



## ANNUAL FINANCIAL REPORT

### Pickett County, Tennessee

*For the Year Ended June 30, 2025*

**Jason E. Mumpower**  
*Comptroller of the Treasury*



**DIVISION OF  
LOCAL GOVERNMENT AUDIT**

**ANNUAL FINANCIAL REPORT**  
**PICKETT 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](http://www.comptroller.tn.gov).

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## PICKETT COUNTY, TENNESSEE

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## Summary of Audit Findings

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

### *Scope*

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

### *Results*

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

Our audit resulted in one finding and recommendation, which we have reviewed with Pickett County management. The detailed finding, recommendation, and management's response are included in the Single Audit section of this report.

### *Finding*

The following is a summary of the audit finding:

#### **OFFICE OF COUNTY EXECUTIVE**

- ♦ The Solid Waste Disposal Fund had a deficit in unrestricted net position.



## INTRODUCTORY SECTION

## PICKETT COUNTY OFFICIALS

June 30, 2025

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### Officials

Stephen Bilbrey, County Executive  
Jimmy Cope, Road Superintendent  
Diane Elder, Director of Schools  
Jennifer Anderson, Trustee  
Kim Logan, Assessor of Property  
Robert Lee, County Clerk  
Danny Huddleston, Circuit and General Sessions Courts Clerk  
Leana Neal, Clerk and Master  
Letha McCurdy, Register of Deeds  
Dana Dowdy, Sheriff

### Board of County Commissioners

Stephen Bilbrey, County Executive, Chairman  
Chris Abbott  
Larry Beaty  
Tony Beaty  
Andrew Conner  
Francis Copeland  
Darrell Garrett

Deborah Garrett  
Tyler Garrett  
Chris Masiongale  
Sheila Moon  
Frankie Mullins  
Jim Richardson

### Board of Education

Jerry Mitchell, Chairman  
Nathan Anderson  
Travis Parrott  
John Reagan

### Audit Committee

Sheila Moon, Chairman  
Chris Abbott  
Francis Copeland  
Darrell Garrett  
Deborah Garrett



## FINANCIAL SECTION



JASON E. MUMPOWER  
*Comptroller*

## **Independent Auditor's Report**

Pickett County Executive and  
Board of County Commissioners  
Pickett 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 business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pickett 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 business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pickett County, Tennessee, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison 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 Internal School Fund of the Pickett County School Department (a discretely presented component unit), which represent 2.39 percent, 2.66 percent, and 4.61 percent, respectively, of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Internal School Fund of the Pickett County School Department, is based solely on the report of the other auditors.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Pickett 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., Pickett 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 restatements to the beginning Governmental Activities net position totaling (\$6,466) for the primary government and (\$42,593) for the discretely presented Pickett 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 Pickett 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 Pickett 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 Pickett County's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

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

Accounting principles generally accepted in the United States of America require that the schedule of changes in the county's net pension liability (asset) and related ratios, schedules of county and school contributions, schedules of school's proportionate share of the net pension liability (asset), and schedule of school changes in the total 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 Pickett County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds, combining and individual fund financial statements of the Pickett 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, combining and individual fund financial statements of the Pickett County School Department (a discretely presented component unit), and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

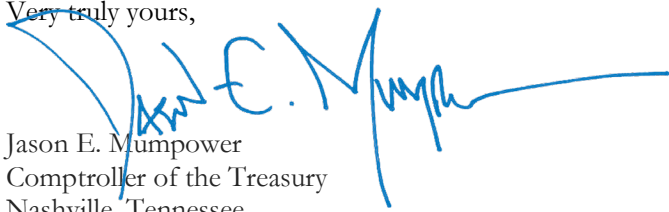
Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Requirements by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2025, on our consideration of Pickett 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 Pickett 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 Pickett County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

October 24, 2025

JEM/gc

## BASIC FINANCIAL STATEMENTS SECTION

**PICKETT COUNTY, TENNESSEE**  
**Statement of Net Position**  
**June 30, 2025**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Pickett County School Department
ASSETS				
Cash	\$ 674	\$ 0	\$ 674	\$ 247,862
Equity in Pooled Cash and Investments	6,879,529	354,753	7,234,282	3,879,125
Inventories	0	0	0	29,424
Accounts Receivable	332,950	0	332,950	1,501
Allowance for Uncollectibles	(83,139)	0	(83,139)	0
Due from Other Governments	732,158	0	732,158	413,318
Property Taxes Receivable	3,109,619	69,618	3,179,237	789,008
Allowance for Uncollectible Property Taxes	(57,941)	(1,297)	(59,238)	(37,826)
Restricted Assets - Amounts Accumulated for Pension Be	0	0	0	57,985
Net Pension Asset - Agent Plan	430,804	0	430,804	102,040
Net Pension Asset - Teacher Retirement Plan		0	0	18,199
Net Pension Asset - Teacher Legacy Pension Plan		0	0	1,523,182
Capital Assets:				
Assets Not Depreciated:				
Land	162,805	110,900	273,705	22,955
Construction in Progress	525,939	0	525,939	69,726
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	2,023,447	12,125	2,035,572	2,507,673
Infrastructure	9,691,103	0	9,691,103	0
Other Capital Assets	2,195,380	40,418	2,235,798	748,018
Total Assets	\$ 25,943,328	\$ 586,517	\$ 26,529,845	\$ 10,372,190
DEFERRED OUTFLOWS OF RESOURCES				
Pension Changes in Experience	\$ 283,675	\$ 0	\$ 283,675	\$ 474,886
Pension Changes in Assumptions	189,355	0	189,355	52,082
Pension Changes in Proportion	0	0	0	80,040
Pension Contributions after Measurement Date	242,577	0	242,577	235,769
OPEB Changes in Experience	0	0	0	60,789
OPEB Changes in Proportion	0	0	0	20,154
OPEB Changes in Assumptions	0	0	0	83,200
OPEB Contributions after Measurement Date	0	0	0	48,558
Total Deferred Outflows of Resources	\$ 715,607	\$ 0	\$ 715,607	\$ 1,055,478

(Continued)

**PICKETT COUNTY, TENNESSEE**  
**Statement of Net Position (Cont.)**

	<b>Primary Government</b>			<b>Component Unit</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Pickett County School Department</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 93,428	\$ 7,033	\$ 100,461	\$ 0
Accrued Interest Payable	2,311	0	2,311	0
Payroll Deductions Payable	13,453	0	13,453	0
Noncurrent Liabilities:				
Due Within One Year - Debt	167,360	0	167,360	0
Due Within One Year - Other	8,598	15,732	24,330	156,470
Due in More Than One Year - Debt	393,940	0	393,940	0
Due in More Than One Year - Other	8,420	2,821,192	2,829,612	745,803
Total Liabilities	<u>\$ 687,510</u>	<u>\$ 2,843,957</u>	<u>\$ 3,531,467</u>	<u>\$ 902,273</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Current Property Taxes	\$ 2,900,432	\$ 0	\$ 2,900,432	\$ 725,547
Pension Changes in Experience	89,943	0	89,943	26,895
Pension Changes in Investment Earnings	125,717	0	125,717	329,501
Pension Changes in Proportion	0	0	0	2,801
OPEB Changes in Experience	0	0	0	51,016
OPEB Changes in Proportion	0	0	0	44,429
OPEB Changes in Assumptions	0	0	0	42,852
Total Deferred Inflows of Resources	<u>\$ 3,116,092</u>	<u>\$ 0</u>	<u>\$ 3,116,092</u>	<u>\$ 1,223,041</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	\$ 14,037,374	\$ 163,443	\$ 14,200,817	\$ 3,348,372
Restricted for:				
General Government	52,785	0	52,785	0
Finance	82,338	0	82,338	0
Administration of Justice	25,463	0	25,463	0
Public Safety	11,416	0	11,416	0
Public Health & Welfare	106,099	0	106,099	0
Social, Cultural, and Recreational Services	91,229	0	91,229	0
Highway/Public Works	461,816	0	461,816	0
Debt Service	361,998	0	361,998	0
Capital Outlay	29,510	0	29,510	0
Education	0	0	0	801,560
Pensions	430,804	0	430,804	1,701,406
Unrestricted	<u>7,164,501</u>	<u>(2,420,883)</u>	<u>4,743,618</u>	<u>3,451,016</u>
Total Net Position	<u>\$ 22,855,333</u>	<u>\$ (2,257,440)</u>	<u>\$ 20,597,893</u>	<u>\$ 9,302,354</u>

