the United States Internal Revenue Code. Accordingly, the financial statements do not reflect a provision for income taxes.

14. Operating Revenues and Expenses

The center's operating revenues and expenses consist of revenues earned and expenses incurred relating to the operation and maintenance of its principal ongoing operations. All other revenues and expenses are reported as nonoperating revenues and expenses and consist of those revenues and expenses that are related to financing and investing types of activities and result from nonexchange transactions or ancillary activities.

15. Adoption of New Accounting Standard

The center adopted GASB Statement No. 101, *Compensated Absences* during the year ended June 30, 2025. The objective of this statement is to better meet the information needs of the financial statement users by updating the recognition and measurement guidance for compensated absences. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. See Note M for the effect of this new GASB.

B. Cash and Certificates of Deposit

The center does not have a formal policy regarding types of investments authorized. State statutes authorize the center to make investments in bonds, notes, or treasury bills of the United States, Federal Loan Bank bonds, Federal Home Loan Bank notes and bonds, Federal National Mortgage Association notes and debentures, banks or cooperative debentures, or any of its other agencies, or obligations guaranteed as to principal and interest by the United States or any of its agencies with a maturity not greater than one year, or in the pooled investment fund established under Tennessee law. During the year ended June 30, 2025, the board of directors chose to limit the investment of funds to demand deposits and certificates of deposit accounts at banking institutions.

On June 30, 2025, the carrying amount of cash deposits, including patient funds, plus petty cash of \$199 was \$2,567,260, and the bank balance was \$2,782,663. On June 30, 2025, the carrying amount of the certificate of deposit was \$1,961,277, and the bank balance was \$1,961,277.

For deposits with financial institutions, the center follows state statutes which require pledged collateral with a fair value equal to 105 percent of the funds on deposit, less insured amounts. On June 30, 2025, the entire bank balance was covered by federal depository insurance, or pledged securities held as collateral in another institution in the name of the center.

C. Patient Funds Held in Trust

On June 30, 2025, the center held funds totaling \$7,930 on behalf of the residents. The center is required to maintain a cash account as a depository for patient funds. The fund is restricted in use and can be used only for providing spending money for patients, purchasing supplies for patients with cash in the fund, or paying amounts due to the center for patient care, provided the amount does not include monies stipulated for patients' use only. All funds in excess of \$100 per recipient are required to be placed in an insured interest-bearing account.

In accordance with recent accounting guidance, GASB 84, *Fiduciary Activities*, the center has elected to report these patient funds as assets of the center with a corresponding center liability, as most of the

assets upon receipt, are normally expected to be held for three months or less. In addition, management considers the funds to be immaterial.

D. Capital Assets

Capital assets are summarized as follows:

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	\$ 115,000	\$ 0	\$ 0	\$ 115,000
Total Capital Assets Not Depreciated	\$ 115,000	\$ 0	\$ 0	\$ 115,000
Capital Assets Depreciated:				
Land/Improvements	\$ 109,178	\$ 4,484	\$ 0	\$ 113,662
Buildings/Improvements	15,975,551	85,416	(3,338)	16,057,629
Transportation Equipment	33,576	0	0	33,576
Equipment	1,137,242	176,004	(135,855)	1,177,391
Total Capital Assets Depreciated	\$ 17,255,547	\$ 265,904	\$ (139,193)	\$ 17,382,258
Less Accumulated Depreciation For:				
Land/Improvements	\$ 82,851	\$ 7,205	\$ 0	\$ 90,056
Buildings/Improvements	4,305,238	416,584	(3,338)	4,718,484
Transportation Equipment	33,576	0	0	33,576
Equipment	874,662	71,041	(135,217)	810,486
Total Accumulated Depreciation	\$ 5,296,327	\$ 494,830	\$ (138,555)	\$ 5,652,602
Intangible Right-to-Use Assets:				
SBITA	\$ 0	\$ 100,086	\$ 0	\$ 100,086
Less: Accumulated Amortization - SBITA	0	(8,340)	0	(8,340)
Net Intangible Right-to-Use Assets	\$ 0	\$ 91,746	\$ 0	\$ 91,746
Total Capital Assets Depreciated, Net	\$ 11,959,220	\$ (137,180)	\$ (638)	\$ 11,821,402
Business-type Activities Capital Assets, Net	\$ 12,074,220	\$ (137,180)	\$ (638)	\$ 11,936,402

Net Investment in Capital Assets

Capital Assets	\$	11,936,402
Less:		
Debt used for capital items		(5,801,912)
Accounts payable used for capital items		<u>(27,755)</u>
Net Investment in Capital Assets	\$	<u>6,106,735</u>

E. Concentration of Credit Risk

The center grants credits without collateral to its patients, most of whom are insured under third-party payor agreements. The mix of receivables from patients and third-party payors is as follows:

Medicaid	40.77	%
Insurance	29.68	
Medicare	20.75	
Private	8.80	

F. Pension Plan

Plan Description. Employees of Overton County Health and Rehab Center are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained on the [Tennessee Department of Treasury website](#). Since Overton County Health and Rehab Center is a component unit of Overton County and does not have its own distinct agent multiple-employer pension plan, the plan is treated as a cost-sharing plan for purposes of Overton County Health and Rehab Center's stand-alone financial statements.

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 non-service-related disability eligibility. The service-related and non-service-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.

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. Overton County Health and Rehab Center makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2025, the employer contributions for Overton County Health and Rehab Center were \$250,884 based on a rate of 6.88 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Overton County's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contribution 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)

Pension Liabilities (Assets). On June 30, 2024, Overton County Health and Rehab Center reported a liability (asset) of (\$127,086) for its proportionate share of the net pension asset. The net pension 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. Overton County Health and Rehab Center's proportion of the net pension asset was based on a projection of Overton County Health and Rehab Center's contributions to the pension plan relative to the contributions of all participating entities. At the measurement date of June 30, 2024, Overton County Health and Rehab Center's proportion was 22.55 percent. The proportion measured as of June 30, 2023, was 23.15 percent.

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

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

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

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

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

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity	4.88	%
Developed Market		31
International Equity	5.37	14
Emerging Market		
International Equity	6.09	4
Private Equity and		
Strategic Lending	6.57	20
U.S. Fixed Income	1.20	20
Real Estate	4.38	10
Short-term Securities	0.00	1
 Total	 <hr/>	 <hr/>
		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 Overton County Health and Rehab Center 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 Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Overton County Health and Rehab Center 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:

Overton County Health and Rehab Center	1%	Current Discount Rate	1%
	Decrease 5.75%	6.75%	Increase 7.75%
Net Pension Liability (Asset)	\$ 1,440,923	\$ (127,086)	\$ (1,400,465)

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, Overton County Health and Rehab Center recognized pension expense of \$337,490.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, Overton County Health and Rehab Center 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	\$ 183,266	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	117,534
Changes in Assumptions	169,229	0
Contributions Subsequent to the Measurement Date of June 30, 2024 (1)	<u>250,884</u>	N/A
Total	<u>\$ 603,379</u>	<u>\$ 117,534</u>

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

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	\$ 100,687
2027	225,473
2028	(30,031)
2029	(61,168)
2030	0
Thereafter	0

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

Payable to the Pension Plan

On June 30, 2025, Overton County Health and Rehab Center reported a payable of \$31,889 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2025.

G. Risk Management

The center is exposed to various risks related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; clinical/patient safety, unemployment compensation; and natural disasters. Risks related to the operation of the center are managed through the purchase of commercial insurance policies. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years and there have been no significant reductions in insurance coverage for the current year or for the prior five years.

H. Health Care Regulations

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as

licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as repayments for patient services previously billed. Management believes that the center is in compliance with fraud and abuse statutes as well as other applicable government laws and regulations. Compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time.

I. Professional Liability Claims and Insurance

The long-term health care industry has experienced a dramatic increase in personal injury and wrongful death claims based on alleged negligence by the center and its employees in providing care to residents. The center is subject to claims and suits, which arise in the ordinary course of business. In the opinion of management, the ultimate resolution of such pending legal proceedings has been adequately provided for through commercial insurance.

J. Due to Primary Government

On February 13, 2012, Overton County, Tennessee, passed a resolution to issue general obligations bonds in the aggregate principal amount of \$4,150,000, for the purpose of financing land acquisition, design, and site development for the construction and equipping of a health and rehab facility of the county. The facility was completed in the year ended June 30, 2016. The bonds, known as the General Obligation Bonds, Series 2012, were issued May 9, 2012, and are payable from unlimited ad valorem taxes to be levied on all taxable property within the county. The bonds are additionally payable from, although not secured by, revenues of the center. The full faith and credit of the county is irrevocably pledged for the payment of principal and interest on the bonds.

It is the intent of the center to repay the county bonds from revenues from the center. Therefore, the center has a due to the primary government in the exact amount of the balance of the bonds on June 30, 2025. The county has a liability for the bonds on the county's books with a corresponding amount due from the center. The center is repaying the indebtedness to the county in the form of payments on the bonds to U.S. Bank National Association according to the terms of the bonds. The bonds have a maturity date of April 1, 2033, and bear fixed interest rates ranging from one percent to 3.125 percent.

Interest expense incurred on the bonds for the year ended June 30, 2025, was \$57,364.

The annual debt service requirements to maturity are as follows:

Year Ending June 30	Principal	Interest
2026	\$ 205,000	\$ 53,606
2027	215,000	48,481
2028	220,000	42,838
2029	230,000	36,788
2030	235,000	30,175
2031-2033	760,000	47,025
 Total	 \$ 1,865,000	 \$ 258,913

On April 10, 2017, Overton County, Tennessee, passed a resolution to issue general obligation bonds in the aggregate principal amount of not to exceed \$5,110,000, for the purpose of financing, in whole

or in part, the (i) construction, renovation, and equipping of nursing home facility (the “center”) of the county; (ii) payment of legal, fiscal, administrative, architectural, and engineering costs incident to the foregoing; (iii) reimbursement to the county for funds previously expended for any of the foregoing; and (iv) payment of costs incident to the issuance and sale of the bonds authorized herein. The bonds, known as the General Obligation Bonds, Series 2017, were issued June 20, 2017, in the amount of \$4,965,000 and are payable from unlimited ad valorem taxes to be levied on all taxable property within the county. The bonds are additionally payable from, although not secured by, revenues of the center. The full faith and credit of the county are irrevocably pledged for the payment of principal and interest on the bonds. Funds needed for the payment of the bonds may be reduced by revenues of the center.

It is the intent of the center to repay the county bonds from revenues from the center. Therefore, the center has a due to primary government (the “county”) in the exact amount of the balance of the bonds on June 30, 2025. The county has a liability for the bonds on the county’s books with a corresponding amount due from the center. The center is repaying the indebtedness to the county in the form of payments on the bonds to U.S. Bank National Association according to terms of the bonds. The bonds have a maturity date of April 1, 2042, and bear fixed interest rates ranging from 2.5 percent to 3.25 percent.

Interest expense incurred on the bonds for the year ended June 30, 2025, was \$121,058.

The annual debt service requirements to maturity related to the Overton County General Obligation Bonds, Series 2017 are as follows:

Year Ending June 30	Principal	Interest
2026	\$ 180,000	\$ 117,113
2027	185,000	111,712
2028	190,000	106,162
2029	195,000	101,413
2030	200,000	96,537
2031-2035	1,080,000	394,238
2036-2040	1,260,000	216,613
2041-2042	560,000	27,463
Total	\$ 3,850,000	\$ 1,171,251

Changes in long-term debt for the year ended June 30, 2025, were as follows:

	Balance 7-1-24		Balance 6-30-25	Due Within One Year
Due to Primary Government:				
Series 2012	\$ 2,065,000	\$ 200,000	\$ 1,865,000	\$ 205,000
Series 2017	4,025,000	175,000	3,850,000	180,000
Total Debt	\$ 6,090,000	\$ 375,000	\$ 5,715,000	\$ 385,000

Changes in other long-term liabilities for the year ended June 30, 2025, were as follows:

	Balance 7-1-24	Additions	Reductions	Balance 6-30-25	Due Within One Year
Other Post-employment Benefits					
Liability	\$ 126,644	\$ 63,137	\$ 55,426	\$ 134,355	0
SBITA Liabilities	0	94,351	7,439	86,912	30,509
Compensated absences *	236,358	23,379	0	259,737	259,737
Total Long-term Obligations	<u>\$ 363,002</u>	<u>\$ 180,867</u>	<u>\$ 62,865</u>	<u>\$ 481,004</u>	<u>\$ 290,246</u>

*Beginning balance has been restated for the change in account principle for the implementation of GASB 101.

K *Other Postemployment Benefits (OPEB)*

Employees of the Overton County Health and Rehab Center are provided pre-65 retiree health insurance benefits through the Local Government OPEB Plan (LGP), and employees hired prior to July 1, 2015, are provided with post-65 retiree health insurance benefits through the closed Tennessee Plan (TNP), both administered by the Tennessee Department of Finance and Administration. The following is a summary of each of these plans:

Local Government OPEB Plan

Plan Description. Employees of the Overton County Health and Rehab Center are provided with pre-65 retiree health insurance benefits through the Local Government Plan (LGP) administered by the Tennessee Department of Finance and Administration. This plan is considered to be a multi-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB). However, for accounting purposes this plan will be treated as a single-employer plan. All eligible pre-65 retired employees and disability participants of local governments, who choose coverage, participate in the LGP.

Benefits Provided. The center offers the LGP to provide health insurance coverage to eligible pre-65 retirees and disabled participants of local governments. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with Section 8-27-701, *Tennessee Code Annotated*, establishes and amends the benefit terms of the LGP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LGP receive the same plan benefits as active employees, at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for the retiree premiums. The center does not provide a direct subsidy and is only subject to the implicit subsidy. The LGP is 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.

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	0
Inactive Employees Entitled To But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	<u>76</u>
 Total	 <u>76</u>

An insurance committee, created in accordance with Section 8-27-701, *Tennessee Code Annotated*, establishes the required payments to the LGP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2025, the center paid \$516 to the LGP for OPEB benefits as they came due.

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

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	Graded Salary ranges from 3.44 to 8.72% based on age, including, inflation, averaging four percent
Healthcare Cost Trend Rates	10.68% for pre-65 in 2024, decreasing annually over a 13-year period to an ultimate rate of 4.5%. 13.44% for post-65 in 2024, decreasing annually over a 12-year period to an ultimate rate of 4.5%.
Retirees' Share of Benefit Related Cost	Members are required to make monthly contributions in order to maintain their coverage. For the purpose of this valuation, a weighted average has been used with weights derived from the current distribution of members among plans offered.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2024, valuations were the same as those employed in the July 1, 2022, Pension Actuarial Valuation of the TCRS. These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-weighted employee mortality table for non-disabled pre-retirement mortality, with mortality improvement projected generationally with MP-2021 from 2010. Post-retirement rates are headcount-weighted below median healthy annuitant and adjusted with a 6 percent load for males and a 14 percent load for females, projected generationally with MP-2021 from 2010. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load, projected generationally from 2018 with MP-2021.

Discount Rate. The discount rate used to measure the total OPEB liability was 3.93 percent. This rate reflects the interest rate derived from yields to 20-year, tax-exempt general obligation municipal bonds,

prevailing on the measurement date, with an average rating of AA/Aa as shown on the Bond Buyer 20-year Municipal GO AA index.

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

	Total OPEB Liability
Balance July 1, 2023	<u>\$ 97,728</u>
Changes for the Year:	
Service Cost	\$ 8,767
Interest	3,882
Difference between Expected and Actuarial Experience	(12,830)
Changes in Assumption	11,292
Benefit Payments	(290)
Net Changes	<u>\$ 10,821</u>
Balance June 30, 2024	<u>\$ 108,549</u>

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 assumptions increased the total OPEB liability. Other changes in assumptions include adjustments to initial per capita costs and health trend rates.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, the center recognized OPEB expense of \$3,020. On June 30, 2025, the center 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	\$ 0	\$ 26,042
Changes of Assumptions	32,263	29,188
Net Difference Between Projected and Benefits Paid after the Measurement Date	<u>516</u>	<u>0</u>
Total	<u>\$ 32,779</u>	<u>\$ 55,230</u>

The amounts shown above for “employer payments subsequent to the measurement date” will be recognized as a reduction to total liability in the following measurement period.

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

Year Ending June 30	Amount
2026	\$ (9,099)
2027	(6,116)
2028	(5,632)
2029	(3,953)
2030	740
Thereafter	1,093

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 center 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 discount rate:

Discount Rate	Current		
	1%	Discount	1%
	Decrease	Rate	Increase
2.93%	3.93%	4.93%	
Total OPEB Liability	\$ 116,936	\$ 108,549	\$ 100,691

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the total OPEB liability of the center 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 healthcare cost trend rate:

Healthcare Cost Trend Rate	Current		
	1%	Trend	1%
	Decrease	Rates	Increase
9.68 to 12.44%	10.68 to 13.44%	11.68 to 14.44%	
decreasing to 3.5%	decreasing to 4.5%	decreasing to 5.5%	
Total OPEB Liability	\$ 97,133	\$ 108,549	\$ 121,737

Closed Tennessee Plan

Plan Description. Employees of Overton County Health and Rehab Center who were hired prior to July 1, 2015, are provided with post-65 retiree health insurance benefits through the closed Tennessee Plan (TNP) administered by the Tennessee Department of Finance and Administration. This plan is considered a multi-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB). However, for accounting purposes this plan will be treated as a single-employer plan. All eligible post-65 retirees and disability participants of local governments, who choose coverage, participate in the TNP. The TNP also includes eligible retirees of the state, certain component units of the state, and local education agencies. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

Benefits Provided. The state offers the TNP to help fill most of the coverage gaps created by Medicare for eligible post-65 retirees and disabled participants of local governments. Insurance coverage is the only postemployment benefit provided to retirees. The TNP does not include pharmacy. In accordance with Section 8-27-209, *Tennessee Code Annotated (TCA)*, benefits of the TNP are established and

amended by cooperation of insurance committees created by Sections 8-27-201, 8-27-301 and 8-27-701, *TCA*. Retirees and disabled employees of the state, component units, local education agencies, and certain local governments who have reached the age of 65 are Medicare eligible and also receive a benefit from the Tennessee Consolidated Retirement System (TCRS) may participate in this plan. All plan members receive the same plan benefits at the same premium rates. Participating employers determine their own policy related to subsidizing the retiree premiums. The center provided a direct subsidy of \$50 for eligible retirees with 30 or more years of service, \$37.50 for eligible retirees with 20-29 years of service, and \$25 for eligible retirees with less than 20 years of service. The TNP is funded on a pay-as-you-go basis and there are no assets accumulating in trust that meet the criteria of paragraph 4 of GAST Statement No. 75.

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	2
Inactive Employees Entitled To But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	<u>26</u>
 Total	 <u>28</u>

In accordance with Section 8-27-209, *Tennessee Code Annotated (TCA)*, the state insurance committees established by Sections 8-27-201, 8-27-301, and 8-27-701, *(TCA)*, determine the required payments to the plan by member employers and 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 center paid \$464 to the TNP for OPEB benefits as they came due.

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

	<u>Total OPEB Liability</u>
Balance July 1, 2023	\$ 28,916
Changes for the Year:	
Service Cost	\$ 1,244
Interest	1,092
Difference between Expected and Actuarial Experience	(3,801)
Changes in Assumption	(1,181)
Benefit Payments	(464)
Net Changes	<u>\$ (3,110)</u>
 Balance June 30, 2024	 <u>\$ 25,806</u>

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 assumptions decreased the total OPEB liability.

OPEB Expense. For the year ended June 30, 2025, the center recognized OPEB expense of \$36,860.

Deferred Outflows of Resources and Deferred Inflows of Resources. On June 30, 2025, the center 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	\$ 19,014	\$ 178,484
Changes of Assumptions	22,794	10,978
Employer Payments Subsequent to the Measurement Date	464	0
Total	\$ 42,272	\$ 189,462

The amounts shown above for “employer payments subsequent to the measurement date” will be recognized as a reduction to total OPEB liability in the following measurement period.

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

Year Ending June 30	Amount
2026	\$ (32,684)
2027	(41,329)
2028	(45,338)
2029	(23,478)
2030	(1,542)
Thereafter	(3,283)

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 center 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	Current Discount Rates		
	1% Decrease 2.93%	1% Increase 3.93%	
Total OPEB Liability	\$ 30,350	\$ 25,806	\$ 22,095

L. *Subscription-Based Information Technology Arrangements (SBITA)*

The center entered into an arrangement for the use of payroll software during the year that met the criteria of a SBITA. As a result, an intangible right-to-use asset and a SBITA liability were recorded. The contract began and was effective as of March 1, 2025.

The contract has an initial period of 36 months in which neither the Center nor the vendor may terminate. During this 36-month term, the monthly fee may vary depending on the number of employees in the applicable month, but in no event will it be less than a monthly minimum quantity of

120 employees. The subscription fee per employee per month is \$23 so the monthly minimum fee is \$2,785. This is true for the initial period of 36 months, at which time it can be renewed for 12-month periods. Each time it is renewed there will be an increase in the fee of 8%. Either party can choose not to renew.

The liability was computed using the monthly minimum fee of \$2,785 times the 36-month non-cancellable contract period. The center used a 3.99% discount rate to determine the present value of the SBITA liability of \$94,351. The intangible right-to-use asset was calculated using the SBITA liability amount of \$94,351 plus a launch fee and other set up fees of \$5,735, for a total asset amount of \$100,086. The asset will be amortized over the contract term of three years. Amortization in the amount of \$8,340 was reported in the Statement of Revenues, Expenses and Changes in Fund Net Position for the year ended June 30, 2025, as well as interest expense in the amount of \$916. The intangible right-to-use asset in the amount of \$100,086, the accumulated amortization in the amount of \$8,350, and the SBITA liability in the amount of \$86,912 were reported in the Statement of Net Position as of June 30, 2025. See notes D and J for additional information.