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



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

					Net (Expense) Revenue and Changes in Net Position				Component Unit Pickett County School Department
Functions/Programs	Expenses	Program Revenues			Primary Government				
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total		
Primary Government:									
Governmental Activities:									
General Government	\$ 1,119,167	\$ 79,426	\$ 15,449	\$ 0	\$ (1,024,292)	\$ 0	\$ (1,024,292)	\$ 0	
Finance	455,925	259,456	0	0	(196,469)	0	(196,469)	0	
Administration of Justice	457,601	62,728	9,000	0	(385,873)	0	(385,873)	0	
Public Safety	1,624,587	65,233	460,057	(7,340)	(1,106,637)	0	(1,106,637)	0	
Public Health and Welfare	1,777,906	610,590	187,482	342,700	(637,134)	0	(637,134)	0	
Social, Cultural, and Recreational Services	358,436	1,875	8,000	14,000	(334,561)	0	(334,561)	0	
Agriculture and Natural Resources	151,435	0	21,000	0	(130,435)	0	(130,435)	0	
Highways/Public Works	2,107,297	21,817	1,841,772	659,640	415,932	0	415,932	0	
Interest on Long-term Debt	26,798	0	0	0	(26,798)	0	(26,798)	0	
Total Governmental Activities	\$ 8,079,152	\$ 1,101,125	\$ 2,542,760	\$ 1,009,000	\$ (3,426,267)	\$ 0	\$ (3,426,267)	\$ 0	
Business-type Activities:									
Solid Waste Disposal	\$ 85,508	\$ 0	\$ 0	\$ 0	\$ 0	\$ (85,508)	\$ (85,508)	\$ 0	
Total Primary Government	\$ 8,164,660	\$ 1,101,125	\$ 2,542,760	\$ 1,009,000	\$ (3,426,267)	\$ (85,508)	\$ (3,511,775)	\$ 0	
Component Unit:									
Pickett County School Department	\$ 7,995,973	\$ 20,113	\$ 1,596,318	\$ 355,148	\$ 0	\$ 0	\$ 0	\$ (6,024,394)	
Total Component Unit	\$ 7,995,973	\$ 20,113	\$ 1,596,318	\$ 355,148	\$ 0	\$ 0	\$ 0	\$ (6,024,394)	

(Continued)

**PICKETT COUNTY, TENNESSEE**  
**Statement of Activities (Cont.)**

					Net (Expense) Revenue and Changes in Net Position			Component
								Unit
Program Revenues					Primary Government			Pickett
								County
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	School Department
General Revenues:								
Taxes:								
Property Taxes Levied for General Purposes					\$ 2,957,804	\$ 66,981	\$ 3,024,785	\$ 737,835
Property Taxes Levied for Debt Service					66,287	0	66,287	0
Local Option Sales Taxes					461,102	0	461,102	818,667
Hotel/Motel Tax					113,182	0	113,182	0
Litigation Taxes					6,711	0	6,711	0
Wheel Tax					62,643	0	62,643	0
Business Tax					4,732	0	4,732	57,533
Wholesale Beer Tax					97,992	0	97,992	0
Mineral Severance Tax					3,435	0	3,435	0
Other Local Taxes					1,647	0	1,647	35
Grants and Contributions Not Restricted to Specific Programs					689,432	0	689,432	5,043,567
Unrestricted Investment Income					36,854	12,495	49,349	41,757
Miscellaneous					119,959	0	119,959	10,546
Total General Revenues					\$ 4,621,780	\$ 79,476	\$ 4,701,256	\$ 6,709,940
Insurance Recovery								
					\$ 5,000	\$ 0	\$ 5,000	\$ 0
Change in Net Position								
Net Position, July 1, 2024					\$ 1,200,513	\$ (6,032)	\$ 1,194,481	\$ 685,546
Restatements - See Note I.D.10.					21,661,286	(2,251,408)	19,409,878	8,659,401
					(6,466)	0	(6,466)	(42,593)
Net Position, June 30, 2025					\$ 22,855,333	\$ (2,257,440)	\$ 20,597,893	\$ 9,302,354

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

**PICKETT COUNTY, TENNESSEE**  
**Balance Sheet - Governmental Funds**  
**June 30, 2025**

	<b>Major Funds</b>			<b>Nonmajor Funds</b>	
	<b>General</b>	<b>Solid Waste / Sanitation</b>	<b>Highway / Public Works</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>					
Cash	\$ 0	\$ 174	\$ 0	\$ 500	\$ 674
Equity in Pooled Cash and Investments	4,561,180	592,156	146,162	1,580,031	6,879,529
Accounts Receivable	188,759	144,129	50	12	332,950
Allowance for Uncollectibles	(83,139)	0	0	0	(83,139)
Due from Other Governments	406,544	0	325,614	0	732,158
Due from Other Funds	17,991	0	0	0	17,991
Property Taxes Receivable	2,761,528	278,473	0	69,618	3,109,619
Allowance for Uncollectible Property Taxes	(51,456)	(5,189)	0	(1,296)	(57,941)
Total Assets	<u>\$ 7,801,407</u>	<u>\$ 1,009,743</u>	<u>\$ 471,826</u>	<u>\$ 1,648,865</u>	<u>\$ 10,931,841</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 82,011	\$ 2,079	\$ 9,338	\$ 0	\$ 93,428
Payroll Deductions Payable	11,971	810	672	0	13,453
Due to Other Funds	0	0	0	17,991	17,991
Total Liabilities	<u>\$ 93,982</u>	<u>\$ 2,889</u>	<u>\$ 10,010</u>	<u>\$ 17,991</u>	<u>\$ 124,872</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred Current Property Taxes	\$ 2,579,332	\$ 256,075	\$ 0	\$ 65,025	\$ 2,900,432
Deferred Delinquent Property Taxes	125,885	16,720	0	3,174	145,779
Other Deferred/Unavailable Revenue	76,223	126,505	162,806	0	365,534
Total Deferred Inflows of Resources	<u>\$ 2,781,440</u>	<u>\$ 399,300</u>	<u>\$ 162,806</u>	<u>\$ 68,199</u>	<u>\$ 3,411,745</u>

(Continued)

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

FUND BALANCES	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Solid Waste / Sanitation	Highway / Public Works	Other	
				Govern-mental Funds	
Restricted:					
Restricted for General Government	\$ 52,785	\$ 0	\$ 0	\$ 0	\$ 52,785
Restricted for Finance	82,338	0	0	0	82,338
Restricted for Administration of Justice	25,463	0	0	0	25,463
Restricted for Public Safety	10,356	0	0	1,060	11,416
Restricted for Other Operations	91,229	0	0	0	91,229
Restricted for Highways/Public Works	0	0	299,010	0	299,010
Restricted for Capital Outlay	29,510	0	0	0	29,510
Restricted for Debt Service	0	0	0	361,135	361,135
Restricted for Other Purposes	106,099	0	0	0	106,099
Committed:					
Committed for Public Health and Welfare	41,623	607,426	0	0	649,049
Committed for Capital Outlay	0	0	0	538,402	538,402
Committed for Debt Service	0	0	0	662,078	662,078
Committed for Capital Projects	72,003	0	0	0	72,003
Assigned:					
Assigned for General Government	88,168	0	0	0	88,168
Assigned for Public Health and Welfare	0	128	0	0	128
Unassigned	4,326,411	0	0	0	4,326,411
Total Fund Balances	\$ 4,925,985	\$ 607,554	\$ 299,010	\$ 1,562,675	\$ 7,395,224
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 7,801,407	\$ 1,009,743	\$ 471,826	\$ 1,648,865	\$ 10,931,841

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

**PICKETT 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)		\$	7,395,224
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	162,805	
Add: construction in progress		525,939	
Add: buildings and improvements net of accumulated depreciation		2,023,447	
Add: infrastructure net of accumulated depreciation		9,691,103	
Add: other capital assets net of accumulated depreciation		<u>2,195,380</u>	14,598,674
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: notes payable	\$	(456,750)	
Less: other loans payable		(104,550)	
Less: compensated absences payable		(17,018)	
Less: accrued interest on debt		<u>(2,311)</u>	(580,629)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years.			
Add: deferred outflows of resources related to pensions	\$	715,607	
Less: deferred inflows of resources related to pensions		<u>(215,660)</u>	499,947
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			430,804
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>511,313</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>22,855,333</u></u>

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

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

	<b>Major Funds</b>			<b>Nonmajor Funds</b>	
		<i>Formerly Nonmajor</i>		<i>Other</i>	
	General	Solid Waste / Sanitation	Highway / Public Works	Govern- mental Funds	Total Governmental Funds
<b>Revenues</b>					
Local Taxes	\$ 3,393,235	\$ 259,783	\$ 0	\$ 127,925	\$ 3,780,943
Licenses and Permits	20,970	0	0	0	20,970
Fines, Forfeitures, and Penalties	17,316	0	0	566	17,882
Charges for Current Services	500,722	186,917	0	0	687,639
Other Local Revenues	135,601	39,039	32,260	9,759	216,659
Fees Received From County Officials	316,130	0	0	0	316,130
State of Tennessee	1,145,206	0	2,444,816	0	3,590,022
Federal Government	584,373	0	0	0	584,373
Other Governments and Citizens Groups	73,204	0	0	0	73,204
<b>Total Revenues</b>	<b>\$ 6,186,757</b>	<b>\$ 485,739</b>	<b>\$ 2,477,076</b>	<b>\$ 138,250</b>	<b>\$ 9,287,822</b>
<b>Expenditures</b>					
Current:					
General Government	\$ 738,514	\$ 0	\$ 0	\$ 0	\$ 738,514
Finance	386,428	0	0	0	386,428
Administration of Justice	384,452	0	0	0	384,452
Public Safety	1,411,647	0	0	7,974	1,419,621
Public Health and Welfare	974,126	421,423	0	0	1,395,549
Social, Cultural, and Recreational Services	205,983	0	0	0	205,983
Agriculture and Natural Resources	138,444	0	0	0	138,444
Other Operations	1,944,945	0	0	1,368	1,946,313
Highways	3,550	0	2,380,584	0	2,384,134

(Continued)

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

	<b>Major Funds</b>			<b>Nonmajor Funds</b>	
		<i>Formerly Nonmajor</i>		Other	
	General	Solid Waste / Sanitation	Highway / Public Works	Govern- mental Funds	Total Governmental Funds
<b>Expenditures (Cont.)</b>					
Debt Service:					
Principal on Debt	\$ 0	\$ 0	\$ 247,283	\$ 0	\$ 247,283
Interest on Debt	0	0	27,136	0	27,136
Other Debt Service	0	0	0	2,444	2,444
Total Expenditures	\$ 6,188,089	\$ 421,423	\$ 2,655,003	\$ 11,786	\$ 9,276,301
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,332)	\$ 64,316	\$ (177,927)	\$ 126,464	\$ 11,521
<b>Other Financing Sources (Uses)</b>					
Notes Issued	\$ 0	\$ 0	\$ 80,000	\$ 0	\$ 80,000
Insurance Recovery	0	0	5,000	0	5,000
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 85,000	\$ 0	\$ 85,000
Net Change in Fund Balances	\$ (1,332)	\$ 64,316	\$ (92,927)	\$ 126,464	\$ 96,521
Change to or Within the Reporting Entity	0	543,238	0	(543,238)	0
Fund Balance, July 1, 2024	4,927,317	0	391,937	1,979,449	7,298,703
Fund Balance, June 30, 2025	\$ 4,925,985	\$ 607,554	\$ 299,010	\$ 1,562,675	\$ 7,395,224

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

**PICKETT 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)		\$	96,521
(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	\$	1,438,112	
Less: current-year depreciation expense		<u>(539,026)</u>	899,086
(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 assets disposed			(28,183)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Add: deferred delinquent property taxes and other deferred June 30, 2025	\$	511,313	
Less: deferred delinquent property taxes and other deferred June 30, 2024		<u>(502,550)</u>	8,763
(4) 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 effect of these differences in the treatment of long-term debt and related items.			
Add: principal payments on notes	\$	65,220	
Add: principal payments on other loans		182,063	
Less: note proceeds		<u>(80,000)</u>	167,283
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in accrued interest payable	\$	338	
Change in compensated absences payable		1,110	
Change in net pension asset		227,609	
Change in deferred outflows related to pensions		(184,248)	
Change in deferred inflows related to pensions		<u>12,234</u>	<u>57,043</u>
Change in net position of governmental activities (Exhibit B)		\$	<u><u>1,200,513</u></u>

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



**PICKETT 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	
<b>Revenues</b>							
Local Taxes	\$ 3,393,235	\$ 0	\$ 0	\$ 3,393,235	\$ 3,264,072	\$ 3,375,166	\$ 18,069
Licenses and Permits	20,970	0	0	20,970	23,200	27,072	(6,102)
Fines, Forfeitures, and Penalties	17,316	0	0	17,316	27,025	28,312	(10,996)
Charges for Current Services	500,722	0	0	500,722	552,140	555,642	(54,920)
Other Local Revenues	135,601	0	0	135,601	49,096	68,494	67,107
Fees Received From County Officials	316,130	0	0	316,130	284,500	284,500	31,630
State of Tennessee	1,145,206	0	0	1,145,206	811,789	1,294,288	(149,082)
Federal Government	584,373	0	0	584,373	476,280	476,280	108,093
Other Governments and Citizens Groups	73,204	0	0	73,204	76,000	76,000	(2,796)
Total Revenues	<u>\$ 6,186,757</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 6,186,757</u>	<u>\$ 5,564,102</u>	<u>\$ 6,185,754</u>	<u>\$ 1,003</u>
<b>Expenditures</b>							
General Government							
County Commission	\$ 62,676	\$ 0	\$ 0	\$ 62,676	\$ 52,898	\$ 66,824	\$ 4,148
Board of Equalization	200	0	0	200	400	400	200
Beer Board	120	0	0	120	980	980	860
County Mayor/Executive	202,688	(110)	0	202,578	204,335	204,335	1,757
County Attorney	13,500	0	0	13,500	12,000	13,500	0
Election Commission	150,079	0	0	150,079	160,982	165,213	15,134
Register of Deeds	91,471	0	0	91,471	93,815	93,815	2,344

(Continued)

**PICKETT 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	
<b>Expenditures (Cont.)</b>							
General Government (Cont.)							
County Buildings	\$ 217,780	\$ 0	\$ 0	\$ 217,780	\$ 206,450	\$ 232,394	\$ 14,614
Finance							
Property Assessor's Office	110,710	0	0	110,710	111,124	111,124	414
County Trustee's Office	122,843	0	0	122,843	132,710	132,710	9,867
County Clerk's Office	152,875	0	0	152,875	159,915	159,915	7,040
Administration of Justice							
Circuit Court	148,146	0	0	148,146	155,163	158,205	10,059
General Sessions Judge	89,118	0	0	89,118	94,706	94,706	5,588
Chancery Court	98,592	(150)	0	98,442	100,022	100,022	1,580
Juvenile Court	11,708	0	0	11,708	11,827	12,327	619
Judicial Commissioners	6,000	0	0	6,000	6,000	6,000	0
Probation Services	30,888	0	0	30,888	32,970	32,970	2,082
Public Safety							
Sheriff's Department	694,377	(700)	87,391	781,068	765,252	884,432	103,364
Special Patrols	161,963	0	0	161,963	150,000	167,137	5,174
Jail	435,174	0	0	435,174	450,800	457,554	22,380
Fire Prevention and Control	87,353	(47,353)	0	40,000	40,000	40,000	0
Rescue Squad	0	0	0	0	1,000	1,000	1,000
Other Emergency Management	17,500	0	0	17,500	17,500	17,500	0

(Continued)