The annual principal and interest requirements of the SBITA liability to maturity are as follows:

Year Ending June 30	Principal	Interest
2026	\$ 30,509	\$ 2,914
2027	31,748	1,674
2028	24,655	411
Total	\$ 86,912	\$ 4,999

In addition to the amounts presented above, the center also had outflows of resources during the fiscal year totaling \$1,161 that were not included in the measurement of the SBITA liability. This total consists of the variable amount that is based on the number of employees above the minimum fee described above.

M. Change in Accounting Principle

As described in Note VI.A.15. above, the center implemented GASB 101, *Compensated Absences* during the year ended June 30, 2025. GASB 101 establishes guidance for measuring a liability for leave that has not been used but is “more likely than not” to be used for time off or otherwise paid in cash or settled through noncash means. The change in accounting principle was retroactively applied as of the beginning of the year ended June 30, 2025, and as a result, the beginning balance of the June 30, 2025, financial statements has been restated.

Net Position, as previously reported	\$ 10,830,653
Adjustments for GASB 101 Implementation:	
Compensated Absences Liability	(88,000)
Net Change in Beginning Net Position	<u>\$ (88,000)</u>
Net Position, June 30, 2024 Restated	<u>\$ 10,742,653</u>

REQUIRED SUPPLEMENTARY INFORMATION SECTION

OVERTON 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	\$ 873,441	\$ 869,285	\$ 963,413	\$ 1,023,158	\$ 1,091,342	\$ 1,100,415	\$ 1,102,174	\$ 1,254,455	\$ 1,354,197	\$ 1,495,333
Interest	1,777,058	1,915,961	1,984,413	2,100,957	2,213,415	2,323,783	2,466,101	2,696,026	2,923,342	3,144,247
Differences Between Actual and Expected Experience	296,202	(827,796)	85,227	(289,955)	(282,351)	62,577	17,901	1,005,043	655,134	18,712
Changes in Assumptions	0	0	648,060	0	0	0	3,752,296	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(1,071,132)	(1,109,892)	(1,167,868)	(1,274,081)	(1,428,330)	(1,589,980)	(1,461,074)	(1,668,580)	(1,706,660)	(1,895,622)
Net Change in Total Pension Liability	\$ 1,875,569	\$ 847,558	\$ 2,513,245	\$ 1,560,079	\$ 1,594,076	\$ 1,896,795	\$ 5,877,398	\$ 3,286,944	\$ 3,226,013	\$ 2,762,670
Total Pension Liability, Beginning	23,356,234	25,231,803	26,079,361	28,592,606	30,152,685	31,746,761	33,643,556	39,520,954	42,807,898	46,033,911
Total Pension Liability, Ending (a)	\$ 25,231,803	\$ 26,079,361	\$ 28,592,606	\$ 30,152,685	\$ 31,746,761	\$ 33,643,556	\$ 39,520,954	\$ 42,807,898	\$ 46,033,911	\$ 48,796,581
Plan Fiduciary Net Position										
Contributions - Employer	\$ 537,490	\$ 573,760	\$ 581,712	\$ 606,389	\$ 646,082	\$ 637,631	\$ 657,921	\$ 711,967	\$ 1,025,630	\$ 1,059,170
Contributions - Employee	496,759	532,213	547,104	561,743	619,920	587,516	608,061	683,826	745,375	770,933
Net Investment Income	778,022	689,545	3,017,854	2,451,687	2,368,897	1,680,589	9,092,406	(1,685,792)	2,838,898	4,395,399
Benefit Payments, Including Refunds of Employee Contributions	(1,071,132)	(1,109,892)	(1,167,868)	(1,274,081)	(1,428,330)	(1,589,980)	(1,461,074)	(1,668,580)	(1,706,660)	(1,895,622)
Administrative Expense	(19,883)	(30,836)	(35,061)	(40,254)	(38,443)	(36,796)	(36,603)	(40,870)	(43,311)	(52,901)
Other	0	3,500	0	0	0	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 721,256	\$ 658,290	\$ 2,943,741	\$ 2,305,484	\$ 2,168,126	\$ 1,278,960	\$ 8,860,711	\$ (1,999,449)	\$ 2,859,932	\$ 4,276,979
Plan Fiduciary Net Position, Beginning	25,286,124	26,007,380	26,665,670	29,609,411	31,914,895	34,083,021	35,361,981	44,222,692	42,223,243	45,083,175
Plan Fiduciary Net Position, Ending (b)	\$ 26,007,380	\$ 26,665,670	\$ 29,609,411	\$ 31,914,895	\$ 34,083,021	\$ 35,361,981	\$ 44,222,692	\$ 42,223,243	\$ 45,083,175	\$ 49,360,154
Net Pension Liability (Asset), Ending (a - b)	\$ (775,577)	\$ (586,309)	\$ (1,016,805)	\$ (1,762,210)	\$ (2,336,260)	\$ (1,718,425)	\$ (4,701,738)	\$ 584,655	\$ 950,736	\$ (563,573)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	103.07%	102.25%	103.56%	105.84%	107.36%	105.11%	111.90%	98.63%	97.93%	101.15%
Covered Payroll	\$ 9,935,118	\$ 10,605,526	\$ 10,752,516	\$ 11,208,669	\$ 11,942,343	\$ 11,787,725	\$ 12,068,413	\$ 12,869,768	\$ 14,886,996	\$ 15,394,898
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(7.81)%	(5.53)%	(9.46)%	(15.72)%	(19.56)%	(14.58)%	(38.96)%	4.54%	6.39%	(3.66)%

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, the discretely presented health and rehab center, and non-certified employees of the discretely presented school department.

OVERTON 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	\$ 573,760	\$ 581,712	\$ 606,389	\$ 646,082	\$ 594,023	\$ 612,925	\$ 663,275	\$ 1,025,630	\$ 1,059,170	\$ 1,161,635
Less: Contributions in Relation to the Actuarially Determined Contribution	(573,760)	(581,712)	(606,389)	(646,082)	(637,631)	(657,921)	(711,967)	(1,025,630)	(1,059,170)	(1,161,635)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ (43,608)	\$ (44,996)	\$ (48,692)	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 10,605,526	\$ 10,752,516	\$ 11,208,669	\$ 11,942,343	\$ 11,787,725	\$ 12,068,413	\$ 12,869,768	\$ 14,886,996	\$ 15,394,898	\$ 16,888,365
Contributions as a Percentage of Covered Payroll	5.41%	5.41%	5.41%	5.41%	5.41%	5.45%	5.53%	6.89%	6.88%	6.88%

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, the discretely presented health and rehab center, and non-certified employees of the discretely presented school department.

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

Discretely Presented Overton County School Department

For the Fiscal Year Ended June 30

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 21,305	\$ 33,615	\$ 41,215	\$ 25,141	\$ 30,454	\$ 35,243	\$ 46,039	\$ 79,796	\$ 112,821	\$ 134,879
Less: Contributions in Relation to the Contractually Required Contribution	(21,305)	(33,615)	(41,215)	(25,141)	(30,454)	(35,243)	(46,039)	(79,796)	(112,821)	(134,879)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 532,620	\$ 840,382	\$ 1,024,778	\$ 1,295,946	\$ 1,500,192	\$ 1,738,550	\$ 2,281,503	\$ 2,780,338	\$ 3,824,421	\$ 4,495,975
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.02%	1.94%	2.03%	2.03%	2.02%	2.87%	2.95%	3.00%

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

2019: Pension - 1.94%, SRT - 2.02%

2020: Pension - 2.03%, SRT - 1.97%

2021: Pension - 2.02%, SRT - 1.98%

2022: Pension - 2.01%, SRT - 1.99%

2023: Pension - 2.87%, SRT - 1.13%

2024: Pension - 2.95%, SRT - 1.05%

2025: Pension - 3.00%, SRT - 1.00%

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

Discretely Presented Overton County School Department

For the Fiscal Year Ended June 30

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 1,029,362	\$ 1,004,390	\$ 1,006,914	\$ 1,163,916	\$ 1,153,927	\$ 1,124,932	\$ 1,134,719	\$ 997,336	\$ 740,425	\$ 709,468
Less: Contributions in Relation to the Contractually Required Contribution	(1,029,362)	(1,004,390)	(1,006,914)	(1,163,916)	(1,153,927)	(1,124,932)	(1,134,719)	(997,336)	(740,425)	(709,468)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 11,386,739	\$ 11,110,501	\$ 11,094,929	\$ 11,127,307	\$ 10,855,382	\$ 10,879,410	\$ 10,898,365	\$ 11,476,817	\$ 10,887,645	\$ 11,155,186
Contributions as a Percentage of Covered Payroll	9.04%	9.04%	9.08%	10.46%	10.63%	10.34%	10.41%	8.69%	6.80%	6.36%

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

Discretely Presented Overton 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)	0.117325%	0.121048%	0.128041%	0.117908%	0.122466%	0.118881%	0.120888%	0.134126%	0.139782%	0.162801%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (4,819)	\$ (12,601)	\$ (33,781)	\$ (53,475)	\$ (69,130)	\$ (67,601)	\$ (130,948)	\$ (40,630)	\$ (59,272)	\$ (116,013)
Covered Payroll	\$ 248,908	\$ 532,620	\$ 840,382	\$ 1,024,778	\$ 1,295,946	\$ 1,500,192	\$ 1,738,550	\$ 2,281,503	\$ 2,780,338	\$ 3,824,421
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.02)%	(5.22)%	(5.33)%	(4.51)%	(7.53)%	(1.78)%	(2.13)%	(3.03)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	127.46%	121.88%	126.81%	126.97%	123.07%	116.52%	121.53%	104.55%	104.97%	106.49%

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

Discretely Presented Overton 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)	0.312541%	0.315440%	0.314304%	0.316687%	0.331847%	0.326158%	0.333730%	0.334758%	0.353672%	0.328343%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ 128,027	\$ 1,971,325	\$ (102,835)	\$ (1,114,396)	\$ (3,411,984)	\$ (2,487,196)	\$ (14,394,558)	\$ (4,105,493)	\$ (4,169,699)	\$ (5,656,900)
Covered Payroll	\$ 11,699,966	\$ 11,386,739	\$ 11,110,501	\$ 11,094,929	\$ 11,127,307	\$ 10,855,382	\$ 10,879,410	\$ 10,898,365	\$ 11,476,817	\$ 10,887,645
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	1.09%	17.31%	(.93)%	(10.04)%	(30.66)%	(22.91)%	(132.31)%	(37.67)%	(36.33)%	(51.96)%
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%

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

Primary Government

For the Fiscal Year Ended June 30

Overton County Plan

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service Cost	\$ 15,735	\$ 15,283	\$ 24,096	\$ 23,817	\$ 30,885	\$ 109,508	\$ 116,355	\$ 159,400
Interest	5,707	7,228	9,449	6,831	5,198	19,224	33,944	52,252
Changes in Benefit Terms	0	0	0	0	388,317	105,268	252,185	(195,865)
Differences Between Actual and Expected Experience	0	21,092	(96,310)	(9,578)	(8,506)	(77,983)	(90,891)	(134,076)
Changes in Assumptions	(9,653)	12,940	8,294	19,278	163,280	(87,576)	132,337	40,953
Benefit Payments	(3,447)	(4,020)	(10,810)	(12,533)	(1,019)	(4,968)	(7,927)	(20,783)
Net Change in Total OPEB Liability	\$ 8,342	\$ 52,523	\$ (65,281)	\$ 27,815	\$ 578,155	\$ 63,473	\$ 436,003	\$ (98,119)
Total OPEB Liability, Beginning	181,426	189,768	242,291	177,010	204,825	782,980	846,453	1,282,456
Total OPEB Liability, Ending	\$ 189,768	\$ 242,291	\$ 177,010	\$ 204,825	\$ 782,980	\$ 846,453	\$ 1,282,456	\$ 1,184,337
Covered Employee Payroll	\$ 3,973,352	\$ 4,481,573	\$ 4,999,544	\$ 5,000,348	\$ 5,406,258	\$ 6,349,275	\$ 6,364,022	\$ 8,298,817
Net OPEB Liability as a Percentage of Covered Employee Payroll	4.78%	5.41%	3.54%	4.10%	14.48%	13.33%	20.15%	14.27%

Overton County Highway Plan

	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability							
Service Cost	\$ 5,748	\$ 5,496	\$ 5,296	\$ 6,804	\$ 6,739	\$ 38,841	\$ 35,464
Interest	1,614	2,125	2,478	2,176	1,410	7,144	11,752
Changes in Benefit Terms	0	0	0	0	174,629	97	(342,530)
Differences Between Actual and Expected Experience	0	(3,500)	(17,133)	(10,646)	(3,410)	(9,386)	0
Changes in Assumptions	(2,508)	5,605	2,348	4,232	57,744	(28,824)	0
Benefit Payments	0	(338)	(1,186)	(757)	(572)	(4,058)	(2,406)
Net Change in Total OPEB Liability	\$ 4,854	\$ 9,388	\$ (8,197)	\$ 1,809	\$ 236,540	\$ 3,814	\$ (297,720)
Total OPEB Liability, Beginning	49,512	54,366	63,754	55,557	57,366	293,906	297,720
Total OPEB Liability, Ending	\$ 54,366	\$ 63,754	\$ 55,557	\$ 57,366	\$ 293,906	\$ 297,720	0
Covered Employee Payroll	\$ 797,458	\$ 758,423	\$ 818,484	\$ 825,110	\$ 1,048,216	\$ 1,190,050	\$ 1,303,470
Net OPEB Liability as a Percentage of Covered Employee Payroll	6.82%	8.41%	6.79%	6.95%	28.04%	25.02%	0.00%

(Continued)

OVERTON COUNTY, TENNESSEE**Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Government Plans (Cont.)****State Administered Medicare Plans****Overton County Plan**

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service Cost	\$ 22,732	\$ 19,503	\$ 15,556	\$ 7,426	\$ 9,011	\$ 7,947	\$ 4,618	\$ 4,265
Interest	13,545	15,844	13,992	6,385	4,542	3,321	4,526	5,029
Differences Between Actual and Expected Experience	0	(81,740)	(225,164)	(25,749)	(24,462)	(2,236)	(10,734)	(14,554)
Changes in Benefit Terms	0	0	0	0	0	0	16,262	0
Changes in Assumptions	(48,528)	(3,551)	3,932	37,683	(37,209)	(29,519)	(1,779)	(5,160)
Benefit Payments	(2,550)	(4,088)	(5,263)	(4,296)	(3,163)	(1,983)	(2,178)	(3,065)
Net Change in Total OPEB Liability	\$ (14,801)	\$ (54,032)	\$ (196,947)	\$ 21,449	\$ (51,281)	\$ (22,470)	\$ 10,715	\$ (13,485)
Total OPEB Liability, Beginning	442,397	427,596	373,564	176,617	198,066	146,785	124,315	135,030
Total OPEB Liability, Ending	\$ 427,596	\$ 373,564	\$ 176,617	\$ 198,066	\$ 146,785	\$ 124,315	\$ 135,030	\$ 121,545
Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total OPEB Liability as a percentage of Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Overton County Highway Plan

	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability							
Service Cost	\$ 849	\$ 746	\$ 0	\$ 855	\$ 1,190	\$ 813	\$ 578
Interest	421	502	0	598	471	365	531
Differences Between Actual and Expected Experience	0	0	0	(1,346)	199	513	0
Changes in Benefit Terms	0	(14,531)	16,299	0	0	0	(15,522)
Changes in Assumptions	(1,457)	0	0	3,960	(5,862)	(3,324)	0
Benefit Payments	0	(113)	0	(256)	(19)	(10)	(33)
Net Change in Total OPEB Liability	\$ (187)	\$ (13,396)	\$ 16,299	\$ 3,811	\$ (4,021)	\$ (1,643)	\$ (14,446)
Total OPEB Liability, Beginning	13,583	13,396	0	16,299	20,110	16,089	14,446
Total OPEB Liability, Ending	\$ 13,396	\$ 0	\$ 16,299	\$ 20,110	\$ 16,089	\$ 14,446	\$ 0
Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total OPEB Liability as a percentage of Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(Continued)

OVERTON COUNTY, TENNESSEE

Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Government Plans (Cont.)

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 5.40% 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.

Note 4: The Overton County Highway Department Plan was absorbed by the Overton County Plan during the measurement period for the fiscal year ending June 30, 2024. No liabilities are necessary, for the Overton County Highway Plan, subsequent to the 2023 year.

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

Discretely Presented Overton County School Department

For the Fiscal Year Ended June 30

Local Education Plan

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service Cost	\$ 337,837	\$ 311,697	\$ 266,003	\$ 235,416	\$ 315,398	\$ 385,511	\$ 294,111	\$ 328,118
Interest	182,077	219,830	194,779	194,741	153,431	168,074	276,208	312,964
Changes in Benefit Terms	0	(1,013,086)	(204,578)	0	0	0	0	0
Differences Between Actual and Expected Experience	0	(131,244)	635,664	400,491	81,124	640,306	(131,288)	(332,513)
Changes in Assumptions or Other Inputs	(289,836)	152,065	(419,372)	734,254	468,243	(801,809)	606,217	146,951
Benefit Payments	(254,268)	(274,645)	(303,965)	(244,123)	(256,147)	(243,103)	(317,165)	(297,529)
Net Change in Total OPEB Liability	\$ (24,190)	\$ (735,383)	\$ 168,531	\$ 1,320,779	\$ 762,049	\$ 148,979	\$ 728,083	\$ 157,991
Total OPEB Liability, Beginning	\$ 6,024,823	\$ 6,000,633	\$ 5,265,250	\$ 5,433,781	\$ 6,754,560	\$ 7,516,609	\$ 7,665,588	\$ 8,393,671
Total OPEB Liability, Ending	\$ 6,000,633	\$ 5,265,250	\$ 5,433,781	\$ 6,754,560	\$ 7,516,609	\$ 7,665,588	\$ 8,393,671	\$ 8,551,662
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 2,090,315	\$ 1,614,289	\$ 1,781,720	\$ 2,124,220	\$ 2,510,959	\$ 2,752,175	\$ 3,127,094	\$ 3,083,677
Employer Proportionate Share of the Total OPEB Liability	3,910,318	3,650,961	3,652,061	4,630,340	5,005,650	4,913,413	5,266,577	5,467,985
Covered Employee Payroll	\$ 15,452,856	\$ 15,824,867	\$ 15,828,081	\$ 16,242,107	\$ 16,744,855	\$ 18,242,534	\$ 19,061,022	\$ 20,594,147
Net OPEB Liability as a Percentage of Covered Employee Payroll	38.83%	33.27%	34.33%	41.59%	44.89%	42.02%	44.04%	41.52%

State Administered Medicare Plan

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service Cost	\$ 67,589	\$ 55,245	\$ 24,518	\$ 34,100	\$ 37,199	\$ 36,396	\$ 22,243	\$ 19,074
Interest	85,496	96,598	47,631	51,525	34,628	31,228	41,494	43,110
Changes in Benefit Terms	0	(1,203,949)	0	(199,069)	0	0	0	0
Differences Between Actual and Expected Experience	0	(225,219)	(90,989)	(6,935)	54,420	(37,533)	16,267	(8,477)
Changes in Assumptions or Other Inputs	(250,587)	(10,478)	212,336	265,353	(195,900)	(237,442)	(12,680)	(39,698)
Benefit Payments	(103,800)	(105,548)	(53,132)	(48,618)	(49,583)	(51,790)	(52,543)	(57,899)
Net Change in Total OPEB Liability	\$ (201,302)	\$ (1,393,351)	\$ 140,364	\$ 96,356	\$ (119,236)	\$ (259,141)	\$ 14,781	\$ (43,890)
Total OPEB Liability, Beginning	\$ 2,912,249	\$ 2,710,947	\$ 1,317,596	\$ 1,457,960	\$ 1,554,316	\$ 1,435,080	\$ 1,175,939	\$ 1,190,720
Total OPEB Liability, Ending	\$ 2,710,947	\$ 1,317,596	\$ 1,457,960	\$ 1,554,316	\$ 1,435,080	\$ 1,175,939	\$ 1,190,720	\$ 1,146,830
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 1,257,256	\$ 1,182,084	\$ 1,069,398	\$ 1,315,006	\$ 1,161,205	\$ 974,487	\$ 1,016,697	\$ 990,514
Employer Proportionate Share of the Total OPEB Liability	1,453,691	135,512	388,562	239,310	273,875	201,452	174,023	156,316
Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total OPEB Liability as a percentage of Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(Continued)

OVERTON COUNTY, TENNESSEE

Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Education Plans (Cont.)

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 5.40% 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.

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

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed (Not to Exceed 20 Ye
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 Adjustments	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.

Courthouse and Jail Maintenance Fund – The Courthouse and Jail Maintenance Fund is used to account for a special tax levied by private act on litigation.

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

American Rescue Plan Fund – The American Rescue Plan Fund is used to account for funding related to the American Rescue Plan Act Grant. Grant revenue is the foundational revenue of this fund.

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

CAPITAL PROJECT FUNDS

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

Other Capital Projects #1 – The Other Capital Projects #1 Fund is used to account for transactions related to the acquisition of public safety vehicles.

Other Capital Projects #2 – The Other Capital Projects #2 Fund is used to account for the transactions related to the construction of a health department.

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

	Special Revenue Funds					Capital Projects Funds
	Courthouse and Jail Maintenance	Drug Control	American Rescue Plan	Constitu - tional Officers - Fees	Total	Other Capital Projects #1
ASSETS						
Cash	\$ 0	\$ 0	\$ 0	\$ 1,511	\$ 1,511	\$ 0
Equity in Pooled Cash and Investments	15,844	69,952	214,346	0	300,142	687,462
Accounts Receivable	0	0	0	1,851	1,851	0
Total Assets	\$ 15,844	\$ 69,952	\$ 214,346	\$ 3,362	\$ 303,504	\$ 687,462
LIABILITIES						
Cash Overdraft	\$ 0	\$ 0	\$ 0	\$ 918	\$ 918	\$ 0
Contracts Payable	0	0	0	0	0	0
Retainage Payable	0	0	0	0	0	0
Due to Other Funds	0	0	0	2,444	2,444	0
Total Liabilities	\$ 0	\$ 0	\$ 0	\$ 3,362	\$ 3,362	\$ 0
FUND BALANCES						
Restricted:						
Restricted for General Government	\$ 15,844	\$ 0	\$ 0	\$ 0	\$ 15,844	\$ 0
Restricted for General Government - American Rescuer Plan Act	0	0	214,346	0	214,346	0
Restricted for Public Safety	0	69,952	0	0	69,952	0
Restricted for Public Health and Welfare	0	0	0	0	0	0
Committed:						
Committed for Public Safety	0	0	0	0	0	687,462
Total Fund Balances	\$ 15,844	\$ 69,952	\$ 214,346	\$ 0	\$ 300,142	\$ 687,462
Total Liabilities and Fund Balances	\$ 15,844	\$ 69,952	\$ 214,346	\$ 3,362	\$ 303,504	\$ 687,462

(Continued)

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

	Capital Projects Funds (Cont.)			Total
	Other Capital Projects #2	Total	Nonmajor Governmental Funds	
ASSETS				
Cash	\$ 0	\$ 0	\$ 1,511	
Equity in Pooled Cash and Investments	333,793	1,021,255	1,321,397	
Accounts Receivable	0	0	1,851	
Total Assets	\$ 333,793	\$ 1,021,255	\$ 1,324,759	
LIABILITIES				
Cash Overdraft	\$ 0	\$ 0	\$ 918	
Contracts Payable	140,362	140,362	140,362	
Retainage Payable	7,388	7,388	7,388	
Due to Other Funds	0	0	2,444	
Total Liabilities	\$ 147,750	\$ 147,750	\$ 151,112	
FUND BALANCES				
Restricted:				
Restricted for General Government	\$ 0	\$ 0	\$ 15,844	
Restricted for General Government - American Rescuer Plan Act	0	0	214,346	
Restricted for Public Safety	0	0	69,952	
Restricted for Public Health and Welfare	186,043	186,043	186,043	
Committed:				
Committed for Public Safety	0	687,462	687,462	
Total Fund Balances	\$ 186,043	\$ 873,505	\$ 1,173,647	
Total Liabilities and Fund Balances	\$ 333,793	\$ 1,021,255	\$ 1,324,759	

OVERTON 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					Capital Projects Funds
	Courthouse and Jail Maintenance	Drug Control	American Rescue Plan	Constitutional Officers - Fees	Total	
Revenues						
Local Taxes	\$ 344	\$ 0	\$ 0	\$ 0	\$ 344	\$ 0
Fines, Forfeitures, and Penalties	0	5,599	0	0	5,599	0
Charges for Current Services	0	0	0	2,884	2,884	0
Other Local Revenues	0	8,665	54,060	0	62,725	0
State of Tennessee	0	0	0	0	0	663,923
Total Revenues	\$ 344	\$ 14,264	\$ 54,060	\$ 2,884	\$ 71,552	\$ 663,923
Expenditures						
Current:						
General Government	\$ 0	\$ 0	\$ 24	\$ 0	\$ 24	\$ 0
Finance	0	0	0	330	330	0
Administration of Justice	0	0	0	2,520	2,520	0
Public Safety	0	14,511	0	34	14,545	0
Other Operations	3	0	1,694,538	0	1,694,541	0
Capital Projects	0	0	0	0	0	214,834
Total Expenditures	\$ 3	\$ 14,511	\$ 1,694,562	\$ 2,884	\$ 1,711,960	\$ 214,834

(Continued)

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

	Special Revenue Funds					Capital Projects Funds
	Courthouse and Jail Maintenance	Drug Control	American Rescue Plan	Constitutional Officers - Fees	Total	
Excess (Deficiency) of Revenues Over Expenditures	\$ 341	\$ (247)	\$ (1,640,502)	\$ 0	\$ (1,640,408)	\$ 449,089
Other Financing Sources (Uses)						
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net Change in Fund Balances	\$ 341	\$ (247)	\$ (1,640,502)	\$ 0	\$ (1,640,408)	\$ 449,089
Fund Balance, July 1, 2024	15,503	70,199	1,854,848	0	1,940,550	238,373
Fund Balance, June 30, 2025	\$ 15,844	\$ 69,952	\$ 214,346	\$ 0	\$ 300,142	\$ 687,462

(Continued)

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

	Capital Projects Funds (Cont.)			Total Nonmajor Governmental Funds
	Other Capital Projects #2	Total		
Revenues				
Local Taxes	\$ 0	\$ 0	\$ 344	
Fines, Forfeitures, and Penalties	0	0	5,599	
Charges for Current Services	0	0	2,884	
Other Local Revenues	0	0	62,725	
State of Tennessee	165,793	829,716	829,716	
Total Revenues	\$ 165,793	\$ 829,716	\$ 901,268	
Expenditures				
Current:				
General Government	\$ 0	\$ 0	\$ 24	
Finance	0	0	330	
Administration of Justice	0	0	2,520	
Public Safety	0	0	14,545	
Other Operations	0	0	1,694,541	
Capital Projects	479,750	694,584	694,584	
Total Expenditures	\$ 479,750	\$ 694,584	\$ 2,406,544	

(Continued)

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

	Capital Projects Funds (Cont.)			
	Other Capital Projects #2	Total	Total Nonmajor Governmental Funds	
Excess (Deficiency) of Revenues Over Expenditures			\$ (313,957)	\$ 135,132 \$ (1,505,276)
Other Financing Sources (Uses)				
Transfers In	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Total Other Financing Sources (Uses)	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Net Change in Fund Balances	\$ 186,043	\$ 635,132	\$ (1,005,276)	
Fund Balance, July 1, 2024	0	238,373	2,178,923	
Fund Balance, June 30, 2025	\$ 186,043	\$ 873,505	\$ 1,173,647	

OVERTON COUNTY, TENNESSEE

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 344	\$ 360	\$ 360	\$ (16)
Total Revenues	\$ 344	\$ 360	\$ 360	\$ (16)
Expenditures				
General Government				
County Buildings	\$ 0	\$ 200	\$ 200	\$ 200
Other Operations				
Other Charges	3	50	50	47
Total Expenditures	\$ 3	\$ 250	\$ 250	\$ 247
Excess (Deficiency) of Revenues Over Expenditures	\$ 341	\$ 110	\$ 110	\$ 231
Net Change in Fund Balance	\$ 341	\$ 110	\$ 110	\$ 231
Fund Balance, July 1, 2024	15,503	15,419	15,419	84
Fund Balance, June 30, 2025	\$ 15,844	\$ 15,529	\$ 15,529	\$ 315

OVERTON COUNTY, TENNESSEE

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Fines, Forfeitures, and Penalties	\$ 5,599	\$ 0	\$ 0	\$ 5,599	\$ 4,100	\$ 4,100	\$ 1,499
Other Local Revenues	8,665	0	0	8,665	2,000	8,300	365
Fees Received From County Officials	0	0	0	0	200	200	(200)
Total Revenues	\$ 14,264	\$ 0	\$ 0	\$ 14,264	\$ 6,300	\$ 12,600	\$ 1,664
Expenditures							
Public Safety							
Drug Enforcement	\$ 14,511	\$ (5,209)	\$ 50	\$ 9,352	\$ 27,540	\$ 33,840	\$ 24,488
Total Expenditures	\$ 14,511	\$ (5,209)	\$ 50	\$ 9,352	\$ 27,540	\$ 33,840	\$ 24,488
Excess (Deficiency) of Revenues Over Expenditures	\$ (247)	\$ 5,209	\$ (50)	\$ 4,912	\$ (21,240)	\$ (21,240)	\$ 26,152
Net Change in Fund Balance Fund Balance, July 1, 2024	\$ (247)	\$ 5,209	\$ (50)	\$ 4,912	\$ (21,240)	\$ (21,240)	\$ 26,152
Fund Balance, June 30, 2025	\$ 70,199	\$ (5,209)	\$ 0	\$ 64,990	\$ 65,328	\$ 65,328	\$ (338)
	\$ 69,952	\$ 0	\$ (50)	\$ 69,902	\$ 44,088	\$ 44,088	\$ 25,814

OVERTON COUNTY, TENNESSEE

**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
American Rescue Plan Fund
For the Year Ended June 30, 2025**

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Other Local Revenues	\$ 54,060	\$ 0	\$ 0	\$ 54,060	\$ 72,000	\$ 72,000	\$ (17,940)
Total Revenues	<u>\$ 54,060</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 54,060</u>	<u>\$ 72,000</u>	<u>\$ 72,000</u>	<u>\$ (17,940)</u>
Expenditures							
General Government							
Other General Administration	\$ 24	\$ 0	\$ 0	\$ 24	\$ 556	\$ 556	\$ 532
Other Operations							
American Rescue Plan Act Grant #1	1,694,538	(21,791)	278,913	1,951,660	1,964,892	1,964,892	13,232
Total Expenditures	<u>\$ 1,694,562</u>	<u>\$ (21,791)</u>	<u>\$ 278,913</u>	<u>\$ 1,951,684</u>	<u>\$ 1,965,448</u>	<u>\$ 1,965,448</u>	<u>\$ 13,764</u>
Excess (Deficiency) of Revenues							
Over Expenditures	\$ (1,640,502)	\$ 21,791	\$ (278,913)	\$ (1,897,624)	\$ (1,893,448)	\$ (1,893,448)	\$ (4,176)
Net Change in Fund Balance							
Fund Balance, July 1, 2024	\$ (1,640,502)	\$ 21,791	\$ (278,913)	\$ (1,897,624)	\$ (1,893,448)	\$ (1,893,448)	\$ (4,176)
	1,854,848	(21,791)	0	1,833,057	1,937,183	1,937,183	(104,126)
Fund Balance, June 30, 2025	<u>\$ 214,346</u>	<u>\$ 0</u>	<u>\$ (278,913)</u>	<u>\$ (64,567)</u>	<u>\$ 43,735</u>	<u>\$ 43,735</u>	<u>\$ (108,302)</u>

MAJOR GOVERNMENTAL FUND

GENERAL DEBT SERVICE FUND

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

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 86	\$ 46,325	\$ 46,325	\$ (46,239)
Other Local Revenues	1,498,027	601,000	601,000	897,027
Other Governments and Citizens Groups	2,057,083	0	2,057,083	0
Total Revenues	\$ 3,555,196	\$ 647,325	\$ 2,704,408	\$ 850,788
Expenditures				
Principal on Debt				
General Government	\$ 375,000	\$ 0	\$ 375,000	0
Education	1,077,770	0	1,077,770	0
Interest on Debt				
General Government	180,969	0	180,969	0
Education	797,844	0	797,844	0
Other Debt Service				
General Government	15,329	1,993,500	45,500	30,171
Education	500	0	500	0
Total Expenditures	\$ 2,447,412	\$ 1,993,500	\$ 2,477,583	\$ 30,171
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,107,784	\$ (1,346,175)	\$ 226,825	\$ 880,959
Other Financing Sources (Uses)				
Transfers Out	\$ (1,948,000)	\$ 0	\$ (1,948,000)	0
Total Other Financing Sources	\$ (1,948,000)	\$ 0	\$ (1,948,000)	0
Net Change in Fund Balance	\$ (840,216)	\$ (1,346,175)	\$ (1,721,175)	\$ 880,959
Fund Balance, July 1, 2024	7,986,926	1,893,503	1,893,503	6,093,423
Fund Balance, June 30, 2025	\$ 7,146,710	\$ 547,328	\$ 172,328	\$ 6,974,382

CUSTODIAL FUNDS

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

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

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

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

	Custodial Funds			
	Cities -	Sales	Officers -	Constitu - tional Officers - Custodial Total
ASSETS				
Cash	\$ 0	\$ 1,339,513	\$ 1,339,513	
Due from Other Governments	\$ 259,923	\$ 0	\$ 259,923	
Total Assets	\$ 259,923	\$ 1,339,513	\$ 1,599,436	
LIABILITIES				
Due to Other Taxing Units	\$ 259,923	\$ 0	\$ 259,923	
Total Liabilities	\$ 259,923	\$ 0	\$ 259,923	
NET POSITION				
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 1,339,513	\$ 1,339,513	
Total Net Position	\$ 0	\$ 1,339,513	\$ 1,339,513	

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

	Custodial Funds			
	Cities - Sales Tax	Constitu - tional Officers - Custodial		Total
Additions				
Sales Tax Collections for Other Governments	\$ 1,477,121	\$ 0	\$ 1,477,121	
Fines/Fees and Other Collections	0	8,375,857	8,375,857	
Total Additions	\$ 1,477,121	\$ 8,375,857	\$ 9,852,978	
Deductions				
Payment of Sales Tax Collections to Other Governments	\$ 1,477,121	\$ 0	\$ 1,477,121	
Payments to State	0	3,657,445	3,657,445	
Payments to Cities, Individuals and Others	0	4,841,408	4,841,408	
Total Deductions	\$ 1,477,121	\$ 8,498,853	\$ 9,975,974	
Change in Net Position	\$ 0	\$ (122,996)	\$ (122,996)	
Net Position July 1, 2024	0	1,462,509	1,462,509	
Net Position June 30, 2025	\$ 0	\$ 1,339,513	\$ 1,339,513	

OVERTON COUNTY SCHOOL DEPARTMENT

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

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

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

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

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

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

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

OVERTON COUNTY, TENNESSEE**Statement of Activities**

Discretely Presented Overton County School Department
For the Year Ended June 30, 2025

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	
			Total Governmental Activities	
Governmental Activities:				
Instruction	\$ 20,035,067	\$ 20,121	\$ 2,711,881	\$ (17,303,065)
Support Services	14,388,323	15,164	2,030,023	(12,343,136)
Operation of Non-instructional Services	4,340,199	105,204	3,869,124	(365,871)
Interest on Long-term Debt	797,844	0	0	(797,844)
Total Governmental Activities	<u>\$ 39,561,433</u>	<u>\$ 140,489</u>	<u>\$ 8,611,028</u>	<u>\$ (30,809,916)</u>
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				\$ 2,123,757
Local Option Sales Taxes				3,701,666
Wheel Tax				708,087
Wholesale Beer Tax				112,574
Mixed Drink Tax				19,253
Other Local Taxes				377
Grants and Contributions Not Restricted for Specific Programs				25,353,986
Unrestricted Investment Income				707,336
Miscellaneous				40,441
Total General Revenues				<u>\$ 32,767,477</u>
Insurance Recovery				\$ 13,544
Change in Net Position				\$ 1,971,105
Net Position, July 1, 2024				56,392,483
Restatement - See Note I.D.10.				(300,587)
Net Position, June 30, 2025				<u>\$ 58,063,001</u>

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

Discretely Presented Overton County School Department

June 30, 2025

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General Purpose School	School Federal Projects	Education Capital Projects	Other Govern- mental Funds		
ASSETS						
Cash	\$ 0	\$ 0	\$ 0	\$ 687,191	\$ 687,191	
Equity in Pooled Cash and Investments	14,878,906	112,154	14,548,091	2,060,205	31,599,356	
Inventories	0	0	0	40,117	40,117	
Due from Other Governments	1,551,429	587,846	0	192,614	2,331,889	
Property Taxes Receivable	2,206,975	0	0	0	2,206,975	
Allowance for Uncollectible Property Taxes	(40,903)	0	0	0	(40,903)	
Restricted Assets	317,827	0	0	0	317,827	
Total Assets	\$ 18,914,234	\$ 700,000	\$ 14,548,091	\$ 2,980,127	\$ 37,142,452	
LIABILITIES						
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 450	\$ 450	
Accrued Payroll	9,506	0	0	0	9,506	
Total Liabilities	\$ 9,506	\$ 0	\$ 0	\$ 450	\$ 9,956	

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

DEFERRED INFLOWS OF RESOURCES

	Major Funds			Nonmajor Funds		
	General Purpose School School	School Federal Projects	Education Capital Projects	Other Govern- mental Funds	Total Govern- mental Funds	
Deferred Current Property Taxes	\$ 2,107,531	\$ 0	\$ 0	\$ 0	\$ 2,107,531	
Deferred Delinquent Property Taxes		53,108	0	0	0	53,108
Other Deferred/Unavailable Revenue		305,924	0	0	0	305,924
Total Deferred Inflows of Resources	\$ 2,466,563	\$ 0	\$ 0	\$ 0	\$ 2,466,563	

FUND BALANCES

Nonspendable:

Inventory	\$ 0	\$ 0	\$ 40,117	\$ 40,117
-----------	------	------	-----------	-----------

Restricted:

Restricted for Education	82,429	0	14,373,165	1,256,549	15,712,143
Restricted for Hybrid Retirement Stabilization Funds	317,827	0	0	0	317,827

Committed:

Committed for Education	0	700,000	174,926	1,683,011	2,557,937
-------------------------	---	---------	---------	-----------	-----------

Assigned:

Assigned for Education	29,397	0	0	0	29,397
------------------------	--------	---	---	---	--------

Unassigned

Total Fund Balances	16,008,512	0	0	0	16,008,512
---------------------	------------	---	---	---	------------

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

\$ 18,914,234	\$ 700,000	\$ 14,548,091	\$ 2,979,677	\$ 34,665,933
---------------	------------	---------------	--------------	---------------

\$ 18,914,234	\$ 700,000	\$ 14,548,091	\$ 2,980,127	\$ 37,142,452
---------------	------------	---------------	--------------	---------------

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

Discretely Presented Overton 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)		\$ 34,665,933
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 891,763	
Add: construction in progress	606,894	
Add: buildings and improvements net of accumulated depreciation	18,364,211	
Add: infrastructure net of accumulated depreciation	436,204	
Add: other capital assets net of accumulated depreciation	<u>2,200,124</u>	22,499,196
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: contributions due on primary government debt for other loans	\$ (1,775,873)	
Less: net OPEB liability	(5,624,301)	
Less: compensated absences payable	<u>(547,129)</u>	(7,947,303)
(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	\$ 3,529,168	
Less: deferred inflows of resources related to pensions	(1,523,106)	
Add: deferred outflows of resources related to OPEB	1,808,742	
Less: deferred inflows of resources related to OPEB	<u>(1,260,783)</u>	2,554,021
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - agent plan	\$ 159,209	
Add: net pension asset - teacher retirement plan	116,013	
Add: net pension asset - teacher legacy pension plan	<u>5,656,900</u>	5,932,122
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		359,032
Net position of governmental activities (Exhibit A)		<u>\$ 58,063,001</u>

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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General Purpose School	School Federal Projects	Education Capital Projects	Other Govern- mental Funds		
Revenues						
Local Taxes	\$ 6,079,741	\$ 0	\$ 0	\$ 708,087	\$ 6,787,828	
Licenses and Permits	1,492	0	0	0	1,492	
Charges for Current Services	20,121	0	0	105,204	125,325	
Other Local Revenues	115,844	0	679,861	1,357,744	2,153,449	
State of Tennessee	25,825,005	0	0	12,457	25,837,462	
Federal Government	76,955	4,186,210	0	1,963,486	6,226,651	
Other Governments and Citizens Groups	111,014	0	0	0	111,014	
Total Revenues	\$ 32,230,172	\$ 4,186,210	\$ 679,861	\$ 4,146,978	\$ 41,243,221	
Expenditures						
Current:						
Instruction	\$ 17,709,225	\$ 1,270,215	\$ 0	\$ 0	\$ 18,979,440	
Support Services	10,818,296	1,568,207	0	0	12,386,503	
Operation of Non-Instructional Services	821,504	81,143	0	3,437,552	4,340,199	
Capital Outlay	392,291	1,239,459	606,894	0	2,238,644	
Debt Service:						
Principal on Debt	0	0	0	1,077,770	1,077,770	
Interest on Debt	0	0	0	797,844	797,844	
Other Debt Service	0	0	0	7,613	7,613	
Total Expenditures	\$ 29,741,316	\$ 4,159,024	\$ 606,894	\$ 5,320,779	\$ 39,828,013	

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General Purpose School	School Federal Projects	Education Capital Projects	Other Govern- mental Funds		
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,488,856	\$ 27,186	\$ 72,967	\$ (1,173,801)	\$ 1,415,208	
Other Financing Sources (Uses)						
Insurance Recovery	\$ 13,544	\$ 0	\$ 0	\$ 0	\$ 13,544	
Transfers In	27,190	0	0	1,248,871	1,276,061	
Transfers Out	(1,248,871)	(27,190)	0	0	(1,276,061)	
Total Other Financing Sources (Uses)	\$ (1,208,137)	\$ (27,190)	\$ 0	\$ 1,248,871	\$ 13,544	
Net Change in Fund Balances	\$ 1,280,719	\$ (4)	\$ 72,967	\$ 75,070	\$ 1,428,752	
Fund Balance, July 1, 2024	15,157,446	700,004	14,475,124	2,904,607	33,237,181	
Fund Balance, June 30, 2025	\$ 16,438,165	\$ 700,000	\$ 14,548,091	\$ 2,979,677	\$ 34,665,933	