**PICKETT 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	
<b>Expenditures (Cont.)</b>							
Public Safety (Cont.)							
County Coroner/Medical Examiner	\$ 5,780	\$ 0	\$ 0	\$ 5,780	\$ 12,000	\$ 12,000	\$ 6,220
Other Public Safety	9,500	0	0	9,500	10,500	10,500	1,000
Public Health and Welfare							
Local Health Center	29,006	0	0	29,006	28,250	33,250	4,244
Ambulance/Emergency Medical Services	876,747	(28,175)	0	848,572	911,565	931,565	82,993
Regional Mental Health Center	1,706	0	0	1,706	2,274	2,274	568
Appropriation to State	7,092	0	0	7,092	7,582	7,582	490
Sanitation Management	42,905	(600)	0	42,305	44,200	44,200	1,895
Other Public Health and Welfare	16,670	0	0	16,670	7,200	40,540	23,870
Social, Cultural, and Recreational Services							
Adult Activities	69,238	0	390	69,628	81,547	81,547	11,919
Senior Citizens Assistance	14,326	0	0	14,326	17,670	18,208	3,882
Libraries	70,019	0	0	70,019	69,612	71,694	1,675
Other Social, Cultural, and Recreational	52,400	(4,401)	0	47,999	51,372	59,315	11,316
Agriculture and Natural Resources							
Agricultural Extension Service	79,401	0	0	79,401	79,401	79,401	0
Soil Conservation	59,043	0	0	59,043	60,834	60,834	1,791
Other Operations							
Tourism	88,848	0	0	88,848	75,050	90,050	1,202

(Continued)

**PICKETT 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	
<b>Expenditures (Cont.)</b>							
Other Operations (Cont.)							
Industrial Development	\$ 112	\$ 0	\$ 0	\$ 112	\$ 500	\$ 500	\$ 388
Other Economic and Community Development	970,233	0	387	970,620	431,000	1,025,166	54,546
Veterans' Services	24,680	0	0	24,680	24,828	24,953	273
Other Charges	239,228	0	0	239,228	239,481	242,395	3,167
Contributions to Other Agencies	8,330	0	0	8,330	11,000	11,000	2,670
Employee Benefits	609,571	0	0	609,571	649,500	649,500	39,929
Miscellaneous	3,943	0	0	3,943	4,700	4,700	757
Highways							
Traffic Control	3,550	0	0	3,550	7,500	7,500	3,950
Total Expenditures	\$ 6,188,089	\$ (81,489)	\$ 88,168	\$ 6,194,768	\$ 5,788,415	\$ 6,661,737	\$ 466,969
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,332)	\$ 81,489	\$ (88,168)	\$ (8,011)	\$ (224,313)	\$ (475,983)	\$ 467,972
<b>Other Financing Sources (Uses)</b>							
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 150,000	\$ 385,000	\$ (385,000)
Total Other Financing Sources	\$ 0	\$ 0	\$ 0	\$ 0	\$ 150,000	\$ 385,000	\$ (385,000)
Net Change in Fund Balance	\$ (1,332)	\$ 81,489	\$ (88,168)	\$ (8,011)	\$ (74,313)	\$ (90,983)	\$ 82,972
Fund Balance, July 1, 2024	4,927,317	(81,489)	0	4,845,828	4,384,629	4,384,629	461,199
Fund Balance, June 30, 2025	\$ 4,925,985	\$ 0	\$ (88,168)	\$ 4,837,817	\$ 4,310,316	\$ 4,293,646	\$ 544,171

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

**PICKETT 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)	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<b>Revenues</b>						
Local Taxes	\$ 259,783	\$ 0	\$ 259,783	\$ 252,911	\$ 252,911	\$ 6,872
Charges for Current Services	186,917	0	186,917	181,200	181,200	5,717
Other Local Revenues	39,039	0	39,039	11,000	11,000	28,039
Total Revenues	<u>\$ 485,739</u>	<u>\$ 0</u>	<u>\$ 485,739</u>	<u>\$ 445,111</u>	<u>\$ 445,111</u>	<u>\$ 40,628</u>
<b>Expenditures</b>						
Public Health and Welfare						
Transfer Stations	\$ 421,423	\$ 128	\$ 421,551	\$ 488,254	\$ 488,254	\$ 66,703
Total Expenditures	<u>\$ 421,423</u>	<u>\$ 128</u>	<u>\$ 421,551</u>	<u>\$ 488,254</u>	<u>\$ 488,254</u>	<u>\$ 66,703</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 64,316</u>	<u>\$ (128)</u>	<u>\$ 64,188</u>	<u>\$ (43,143)</u>	<u>\$ (43,143)</u>	<u>\$ 107,331</u>
<b>Other Financing Sources (Uses)</b>						
Transfers In	\$ 0	\$ 0	\$ 0	\$ 25,000	\$ 25,000	\$ (25,000)
Total Other Financing Sources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 25,000</u>	<u>\$ 25,000</u>	<u>\$ (25,000)</u>
Net Change in Fund Balance	\$ 64,316	\$ (128)	\$ 64,188	\$ (18,143)	\$ (18,143)	\$ 82,331
Changes to or Within the Financial Reporting Entity	543,238	0	543,238	0	0	543,238
Fund Balance, July 1, 2024	<u>0</u>	<u>0</u>	<u>0</u>	<u>522,232</u>	<u>522,232</u>	<u>(522,232)</u>
Fund Balance, June 30, 2025	<u><u>\$ 607,554</u></u>	<u><u>\$ (128)</u></u>	<u><u>\$ 607,426</u></u>	<u><u>\$ 504,089</u></u>	<u><u>\$ 504,089</u></u>	<u><u>\$ 103,337</u></u>

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

**PICKETT 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**

		<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Other Local Revenues	\$ 32,260	\$ 1,000	\$ 32,256	\$ 4
State of Tennessee	2,444,816	1,915,258	2,537,310	(92,494)
Total Revenues	<u>\$ 2,477,076</u>	<u>\$ 1,916,258</u>	<u>\$ 2,569,566</u>	<u>\$ (92,490)</u>
<b>Expenditures</b>				
Highways				
Administration	\$ 159,931	\$ 163,400	\$ 165,200	\$ 5,269
Highway and Bridge Maintenance	1,012,543	962,725	1,077,982	65,439
Operation and Maintenance of Equipment	249,865	300,500	312,500	62,635
Quarry Operations	2,400	2,400	2,400	0
Other Charges	67,119	69,725	72,750	5,631
Employee Benefits	163,202	155,000	167,850	4,648
Capital Outlay	725,524	165,000	746,464	20,940
Principal on Debt				
General Government	0	262,508	1	1
Highways and Streets	247,283	0	247,283	0
Interest on Debt				
Highways and Streets	27,136	0	27,136	0
Total Expenditures	<u>\$ 2,655,003</u>	<u>\$ 2,081,258</u>	<u>\$ 2,819,566</u>	<u>\$ 164,563</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (177,927)</u>	<u>\$ (165,000)</u>	<u>\$ (250,000)</u>	<u>\$ 72,073</u>
<b>Other Financing Sources (Uses)</b>				
Notes Issued	\$ 80,000	\$ 0	\$ 80,000	\$ 0
Insurance Recovery	5,000	0	5,000	0
Transfers In	0	165,000	165,000	(165,000)
Total Other Financing Sources	<u>\$ 85,000</u>	<u>\$ 165,000</u>	<u>\$ 250,000</u>	<u>\$ (165,000)</u>
Net Change in Fund Balance	\$ (92,927)	\$ 0	\$ 0	\$ (92,927)
Fund Balance, July 1, 2024	<u>391,937</u>	<u>393,177</u>	<u>393,177</u>	<u>(1,240)</u>
Fund Balance, June 30, 2025	<u>\$ 299,010</u>	<u>\$ 393,177</u>	<u>\$ 393,177</u>	<u>\$ (94,167)</u>

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

**PICKETT COUNTY, TENNESSEE**  
**Statement of Net Position - Proprietary Fund**  
**June 30, 2025**

		<b>Business-type Activities</b> <hr/> <b>Major Enterprise Fund</b> <hr/> Solid Waste Disposal Fund <hr/>
<b>ASSETS</b>		
Current Assets:		
Equity in Pooled Cash and Investments	\$	354,753
Property Taxes Receivable		69,618
Allowance for Uncollectible Property Taxes		(1,297)
Total Current Assets	\$	423,074
Noncurrent Assets:		
Capital Assets:		
Assets Not Depreciated:		
Land	\$	110,900
Assets Net of Accumulated Depreciation:		
Buildings and Improvements		12,125
Machinery and Equipment		40,418
Total Noncurrent Assets	\$	163,443
Total Assets	\$	586,517
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable	\$	7,033
Accrued Liability for Landfill Closure/Postclosure Care Costs - Current		15,732
Total Current Liabilities	\$	22,765
Noncurrent Liabilities:		
Accrued Liability for Landfill Closure/Postclosure Care Costs	\$	2,821,192
Total Noncurrent Liabilities	\$	2,821,192
Total Liabilities	\$	2,843,957
<b>NET POSITION</b>		
Unrestricted	\$	(2,420,883)
Net Investment in Capital Assets		163,443
Total Net Position	\$	(2,257,440)