OVERTON COUNTY, TENNESSEE

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities**
Discretely Presented Overton 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)		\$ 1,428,752
(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	\$ 1,389,357	
Less: current-year depreciation expense	<u>(943,612)</u>	445,745
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Less: book value of capital assets disposed		(25,824)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2025	\$ 359,032	
Less: deferred delinquent property taxes and other deferred June 30, 2024	<u>(363,976)</u>	(4,944)
(4) The contributions of long-term debt (e.g., bonds, notes, other loans, leases) by the primary government provide current financial resources to governmental funds, while contributions by the school department of the principal of long-term debt consume the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Add: principal contributions on bonds to primary government	\$ 835,250	
Add: principal contributions on other loans to primary government	<u>242,520</u>	1,077,770
(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 governmental funds.		
Change in compensated absences payable	\$ (219,660)	
Change in net pension asset/liability - agent plan	413,720	
Change in net pension asset - teacher retirement plan	56,741	
Change in net pension asset - teacher legacy pension plan	1,487,201	
Change in deferred outflows related to pensions	(1,565,484)	
Change in deferred inflows related to pensions	(975,710)	
Change in OPEB liability	(183,701)	
Change in deferred outflows related to OPEB	(158,292)	
Change in deferred inflows related to OPEB	<u>194,791</u>	(950,394)
Change in net position of governmental activities (Exhibit B)		<u>\$ 1,971,105</u>

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

Discretely Presented Overton County School Department

June 30, 2025

	Special Revenue Funds			Debt Service Fund		Total Nonmajor Governmental Funds	
	Central Cafeteria	Internal School	Total	Education Debt Service			
ASSETS							
Cash	\$ 803	\$ 686,388	\$ 687,191	\$ 0	\$ 687,191		
Equity in Pooled Cash and Investments	\$ 444,058	\$ 0	\$ 444,058	\$ 1,616,147	\$ 2,060,205		
Inventories	\$ 38,885	\$ 1,232	\$ 40,117	\$ 0	\$ 40,117		
Due from Other Governments	\$ 192,614	\$ 0	\$ 192,614	\$ 0	\$ 192,614		
Total Assets	\$ 676,360	\$ 687,620	\$ 1,363,980	\$ 1,616,147	\$ 2,980,127		
LIABILITIES							
Accounts Payable	\$ 0	\$ 450	\$ 450	\$ 0	\$ 450		
Total Liabilities	\$ 0	\$ 450	\$ 450	\$ 0	\$ 450		
FUND BALANCES							
Nonspendable:							
Inventory	\$ 38,885	\$ 1,232	\$ 40,117	\$ 0	\$ 40,117		
Restricted:							
Restricted for Education	570,611	685,938	1,256,549	0	1,256,549		
Committed:							
Committed for Education	66,864	0	66,864	\$ 1,616,147	\$ 1,683,011		
Total Fund Balances	\$ 676,360	\$ 687,170	\$ 1,363,530	\$ 1,616,147	\$ 2,979,677		
Total Liabilities and Fund Balances	\$ 676,360	\$ 687,620	\$ 1,363,980	\$ 1,616,147	\$ 2,980,127		

OVERTON COUNTY, TENNESSEE

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

	Special Revenue Funds			Debt Service Fund	Total Nonmajor Governmental Funds
	Central Cafeteria	Internal School	Total	Education Debt Service	
Revenues					
Local Taxes	\$ 0	\$ 0	\$ 0	\$ 708,087	\$ 708,087
Charges for Current Services	105,204	0	105,204	0	105,204
Other Local Revenues	182	1,357,562	1,357,744	0	1,357,744
State of Tennessee	12,457	0	12,457	0	12,457
Federal Government	1,963,486	0	1,963,486	0	1,963,486
Total Revenues	\$ 2,081,329	\$ 1,357,562	\$ 3,438,891	\$ 708,087	\$ 4,146,978
Expenditures					
Current:					
Operation of Non-Instructional Services	\$ 2,167,515	\$ 1,270,037	\$ 3,437,552	\$ 0	\$ 3,437,552
Debt Service:					
Principal on Debt	0	0	0	1,077,770	1,077,770
Interest on Debt	0	0	0	797,844	797,844
Other Debt Service	0	0	0	7,613	7,613
Total Expenditures	\$ 2,167,515	\$ 1,270,037	\$ 3,437,552	\$ 1,883,227	\$ 5,320,779

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

	Special Revenue Funds			Debt Service Fund		Total Nonmajor Governmental Funds
	Central Cafeteria	Internal School	Total	Education Debt Service		
Excess (Deficiency) of Revenues Over Expenditures	\$ (86,186)	\$ 87,525	\$ 1,339	\$ (1,175,140)	\$ (1,173,801)	
Other Financing Sources (Uses)						
Transfers In	\$ 0	\$ 0	\$ 0	\$ 1,248,871	\$ 1,248,871	
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 1,248,871	\$ 1,248,871	
Net Change in Fund Balances	\$ (86,186)	\$ 87,525	\$ 1,339	\$ 73,731	\$ 75,070	
Fund Balance, July 1, 2024	762,546	599,645	1,362,191	1,542,416	2,904,607	
Fund Balance, June 30, 2025	\$ 676,360	\$ 687,170	\$ 1,363,530	\$ 1,616,147	\$ 2,979,677	

OVERTON COUNTY, TENNESSEE

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 6,079,741	\$ 0	\$ 0	\$ 6,079,741	\$ 4,925,393	\$ 4,925,393	\$ 1,154,348
Licenses and Permits	1,492	0	0	1,492	1,400	1,400	92
Charges for Current Services	20,121	0	0	20,121	5,280	5,280	14,841
Other Local Revenues	115,844	0	0	115,844	49,250	49,250	66,594
State of Tennessee	25,825,005	0	0	25,825,005	25,731,912	26,831,637	(1,006,632)
Federal Government	76,955	0	0	76,955	0	107,725	(30,770)
Other Governments and Citizens Groups	111,014	0	0	111,014	0	111,014	0
Total Revenues	\$ 32,230,172	\$ 0	\$ 0	\$ 32,230,172	\$ 30,713,235	\$ 32,031,699	\$ 198,473
Expenditures							
Instruction							
Regular Instruction Program	\$ 13,804,687	\$ 0	\$ 0	\$ 13,804,687	\$ 15,111,917	\$ 14,482,261	\$ 677,574
Alternative Instruction Program	86,783	0	0	86,783	89,954	88,814	2,031
Special Education Program	2,696,615	(175)	0	2,696,440	3,032,821	2,851,064	154,624
Career and Technical Education Program	1,121,140	0	0	1,121,140	767,837	1,644,071	522,931
Support Services							
Attendance	180,427	0	0	180,427	205,663	202,399	21,972
Health Services	373,517	0	0	373,517	406,172	397,441	23,924
Other Student Support	957,031	(31,500)	0	925,531	849,222	1,163,779	238,248

(Continued)

OVERTON COUNTY, TENNESSEE

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Support Services (Cont.)							
Regular Instruction Program	\$ 827,843	\$ 0	\$ 0	\$ 827,843	\$ 996,155	\$ 951,286	\$ 123,443
Special Education Program	463,481	0	0	463,481	406,869	474,180	10,699
Career and Technical Education Program	64,117	(4,195)	0	59,922	25,628	86,241	26,319
Technology	360,670	(14,328)	0	346,342	374,245	383,943	37,601
Other Programs	294,239	0	0	294,239	0	294,239	0
Board of Education	527,391	(2,221)	2,987	528,157	513,530	577,031	48,874
Director of Schools	149,082	0	0	149,082	164,559	155,298	6,216
Office of the Principal	2,098,061	0	0	2,098,061	2,215,876	2,120,912	22,851
Fiscal Services	427,322	0	0	427,322	457,439	485,151	57,829
Operation of Plant	2,282,132	0	0	2,282,132	2,335,168	2,333,183	51,051
Maintenance of Plant	561,356	(10,000)	8,516	559,872	574,616	563,423	3,551
Transportation	1,251,627	0	17,894	1,269,521	1,550,696	1,685,756	416,235
Operation of Non-Instructional Services							
Food Service	0	0	0	0	10,000	5,000	5,000
Community Services	281,176	0	0	281,176	141,022	333,118	51,942
Early Childhood Education	540,328	0	0	540,328	508,353	542,231	1,903
Capital Outlay							
Regular Capital Outlay	392,291	(347,366)	0	44,925	0	381,656	336,731
Total Expenditures	\$ 29,741,316	\$ (409,785)	\$ 29,397	\$ 29,360,928	\$ 30,737,742	\$ 32,202,477	\$ 2,841,549

(Continued)

OVERTON COUNTY, TENNESSEE

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	Original	Final	
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,488,856	\$ 409,785	\$ (29,397)	\$ 2,869,244	\$ (24,507)	\$ (170,778)	\$ 3,040,022	
Other Financing Sources (Uses)								
Insurance Recovery	\$ 13,544	\$ 0	\$ 0	\$ 13,544	\$ 0	\$ 0	\$ 13,544	
Transfers In	27,190	0	0	27,190	25,000	25,000	2,190	
Transfers Out	(1,248,871)	0	0	(1,248,871)	(1,248,871)	(1,248,871)	0	
Total Other Financing Sources	\$ (1,208,137)	\$ 0	\$ 0	\$ (1,208,137)	\$ (1,223,871)	\$ (1,223,871)	\$ 15,734	
Net Change in Fund Balance Fund Balance, July 1, 2024	\$ 1,280,719	\$ 409,785	\$ (29,397)	\$ 1,661,107	\$ (1,248,378)	\$ (1,394,649)	\$ 3,055,756	
Fund Balance, June 30, 2025	\$ 15,157,446	\$ (409,785)	\$ 0	\$ 14,747,661	\$ 11,132,824	\$ 11,132,824	\$ 3,614,837	
	\$ 16,438,165	\$ 0	\$ (29,397)	\$ 16,408,768	\$ 9,884,446	\$ 9,738,175	\$ 6,670,593	

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

Discretely Presented Overton 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		Variance with Final Budget - Positive (Negative)
				Original	Final	
Revenues						
Federal Government	\$ 4,186,210	\$ 0	\$ 4,186,210	\$ 4,139,572	\$ 4,591,099	\$ (404,889)
Total Revenues	\$ 4,186,210	\$ 0	\$ 4,186,210	\$ 4,139,572	\$ 4,591,099	\$ (404,889)
Expenditures						
Instruction						
Regular Instruction Program	\$ 517,537	\$ 0	\$ 517,537	\$ 445,248	\$ 537,892	\$ 20,355
Special Education Program	672,971	0	672,971	733,533	798,879	125,908
Career and Technical Education Program	79,707	0	79,707	69,512	81,524	1,817
Support Services						
Attendance	3,823	0	3,823	0	3,823	0
Health Services	7,828	0	7,828	0	15,640	7,812
Other Student Support	82,703	0	82,703	79,314	131,299	48,596
Regular Instruction Program	1,012,166	(16,250)	995,916	933,818	1,105,243	109,327
Special Education Program	164,800	0	164,800	216,381	221,998	57,198
Career and Technical Education Program	1,520	0	1,520	3,500	1,520	0
Transportation	295,367	0	295,367	320,620	334,822	39,455
Operation of Non-Instructional Services						
Food Service	7,002	0	7,002	7,000	7,002	0
Community Services	74,141	0	74,141	63,999	81,349	7,208

(Continued)

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

Discretely Presented Overton County School Department

School Federal Projects Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Expenditures (Cont.)						
Capital Outlay						
Regular Capital Outlay	\$ 1,239,459	\$ (1,233,268)	\$ 6,191	\$ 1,239,458	\$ 1,239,458	\$ 1,233,267
Total Expenditures	\$ 4,159,024	\$ (1,249,518)	\$ 2,909,506	\$ 4,112,383	\$ 4,560,449	\$ 1,650,943
Excess (Deficiency) of Revenues						
Over Expenditures	\$ 27,186	\$ 1,249,518	\$ 1,276,704	\$ 27,189	\$ 30,650	\$ 1,246,054
Other Financing Sources (Uses)						
Transfers Out	\$ (27,190)	\$ 0	\$ (27,190)	\$ (27,187)	\$ (30,650)	\$ 3,460
Total Other Financing Sources	\$ (27,190)	\$ 0	\$ (27,190)	\$ (27,187)	\$ (30,650)	\$ 3,460
Net Change in Fund Balance	\$ (4)	\$ 1,249,518	\$ 1,249,514	\$ 2	\$ 0	\$ 1,249,514
Fund Balance, July 1, 2024	700,004	(1,249,518)	(549,514)	0	0	(549,514)
Fund Balance, June 30, 2025	\$ 700,000	\$ 0	\$ 700,000	\$ 2	\$ 0	\$ 700,000

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Charges for Current Services	\$ 105,204	\$ 534,000	\$ 534,000	\$ (428,796)
Other Local Revenues	182	19,500	19,500	(19,318)
State of Tennessee	12,457	17,600	17,600	(5,143)
Federal Government	1,963,486	1,883,000	1,883,000	80,486
Total Revenues	\$ 2,081,329	\$ 2,454,100	\$ 2,454,100	\$ (372,771)
Expenditures				
Operation of Non-Instructional Services				
Food Service	\$ 2,167,515	\$ 2,454,100	\$ 2,454,100	\$ 286,585
Total Expenditures	\$ 2,167,515	\$ 2,454,100	\$ 2,454,100	\$ 286,585
Excess (Deficiency) of Revenues Over Expenditures	\$ (86,186)	\$ 0	\$ 0	\$ (86,186)
Net Change in Fund Balance	\$ (86,186)	\$ 0	\$ 0	\$ (86,186)
Fund Balance, July 1, 2024	762,546	789,278	789,278	(26,732)
Fund Balance, June 30, 2025	\$ 676,360	\$ 789,278	\$ 789,278	\$ (112,918)

OVERTON COUNTY, TENNESSEE**Schedule of Revenues, Expenditures, and Changes****in Fund Balance - Actual and Budget**Discretely Presented Overton County School Department
Education Debt Service Fund**For the Year Ended June 30, 2025**

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 708,087	\$ 601,244	\$ 601,244	\$ 106,843
Total Revenues	<u>\$ 708,087</u>	<u>\$ 601,244</u>	<u>\$ 601,244</u>	<u>\$ 106,843</u>
Expenditures				
Principal on Debt				
Education	\$ 1,077,770	\$ 1,097,520	\$ 1,077,770	\$ 0
Interest on Debt				
Education	797,844	748,095	797,845	1
Other Debt Service				
Education	7,613	7,500	7,700	87
Total Expenditures	<u>\$ 1,883,227</u>	<u>\$ 1,853,115</u>	<u>\$ 1,883,315</u>	<u>\$ 88</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (1,175,140)</u>	<u>\$ (1,251,871)</u>	<u>\$ (1,282,071)</u>	<u>\$ 106,931</u>
Other Financing Sources (Uses)				
Transfers In	\$ 1,248,871	\$ 1,223,871	\$ 1,223,871	\$ 25,000
Total Other Financing Sources	<u>\$ 1,248,871</u>	<u>\$ 1,223,871</u>	<u>\$ 1,223,871</u>	<u>\$ 25,000</u>
Net Change in Fund Balance				
Fund Balance, July 1, 2024	\$ 73,731	\$ (28,000)	\$ (58,200)	\$ 131,931
	1,542,416	1,447,801	1,447,801	94,615
Fund Balance, June 30, 2025	<u>\$ 1,616,147</u>	<u>\$ 1,419,801</u>	<u>\$ 1,389,601</u>	<u>\$ 226,546</u>

MISCELLANEOUS SCHEDULES

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-24	Paid and/or Matured During Period	Outstanding 6-30-25
BONDS PAYABLE							
Payable through General Debt Service Fund							
General Obligation School Bonds, Series 2024	\$ 13,140,000	4 to 5 %	2-8-24	4-1-45	\$ 13,140,000	\$ 0	\$ 13,140,000
Total Payable through the General Debt Service Fund					\$ 13,140,000	\$ 0	\$ 13,140,000
Contributions Due by the Overton County Health and Rehab Center to the General Debt Service Fund							
Nursing Home Improvements	4,150,000	2.58	5-9-12	4-1-33	\$ 2,065,000	\$ 200,000	\$ 1,865,000
Nursing Home Renovation and Construction	4,965,000	2.91	6-26-17	4-1-42	4,025,000	175,000	3,850,000
Total Contributions Due by the Overton County Health and Rehab Center to the General Debt Service Fund					\$ 6,090,000	\$ 375,000	\$ 5,715,000
Contributions Due by the School Department from the Education Debt Service Fund to the General Debt Service Fund							
School Refunding Bonds, Series 2015	4,230,000	2 to 4	3-5-15	6-1-25	\$ 835,250	\$ 835,250	\$ 0
Total Contributions Due by the School Department from the Education Debt Service Fund to the General Debt Service Fund					\$ 835,250	\$ 835,250	\$ 0
Total Bonds Payable					\$ 20,065,250	\$ 1,210,250	\$ 18,855,000
OTHER LOANS PAYABLE							
Contributions Due by the School Department from the Education Debt Service Fund to the General Debt Service Fund							
Tennessee Energy Efficiency School Initiative Loan	2,925,917	1	1-29-19	8-1-32	\$ 2,018,393	\$ 242,520	\$ 1,775,873
Total Other Loans Payable					\$ 2,018,393	\$ 242,520	\$ 1,775,873

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2026	\$ 785,000	\$ 775,019	\$ 1,560,019
2027	820,000	744,494	1,564,494
2028	855,000	712,301	1,567,301
2029	890,000	679,251	1,569,251
2030	925,000	644,513	1,569,513
2031	960,000	607,463	1,567,463
2032	1,005,000	568,975	1,573,975
2033	1,040,000	528,026	1,568,026
2034	815,000	485,200	1,300,200
2035	855,000	448,850	1,303,850
2036	890,000	410,700	1,300,700
2037	930,000	370,313	1,300,313
2038	970,000	328,100	1,298,100
2039	1,015,000	283,975	1,298,975
2040	1,065,000	237,775	1,302,775
2041	1,100,000	197,200	1,297,200
2042	1,145,000	155,257	1,300,257
2043	895,000	111,600	1,006,600
2044	930,000	75,800	1,005,800
2045	965,000	38,600	1,003,600
Total	\$ 18,855,000	\$ 8,403,412	\$ 27,258,412

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2026	\$ 244,956	\$ 16,992	\$ 261,948
2027	247,416	14,532	261,948
2028	249,912	12,036	261,948
2029	252,420	9,528	261,948
2030	254,952	6,996	261,948
2031	257,508	4,440	261,948
2032	260,100	1,848	261,948
2033	8,609	35,049	43,658
Total	\$ 1,775,873	\$ 101,421	\$ 1,877,294

OVERTON COUNTY, TENNESSEE**Schedule of Notes Receivable****June 30, 2025**

Description	Debtor	Original Amount of Notes	Date of Issue	Date of Maturity	Interest Rate	Balance 7-1-24	Paid/ Matured During Period	Balance 6-30-25
General Fund								
Purchase of Industrial Property	Overton County Industrial Development Authority	\$ 358,000	6-12-17	6-1-37	5%	\$ 204,263	\$ 9,846	\$ 194,417

OVERTON COUNTY, TENNESSEE**Schedule of Transfers**

Primary Government and Discretely Presented Overton County School Department
For the Year Ended June 30, 2025

From Fund	To Fund	Purpose	Amount
PRIMARY GOVERNMENT			
Solid Waste/Sanitation	General	Operations	\$ 32,000
General Debt Service	"	"	1,000,000
"	"	Land purchase	448,000
"	Other Capital Projects #2	Establish new fund	<u>500,000</u>
Total Transfers Primary Government			<u>\$ 1,980,000</u>
DISCRETELY PRESENTED OVERTON COUNTY SCHOOL DEPARTMENT			
General Purpose School	Education Debt Service	Debt retirement	\$ 1,248,871
School Federal Projects	General Purpose School	Indirect cost	<u>27,190</u>
Total Transfers Discretely Presented Overton County School Department			<u>\$ 1,276,061</u>

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

Primary Government and Discretely Presented Overton County School Department
 For the Year Ended June 30, 2025

Official	Salary	Authorization	Bond	Surety
County Executive		Section 8-24-102, <i>TCA</i>	\$ (1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 105,396</u></u>			
Highway Superintendent - James Norrod (7/1/24 - 8/31/24)		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 21,234</u></u>			
Highway Superintendent - Tim Kennedy (9/1/24 - 6/30/25)		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 79,143</u></u>			
Total Highway Superintendent compensation	<u><u>\$ 100,377</u></u>			
Director of Schools		State Board of Education and County Board of Education	100,000	RLI Insurance Company
Base salary	<u><u>\$ 95,983</u></u>			
Chief executive officer training supplement	<u><u>\$ 1,000</u></u>			
Total compensation	<u><u>\$ 96,983</u></u>			
Trustee		Section 8-24-102, <i>TCA</i>	1,166,712	Pennsylvania National Mutual Casualty Insurance Company
Base salary/Total compensation	<u><u>\$ 91,252</u></u>			
Assessor of Property		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 91,252</u></u>			
County Clerk		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 91,252</u></u>			
Circuit and General Sessions Courts Clerk		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 91,252</u></u>			
Clerk and Master - Dorothy Stanton (7/1/24 - 8/31/24)		Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	(1)	Local Government Insurance Pool
Base salary	<u><u>\$ 19,303</u></u>			
Special commissioner fees	<u><u>\$ 58,560</u></u>			
Total compensation	<u><u>\$ 77,863</u></u>			
Clerk and Master - Julie Raines (9/1/24 - 6/30/25)		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 71,949</u></u>			
Total Clerk and Master compensation	<u><u>\$ 149,812</u></u>			
Register of Deeds		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 91,252</u></u>			
Sheriff		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary	<u><u>\$ 100,377</u></u>			
Law enforcement training supplement	<u><u>\$ 1,600</u></u>			
Total compensation	<u><u>\$ 101,977</u></u>			
Administrator of Elections		Section 2-12-208, <i>TCA</i>		
Base salary/Total compensation	<u><u>\$ 82,127</u></u>			
Director of Accounts and Budgets		County Commission	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u><u>\$ 83,513</u></u>			
Employee Blanket Bonds:				
Employee Fidelity - County Departments			400,000	Local Government Insurance Pool
Employee Fidelity - School Department			500,000	Tennessee Risk Management Trust

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

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	American Rescue Plan	
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 7,297,722	\$ 0	\$ 385,314	\$ 0	\$ 0	\$ 0
Trustee's Collections - Prior Year	201,879	0	12,572	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	45,975	0	2,871	0	0	0
Interest and Penalty	54,534	0	3,322	0	0	0
Pickup Taxes	10,062	0	607	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	315,431	0	16,654	0	0	0
Payments in-Lieu-of Taxes - Other	6,686	0	367	0	0	0
County Local Option Taxes						
Local Option Sales Tax	1,111,429	0	1,107,294	0	0	0
Hotel/Motel Tax	77,384	0	0	0	0	0
Litigation Tax - General	93,582	296	0	0	0	0
Litigation Tax - Special Purpose	0	48	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	27,337	0	0	0	0	0
Business Tax	247,725	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
Statutory Local Taxes						
Bank Excise Tax	97,924	0	5,170	0	0	0
Beer Privilege Tax	8,139	0	0	0	0	0
Total Local Taxes	\$ 9,595,809	\$ 344	\$ 1,534,171	\$ 0	\$ 0	\$ 0

(Continued)

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	American Rescue Plan	
Licenses and Permits						
Licenses						
Cable TV Franchise	\$ 38,998	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Permits						
Beer Permits	238	0	0	0	0	0
Total Licenses and Permits	<u>\$ 39,236</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fines, Forfeitures, and Penalties						
Circuit Court						
Fines	\$ 1,006	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	9,853	0	0	0	0	0
Drug Control Fines	0	0	0	95	0	0
Veterans Treatment Court Fees	238	0	0	0	0	0
Jail Fees	1,180	0	0	0	0	0
DUI Treatment Fines	190	0	0	0	0	0
Data Entry Fee - Circuit Court	1,032	0	0	0	0	0
Criminal Court						
Drug Court Fees	465	0	0	0	0	0
DUI Treatment Fines	2,831	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	American Rescue Plan	
Fines, Forfeitures, and Penalties (Cont.)						
General Sessions Court						
Fines	\$ 27,528	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fines for Littering	91	0	0	0	0	0
Officers Costs	35,528	0	0	0	0	0
Game and Fish Fines	360	0	0	0	0	0
Drug Control Fines	0	0	0	163	0	0
Drug Court Fees	4,797	0	0	0	0	0
Veterans Treatment Court Fees	3,163	0	0	0	0	0
Jail Fees	10,884	0	0	0	0	0
DUI Treatment Fines	397	0	0	0	0	0
Data Entry Fee - General Sessions Court	6,903	0	0	0	0	0
Juvenile Court						
Fines	342	0	0	0	0	0
Chancery Court						
Officers Costs	4,723	0	0	0	0	0
Data Entry Fee - Chancery Court	2,489	0	0	0	0	0
Other Fines, Forfeitures, and Penalties						
Proceeds from Confiscated Property	0	0	0	3,841	0	0
Other Fines, Forfeitures, and Penalties	0	0	0	1,500	0	0
Total Fines, Forfeitures, and Penalties	\$ 114,000	\$ 0	\$ 0	\$ 5,599	\$ 0	\$ 0

(Continued)

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	American Rescue Plan	
Charges for Current Services						
General Service Charges						
Tipping Fees	\$ 0	\$ 0	\$ 506,456	\$ 0	\$ 0	\$ 0
Surcharge - Waste Tire Disposal	0	0	18,465	0	0	0
Patient Charges	1,877,594	0	0	0	0	0
Fees						
Copy Fees	3,175	0	0	0	0	0
Archives and Records Management Fee	44,110	0	0	0	0	0
Greenbelt Late Application Fee	250	0	0	0	0	0
Telephone Commissions	32,224	0	0	0	0	0
Additional Fees - Titling and Registration	24,612	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	2,884
Data Processing Fee - Register	9,652	0	0	0	0	0
Data Processing Fee - Sheriff	1,592	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	4,050	0	0	0	0	0
Data Processing Fee - County Clerk	2,763	0	0	0	0	0
Education Charges						
Tuition - Other	77,288	0	0	0	0	0
Total Charges for Current Services	\$ 2,077,310	\$ 0	\$ 524,921	\$ 0	\$ 0	\$ 2,884

(Continued)

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

	General	Special Revenue Funds				Constitu - tional Officers - Fees		
		Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	American Rescue Plan			
Other Local Revenues								
Recurring Items								
Investment Income	\$ 24,894	\$ 0	\$ 0	\$ 0	\$ 54,060	\$ 0		
Lease/Rentals/PPP	33,894	0	0	0	0	0		
Sale of Materials and Supplies	124	0	0	0	0	0		
Commissary Sales	55,305	0	0	0	0	0		
Sale of Recycled Materials	1,078	0	62,056	0	0	0		
Miscellaneous Refunds	34,681	0	0	0	0	0		
Nonrecurring Items								
Sale of Equipment	28,935	0	0	7,965	0	0		
Damages Recovered from Individuals	1,296	0	0	700	0	0		
Contributions and Gifts	11,500	0	0	0	0	0		
Total Other Local Revenues	\$ 191,707	\$ 0	\$ 62,056	\$ 8,665	\$ 54,060	\$ 0		
Fees Received From County Officials								
Fees In-Lieu-of Salary								
County Clerk	\$ 326,684	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0		
Circuit Court Clerk	58,636	0	0	0	0	0		
General Sessions Court Clerk	122,263	0	0	0	0	0		
Clerk and Master	71,596	0	0	0	0	0		

(Continued)

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	American Rescue Plan	
Fees Received From County Officials (Cont.)						
Fees In-Lieu-of Salary (Cont.)						
Register	\$ 140,153	\$ 0	\$ 0	\$ 0	\$ 0	0
Sheriff	12,173	0	0	0	0	0
Trustee	452,904	0	0	0	0	0
Total Fees Received From County Officials	\$ 1,184,409	\$ 0	\$ 0	\$ 0	\$ 0	0
State of Tennessee						
General Government Grants						
Juvenile Services Program	\$ 13,500	\$ 0	\$ 0	\$ 0	\$ 0	0
Aging Programs	9,766	0	0	0	0	0
Public Safety Grants						
Law Enforcement Training Programs	42,400	0	0	0	0	0
Public Works Grants						
State Aid Program	0	0	0	0	0	0
Litter Program	69,530	0	0	0	0	0
Other State Revenues						
Beer Tax	17,752	0	0	0	0	0
Vehicle Certificate of Title Fees	7,910	0	0	0	0	0
Alcoholic Beverage Tax	73,021	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	American Rescue Plan	
State of Tennessee (Cont.)						
Other State Revenues (Cont.)						
Opioid Settlement Funds - TN Abatement Council	\$ 93,348	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
State Revenue Sharing - T.V.A.	0	0	0	0	0	0
State Revenue Sharing - Telecommunications	74,641	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	40,652	0	0	0	0	0
Emergency Hospital - Prisoners	2,170	0	0	0	0	0
Contracted Prisoner Boarding	826,201	0	0	0	0	0
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
Other State Grants	967	0	0	0	0	0
Other State Revenues	715,918	0	0	0	0	0
Total State of Tennessee	\$ 2,002,940	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Government						
Federal Through State						
Other Federal through State	\$ 83,130	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	American Rescue Plan	
Federal Government (Cont.)						
Direct Federal Revenue						
Other Direct Federal Revenue	\$ 1,201,662	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Federal Government	\$ 1,284,792	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Governments and Citizens Groups						
Other Governments						
Prisoner Board	\$ 33,333	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions	0	0	0	0	0	0
Citizens Groups						
Donations	8,462	0	0	0	0	0
Other						
Opioid Settlement Funds - Past Remediation	80,555	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 122,350	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total	\$ 16,612,553	\$ 344	\$ 2,121,148	\$ 14,264	\$ 54,060	\$ 2,884

(Continued)

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds			Total
	Highway / Public Works	General Debt Service	Other Capital Projects -	Other Capital Projects -		
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 475,975	\$ 0	\$ 0	\$ 0	\$ 8,159,011	
Trustee's Collections - Prior Year	12,815	86	0	0	227,352	
Circuit Clerk/Clerk and Master Collections - Prior Years	2,914	0	0	0	51,760	
Interest and Penalty	3,473	0	0	0	61,329	
Pickup Taxes	642	0	0	0	11,311	
Payments in-Lieu-of Taxes - Local Utilities	20,573	0	0	0	352,658	
Payments in-Lieu-of Taxes - Other	436	0	0	0	7,489	
County Local Option Taxes						
Local Option Sales Tax	0	0	0	0	2,218,723	
Hotel/Motel Tax	0	0	0	0	77,384	
Litigation Tax - General	0	0	0	0	93,878	
Litigation Tax - Special Purpose	0	0	0	0	48	
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	27,337	
Business Tax	0	0	0	0	247,725	
Mineral Severance Tax	133,069	0	0	0	133,069	
Statutory Local Taxes						
Bank Excise Tax	6,387	0	0	0	109,481	
Beer Privilege Tax	0	0	0	0	8,139	
Total Local Taxes	\$ 656,284	\$ 86	\$ 0	\$ 0	\$ 11,786,694	

(Continued)

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	Other Capital Projects -	Other Capital Projects -	Total
Licenses and Permits					
Licenses					
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 0	38,998
Permits					
Beer Permits	0	0	0	0	238
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	39,236
Fines, Forfeitures, and Penalties					
Circuit Court					
Fines	\$ 0	\$ 0	\$ 0	\$ 0	1,006
Officers Costs	0	0	0	0	9,853
Drug Control Fines	0	0	0	0	95
Veterans Treatment Court Fees	0	0	0	0	238
Jail Fees	0	0	0	0	1,180
DUI Treatment Fines	0	0	0	0	190
Data Entry Fee - Circuit Court	0	0	0	0	1,032
Criminal Court					
Drug Court Fees	0	0	0	0	465
DUI Treatment Fines	0	0	0	0	2,831

(Continued)

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds			Total
	Highway / Public Works	General Debt Service	Other Capital Projects -	Other Capital Projects -		
Fines, Forfeitures, and Penalties (Cont.)						
General Sessions Court						
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	27,528
Fines for Littering	0	0	0	0	0	91
Officers Costs	0	0	0	0	0	35,528
Game and Fish Fines	0	0	0	0	0	360
Drug Control Fines	0	0	0	0	0	163
Drug Court Fees	0	0	0	0	0	4,797
Veterans Treatment Court Fees	0	0	0	0	0	3,163
Jail Fees	0	0	0	0	0	10,884
DUI Treatment Fines	0	0	0	0	0	397
Data Entry Fee - General Sessions Court	0	0	0	0	0	6,903
Juvenile Court						
Fines	0	0	0	0	0	342
Chancery Court						
Officers Costs	0	0	0	0	0	4,723
Data Entry Fee - Chancery Court	0	0	0	0	0	2,489
Other Fines, Forfeitures, and Penalties						
Proceeds from Confiscated Property	0	0	0	0	0	3,841
Other Fines, Forfeitures, and Penalties	0	0	0	0	0	1,500
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	119,599

(Continued)

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds			Total
	Highway / Public Works	General Debt Service	Other Capital Projects -	Other Capital Projects -		
Charges for Current Services						
General Service Charges						
Tipping Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	506,456
Surcharge - Waste Tire Disposal	0	0	0	0	0	18,465
Patient Charges	0	0	0	0	0	1,877,594
Fees						
Copy Fees	0	0	0	0	0	3,175
Archives and Records Management Fee	0	0	0	0	0	44,110
Greenbelt Late Application Fee	0	0	0	0	0	250
Telephone Commissions	0	0	0	0	0	32,224
Additional Fees - Titling and Registration	0	0	0	0	0	24,612
Constitutional Officers' Fees and Commissions	0	0	0	0	0	2,884
Data Processing Fee - Register	0	0	0	0	0	9,652
Data Processing Fee - Sheriff	0	0	0	0	0	1,592
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0	4,050
Data Processing Fee - County Clerk	0	0	0	0	0	2,763
Education Charges						
Tuition - Other	0	0	0	0	0	77,288
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	2,605,115

(Continued)

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	Other Capital Projects -	Other Capital Projects -	Total
Other Local Revenues					
Recurring Items					
Investment Income	\$ 0	\$ 1,498,027	\$ 0	\$ 0	\$ 1,576,981
Lease/Rentals/PPP	0	0	0	0	33,894
Sale of Materials and Supplies	5,187	0	0	0	5,311
Commissary Sales	0	0	0	0	55,305
Sale of Recycled Materials	3,057	0	0	0	66,191
Miscellaneous Refunds	780	0	0	0	35,461
Nonrecurring Items					
Sale of Equipment	78,921	0	0	0	115,821
Damages Recovered from Individuals	0	0	0	0	1,996
Contributions and Gifts	0	0	0	0	11,500
Total Other Local Revenues	\$ 87,945	\$ 1,498,027	\$ 0	\$ 0	\$ 1,902,460
Fees Received From County Officials					
Fees In-Lieu-of Salary					
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 326,684
Circuit Court Clerk	0	0	0	0	58,636
General Sessions Court Clerk	0	0	0	0	122,263
Clerk and Master	0	0	0	0	71,596

(Continued)

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		
	Highway / Public Works	General Debt Service	Other Capital Projects -	Other Capital Projects -	Total
Fees Received From County Officials (Cont.)					
Fees In-Lieu-of Salary (Cont.)					
Register	\$ 0	\$ 0	\$ 0	\$ 0	140,153
Sheriff	0	0	0	0	12,173
Trustee	0	0	0	0	452,904
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	1,184,409
State of Tennessee					
General Government Grants					
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	13,500
Aging Programs	0	0	0	0	9,766
Public Safety Grants					
Law Enforcement Training Programs	0	0	0	0	42,400
Public Works Grants					
State Aid Program	2,285,748	0	0	0	2,285,748
Litter Program	0	0	0	0	69,530
Other State Revenues					
Beer Tax	0	0	0	0	17,752
Vehicle Certificate of Title Fees	0	0	0	0	7,910
Alcoholic Beverage Tax	0	0	0	0	73,021

(Continued)

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds			Total
	Highway / Public Works	General Debt Service	Other Capital Projects -	Other Capital Projects -		
State of Tennessee (Cont.)						
Other State Revenues (Cont.)						
Opioid Settlement Funds - TN Abatement Council	\$ 0	\$ 0	\$ 0	\$ 0	\$ 93,348	
State Revenue Sharing - T.V.A.	0	0	663,923	0	663,923	
State Revenue Sharing - Telecommunications	0	0	0	0	74,641	
State Shared Sports Gaming Privilege Tax	0	0	0	0	40,652	
Emergency Hospital - Prisoners	0	0	0	0	2,170	
Contracted Prisoner Boarding	0	0	0	0	826,201	
Gasoline and Motor Fuel Tax	2,457,770	0	0	0	2,457,770	
Hybrid/Electric Vehicle Registration Fee	29,520	0	0	0	29,520	
Petroleum Special Tax	6,215	0	0	0	6,215	
Registrar's Salary Supplement	0	0	0	0	15,164	
Other State Grants	0	0	0	0	967	
Other State Revenues	0	0	0	165,793	881,711	
Total State of Tennessee	\$ 4,779,253	\$ 0	\$ 663,923	\$ 165,793	\$ 7,611,909	

Federal Government**Federal Through State**

Other Federal through State	\$ 0	\$ 0	\$ 0	\$ 0	\$ 83,130
-----------------------------	------	------	------	------	-----------

(Continued)

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds			Total
	Highway / Public Works	General Debt Service	Other Capital Projects -	Other Capital Projects -		
Federal Government (Cont.)						
Direct Federal Revenue						
Other Direct Federal Revenue	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	1,201,662
Total Federal Government	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	1,284,792
Other Governments and Citizens Groups						
Other Governments						
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	33,333
Contributions	0	2,057,083	0	0	0	2,057,083
Citizens Groups						
Donations	0	0	0	0	0	8,462
Other						
Opioid Settlement Funds - Past Remediation	0	0	0	0	0	80,555
Total Other Governments and Citizens Groups	\$ 0	\$ 2,057,083	\$ 0	\$ 0	\$ 0	2,179,433
Total	\$ 5,523,482	\$ 3,555,196	\$ 663,923	\$ 165,793	\$ 28,713,647	

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

Discretely Presented Overton County School Department

For the Year Ended June 30, 2025

	Special Revenue Funds				Debt Service Fund
	General Purpose School School	School Federal Projects	Central Cafeteria	Internal School	Education Debt Service
Local Taxes					
County Property Taxes					
Current Property Tax	\$ 2,034,778	\$ 0	\$ 0	\$ 0	\$ 0
Trustee's Collections - Prior Year	62,891	0	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	15,735	0	0	0	0
Interest and Penalty	18,527	0	0	0	0
Pickup Taxes	7,458	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	87,934	0	0	0	0
Payments in-Lieu-of Taxes - Other	1,937	0	0	0	0
County Local Option Taxes					
Local Option Sales Tax	3,690,978	0	0	0	0
Wheel Tax	0	0	0	0	708,087
Mixed Drink Tax	19,253	0	0	0	0
Other County Local Option Taxes	377	0	0	0	0
Statutory Local Taxes					
Bank Excise Tax	27,299	0	0	0	0
Wholesale Beer Tax	112,574	0	0	0	0
Total Local Taxes	\$ 6,079,741	\$ 0	\$ 0	\$ 0	\$ 708,087

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

	Special Revenue Funds				Debt Service Fund	
	General Purpose School School	School Federal Projects	Central Cafeteria	Internal School	Education Debt Service	
Licenses and Permits						
Licenses						
Marriage Licenses	\$ 1,492	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Licenses and Permits	<u>\$ 1,492</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Charges for Current Services						
Education Charges						
Lunch Payments - Adults	\$ 0	\$ 0	\$ 28,273	\$ 0	\$ 0	\$ 0
A la Carte Sales	0	0	76,931	0	0	0
Receipts from Individual Schools	20,121	0	0	0	0	0
Total Charges for Current Services	<u>\$ 20,121</u>	<u>\$ 0</u>	<u>\$ 105,204</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Other Local Revenues						
Recurring Items						
Investment Income	\$ 27,293	\$ 0	\$ 182	\$ 0	\$ 0	\$ 0
Lease/Rentals/PPP	15,164	0	0	0	0	0
Sale of Materials and Supplies	969	0	0	0	0	0
E-Rate Funding	31,146	0	0	0	0	0
Miscellaneous Refunds	39,243	0	0	0	0	0

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

	Special Revenue Funds				Debt Service Fund
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Debt Service
Other Local Revenues (Cont.)					
Nonrecurring Items					
Damages Recovered from Individuals	\$ 229	\$ 0	\$ 0	\$ 0	\$ 0
Contributions and Gifts	1,800	0	0	0	0
Other Local Revenues					
Other Local Revenues	0	0	0	1,357,562	0
Total Other Local Revenues	\$ 115,844	\$ 0	\$ 182	\$ 1,357,562	\$ 0
State of Tennessee					
General Government Grants					
On-behalf Contributions for OPEB	\$ 183,225	\$ 0	\$ 0	\$ 0	\$ 0
State Education Funds					
Tennessee Investment in Student Achievement	23,523,248	0	0	0	0
TISA - On-behalf Payments	48,201	0	0	0	0
Early Childhood Education	535,619	0	0	0	0
School Food Service	0	0	12,457	0	0
Other State Education Funds	709,285	0	0	0	0
Paid Parental Leave	50,978	0	0	0	0
Career Ladder Program	22,237	0	0	0	0
Other Vocational	724,714	0	0	0	0

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

	Special Revenue Funds				Debt Service Fund
	General Purpose School School	School Federal Projects	Central Cafeteria	Internal School	Education Debt Service
State of Tennessee (Cont.)					
Other State Revenues					
Other State Grants	\$ 27,498	\$ 0	\$ 0	\$ 0	\$ 0
Total State of Tennessee	\$ 25,825,005	\$ 0	\$ 12,457	\$ 0	\$ 0
Federal Government					
Federal Through State					
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,317,807	\$ 0	\$ 0
USDA - Commodities	0	0	92,419	0	0
Breakfast	0	0	464,378	0	0
USDA - Other	0	0	88,882	0	0
Vocational Education - Basic Grants to States	0	114,400	0	0	0
Title I Grants to Local Education Agencies	0	993,562	0	0	0
Special Education - Grants to States	0	848,313	0	0	0
Special Education Preschool Grants	0	40,953	0	0	0
21st Century Community Learning Centers	0	75,478	0	0	0
Eisenhower Professional Development State Grants	0	133,972	0	0	0
COVID-19 Grant B	0	27,500	0	0	0
COVID-19 Grant D	0	82,657	0	0	0