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

**PICKETT COUNTY, TENNESSEE**  
**Statement of Revenues, Expenses, and Changes**  
**in Net Position - Proprietary Fund**  
**For the Year Ended June 30, 2025**

	<b>Business-type Activities</b> <hr/> <b>Major Enterprise Fund</b> <hr/> Solid Waste Disposal Fund <hr/>
<b>Operating Expenses</b>	
Trustee's Commission	\$ 1,315
Depreciation	20,916
Landfill Closure/Postclosure Care Costs	63,277
Total Operating Expenses	<hr/> \$ 85,508 <hr/>
Operating Income (Loss)	<hr/> \$ (85,508) <hr/>
<b>Nonoperating Revenues (Expenses)</b>	
Local Taxes	\$ 66,981
Investment Income	12,495
Total Nonoperating Revenues (Expenses)	<hr/> \$ 79,476 <hr/>
Change in Net Position	\$ (6,032)
Net Position, July 1, 2024	<hr/> (2,251,408) <hr/>
Net Position, June 30, 2025	<hr/> \$ (2,257,440) <hr/>

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



**PICKETT COUNTY, TENNESSEE**  
**Statement of Cash Flows - Proprietary Fund**  
**For the Year Ended June 30, 2025**

	<b>Business-type Activities</b> <hr/> <b>Major Enterprise Fund</b> <hr/> Solid Waste Disposal Fund <hr/>
<b>Cash Flows from Operating Activities</b>	
Payments to Vendors	\$ (33,807)
Other Payments	(1,315)
Net Cash Provided By (Used In) Operating Activities	<u>\$ (35,122)</u>
<b>Cash Flows from Noncapital Financing Activities</b>	
Local Taxes	\$ 65,260
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>\$ 65,260</u>
<b>Cash Flows from Investing Activities</b>	
Interest Earned	\$ 12,495
Net Cash Provided By (Used In) Investing Activities	<u>\$ 12,495</u>
Net Increase (Decrease) in Cash	\$ 42,633
Cash, July 1, 2024	<u>312,120</u>
Cash, June 30, 2025	<u><u>\$ 354,753</u></u>
<b>Reconciliation of Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities</b>	
Operating Income (Loss)	\$ (85,508)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Depreciation	20,916
Changes in Assets and Liabilities:	
Increase (Decrease) in Accounts Payable	7,033
Increase (Decrease) in Landfill Closure/Postclosure Care Costs	<u>22,437</u>
Net Cash Provided By (Used In) Operating Activities	<u><u>\$ (35,122)</u></u>

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

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

	<u><b>Custodial Funds</b></u>
<b>ASSETS</b>	
Cash	\$ 397,185
Due from Other Governments	<u>56,481</u>
Total Assets	<u>\$ 453,666</u>
<b>LIABILITIES</b>	
Due to Other Taxing Units	<u>\$ 56,481</u>
Total Liabilities	<u>\$ 56,481</u>
<b>NET POSITION</b>	
Restricted for Individuals, Organizations and Other Governments	<u>\$ 397,185</u>
Total Net Position	<u><u>\$ 397,185</u></u>

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

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

	<u><b>Custodial Funds</b></u>
<b>ADDITIONS</b>	
Sales Tax Collections for Other Governments	\$ 357,565
Fines/Fees and Other Collections	2,157,024
Total Additions	<u>\$ 2,514,589</u>
<b>DEDUCTIONS</b>	
Payment of Sales Tax Collections to Other Governments	\$ 357,565
Payments to State	1,307,315
Payments to Cities, Individuals, and Others	680,153
Total Deductions	<u>\$ 2,345,033</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ 169,556
Net Position, July 1, 2024	<u>227,629</u>
Net Position, June 30, 2025	<u><u>\$ 397,185</u></u>

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

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## PICKETT COUNTY, TENNESSEE

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

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Pickett 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 Pickett County:

**A. *Reporting Entity***

Pickett County is a public municipal corporation governed by an elected 12-member board. As required by GAAP, these financial statements present Pickett County (the primary government) and its component unit. The component unit discussed below is included in the county's reporting entity because of the significance of its operational or financial relationship with the county.

**Discretely Presented Component Unit** – The following entity meets the criteria for a discretely presented component unit of the county. It is reported in a separate column on the government-wide financial statements to emphasize that it is legally separate from the county.

The Pickett County School Department operates the public school system in the county, and the voters of Pickett County elect its board. The school department is fiscally dependent on the county because it may not issue debt without county approval, 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 Pickett 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.

**Related Organization** – The Industrial Development Board of the County of Pickett, Tennessee, provides assistance in industrial recruitment in Pickett County, and the Pickett County Commission appoints all of the members. The board acted as a decision-making board and did not have any financial activity during the year.

**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 unit. 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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The Pickett 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.

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

Separate financial statements are provided for governmental funds, the proprietary fund, and fiduciary funds. The fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and the major enterprise fund 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 proprietary fund and 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 Pickett 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 and proprietary categories. Pickett County reports one proprietary fund, an enterprise fund.

Separate financial statements are provided for governmental funds, the proprietary fund, and fiduciary funds. Major individual governmental funds and the major enterprise fund 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. Pickett County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

Property taxes for the period levied, in-lieu-of tax payments, sales taxes, interest, and miscellaneous taxes are all considered to be susceptible to accrual and have been recognized as revenues of the current

period. Applicable business taxes, litigation taxes, state-shared excise taxes, fines, forfeitures, and penalties are not susceptible to accrual since they are not measurable (reasonably estimable). All other revenue items are considered to be measurable and available only when the county receives cash.

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

Pickett 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 relating to the disposal of Pickett 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.

Pickett County reports the following major proprietary fund:

**Solid Waste Disposal Fund** – This fund accounts for the county’s solid waste landfill operations.

Additionally, Pickett County reports the following fund types:

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

**Capital Projects Fund** – The General Capital Projects Fund accounts for activity related to grants and other revenues used for capital expenditures.

**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 Pickett County.

The discretely presented Pickett 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 the general operations of the school department.

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

**Central Cafeteria Fund** – This special revenue fund is used to account for the cafeteria operations in each of the schools. Federal funds and lunch sales are the foundational revenues of this fund.

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 prior year balances (FY24) are presented in this report. We do not believe using the prior year balances will affect the independent auditor's opinion on the Aggregate Discretely Presented Component Units. A more detailed reporting of the fund activities at each individual school may be found on the [Tennessee Comptroller of the Treasury's website](#).

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has one proprietary fund used to account for the operations of the landfill. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenue of the county's enterprise fund is property taxes and investment income. Operating expenses for the internal service fund include administrative expenses and closure/postclosure costs.

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

##### **1. Deposits and Investments**

For purposes of the Statement of Cash Flows, cash includes cash on deposit with the county trustee.

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 Pickett County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General Fund and the discretely presented General Purpose School Fund. Pickett 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 the 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. Pickett County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value. Other than amounts in the pension stabilization trust discussed in Note IV.A., no investments required to be reported at fair value were held at the balance sheet date.

## **2. Receivables and Payables**

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

All ambulance and property taxes receivables are shown with an allowance for uncollectibles. Ambulance receivable's allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to one 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.

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

### **3. Inventories**

Inventories of the discretely presented Pickett 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 Pickett 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 Pickett County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Pickett 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, and infrastructure assets (e.g., roads, bridges, and similar items) are reported in the governmental and business-type columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$25,000 for buildings and improvements, \$12,500 for land improvements, and \$10,000 for all remaining assets and a useful life of greater 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 with salvage values of 25 percent for buildings and improvements, five percent for other capital assets, and 50 percent for infrastructure (roads).

Assets	Years
Buildings and Improvements	25 - 40
Infrastructure:	
Roads	50 - 75
Bridges	75
Other Capital Assets	5 - 20

### **Discretely Presented Pickett County School Department**

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

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

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

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

Assets	Years
Buildings and Improvements	25 - 40
Other Capital Assets	5 - 18

## **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; 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 for current and delinquent property taxes, pension and OPEB changes in experience and proportionate share, pension changes in investment earnings, OPEB changes in assumptions, and various receivables for revenues, which do not meet the availability criteria in governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

## **7. Compensated Absences**

### **Primary Government**

The county does not permit employees to accumulate earned but unused vacation benefits beyond the fiscal year end; however, a liability for compensatory time is reported on the government-wide financial statements. The county's policy permits employees to accumulate earned but unused sick pay benefits. 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 Pickett 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.

### **Discretely Presented Pickett County School Department**

The general policy of the school department does not allow for the accumulation of vacation days beyond year-end for professional personnel. The school department's policy does permit 12-month support personnel to accumulate earned but unused vacation benefits not to exceed 40 days; however, any accumulated vacation leave has no guaranteed payment upon termination. All support personnel vacation pay is accrued when incurred in the government-wide financial statements for the school department. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

It is the school department's policy to permit professional personnel to accumulate earned but unused sick pay benefits. 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. While the school department does not have a policy to pay any amounts when employees separate from service with the government, employees are often allowed to use their sick days prior to retirement. We have calculated the portion of sick leave "more likely than not" expected to be used and have accrued that amount in the government-wide financial statements. Sick leave expected to be credited to TCRS service is not accrued. A liability for 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. Support personnel are compensated for any sick days not used each year.

## **8. Long-term Debt and Long-term Obligations**

In the government-wide financial statements and the proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type 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 closure/postclosure care costs, are recognized to the extent that the liabilities have matured (come due for payment) each period.

## **9. Net Position and Fund Balance**

In the government-wide financial statements and the proprietary fund in the fund 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 \$1,653,458 of restricted net position, of which \$91,229 is restricted by enabling legislation.

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

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

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

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

Committed Fund Balance – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the county

commission, the county's highest level of decision-making authority and the Board of Education, the school department's highest level of decision-making authority, and shall remain binding unless removed in the same manner.

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes but are neither restricted nor committed (excluding stabilization arrangements). The county commission has by resolution authorized the 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*, Pickett County must recognize a restatement to the beginning net position in the Government-wide financial statements for the primary government and the discretely presented Pickett County School Department to record an additional liability for compensated absences related to accumulated sick leave. A restatement of (\$6,466) has been presented to reflect the beginning balance of the primary government and (\$42,593) for the discretely presented Pickett County School Department. The following table reflects the restatement amounts necessary to implement this standard:

	Government Wide - Governmental Activities	
	Primary Government	Discretely Presented Pickett County School Department
Net Position, as previously reported	\$ 21,661,286	\$ 8,659,401
Adjustments for GASB 101 Implementation:		
Compensated Absences Liability	(6,466)	(42,593)
Net Change in Beginning Net Position	\$ (6,466)	\$ (42,593)
Net Position, June 30, 2024, Restated	<u>\$ 21,654,820</u>	<u>\$ 8,616,808</u>

## 11. Changes To or Within the Financial Reporting Entity

### Changes in Major Fund Classification (Column A)

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

The Solid Waste/Sanitation Fund met the criteria for major fund classification and is presented as a major governmental fund. The prior-year amount, previously included within the Nonmajor Governmental Funds column, has been restated to reflect this fund as major.

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

	7-1-24 As Previously Reported	Change To or Within the Financial Reporting Entity (A)	7-1-24 As Restated
<b>Primary Government</b>			
Governmental Funds			
Major Fund:			
Solid Waste/Sanitation	\$ 0	\$ 543,238	\$ 543,238
Nonmajor Funds	1,979,449	(543,238)	1,436,211
Total Governmental Funds	\$ 1,979,449	\$ 0	\$ 1,979,449

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

##### **Discretely Presented Pickett County School Department**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, have been determined on the same basis as they are reported by the discretely presented Pickett 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 Pickett 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 Pickett 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, Pickett County's General and Solid Waste/Sanitation funds had outstanding encumbrances totaling \$88,168 and \$128, respectively.

#### ***B. Net Position Deficit***

The Solid Waste Disposal Fund had a deficit of \$2,420,883 in unrestricted net position on June 30, 2025. This deficit resulted from the recognition of a liability of \$2,836,924 in the financial statements for costs associated with closing the county's landfill and monitoring the landfill for 30 years after its closure.

### **IV. DETAILED NOTES ON ALL FUNDS**

#### ***A. Deposits and Investments***

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

#### **Deposits**

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

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

In addition, counties may invest in FDIC insured certificates of deposit. The deposit is first made in a bank or savings and loan association, selected by the government entity, with a branch in the state of Tennessee that is authorized to accept county deposits (the depository bank). The depository bank then arranges for the transfer of the moneys into one or more federally insured banks or savings and loan associations, wherever located (secondary depositories), for the account of the county. In turn, the depository bank receives funds from customers of the secondary depositories equal to or greater than the amount initially invested by the county. The balance of county funds with each secondary depository must not exceed FDIC insurance limits so that all funds are fully insured. Under this program, the trustee must provide the depository bank with a listing of all banks and savings and loan associations holding county funds under the same federal employer identification number (FEIN). To

prevent deposits from exceeding FDIC coverage, the depository bank is prohibited from using any of those listed banks or savings and loan associations as secondary depositories. The use of this program must be approved by the county investment committee or finance committee as appropriate for the specific county. Further, the investment committee or finance committee must establish policies and procedures for the investments, including the establishment of controls to ensure that full FDIC insurance coverage is obtained. Service providers used by depositories must be approved by the state treasurer upon concurrence by the commissioner of financial institutions and finance and administration. There are currently only two eligible programs that have been approved by the state treasurer: the Certificate of Deposit Account Registry Service (CDARS) and the Insured Cash Sweep (ICS), which operate through IntraFi Network, LLC.

## Investments

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

The county had no pooled or nonpooled investments on June 30, 2025.

## TCRS Stabilization Trust

**Legal Provisions.** The Pickett 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 Pickett 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 Pickett 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	\$ 17,975
Developed Market International Equity	N/A	N/A	8,118
Emerging Market International Equity	N/A	N/A	2,319
U.S. Fixed Income	N/A	N/A	11,597
Real Estate	N/A	N/A	5,799
Short-term Securities	N/A	N/A	580
NAV - Private Equity and Strategic Lending	N/A	N/A	<u>11,597</u>
Total			<u><u>\$ 57,985</u></u>

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

## B. *Capital Assets*

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

### Primary Government

#### Governmental Activities:

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	\$ 162,805	\$ 0	\$ 0	\$ 162,805
Construction in Progress	0	525,939	0	525,939
Total Capital Assets Not Depreciated	\$ 162,805	\$ 525,939	\$ 0	\$ 688,744
Capital Assets Depreciated:				
Buildings and Improvements	\$ 3,337,789	\$ 0	\$ 0	\$ 3,337,789
Infrastructure	13,786,805	272,565	(746)	14,058,624
Other Capital Assets	5,584,326	639,608	(239,906)	5,984,028
Total Capital Assets Depreciated	\$ 22,708,920	\$ 912,173	\$ (240,652)	\$ 23,380,441
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 1,258,118	\$ 56,224	\$ 0	\$ 1,314,342
Infrastructure	4,238,145	129,696	(320)	4,367,521
Other Capital Assets	3,647,691	353,106	(212,149)	3,788,648
Total Accumulated Depreciation	\$ 9,143,954	\$ 539,026	\$ (212,469)	\$ 9,470,511
Total Capital Assets Depreciated, Net	\$ 13,564,966	\$ 373,147	\$ (28,183)	\$ 13,909,930
Governmental Activities Capital Assets, Net	\$ 13,727,771	\$ 899,086	\$ (28,183)	\$ 14,598,674

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

#### Governmental Activities:

General Government	\$ 30,158
Public Safety	96,001
Public Health and Welfare	183,532
Social, Cultural, and Recreational Services	9,733
Highways/Public Works	219,602
Total Depreciation Expense - Governmental Activities	\$ 539,026

## Net Investment in Capital Assets

Capital Assets	\$ 14,598,674
Less:	
Outstanding principal of capital debt and other related borrowings	<u>(561,300)</u>
Net Investment in Capital Assets	<u><u>\$ 14,037,374</u></u>