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

	Special Revenue Funds				Debt Service Fund	
	General Purpose School School	School Federal Projects	Central Cafeteria	Internal School	Education Debt Service	
Federal Government (Cont.)						
Federal Through State (Cont.)						
American Rescue Plan Act Grant #1	\$ 0	\$ 1,757,828	\$ 0	\$ 0	\$ 0	\$ 0
American Rescue Plan Act Grant #4	0	21,902	0	0	0	0
Other Federal through State	38,244	89,645	0	0	0	0
Direct Federal Revenue						
ROTC Reimbursement	38,711	0	0	0	0	0
Total Federal Government	\$ 76,955	\$ 4,186,210	\$ 1,963,486	\$ 0	\$ 0	\$ 0
Other Governments and Citizens Groups						
Other Governments						
Contributions	\$ 111,014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Governments and Citizens Groups	\$ 111,014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total	\$ 32,230,172	\$ 4,186,210	\$ 2,081,329	\$ 1,357,562	\$ 708,087	

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

	Capital Projects Fund		
	Education	Capital Projects	Total
Local Taxes			
County Property Taxes			
Current Property Tax	\$ 0	\$ 2,034,778	
Trustee's Collections - Prior Year	0	62,891	
Circuit Clerk/Clerk and Master Collections - Prior Years	0	15,735	
Interest and Penalty	0	18,527	
Pickup Taxes	0	7,458	
Payments in-Lieu-of Taxes - Local Utilities	0	87,934	
Payments in-Lieu-of Taxes - Other	0	1,937	
County Local Option Taxes			
Local Option Sales Tax	0	3,690,978	
Wheel Tax	0	708,087	
Mixed Drink Tax	0	19,253	
Other County Local Option Taxes	0	377	
Statutory Local Taxes			
Bank Excise Tax	0	27,299	
Wholesale Beer Tax	0	112,574	
Total Local Taxes	\$ 0	\$ 6,787,828	

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

	Capital Projects Fund		
	Education Capital Projects		Total
Licenses and Permits			
Licenses			
Marriage Licenses	\$ 0	\$ 1,492	
Total Licenses and Permits	\$ 0	\$ 1,492	
Charges for Current Services			
Education Charges			
Lunch Payments - Adults	\$ 0	\$ 28,273	
A la Carte Sales	0	76,931	
Receipts from Individual Schools	0	20,121	
Total Charges for Current Services	\$ 0	\$ 125,325	
Other Local Revenues			
Recurring Items			
Investment Income	\$ 679,861	\$ 707,336	
Lease/Rentals/PPP	0	15,164	
Sale of Materials and Supplies	0	969	
E-Rate Funding	0	31,146	
Miscellaneous Refunds	0	39,243	

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

	Capital Projects Fund		
	Education Capital Projects		Total
Other Local Revenues (Cont.)			
Nonrecurring Items			
Damages Recovered from Individuals	\$ 0	\$ 229	
Contributions and Gifts	0	1,800	
Other Local Revenues			
Other Local Revenues	0	1,357,562	
Total Other Local Revenues	\$ 679,861	\$ 2,153,449	
State of Tennessee			
General Government Grants			
On-behalf Contributions for OPEB	\$ 0	\$ 183,225	
State Education Funds			
Tennessee Investment in Student Achievement	0	23,523,248	
TISA - On-behalf Payments	0	48,201	
Early Childhood Education	0	535,619	
School Food Service	0	12,457	
Other State Education Funds	0	709,285	
Paid Parental Leave	0	50,978	
Career Ladder Program	0	22,237	
Other Vocational	0	724,714	

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

	Capital Projects Fund		
	Education Capital Projects		Total
State of Tennessee (Cont.)			
Other State Revenues			
Other State Grants	\$ 0	\$ 27,498	
Total State of Tennessee	<u>\$ 0</u>	<u>\$ 25,837,462</u>	
Federal Government			
Federal Through State			
USDA School Lunch Program	\$ 0	\$ 1,317,807	
USDA - Commodities	0	92,419	
Breakfast	0	464,378	
USDA - Other	0	88,882	
Vocational Education - Basic Grants to States	0	114,400	
Title I Grants to Local Education Agencies	0	993,562	
Special Education - Grants to States	0	848,313	
Special Education Preschool Grants	0	40,953	
21st Century Community Learning Centers	0	75,478	
Eisenhower Professional Development State Grants	0	133,972	
COVID-19 Grant B	0	27,500	
COVID-19 Grant D	0	82,657	

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

	Capital Projects Fund		
	Education Capital Projects		Total
Federal Government (Cont.)			
Federal Through State (Cont.)			
American Rescue Plan Act Grant #1	\$ 0	\$ 1,757,828	
American Rescue Plan Act Grant #4	0	21,902	
Other Federal through State	0	127,889	
Direct Federal Revenue			
ROTC Reimbursement	0	38,711	
Total Federal Government	\$ 0	\$ 6,226,651	
Other Governments and Citizens Groups			
Other Governments			
Contributions	\$ 0	\$ 111,014	
Total Other Governments and Citizens Groups	\$ 0	\$ 111,014	
Total	\$ 679,861	\$ 41,243,221	

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

General Government

County Commission

Board and Committee Members Fees	\$ 113,200
In-service Training	400
Social Security	8,663
Pensions	2,972
Medical Insurance	29,794
Audit Services	9,905
Communication	231
Dues and Memberships	2,846
Total County Commission	\$ 168,011

Board of Equalization

Board and Committee Members Fees	\$ 1,600
Total Board of Equalization	1,600

County Mayor/Executive

County Official/Administrative Officer	\$ 105,396
Supervisor/Director	62,044
Deputy(ies)	35,385
Accountants/Bookkeepers	11,026
In-service Training	375
Social Security	15,508
Pensions	13,868
Medical Insurance	22,440
Communication	2,440
Data Processing Services	23,868
Dues and Memberships	1,894
Legal Notices, Recording, and Court Costs	6,743
Postal Charges	5,723
Travel	1,911
Other Contracted Services	1,765
Office Supplies	10,972
Office Equipment	6,072
Total County Mayor/Executive	327,430

County Attorney

Social Security	\$ 789
-----------------	--------

(Continued)

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

General Government (Cont.)

County Attorney (Cont.)

Dues and Memberships	\$ 250
Legal Services	61,159
Travel	873
Total County Attorney	\$ 63,071

Election Commission

County Official/Administrative Officer	\$ 82,127
Deputy(ies)	43,109
Election Commission	8,100
Election Workers	25,165
Social Security	10,732
Pensions	8,616
Medical Insurance	7,475
Communication	1,343
Data Processing Services	7,739
Legal Notices, Recording, and Court Costs	2,660
Maintenance and Repair Services - Equipment	12,000
Postal Charges	3,864
Printing, Stationery, and Forms	1,082
Other Contracted Services	2,846
Office Supplies	832
Office Equipment	6,620
Total Election Commission	224,310

Register of Deeds

County Official/Administrative Officer	\$ 91,252
Deputy(ies)	38,639
Accountants/Bookkeepers	33,613
Social Security	10,421
Pensions	11,249
Medical Insurance	22,425
Communication	633
Data Processing Services	8,990
Dues and Memberships	858
Other Contracted Services	240
Office Supplies	2,157
Office Equipment	289
Total Register of Deeds	220,766

(Continued)

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

General Government (Cont.)

Planning

Board and Committee Members Fees	\$ 5,500
Social Security	421
Contracts with Government Agencies	<u>15,000</u>
Total Planning	\$ 20,921

County Buildings

Custodial Personnel	\$ 35,360
Maintenance Personnel	44,415
Social Security	6,078
Pensions	5,431
Medical Insurance	7,475
Communication	21,016
Maintenance and Repair Services - Buildings	1,165,183
Maintenance and Repair Services - Equipment	7,946
Maintenance and Repair Services - Vehicles	8,782
Other Contracted Services	22,019
Custodial Supplies	11,350
Electricity	105,132
Gasoline	6,138
Natural Gas	19,675
Office Supplies	331
Small Tools	854
Tires and Tubes	807
Uniforms	2,866
Other Charges	1,327
Land	<u>448,000</u>
Total County Buildings	1,920,185

Other General Administration

Teachers	\$ 2,750
Social Security	210
Life Insurance	8,284
Unemployment Compensation	5,083
On-behalf Payments to OPEB	1,200
Other Fringe Benefits	10,640
Evaluation and Testing	845

(Continued)

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

General Government (Cont.)

Other General Administration (Cont.)

Remittance of Revenue Collected	\$ 24,478
Other Contracted Services	52,684
Other Supplies and Materials	10,891
Liability Insurance	650,059
Trustee's Commission	226,034
Workers' Compensation Insurance	280,666
Other Charges	<u>1,838</u>
Total Other General Administration	\$ 1,275,662

Preservation of Records

Supervisor/Director	\$ 13,337
Social Security	1,007
Travel	85
Other Contracted Services	240
Office Supplies	3,893
Office Equipment	<u>420</u>
Total Preservation of Records	18,982

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$ 83,513
Social Security	6,383
Pensions	<u>5,637</u>
Total Accounting and Budgeting	95,533

Property Assessor's Office

County Official/Administrative Officer	\$ 91,252
Deputy(ies)	45,761
Assessment Personnel	37,878
Clerical Personnel	32,681
Social Security	15,229
Pensions	14,281
Medical Insurance	14,950
Communication	2,362
Data Processing Services	2,980
Dues and Memberships	1,500

(Continued)

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

Finance (Cont.)

Property Assessor's Office (Cont.)

Legal Notices, Recording, and Court Costs	\$	794
Maintenance and Repair Services - Vehicles		526
Postal Charges		1,499
Travel		1,130
Other Contracted Services		16,917
Gasoline		849
Office Supplies		737
Other Charges		5,131
Total Property Assessor's Office	\$	286,457

County Trustee's Office

County Official/Administrative Officer	\$	91,252
Deputy(ies)		43,975
Accountants/Bookkeepers		34,978
Social Security		12,716
Pensions		11,710
Medical Insurance		22,426
Communication		1,825
Data Processing Services		29,542
Dues and Memberships		933
Legal Notices, Recording, and Court Costs		109
Postal Charges		1,578
Other Contracted Services		13,404
Office Supplies		927
Total County Trustee's Office		265,375

County Clerk's Office

County Official/Administrative Officer	\$	91,252
Deputy(ies)		35,469
Accountants/Bookkeepers		34,794
Salary Supplements		10,800
Clerical Personnel		50,786
Social Security		16,976
Pensions		14,949
Medical Insurance		18,693
Communication		1,531

(Continued)

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

Finance (Cont.)

County Clerk's Office (Cont.)

Data Processing Services	\$ 309
Dues and Memberships	1,033
Legal Notices, Recording, and Court Costs	93
Postal Charges	12,496
Travel	1,078
Other Contracted Services	12,386
Office Supplies	6,715
Office Equipment	1,458
Total County Clerk's Office	\$ 310,818

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$ 91,252
Deputy(ies)	39,026
Accountants/Bookkeepers	35,681
Clerical Personnel	99,047
Other Salaries and Wages	3,300
Jury and Witness Expense	4,434
Social Security	20,218
Pensions	18,460
Medical Insurance	44,851
Communication	3,640
Data Processing Services	19,118
Dues and Memberships	808
Legal Notices, Recording, and Court Costs	192
Postal Charges	730
Other Contracted Services	360
Office Supplies	3,601
Office Equipment	7,258
Total Circuit Court	391,976

General Sessions Court

Judge(s)	\$ 123,400
Deputy(ies)	33,071
Social Security	11,802
Pensions	10,764

(Continued)

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

Administration of Justice (Cont.)

General Sessions Court (Cont.)

Medical Insurance	\$ 11,825
Dues and Memberships	795
Travel	4,253
Office Supplies	<u>8,853</u>
Total General Sessions Court	\$ 204,763

Drug Court

Supervisor/Director	\$ 72,020
Guidance Personnel	52,645
Part-time Personnel	2,350
In-service Training	1,350
Communication	6,361
Dues and Memberships	180
Evaluation and Testing	2,617
Printing, Stationery, and Forms	441
Travel	10,470
Drug Treatment	35,678
Other Contracted Services	15,525
Drugs and Medical Supplies	1,094
Office Supplies	<u>2,186</u>
Total Drug Court	202,917

Chancery Court

County Official/Administrative Officer	\$ 91,252
Deputy(ies)	9,506
Accountants/Bookkeepers	32,390
Clerical Personnel	70,124
Social Security	15,346
Pensions	12,576
Medical Insurance	20,284
Communication	3,680
Data Processing Services	15,247
Dues and Memberships	733
Travel	50
Other Contracted Services	1,911
Office Supplies	9,566

(Continued)

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

Administration of Justice (Cont.)

Chancery Court (Cont.)

Premiums on Corporate Surety Bonds	\$ 1,142
Office Equipment	<u>3,397</u>
Total Chancery Court	\$ 287,204

Juvenile Court

Guidance Personnel	\$ 25,776
Social Security	1,972
Dues and Memberships	775
Travel	581
Other Contracted Services	<u>175</u>
Total Juvenile Court	29,279

Judicial Commissioners

County Official/Administrative Officer	\$ 11,575
Supervisor/Director	18,650
Social Security	2,329
Travel	27
Office Supplies	<u>77</u>
Total Judicial Commissioners	32,658

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$ 100,377
Supervisor/Director	40,984
Deputy(ies)	651,069
Investigator(s)	298,456
Captain(s)	80,810
Lieutenant(s)	49,674
Sergeant(s)	203,659
Salary Supplements	46,400
Clerical Personnel	72,707
School Resource Officer	176,769
Overtime Pay	74,174
Other Salaries and Wages	2,120
In-service Training	10,025
Social Security	130,844

(Continued)

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

Public Safety (Cont.)

Sheriff's Department (Cont.)

Pensions	\$ 116,454
Medical Insurance	210,756
Communication	31,535
Data Processing Services	10,761
Dues and Memberships	2,040
Legal Notices, Recording, and Court Costs	2,127
Licenses	39
Maintenance and Repair Services - Equipment	3,539
Maintenance and Repair Services - Vehicles	39,220
Other Contracted Services	26,120
Gasoline	104,028
Instructional Supplies and Materials	1,488
Law Enforcement Supplies	4,336
Office Supplies	11,569
Tires and Tubes	13,731
Uniforms	5,085
Vehicle Parts	20,817
Other Supplies and Materials	21,162
Other Charges	5,110
Law Enforcement Equipment	8,382
Office Equipment	3,607
Other Equipment	65,697
Total Sheriff's Department	\$ 2,645,671

Special Patrols

Deputy(ies)	\$ 40,712
Social Security	3,087
Pensions	2,777
Medical Insurance	7,475
Maintenance and Repair Services - Vehicles	77
Disposal Fees	2,972
Gasoline	944
Other Supplies and Materials	1,076
Total Special Patrols	59,120

(Continued)

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

Public Safety (Cont.)

Jail

Supervisor/Director	\$ 47,497
Lieutenant(s)	48,689
Sergeant(s)	256,359
Guards	563,411
Overtime Pay	58,764
In-service Training	3,381
Social Security	71,323
Pensions	63,479
Medical Insurance	145,655
Evaluation and Testing	6,438
Maintenance and Repair Services - Buildings	158,567
Maintenance and Repair Services - Equipment	6,215
Medical and Dental Services	284,087
Travel	20,536
Other Contracted Services	17,291
Custodial Supplies	41,365
Electricity	49,902
Food Supplies	171,032
Natural Gas	58,931
Uniforms	3,371
Water and Sewer	403
Other Supplies and Materials	15,474
Office Equipment	3,274
Total Jail	\$ 2,095,444

Fire Prevention and Control

Contracts with Government Agencies	\$ 1,000
Contributions	110,000
Liability Insurance	121,813
Workers' Compensation Insurance	5,061
Total Fire Prevention and Control	237,874

Civil Defense

Supervisor/Director	\$ 6,793
Social Security	520
Pensions	467

(Continued)

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

Public Safety (Cont.)

Civil Defense (Cont.)

Communication	\$ 614
Dues and Memberships	405
Other Contracted Services	1,592
Electricity	655
Total Civil Defense	\$ 11,046

Rescue Squad

Contributions	\$ 10,100
Total Rescue Squad	10,100

Other Emergency Management

Contributions	\$ 200,000
Total Other Emergency Management	200,000

County Coroner/Medical Examiner

Other Contracted Services	\$ 64,799
Total County Coroner/Medical Examiner	64,799

Public Health and Welfare

Local Health Center

Communication	\$ 8,680
Contracts with Other Public Agencies	18,180
Maintenance and Repair Services - Buildings	5,211
Other Contracted Services	14,470
Office Supplies	1,702
Utilities	13,545
Office Equipment	1,463
Other Equipment	6,636
Total Local Health Center	69,887

Ambulance/Emergency Medical Services

Assistant(s)	\$ 682
Supervisor/Director	74,412
Accountants/Bookkeepers	34,980
Medical Personnel	41,369
Paraprofessionals	604,167

(Continued)

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

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Salary Supplements	\$ 20,800
Foremen	100,302
Truck Drivers	23,648
Clerical Personnel	5,602
Attendants	614,200
Overtime Pay	423,048
In-service Training	5,244
Social Security	144,080
Pensions	125,423
Medical Insurance	205,792
Communication	14,494
Data Processing Services	30,790
Dues and Memberships	435
Evaluation and Testing	3,958
Licenses	3,250
Maintenance and Repair Services - Buildings	50,175
Maintenance and Repair Services - Equipment	53,311
Maintenance and Repair Services - Vehicles	160,028
Travel	1,515
Tuition	23,837
Other Contracted Services	77,284
Custodial Supplies	5,455
Drugs and Medical Supplies	133,230
Electricity	20,577
Gasoline	75,678
Natural Gas	8,250
Office Supplies	7,630
Tires and Tubes	12,013
Uniforms	12,190
Water and Sewer	2,840
Motor Vehicles	199,610
Office Equipment	26,211
Other Equipment	44,438
Total Ambulance/Emergency Medical Services	\$ 3,390,948

(Continued)

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

Public Health and Welfare (Cont.)

Regional Mental Health Center

Contracts with Other Public Agencies	\$ 446,854
Contributions	<u>70,000</u>
Total Regional Mental Health Center	\$ 516,854

Other Public Health and Welfare

Cafeteria Personnel	\$ 40,884
Social Security	2,984
Custodial Supplies	2,422
Food Supplies	29,203
Gasoline	<u>2,356</u>
Total Other Public Health and Welfare	77,849

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Supervisor/Director	\$ 61,052
Part-time Personnel	7,990
Social Security	5,309
Pensions	4,200
Medical Insurance	7,475
Data Processing Services	503
Maintenance and Repair Services - Vehicles	825
Other Contracted Services	21
Gasoline	134
Office Supplies	<u>469</u>
Total Senior Citizens Assistance	87,978

Libraries

Librarians	\$ 56,583
Clerical Personnel	35,430
Part-time Personnel	79,841
Social Security	12,714
Pensions	6,138
Medical Insurance	14,950
Communication	6,367
Data Processing Services	1,670
Dues and Memberships	300

(Continued)

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

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Maintenance and Repair Services - Buildings	\$ 10,184
Travel	143
Custodial Supplies	1,777
Library Books/Media	5,869
Office Supplies	5,088
Utilities	14,681
Other Charges	15,234
Office Equipment	881
Total Libraries	\$ 267,850

Other Social, Cultural, and Recreational

Communication	\$ 1,400
Contributions	3,000
Other Charges	25,000
Total Other Social, Cultural, and Recreational	29,400

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$ 58,366
Extension Service Medicare	2,619
Pensions	6,573
Medical Insurance	7,754
Other Fringe Benefits	851
Communication	3,144
Contributions	859
Travel	1,876
Office Supplies	31
Workers' Compensation Insurance	41
Office Equipment	721
Total Agricultural Extension Service	82,835

Soil Conservation

Assistant(s)	\$ 34,391
Deputy(ies)	39,810
Social Security	5,010
Pensions	5,014
Medical Insurance	14,333
Total Soil Conservation	98,558

(Continued)

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

Other Operations

Tourism

Advertising

\$ 2,602

Total Tourism

\$ 2,602

Industrial Development

Advertising

\$ 17,076

Contributions

21,000

Engineering Services

5,650

Total Industrial Development

43,726

Other Economic and Community Development

Contributions

\$ 3,000

Total Other Economic and Community Development

3,000

Airport

Contracts with Government Agencies

\$ 5,135

Total Airport

5,135

Veterans' Services

Supervisor/Director

\$ 29,659

Social Security

2,240

Pensions

1,658

Communication

529

Contributions

4,305

Data Processing Services

800

Travel

681

Other Contracted Services

240

Office Supplies

202

Other Charges

28

Office Equipment

3,557

Total Veterans' Services

43,899

Contributions to Other Agencies

Contributions

\$ 19,106

Total Contributions to Other Agencies

19,106

(Continued)

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

Highways

Traffic Control

Road Signs

Total Traffic Control

\$	1,842	
		\$ 1,842

Litter and Trash Collection

Supervisor/Director

\$ 25,206

Social Security

1,928

Advertising

9,900

Maintenance and Repair Services - Vehicles

913

Custodial Supplies

144

Gasoline

2,443

Tires and Tubes

80

Total Litter and Trash Collection

\$	40,614	
		\$ 40,614

Total General Fund

\$ 16,454,055

Courthouse and Jail Maintenance Fund

Other Operations

Other Charges

Trustee's Commission

\$	3	
		\$ 3

Total Other Charges

\$	3	
		\$ 3

Total Courthouse and Jail Maintenance Fund

3

Solid Waste/Sanitation Fund

General Government

Other General Administration

Life Insurance

\$ 686

Other Fringe Benefits

770

Data Processing Services

9,562

Evaluation and Testing

1,300

Licenses

2,650

Other Contracted Services

1,678

Office Supplies

1,608

Liability Insurance

54,961

Trustee's Commission

25,161

Workers' Compensation Insurance

34,794

Office Equipment

1,721

Total Other General Administration

\$	134,891	
		\$ 134,891

(Continued)

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

Public Health and Welfare

Convenience Centers

Laborers	\$ 244,622
Social Security	18,613
Medical Insurance	7,475
Communication	5,675
Maintenance and Repair Services - Buildings	7,960
Maintenance and Repair Services - Equipment	5,287
Rentals	4,200
Other Contracted Services	200
Custodial Supplies	1,873
Electricity	11,277
Tires and Tubes	1,715
Water and Sewer	7,371
Total Convenience Centers	\$ 316,268

Transfer Stations

Supervisor/Director	\$ 74,764
Deputy(ies)	40,361
Foremen	41,371
Equipment Operators	84,567
Truck Drivers	119,282
Social Security	26,580
Pensions	30,118
Medical Insurance	59,798
Communication	81
Licenses	100
Maintenance and Repair Services - Buildings	7,553
Maintenance and Repair Services - Equipment	61,358
Maintenance and Repair Services - Vehicles	2,204
Disposal Fees	727,182
Permits	150
Other Contracted Services	39,169
Diesel Fuel	55,859
Lubricants	2,307
Office Supplies	185
Tires and Tubes	15,854
Other Supplies and Materials	1,424
Other Charges	86
Total Transfer Stations	\$ 1,390,353

(Continued)

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

Public Health and Welfare (Cont.)