### Business-type Activities:

	Balance 7-1-24	Increases	Balance 6-30-25
Capital Assets Not Depreciated:			
Land	\$ 110,900	\$ 0	\$ 110,900
Total Capital Assets Not Depreciated	<u>\$ 110,900</u>	<u>\$ 0</u>	<u>\$ 110,900</u>
Capital Assets Depreciated:			
Buildings and Improvements	\$ 233,635	\$ 0	\$ 233,635
Landfill Facilities and Development	268,303	0	268,303
Machinery and Equipment	<u>612,859</u>	<u>0</u>	<u>612,859</u>
Total Capital Assets Depreciated	<u>\$ 1,114,797</u>	<u>\$ 0</u>	<u>\$ 1,114,797</u>
Less Accumulated Depreciation For:			
Buildings and Improvements	\$ 214,390	\$ 7,120	\$ 221,510
Landfill Facilities and Development	268,303	0	268,303
Machinery and Equipment	<u>558,645</u>	<u>13,796</u>	<u>572,441</u>
Total Accumulated Depreciation	<u>\$ 1,041,338</u>	<u>\$ 20,916</u>	<u>\$ 1,062,254</u>
Total Capital Assets Depreciated, Net	<u>\$ 73,459</u>	<u>\$ (20,916)</u>	<u>\$ 52,543</u>
Business-type Activities Capital Assets, Net	<u><u>\$ 184,359</u></u>	<u><u>\$ (20,916)</u></u>	<u><u>\$ 163,443</u></u>

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

Depreciation expense of \$20,916 was recorded by the Solid Waste Disposal Fund.

## Discretely Presented Pickett County School Department

### Governmental Activities:

	Balance 7-1-24	Increases	Balance 6-30-25
Capital Assets Not Depreciated:			
Land	\$ 22,955	\$ 0	\$ 22,955
Construction in Progress	0	69,726	69,726
Total Capital Assets Not Depreciated	<u>\$ 22,955</u>	<u>\$ 69,726</u>	<u>\$ 92,681</u>
Capital Assets Depreciated:			
Buildings and Improvements	\$ 7,108,662	\$ 0	\$ 7,108,662
Other Capital Assets	1,280,858	198,214	1,479,072
Total Capital Assets Depreciated	<u>\$ 8,389,520</u>	<u>\$ 198,214</u>	<u>\$ 8,587,734</u>
Less Accumulated Depreciation For:			
Buildings and Improvements	\$ 4,445,852	\$ 155,137	\$ 4,600,989
Other Capital Assets	629,994	101,060	731,054
Total Accumulated Depreciation	<u>\$ 5,075,846</u>	<u>\$ 256,197</u>	<u>\$ 5,332,043</u>
Total Capital Assets Depreciated, Net	<u>\$ 3,313,674</u>	<u>\$ (57,983)</u>	<u>\$ 3,255,691</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 3,336,629</u></u>	<u><u>\$ 11,743</u></u>	<u><u>\$ 3,348,372</u></u>

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

Depreciation expense was charged to functions of the school department as follows:

### Governmental Activities:

Instruction	\$ 8,767
Support Services	<u>247,430</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 256,197</u></u>

### *C. Construction Commitments*

On June 30, 2025, the county had uncompleted construction for engineering fees for the construction of a health department addition. Funding for these future expenditures is expected to be received from state grants.

On June 30, 2025, the discretely presented Pickett County School Department had uncompleted construction of approximately \$41,620 for the construction of a greenhouse. Funding for these future expenditures is expected to be paid from state grants.

**D. Interfund Receivables and Payables**

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

**Due to/from Other Funds:**

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	\$ 17,991

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

**E. Long-term Debt**

**Primary Government**

**General Obligation Notes and Other Loans**

**Direct Borrowing and Direct Placements** - Pickett County issues other loans to provide funds for the acquisition and construction of major capital facilities and other capital outlay purchases, such as equipment, for the primary government. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes, and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes and other loans outstanding were each issued for original terms of up to 12 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes and other loans included in long-term debt as of June 30, 2025, will be retired from the Highway/Public Works Fund.

Capital outlay notes and other loans outstanding as of June 30, 2025, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-25
Direct Borrowing and Direct Placement:				
Capital Outlay Notes	3.82 to 5.18 %	6-1-32	\$ 780,000	\$ 456,750
Other Loans	3.59 to 3.79	3-4-26	1,673,361	104,550

In December 2013, Pickett County entered into a loan agreement with the Public Building Authority of the City of Clarksville, Tennessee. Under this agreement, the authority loaned \$1,483,000 to Pickett County at an interest rate of 3.79 percent. The proceeds of this loan were used to refund previously issued capital outlay notes being repaid by the highway department and to purchase highway equipment.

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

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2026	\$ 62,810	\$ 17,690	\$ 80,500
2027	70,440	14,935	85,375
2028	73,320	12,064	85,384
2029	76,290	9,073	85,363
2030	79,360	5,961	85,321
2031-2032	94,530	3,356	97,886
Total	<u>\$ 456,750</u>	<u>\$ 63,079</u>	<u>\$ 519,829</u>

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2026	\$ 104,550	\$ 1,296	\$ 105,846
Total	<u>\$ 104,550</u>	<u>\$ 1,296</u>	<u>\$ 105,846</u>

There is \$1,023,213 available in the General Debt Service Fund to service long-term debt. Total debt per capita, including notes and other loans totaled \$112 based on the 2020 federal census.

### Changes in Long-term Debt

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

#### Governmental Activities:

	Notes - Direct Placement	Other Loans - Direct Placement
Balance, July 1, 2024	\$ 441,970	\$ 286,613
Additions	80,000	0
Reductions	(65,220)	(182,063)
Balance, June 30, 2025	<u>\$ 456,750</u>	<u>\$ 104,550</u>
Balance Due Within One Year	<u>\$ 62,810</u>	<u>\$ 104,550</u>

#### Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2025	\$ 561,300
Less: Balance Due Within One Year - Debt	<u>(167,360)</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 393,940</u>



**F. Long-term Obligations**

**Primary Government**

**Changes in Long-term Obligations**

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

**Governmental Activities:**

	Compensated Absences *
Balance, July 1, 2024	\$ 18,128
Reductions	(1,110)
Balance, June 30, 2025	<u>\$ 17,018</u>
Balance Due Within One Year	<u>\$ 8,598</u>

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

**Analysis of Other Noncurrent Liabilities Presented on Exhibit A:**

Total Noncurrent Liabilities - Other, June 30, 2025	\$ 17,018
Less: Balance Due Within One Year - Other	<u>(8,598)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 8,420</u>

Compensated absences will be paid from the employing funds, primarily the General Fund.

**Solid Waste Disposal (Enterprise) Fund**

**Changes in Long-term Obligations**

Long-term obligations activity for the Solid Waste Disposal Fund (Enterprise Fund) for the year ended June 30, 2025, was as follows:

**Business-type Activities:**

	Closure/ Postclosure Care Costs
Balance, July 1, 2024	\$ 2,814,487
Additions	38,169
Reductions	<u>(15,732)</u>
Balance, June 30, 2025	<u>\$ 2,836,924</u>
Balance Due Within One Year	<u>\$ 15,732</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2025	\$ 2,836,924
Less: Balance Due Within One Year - Other	<u>(15,732)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u><u>\$ 2,821,192</u></u>

**Discretely Presented Pickett County School Department**

**Changes in Long-term Obligations**

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

**Governmental Activities:**

	Compensated Absences *	Other Postemployment Benefits
Balance, July 1, 2024	\$ 55,338	\$ 696,393
Additions	57,376	137,875
Deductions	0	(44,709)
Balance, June 30, 2025	<u>\$ 112,714</u>	<u>\$ 789,559</u>
Balance Due Within One Year	<u>\$ 107,912</u>	<u>\$ 48,558</u>

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

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2025	\$ 902,273
Less: Balance Due Within One Year - Other	<u>(156,470)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u><u>\$ 745,803</u></u>

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

**G. On-Behalf Payments**

**Discretely Presented Pickett County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Pickett County School Department. These payments are made by the state to the Local Education Group Insurance Plan. The plans is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2025, were \$32,253. 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. During 2021, the county decided it was more economically feasible to join a public entity risk pool instead of purchasing commercial insurance for general liability, property, and casualty coverage. The county joined the Local Government Property and Casualty Fund (LGPCF), which is a public entity risk pool established by the Tennessee County Services Association, an association of member counties. The county pays an annual premium to the LGPCF for its general liability, property, and casualty insurance coverage. The creation of the LGPCF provides for it to be self-sustaining through member premiums. The LGPCF reinsures through commercial insurance companies for claims exceeding \$250,000 for property and \$450,000 for liability for each insured event.