Recycling Center

Communication	\$ 2,524
Maintenance and Repair Services - Buildings	506
Maintenance and Repair Services - Equipment	3,880
Custodial Supplies	525
Electricity	3,134
Gasoline	640
Office Supplies	381
Propane Gas	2,490
Uniforms	7,455
Water and Sewer	4,052
Other Supplies and Materials	1,036
Solid Waste Equipment	6,207
Total Recycling Center	\$ 32,830

Postclosure Care Costs

Testing	\$ 29,342
Total Postclosure Care Costs	\$ 29,342

Total Solid Waste/Sanitation Fund

\$ 1,903,684

Drug Control Fund

Public Safety

Drug Enforcement

Confidential Drug Enforcement Payments	\$ 3,500
Dues and Memberships	886
Maintenance and Repair Services - Buildings	475
Towing Services	990
Veterinary Services	1,303
Other Contracted Services	120
Animal Food and Supplies	7,079
Trustee's Commission	3
Law Enforcement Equipment	155
Total Drug Enforcement	\$ 14,511

Total Drug Control Fund

14,511

(Continued)

OVERTON COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types (Cont.)****American Rescue Plan Fund**

General Government

Other General Administration

Trustee's Commission

\$ 24

Total Other General Administration

\$ 24

Other Operations**American Rescue Plan Act Grant #1**

Maintenance and Repair Services - Buildings	\$ 312,500
Matching Share	372,538
Other Contracted Services	432,000
Building Construction	<u>577,500</u>

Total American Rescue Plan Act Grant #1

1,694,538

Total American Rescue Plan Fund

\$ 1,694,562

Constitutional Officers - Fees Fund

Finance

County Trustee's Office

Constitutional Officers' Operating Expenses

\$ 330

Total County Trustee's Office

\$ 330

Administration of Justice**Chancery Court**

Constitutional Officers' Operating Expenses

\$ 2,520

Total Chancery Court

2,520

Public Safety**Sheriff's Department**

Constitutional Officers' Operating Expenses

\$ 34

Total Sheriff's Department

34

Total Constitutional Officers - Fees Fund

2,884

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer

\$ 100,377

Assistant(s)

13,542

(Continued)

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

Highways (Cont.)

Administration (Cont.)

Supervisor/Director	\$ 52,987
Overtime Pay	5,362
Communication	10,661
Dues and Memberships	2,951
Evaluation and Testing	3,165
Legal Notices, Recording, and Court Costs	2,894
Licenses	132
Maintenance and Repair Services - Buildings	5,857
Travel	1,807
Penalties	48
Other Contracted Services	1,564
Custodial Supplies	503
Electricity	3,674
Office Supplies	1,955
Utilities	5,567
Other Charges	4,880
Office Equipment	2,300
Total Administration	\$ 220,226

Highway and Bridge Maintenance

Supervisor/Director	\$ 128,509
Equipment Operators	564,437
Truck Drivers	187,955
Laborers	16,662
Overtime Pay	26,580
Rentals	116
Asphalt - Cold Mix	211,177
Asphalt - Hot Mix	3,413
Asphalt - Liquid	222,905
Crushed Stone	146,074
Pipe	10,651
Pipe - Metal	14,001
Road Signs	7,079
Salt	4,977
Sand	1,061
Other Supplies and Materials	5,311

(Continued)

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

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Other Charges	\$ 8,112
Motor Vehicles	<u>5,000</u>
Total Highway and Bridge Maintenance	\$ 1,564,020

Operation and Maintenance of Equipment

Supervisor/Director	\$ 48,670
Mechanic(s)	43,890
Overtime Pay	5,104
Freight Expenses	853
Maintenance and Repair Services - Buildings	3,109
Maintenance and Repair Services - Equipment	42,357
Equipment and Machinery Parts	61,994
Gasoline	136,411
Lubricants	7,653
Sand	169
Small Tools	1,374
Tires and Tubes	40,757
Uniforms	5,825
Other Charges	435
Highway Equipment	<u>111,725</u>
Total Operation and Maintenance of Equipment	510,326

Quarry Operations

Supervisor/Director	\$ 44,412
Equipment Operators	48,930
Overtime Pay	4,008
Lease/SBITA Payments	9,600
Permits	2,222
Electricity	34,655
Equipment and Machinery Parts	15,442
Uniforms	<u>1,580</u>
Total Quarry Operations	160,849

Other Charges

Liability Insurance	\$ 84,975
Trustee's Commission	36,630
Workers' Compensation Insurance	<u>89,620</u>
Total Other Charges	211,225

(Continued)

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

Highways (Cont.)

Employee Benefits

Social Security	\$ 92,809
Pensions	87,060
Life Insurance	3,047
Medical Insurance	333,043
Unemployment Compensation	6,620
Other Fringe Benefits	1,750
Total Employee Benefits	<hr/> \$ 524,329

Capital Outlay

Engineering Services	\$ 175,847
Matching Share	5,415
Asphalt	334,489
Bridge Construction	<hr/> 2,314,736
Total Capital Outlay	<hr/> 2,830,487

Total Highway/Public Works Fund	\$ 6,021,462
---------------------------------	--------------

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$ 375,000
Total General Government	\$ 375,000

Education

Principal on Bonds	\$ 835,250
Principal on Other Loans	<hr/> 242,520
Total Education	1,077,770

Interest on Debt

General Government

Interest on Bonds	\$ 180,969
Total General Government	180,969

Education

Interest on Bonds	\$ 778,416
Interest on Other Loans	<hr/> 19,428
Total Education	797,844

(Continued)

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

Other Debt Service

General Government

Fiscal Agent Charges	\$ 400
Trustee's Commission	<u>14,929</u>
Total General Government	\$ 15,329

Education

Other Debt Service	\$ 500
Total Education	<u>500</u>

Total General Debt Service Fund

\$ 2,447,412

Other Capital Projects #1 Fund

Capital Projects

Public Safety Projects

Trustee's Commission	\$ 6,639
Motor Vehicles	<u>208,195</u>
Total Public Safety Projects	\$ 214,834

Total Other Capital Projects #1 Fund

214,834

Other Capital Projects #2 Fund

Capital Projects

Public Health and Welfare Projects

Other Contracted Services	\$ 479,750
Total Public Health and Welfare Projects	<u>\$ 479,750</u>

Total Other Capital Projects #2 Fund

479,750

Total Governmental Funds - Primary Government

\$ 29,233,157

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

Instruction

Regular Instruction Program

Teachers	\$ 8,995,154
Career Ladder Program	10,500
Homebound Teachers	11,267
Educational Assistants	321,183
Other Salaries and Wages	516,446
Certified Substitute Teachers	87,623
Non-certified Substitute Teachers	273,900
Social Security	589,982
Pensions	511,343
Life Insurance	6,332
Medical Insurance	1,781,525
Unemployment Compensation	5,314
Local Retirement	155,417
Employer Medicare	139,426
Payments to Retirees	81,655
Other Fringe Benefits	557
Maintenance and Repair Services - Equipment	57
Other Contracted Services	12,733
Instructional Supplies and Materials	65,062
Textbooks - Bound	32,717
Software	50,856
Other Supplies and Materials	57,804
Fee Waivers	36,617
TISA - On-behalf Payments	36,672
Other Charges	2,451
Regular Instruction Equipment	22,094
Total Regular Instruction Program	\$ 13,804,687

Alternative Instruction Program

Teachers	\$ 65,530
Career Ladder Program	1,000
Social Security	3,617
Pensions	4,231
Medical Insurance	11,538
Unemployment Compensation	21
Employer Medicare	846
Total Alternative Instruction Program	\$ 86,783

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program

Teachers	\$ 1,306,342
Career Ladder Program	500
Homebound Teachers	17,794
Educational Assistants	537,188
Speech Pathologist	72,083
Certified Substitute Teachers	338
Non-certified Substitute Teachers	1,856
Social Security	111,817
Pensions	100,574
Medical Insurance	437,670
Unemployment Compensation	1,219
Local Retirement	33,406
Employer Medicare	26,203
Other Fringe Benefits	147
Other Contracted Services	31,789
Instructional Supplies and Materials	6,160
TISA - On-behalf Payments	11,529
Total Special Education Program	\$ 2,696,615

Career and Technical Education Program

Teachers	\$ 635,815
Guidance Personnel	27,194
Other Salaries and Wages	7,140
Certified Substitute Teachers	10,732
Non-certified Substitute Teachers	11,475
Social Security	39,321
Pensions	40,928
Medical Insurance	131,906
Unemployment Compensation	286
Local Retirement	2,459
Employer Medicare	9,352
Other Fringe Benefits	499
Maintenance and Repair Services - Equipment	7
Instructional Supplies and Materials	47,628
Other Supplies and Materials	2,913

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Career and Technical Education Program (Cont.)

Other Charges	\$ 5,206
Vocational Instruction Equipment	<u>148,279</u>
Total Career and Technical Education Program	\$ 1,121,140

Support Services

Attendance

Supervisor/Director	\$ 87,736
Clerical Personnel	5,600
Other Salaries and Wages	39,168
Social Security	8,038
Pensions	8,660
Medical Insurance	8,646
Unemployment Compensation	41
Employer Medicare	1,880
Other Fringe Benefits	26
Travel	341
Software	18,354
Other Supplies and Materials	575
In Service/Staff Development	<u>1,362</u>
Total Attendance	180,427

Health Services

Supervisor/Director	\$ 57,028
Medical Personnel	204,480
Certified Substitute Teachers	135
Non-certified Substitute Teachers	112
Social Security	14,618
Pensions	14,787
Medical Insurance	66,048
Unemployment Compensation	218
Local Retirement	2,317
Employer Medicare	3,421
Other Fringe Benefits	24
Travel	2,902
Other Supplies and Materials	2,930
In Service/Staff Development	<u>4,497</u>
Total Health Services	373,517

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support

Guidance Personnel	\$ 663,603
Other Salaries and Wages	18,512
Social Security	39,705
Pensions	36,911
Medical Insurance	103,919
Unemployment Compensation	248
Local Retirement	10,055
Employer Medicare	9,286
Other Fringe Benefits	709
Contracts with Government Agencies	29,095
Evaluation and Testing	9,422
Other Contracted Services	38
Software	3,535
In Service/Staff Development	4,495
Other Equipment	27,498
Total Other Student Support	\$ 957,031

Regular Instruction Program

Supervisor/Director	\$ 162,195
Career Ladder Program	4,050
Librarians	354,289
Clerical Personnel	22,942
Other Salaries and Wages	75,083
Social Security	36,483
Pensions	39,460
Medical Insurance	91,547
Unemployment Compensation	192
Employer Medicare	8,532
Other Fringe Benefits	52
Travel	9,911
Other Contracted Services	2,730
Library Books/Media	3,509
Other Supplies and Materials	8,750
In Service/Staff Development	3,864
Other Charges	2,844
Other Equipment	1,410
Total Regular Instruction Program	\$ 827,843

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program

Supervisor/Director	\$ 93,118
Psychological Personnel	68,865
Medical Personnel	60,980
Clerical Personnel	22,942
Other Salaries and Wages	109,023
Social Security	20,525
Pensions	23,258
Medical Insurance	58,117
Unemployment Compensation	144
Employer Medicare	4,800
Travel	1,709
Total Special Education Program	\$ 463,481

Career and Technical Education Program

Supervisor/Director	\$ 17,547
Career Ladder Program	200
Other Salaries and Wages	3,000
Social Security	1,222
Pensions	1,219
Medical Insurance	2,269
Unemployment Compensation	4
Employer Medicare	286
Other Fringe Benefits	14
Travel	511
In Service/Staff Development	9,387
Other Equipment	28,458
Total Career and Technical Education Program	64,117

Technology

Supervisor/Director	\$ 79,756
Other Salaries and Wages	128,606
Social Security	12,254
Pensions	13,921
Medical Insurance	40,187
Unemployment Compensation	89

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Technology (Cont.)

Employer Medicare	\$ 2,866
Internet Connectivity	28,215
Travel	2,125
Software	31,543
Other Supplies and Materials	3,586
In Service/Staff Development	166
Other Charges	57
Other Equipment	<u>17,299</u>
Total Technology	\$ 360,670

Other Programs

On-behalf Payments to OPEB	\$ 183,225
Internet Connectivity	<u>111,014</u>
Total Other Programs	294,239

Board of Education

Secretary to Board	\$ 1,850
Board and Committee Members Fees	27,000
Social Security	1,460
Pensions	268
Unemployment Compensation	1
Employer Medicare	418
Audit Services	7,500
Legal Services	56,630
Medical and Dental Services	10,908
Other Contracted Services	4,038
Other Supplies and Materials	393
Liability Insurance	64,256
Premiums on Corporate Surety Bonds	350
Trustee's Commission	125,206
Workers' Compensation Insurance	198,927
In Service/Staff Development	22,328
Refund to Applicant for Criminal Investigation	2,310
Other Charges	<u>3,548</u>
Total Board of Education	527,391

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools

County Official/Administrative Officer	\$ 95,983
Assistant(s)	5,000
Other Salaries and Wages	1,000
Social Security	5,703
Pensions	6,480
Medical Insurance	15,797
Unemployment Compensation	22
Employer Medicare	1,334
Dues and Memberships	11,980
Postal Charges	1,888
In Service/Staff Development	3,831
Other Charges	64
Total Director of Schools	\$ 149,082

Office of the Principal

Principals	\$ 578,382
Career Ladder Program	2,250
Assistant Principals	466,025
Secretary(ies)	498,046
Other Salaries and Wages	23,958
Social Security	91,337
Pensions	100,274
Medical Insurance	278,337
Unemployment Compensation	721
Local Retirement	3,279
Employer Medicare	21,361
Other Fringe Benefits	2,296
Software	3,150
Excess Risk Insurance	24,440
In Service/Staff Development	113
Administration Equipment	4,092
Total Office of the Principal	\$ 2,098,061

Fiscal Services

Accountants/Bookkeepers	\$ 152,136
-------------------------	------------

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Fiscal Services (Cont.)

Secretary(ies)	\$ 77,512
Other Salaries and Wages	66,446
Social Security	18,081
Pensions	20,371
Medical Insurance	41,991
Unemployment Compensation	127
Employer Medicare	4,228
Other Fringe Benefits	133
Travel	35
Other Contracted Services	444
Data Processing Supplies	3,652
Office Supplies	181
Software	28,475
Other Supplies and Materials	988
In Service/Staff Development	5,043
Administration Equipment	7,479
Total Fiscal Services	\$ 427,322

Operation of Plant

Custodial Personnel	\$ 726,132
Social Security	43,469
Pensions	46,292
Medical Insurance	188,546
Unemployment Compensation	826
Employer Medicare	10,363
Other Fringe Benefits	26
Communication	51,784
Maintenance and Repair Services - Equipment	2,263
Other Contracted Services	103,978
Custodial Supplies	64,574
Electricity	565,190
Equipment and Machinery Parts	1,615
Natural Gas	92,245
Propane Gas	64,693
Water and Sewer	54,415

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant (Cont.)

Chemicals	\$ 18,240
Other Supplies and Materials	3,832
Boiler Insurance	4,898
Building and Contents Insurance	236,888
Other Charges	355
Plant Operation Equipment	<u>1,508</u>
Total Operation of Plant	\$ 2,282,132

Maintenance of Plant

Supervisor/Director	\$ 69,230
Maintenance Personnel	198,238
Social Security	16,125
Pensions	18,042
Medical Insurance	40,459
Unemployment Compensation	98
Employer Medicare	3,771
Maintenance and Repair Services - Buildings	18,385
Maintenance and Repair Services - Equipment	469
Maintenance and Repair Services - Vehicles	94
Other Contracted Services	121,407
Equipment and Machinery Parts	30,648
General Construction Materials	11,848
Small Tools	639
Uniforms	1,639
Chemicals	171
Other Supplies and Materials	3,626
Vehicle and Equipment Insurance	6,543
Maintenance Equipment	<u>19,924</u>
Total Maintenance of Plant	561,356

Transportation

Mechanic(s)	\$ 82,135
Bus Drivers	575,830
Other Salaries and Wages	78,279
Social Security	39,584

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Pensions	\$ 40,211
Medical Insurance	116,216
Unemployment Compensation	538
Employer Medicare	10,399
Other Fringe Benefits	252
Maintenance and Repair Services - Equipment	1,252
Maintenance and Repair Services - Vehicles	4,086
Medical and Dental Services	4,892
Other Contracted Services	2,386
Crushed Stone	1,135
Custodial Supplies	62
Diesel Fuel	103,303
Garage Supplies	3,065
Gasoline	8,966
Lubricants	7,981
Small Tools	6,395
Tires and Tubes	22,957
Uniforms	1,185
Vehicle Parts	31,872
Software	12,605
Other Supplies and Materials	4,332
Vehicle and Equipment Insurance	47,980
In Service/Staff Development	873
Other Charges	106
Transportation Equipment	42,750
Total Transportation	\$ 1,251,627

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$ 17,547
Teachers	168,605
Educational Assistants	39,425
Other Salaries and Wages	17,156
Social Security	14,087
Pensions	13,504

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services (Cont.)

Medical Insurance	\$ 2,798
Unemployment Compensation	126
Employer Medicare	3,298
Other Fringe Benefits	19
Travel	57
Instructional Supplies and Materials	3,129
Other Charges	1,425
Total Community Services	\$ 281,176

Early Childhood Education

Supervisor/Director	\$ 17,547
Teachers	274,204
Clerical Personnel	3,870
Educational Assistants	105,636
Certified Substitute Teachers	405
Non-certified Substitute Teachers	7,650
Social Security	23,670
Pensions	22,539
Medical Insurance	67,713
Unemployment Compensation	284
Local Retirement	4,791
Employer Medicare	5,539
Other Fringe Benefits	1,886
Instructional Supplies and Materials	1,183
Other Supplies and Materials	330
In Service/Staff Development	895
Other Charges	724
Other Equipment	1,462
Total Early Childhood Education	540,328

Capital Outlay**Regular Capital Outlay**

Architects	\$ 18,840
Other Contracted Services	17,395
Building Construction	349,883

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

General Purpose School Fund (Cont.)

Capital Outlay (Cont.)

Regular Capital Outlay (Cont.)

Building Improvements	\$ 1,288
Other Equipment	4,885
Total Regular Capital Outlay	<u>\$ 392,291</u>
Total General Purpose School Fund	\$ 29,741,316

School Federal Projects Fund

Instruction

Regular Instruction Program

Educational Assistants	\$ 85,279
Other Salaries and Wages	12,412
Certified Substitute Teachers	2,565
Non-certified Substitute Teachers	9,281
Social Security	6,550
Pensions	6,538
Medical Insurance	27,828
Unemployment Compensation	109
Employer Medicare	1,550
Other Fringe Benefits	512
Instructional Supplies and Materials	22,369
Software	82,749
Regular Instruction Equipment	<u>259,795</u>
Total Regular Instruction Program	\$ 517,537

Special Education Program

Educational Assistants	\$ 432,619
Other Salaries and Wages	8,336
Non-certified Substitute Teachers	1,294
Social Security	26,145
Pensions	27,130
Medical Insurance	126,514
Unemployment Compensation	621
Employer Medicare	6,144
Other Fringe Benefits	2,058
Evaluation and Testing	19,391

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Instructional Supplies and Materials	\$ 18,911
Other Supplies and Materials	3,334
Special Education Equipment	474
Total Special Education Program	\$ 672,971

Career and Technical Education Program

Educational Assistants	\$ 6,488
Social Security	402
Pensions	446
Medical Insurance	2,265
Unemployment Compensation	6
Employer Medicare	94
Other Fringe Benefits	30
Maintenance and Repair Services - Equipment	500
Instructional Supplies and Materials	18,552
Software	4,890
Other Supplies and Materials	14,171
Vocational Instruction Equipment	31,863
Total Career and Technical Education Program	79,707

Support Services

Attendance

Software	\$ 3,823
Total Attendance	3,823

Health Services

Maintenance and Repair Services - Equipment	\$ 195
Other Equipment	7,633
Total Health Services	7,828

Other Student Support

Other Salaries and Wages	\$ 1,125
Social Security	64
Pensions	72
Employer Medicare	15

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Other Fringe Benefits	\$ 5
Evaluation and Testing	4,706
Other Contracted Services	3,668
Software	1,500
Other Supplies and Materials	21,729
In Service/Staff Development	10,406
Other Charges	<u>39,413</u>
Total Other Student Support	\$ 82,703

Regular Instruction Program

Supervisor/Director	\$ 70,189
Instructional Coaches	196,059
Other Salaries and Wages	272,181
In-service Training	3,500
Social Security	30,628
Pensions	32,653
Life Insurance	184
Medical Insurance	68,727
Unemployment Compensation	168
Employer Medicare	7,489
Other Fringe Benefits	2,547
Travel	2,933
Other Contracted Services	90,050
Software	17,613
Other Supplies and Materials	20,082
In Service/Staff Development	49,972
Other Charges	16,760
Other Equipment	<u>130,431</u>
Total Regular Instruction Program	1,012,166

Special Education Program

Psychological Personnel	\$ 60,379
Other Salaries and Wages	36,010
Social Security	3,805
Pensions	1,846

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Life Insurance	\$ 25
Medical Insurance	8,934
Unemployment Compensation	83
Local Retirement	3,019
Employer Medicare	1,396
Other Fringe Benefits	284
Communication	1,200
Contracts with Private Agencies	8,288
Travel	9,244
Other Supplies and Materials	13,654
In Service/Staff Development	11,649
Other Equipment	4,984
Total Special Education Program	\$ 164,800

Career and Technical Education Program

Travel	\$ 60
In Service/Staff Development	1,460
Total Career and Technical Education Program	1,520

Transportation

Bus Drivers	\$ 1,150
Other Salaries and Wages	7,198
Social Security	351
Pensions	30
Unemployment Compensation	23
Employer Medicare	92
Other Fringe Benefits	45
Contracts with Parents	26,494
Transportation Equipment	259,984
Total Transportation	295,367

Operation of Non-Instructional Services

Food Service

Food Supplies	\$ 7,002
Total Food Service	7,002

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

School Federal Projects Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services

Supervisor/Director	\$ 13,160
Teachers	16,434
Educational Assistants	11,825
Other Salaries and Wages	2,950
Social Security	2,685
Pensions	2,885
Medical Insurance	2,090
Unemployment Compensation	26
Employer Medicare	628
Other Fringe Benefits	265
Travel	82
Instructional Supplies and Materials	3,473
Other Charges	2,950
Other Equipment	<u>14,688</u>
Total Community Services	\$ 74,141

Capital Outlay

Regular Capital Outlay

Architects	\$ 14,698
Building Improvements	<u>1,224,761</u>
Total Regular Capital Outlay	<u>1,239,459</u>

Total School Federal Projects Fund

\$ 4,159,024

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$ 87,736
Clerical Personnel	19,313
Cafeteria Personnel	676,462
Temporary Personnel	13,771
Social Security	47,859
Pensions	49,572
Life Insurance	25
Medical Insurance	216,073

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Unemployment Compensation	\$ 819
Employer Medicare	11,239
Other Fringe Benefits	26,180
Dues and Memberships	721
Maintenance and Repair Services - Equipment	26,499
Travel	2,910
Other Contracted Services	51,077
Food Supplies	756,847
USDA - Commodities	92,419
Other Supplies and Materials	50,348
In Service/Staff Development	3,401
Other Charges	1,314
Food Service Equipment	<u>32,930</u>
Total Food Service	<u>\$ 2,167,515</u>

Total Central Cafeteria Fund

\$ 2,167,515

Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$ 1,270,037
Total Community Services	<u>\$ 1,270,037</u>

Total Internal School Fund

1,270,037

Education Debt Service Fund

Principal on Debt

Education

Debt Service Contribution to Primary Government	\$ 1,077,770
Total Education	<u>\$ 1,077,770</u>

Interest on Debt

Education

Debt Service Contribution to Primary Government	\$ 797,844
Total Education	<u>797,844</u>

(Continued)

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

Discretely Presented Overton County School Department (Cont.)

Education Debt Service Fund (Cont.)

Other Debt Service

Education

Trustee's Commission	\$ 7,113
Debt Service Contribution to Primary Government	500
Total Education	<u>\$ 7,613</u>

Total Education Debt Service Fund	\$ 1,883,227
-----------------------------------	--------------

Education Capital Projects Fund

Capital Outlay

Regular Capital Outlay

Architects	\$ 514,694
Other Contracted Services	92,200
Total Regular Capital Outlay	<u>\$ 606,894</u>

Total Education Capital Projects Fund	<u>\$ 606,894</u>
---------------------------------------	-------------------

Total Governmental Funds - Overton County School Department	<u>\$ 39,828,013</u>
---	----------------------

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***

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

To the County Executive and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Overton County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Overton County's basic financial statements as listed in the table of contents, and have issued our report thereon dated November 4, 2025. Our report includes a reference to other auditors who audited the financial statements of the discretely presented Overton County Health and Rehab Center and the financial statements of the discretely presented Overton County School Department's Internal School Fund as described in our report on Overton County's financial statements. This report does not include the results of the other auditors' 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 Overton 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 Overton County's internal control. Accordingly, we do not express an opinion on the effectiveness of Overton County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the following deficiency, described in the accompanying Schedule of Findings and Questioned Costs, to be a material weakness: 2025-001.

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. We consider the following deficiencies, described in the accompanying Schedule of Findings and Questioned Costs, to be significant deficiencies: 2025-002(C, D).

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Overton 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2025-002(A, B).

Overton County's Responses to Findings

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

Purpose of this Report

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

November 4, 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**

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

To the County Executive and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Overton 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 Overton County's major federal programs for the year ended June 30, 2025. Overton 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 Overton 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 (*Government Auditing Standards*) issued by the Comptroller General of the United States; 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 Overton 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 Overton 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 Overton 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 Overton 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 Overton 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 Overton County compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Overton County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Overton 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 Overton County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Overton County's basic financial statements. We issued our report thereon dated November 4, 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

November 4, 2025

JEM/gc

OVERTON COUNTY, TENNESSEE, AND THE OVERTON COUNTY SCHOOL DEPARTMENT

Schedule of Expenditures of Federal Awards and State Grants (1) (2) (7) (8)

For the Year-Ended June 30, 2025

Federal/Pass-Through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Amount Passed-through to Subrecipients			Expenditures
U.S. Department of Agriculture:						
Passed-through State Department of Education:						
Child Nutrition Cluster: (4)						
School Breakfast Program	10.553	N/A	\$	0	\$	464,378
National School Lunch Program	10.555	N/A		0		1,396,826 (5)
Passed-through State Department of Agriculture:						
Child Nutrition Cluster: (4)						
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A		0		92,419 (5)
Rebate of Storage and Distribution Fees	10.555	N/A		0		9,863 (5)
Total U.S. Department of Agriculture						<u>\$ 1,963,486</u>
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	(3)		0	\$	5,525
Total U.S. Department of Housing and Urban Development						<u>\$ 5,525</u>
U.S. Department of the Interior:						
Direct Program:						
Payments in Lieu of Taxes	15.226	N/A		0	\$	7,995
Total U.S. Department of the Interior						<u>\$ 7,995</u>
U.S. Department of Transportation:						
Passed-through State Department of Safety and Homeland Security:						
Alcohol Open Container Requirements	20.607	(6)		0	\$	12,586
Total U.S. Department of Transportation						<u>\$ 12,586</u>
U.S. Department of the Treasury:						
Passed-through State Department of Environment and Conservation:						
COVID 19 - Coronavirus State and Local Recovery Funds (ARP)	21.027	2022-8418	(9)	933,445	\$	933,445 (5)
Passed-through State Department of Education:						
COVID 19 - Coronavirus State and Local Recovery Funds (ARP)	21.027	N/A		0		38,244 (5)
Passed-through State Department of Health:						
COVID 19 - Coronavirus State and Local Recovery Funds (ARP)	21.027	(3)		0		165,793 (5)
Total U.S. Department of the Treasury						<u>\$ 1,137,482</u>
U.S. National Foundation on the Arts and the Humanities:						
Passed-through Tennessee Secretary of State:						
Grants to States	45.310	(3)		0	\$	2,460
Total U.S. National Foundation on the Arts and the Humanities						<u>\$ 2,460</u>
U.S. Department of Education:						
Passed-through State Department of Education:						
Title I Grants to Local Educational Agencies	84.010	N/A		0	\$	1,026,730
Special Education Cluster (IDEA): (4)						
Special Education - Grants to States	84.027	N/A		0		843,319
Special Education - Preschool Grants	84.173	N/A		0		45,948
Career and Technical Education - Basic Grants to States	84.048	N/A		0		114,400
Twenty-first Century Community Learning Centers	84.287	N/A		0		75,478
Supporting Effective Instruction State Grants	84.367	N/A		0		100,808
Comprehensive Literacy Development	84.371	N/A		0		82,657
Student Support and Academic Enrichment Program	84.424	N/A		0		89,644
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund	84.425D	N/A		0		13,750 (5)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund	84.425U	N/A		0		1,771,578 (5)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund	84.425W	N/A		0		21,902 (5)
Total U.S. Department of Education						<u>\$ 4,186,214</u>

(Continued)

OVERTON COUNTY, TENNESSEE, AND THE OVERTON COUNTY SCHOOL DEPARTMENT

Schedule of Expenditures of Federal Awards and State Grants (1) (2) (7) (8) (Cont.)

Federal/Pass-Through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Amount Passed-through to Subrecipients	Amount Expenditures
U.S. Department of Health and Human Services:				
Passed-through Upper Cumberland Development District:				
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	(3)	\$ 0	\$ 1,000 (5)
COVID 19 - Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	(3)	0	1,700 (5)
Aging Cluster: (4)				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	(3)	0	10,730
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	(3)	0	45,196 (5)
COVID 19 - Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	(3)	0	4,458 (5)
Nutrition Services Incentive Program	93.053	(3)	0	6,000
National Family Caregiver Support, Title III, Part E	93.052	(3)	0	834 (5)
COVID 19 - National Family Caregiver Support, Title III, Part E	93.052	(3)	0	626 (5)
Direct Program:				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	N/A	0	<u>229,313</u>
Total U.S. Department of Health and Human Services				<u>\$ 299,857</u>
Total Expenditures of Federal Grants				<u>\$ 7,615,605</u>

State Grants	Contract Number	Amount
Juvenile Court State Supplement - State Department of Children Services	N/A	\$ 13,500
Innovative School Models (ISM) - State Department of Education	N/A	724,714
Learning Camp Transportation - State Department of Education	N/A	54,672
Lottery Education Afterschool Programs - State Department of Education	N/A	64,538
Public School Security Grant - State Department of Education	N/A	27,498
State Special Education Preschool - State Department of Education	N/A	18,718
Summer Learning Camp - State Department of Education	N/A	246,947
Voluntary Pre-K - State Department of Education	N/A	516,901
SRO Grant Program - State Department of Safety and Homeland Security	N/A	303,200
Litter Program - State Department of Transportation	N/A	69,530
ThreeStar Grant - State Department of Economic and Community Development	N/A	47,000
Training Opportunities to the Public (TOP) Grant - Tennessee Secretary of State	N/A	967
Essential Equipment Grant - State Department of Health	N/A	143,307
Aging Program - Upper Cumberland Development District	N/A	7,270
Special Programs for the Aging, Title III, Part C, Nutrition Services - Upper Cumberland Development District	N/A	<u>2,496</u>
Total State Grants		<u>\$ 2,241,258</u>

ALN = Assistance Listing Number

N/A = Not Applicable

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

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

(3) Information not available.

(4) Child Nutrition Cluster total \$1,963,486; Special Education Cluster (IDEA) total \$889,267; Aging Cluster total \$66,384.

(5) Total for ALN 10.555 is \$1,499,108; Total for ALN 21.027 is \$1,137,482; Total for ALN 84.425 is \$1,807,230;

 Total for ALN 93.043 is \$2,700; Total for ALN 93.045 is \$49,654; Total for ALN 93.052 is \$1,460.

(6) Z-24-THS-233: \$11,094; Z-25-THS-233: \$1,492

(7) CONSOLIDATED ADMINISTRATION

The following amounts were consolidated for administration purposes:

Program Title	ALN	Amount Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	\$ 87,934
Supporting Effective Instruction State Grant	84.367	14,070
Student Support and Academic Enrichment Program	84.424	1,319
Total amounts consolidated for administration purposes		<u>\$ 103,323</u>

(Continued)

OVERTON COUNTY, TENNESSEE, AND THE OVERTON COUNTY SCHOOL DEPARTMENT**Schedule of Expenditures of Federal Awards and State Grants (1) (2) (7) (8) (Cont.)****(8) AMOUNTS TRANSFERRED**

Program Title	Amounts Transferred
From Title II, Part A (ALN 84.367) to Title IV (ALN 84.424)	\$ 1,461

(9) SUBRECIPIENT AMOUNTS

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

Subrecipient	ALN	Amount Provided to Subrecipients
North Overton Utility District	21.027	\$ 828,982
West Overton Utility District	21.027	104,463
Total amounts provided to subrecipients		\$ 933,445

OVERTON 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 Overton 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 DIRECTOR OF ACCOUNTS AND BUDGETS

2024	228	2024-001	The Highway/Public Works Fund required material audit adjustments for proper financial statement presentation.	N/A	Not Corrected. See Explanation on Corrective Action Plan
------	-----	----------	--	-----	---

OFFICE OF DIRECTOR OF SCHOOLS

2024	228	2024-002	Investigations of the Overton County School Department noted deficiencies in school operations.	N/A	N/A
------	-----	----------	---	-----	-----

Prior-year Federal Awards Findings

Fiscal Year	Page Number	Finding Number	Title of Finding	ALN	Current Status
-------------	-------------	----------------	------------------	-----	----------------

OFFICE OF DIRECTOR OF SCHOOLS

2024	230	2024-003	An investigation of the Overton County afterschool program disclosed serious deficiencies.	84.287	Corrected
------	-----	----------	--	--------	-----------

OVERTON 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 Overton County is unmodified.

2. Internal Control Over Financial Reporting:

* Material weakness identified? **YES**

* Significant deficiency identified? **YES**

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

Federal Awards:

4. Internal Control Over Major Federal Programs:

* Material weakness identified? **NO**

* Significant deficiency identified? **NONE REPORTED**

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

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

7. Identification of Major Federal Programs:

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

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

* Assistance Listing Number: 84.425
COVID 19 - Education Stabilization Fund Program

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

9. Auditee qualified as low-risk auditee? **NO**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

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

OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS

FINDING 2025-001

MATERIAL AUDIT ADJUSTMENTS WERE REQUIRED FOR PROPER FINANCIAL STATEMENT PRESENTATION

(Internal Control – Material Weakness Under *Government Auditing Standards*)

On June 30, 2025, certain general ledger account balances in the Highway/Public Works Fund and the Other Capital Projects Fund #2 were not materially correct, and audit adjustments for accounts receivable and accounts payable totaling \$1,152,359 and \$474,463, respectively, were required for the financial statements to be materially correct at year-end. Generally accepted account principles require Overton County to have adequate internal controls over the maintenance of its accounting records. Material audit adjustments were required because the department's financial reporting system did not prevent, detect, or correct potential misstatements in the account records. It is a strong indicator of a material weakness in internal controls if the department has ineffective controls over the maintenance of its accounting records, which are used to prepare the financial statements, including the related notes to the financial statements. This deficiency is due to the failure of management to correct the finding noted in the prior year audit report and exists due to a lack of management oversight. We presented audit adjustments to management that they approved and posted to properly present the financial statements in this report.

RECOMMENDATION

Overton County should have appropriate processes in place to ensure its general ledgers are materially correct.

MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

I concur with this finding.

FINDING 2025-002

THE OFFICE HAD DEFICIENCIES REGARDING THE CONSTRUCTION OF A COMMUNITY CENTER

(A. and B. Noncompliance Under *Government Auditing Standards*, C. and D. Internal Control – Significant Deficiency Under *Government Auditing Standards*)

During the year ended June 30, 2025, Overton County entered a contract for construction of the Monroe Community Center. Our examination of this contract revealed the following deficiencies, which resulted from a lack of management oversight and failure to follow state statutes.

- A. Purchasing procedures for the Overton County Director of Accounts and Budgets are governed by provisions of the County Purchasing Law of 1957, Section 5-14-101, et seq., *Tennessee Code Annotated (TCA)*, and Section 12-3-1212, *TCA*. These statutes provide for all purchases exceeding \$25,000 to be made based on competitive bids solicited through public advertisement. For the community center project, the county properly solicited bids and awarded a contract for the project totaling \$533,500; however, during the year examined, the county disbursed a total of \$577,500 for this project. The county was unable to provide documentation of any approved change orders or other authorization for a change in the original contract. This resulted in project disbursements exceeding the approved bid by \$44,000 and violating applicable bidding statutes.

- B. The county did not require the contractor to provide adequate bonds. For all construction contracts that exceed \$100,000, Section 12-4-1201, *TCA* requires contractors to provide appropriate bonds, which shall be for no less than twenty-five percent of the contract price. The use of a contractor that was not adequately bonded placed the county at risk of a significant financial loss.
- C. The county made project disbursements based off summarized invoices, with no details of the work being performed. Auditors reviewed invoices that only included a total amount, with a list of services and materials; however, no breakdown was available that allocated the total cost to a specific service or material. Invoices should include sufficient details to allow adequate review before payment is made to ensure that the work invoiced has been completed and to track project progress.
- D. In addition, it appears that the county did not require the project's architect to review and approve invoices received from the contractor prior to payment. Improper review of contractor progress placed the county at risk of both inadequate work and unnecessary charges.

RECOMMENDATION

Changes to construction contracts, when necessary, should be documented by approved change orders prior to payment to maintain the integrity of the competitive bidding process. Bonds should be obtained for all contractors working on applicable construction projects in accordance with state statutes. Invoices for construction should contain details of the work being billed and should be reviewed by the architect employed for the project prior to payment to track progress and ensure that all payments are valid.

MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

I concur with this finding.

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.

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

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

Finding Number	Title of Finding	Corrective Action Plan Page Number
----------------	------------------	------------------------------------

OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS

2025-001	Material audit adjustments were required for proper financial statement presentation.	243
2025-002	The office had deficiencies regarding the construction of a community center.	243



Community working together!

OVERTON COUNTY GOVERNMENT

306 W. Main St. Rm 232 • Livingston, TN 38570
Phone: (931) 823-5638 • Fax: (931) 823-9417 • Email: sbarlow@overtoncountyn.gov

Steven Barlow

County Executive

Corrective Action Plan

FINDING: MATERIAL AUDIT ADJUSTMENTS WERE REQUIRED FOR PROPER FINANCIAL STATEMENT PRESENTATION

Response and Corrective Action Plan Prepared by:
Connie York, Director of Accounts and Budgets

Person Responsible for Implementing the Corrective Action:
Connie York, Director of Accounts and Budgets

Anticipated Completion Date of Corrective Action:
November 4, 2025

Repeat Finding:
Yes

Reason Corrective Action was Not Taken in the Prior Year:
The finding only affects the June 30, 2025 receivables and payables.

Planned Corrective Action:
If the State Aid Revenue is not coming in within 30 days of June 30th, it will not be set up as a receivable. State Aid Revenue is not a grant.

FINDING: THE OFFICE HAD DEFICIENCIES REGARDING THE CONSTRUCTION OF A COMMUNITY CENTER

Response and Corrective Action Plan Prepared by:
Connie York, Director Accounts and Budgets

Person Responsible for Implementing the Corrective Action:
Steven Barlow, County Mayor

Anticipated Completion Date of Corrective Action:
November 4, 2025

Repeat Finding:
No

Reason Corrective Action was Not Taken in the Prior Year:
Not applicable

Planned Corrective Action:

We will have the architect's contract to include oversight of the project including review invoices and cost changes.

Connie York

Connie York, Director Accounts and Budgets



Steven Barlow, County Mayor

1/14-25

Date

BEST PRACTICE

Accounting literature describes a best practice as a recommended policy, procedure, or technique that aids management in improving financial performance. Historically, a best practice has consistently shown superior results over conventional methods.

The Division of Local Government Audit strongly believes that the item noted below is a best practice that should be adopted by the governing body as a means of significantly improving accountability and the quality of services provided to the citizens of Overton County.

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

Overton County does not have a central system of accounting, budgeting, and purchasing for all departments. Overton County operates under the provisions of the Fiscal Control Acts of 1957. These acts provide for a central system of accounting, budgeting, and purchasing covering all funds administered by the county executive and highway superintendent but exclude the school department. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the county commission resulting in decentralization and some duplication of effort. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing that includes all departments is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Overton County. Therefore, we recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.