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

Pickett County provides commercial health insurance for its employees.

#### **Discretely Presented Pickett County School Department**

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

The school department participates in the Local Education Group Insurance Fund (LEGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local education agencies. In accordance with Section 8-27-301, *Tennessee Code Annotated (TCA)*, all local education agencies are eligible to participate. The LEGIF is included in the Annual Comprehensive Financial Report of the State of Tennessee, but the state does not retain any risk 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. Attorneys for the county and the highway department estimate that the potential claims against the county not covered by insurance resulting from such litigation would not materially affect the county's financial statements.

### *D. Landfill Closure/Postclosure Care Costs*

Pickett County has two active permits on file with the state Department of Environment and Conservation for sanitary landfills. The county has provided financial assurances for estimated closure and postclosure liabilities as required by the State of Tennessee. These financial assurances are on file with the Department of Environment and Conservation.

State and federal laws and regulations require Pickett County to place a final cover on the Highway 325 sanitary landfill site and to perform certain maintenance and monitoring functions at the site for 30 years after closure. The Highway 325 landfill stopped accepting solid waste in October 2015 and is in the process of being closed on June 30, 2025.

Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$2,863,924 reported as landfill closure and postclosure care liability on June 30, 2025, represents the cumulative amount reported to date for the Highway 325 landfill and the landfill that closed in 1994. The Highway 325 landfill liability of \$2,762,537 is based on 100 percent of the estimated closure costs and 35 percent of the postclosure costs based upon the estimated capacity of the landfill that was used since the landfill is being closed before it reaches capacity. The postclosure liability for the landfill closed in 1994 is \$74,387. The \$2,863,924 reported as closure and postclosure care liability on June 30, 2025, represents amounts based on what it would cost to perform all closure/postclosure care in 2025. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

### *E. 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. Pickett County did not make any appropriations to the DTF for the year ended June 30, 2025. Pickett 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

***F. Jointly Governed Organization***

The Pickett County Emergency Communications District merged with the Overton County Emergency Communications District to form the Overton/Pickett County Emergency Communications District (OPCECD). The merger was adopted by both boards with an effective date of February 1, 2002. The board of the OPCECD includes 13 members; four are appointed by the Pickett County Commission, and the remaining nine are appointed by the Overton County Commission. Pickett County does not have any ongoing financial interest or responsibility for the entity. Complete financial statements for the emergency communication district can be obtained from its administrative office at the following address:

Administrative Office:

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

***G. Retirement Commitments***

**1. Tennessee Consolidated Retirement System (TCRS)**

**Primary Government**

***General Information About the Pension Plan***

*Plan Description.* Employees of Pickett County and non-certified employees of the discretely presented Pickett County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 80.85 percent, the non-certified employees of the discretely presented school department comprise 19.15 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	75
Inactive Employees Entitled to But Not Yet Receiving Benefits	192
Active Employees	115
Total	<u>382</u>

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Pickett 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 contribution for Pickett County was \$300,294 based on a rate of 6.78 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Pickett 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)***

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

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

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

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

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

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

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

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

*Discount Rate.* The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Pickett 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	\$ 13,257,257	\$ 13,507,159	\$ (249,902)
Changes for the year:			
Service Cost	\$ 405,075	\$ 0	\$ 405,075
Interest	904,506	0	904,506
Differences Between Expected and Actual Experience	198,135	0	198,135
Contributions-Employer	0	279,969	(279,969)
Contributions-Employees	0	208,656	(208,656)
Net Investment Income	0	1,316,175	(1,316,175)
Benefit Payments, Including Refunds of Employee Contributions	(524,492)	(524,492)	0
Administrative Expense	0	(14,142)	14,142
Net Changes	\$ 983,224	\$ 1,266,166	\$ (282,942)
Balance, June 30, 2024	\$ 14,240,481	\$ 14,773,325	\$ (532,844)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	80.85%	\$ 11,513,429	\$ 11,944,233	\$ (430,804)
School Department	19.15%	2,727,052	2,829,092	(102,040)
Total		\$ 14,240,481	\$ 14,773,325	\$ (532,844)

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the net pension liability (asset) of Pickett 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%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Pickett County			
Net Pension Liability (Asset)	\$ 1,386,541	\$ (532,844)	\$ (2,100,124)



***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, Pickett County recognized pension expense (negative pension expense) of \$226,787.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2025, Pickett 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	\$ 350,866	\$ 111,247
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	155,494
Changes in Assumptions	234,205	0
Contributions Subsequent to the Measurement Date of June 30, 2024 (1)	300,294	N/A
Total	<u>\$ 885,365</u>	<u>\$ 266,741</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	\$ 715,607	\$ 215,660
School Department	169,758	51,081
Total	<u>\$ 885,365</u>	<u>\$ 266,741</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	\$ 86,003
2027	250,691
2028	23,234
2029	(41,599)
2030	0
Thereafter	0

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

### **Discretely Presented Pickett County School Department - Non-certified Employees**

#### ***General Information About the Pension Plans***

*Plan Description.* As noted above under the primary government, employees of Pickett County and non-certified employees of the discretely presented Pickett County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 80.85 percent and the non-certified employees of the discretely presented school department comprise 19.15 percent of the plan based on contribution data.

### **Discretely Presented Pickett County School Department - Certified Employees - Teacher Retirement Plan**

#### ***General Information About the Pension Plan***

*Plan Description.* Teachers of the Pickett 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 \$24,069, which is three percent of covered payroll. In addition, employer contributions of \$7,782, 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 (\$18,199) 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 0.025538 percent. The proportion as of June 30, 2023, was 0.026906 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2025, the school department recognized pension expense (negative pension expense) of \$15,087.

*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	\$ 1,503	\$ 5,591
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	3,070
Changes in Assumptions	7,232	0
Changes in Proportion of Net Pension Liability (Asset)	2,002	2,801
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	24,069	N/A
Total	<u>\$ 34,806</u>	<u>\$ 11,462</u>

The school department's employer contributions of \$24,069, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the net pension liability (asset) in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2026	\$ (1,898)
2027	2,349
2028	(1,252)
2029	(1,235)
2030	258
Thereafter	1,054

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

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

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

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

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

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
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Net Pension Liability (Asset)	\$ 47,996	\$ (18,199)	\$ (67,462)
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*Pension Plan Fiduciary Net Position.* Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

## **Discretely Presented Pickett County School Department - Certified Employees - Teacher Legacy Pension Plan**

### ***General Information About the Pension Plan***

*Plan Description.* Teachers of the Pickett 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 Pickett County School Department for the year ended June 30, 2025, to the Teacher Legacy Pension Plan were \$153,983, 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 (\$1,523,182) 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 0.088410 percent. The proportion measured on June 30, 2023, was 0.093862 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2025, the school department recognized pension expense (negative pension expense) of \$365,547.

*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	\$ 406,192	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	296,654
Changes in Proportion of Net Pension Liability (Asset)	78,038	0
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	153,983	N/A
Total	<u>\$ 638,213</u>	<u>\$ 296,654</u>

The school department's employer contributions of \$153,983 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	\$ (128,793)
2027	627,333
2028	(154,773)
2029	(156,190)
2030	0
Thereafter	0

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

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

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

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

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

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



Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity Developed Market	4.88 %	31 %
International Equity Emerging Market	5.37	14
International Equity Private Equity and Strategic Lending	6.07	4
U.S. Fixed Income	6.57	20
Real Estate	1.20	20
Short-term Securities	4.38	10
	0.00	1
Total		100 %

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

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

*Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75 percent, as well as what the school department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) 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)	\$ 1,934,969	\$ (1,523,182)	\$ (4,391,247)

*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

Pickett County offers its employees two deferred compensation plans, one established pursuant to IRC Section 457 and the other pursuant to IRC Section 401(k). The Pickett County

School Department offers its employees a deferred compensation plan established pursuant to IRC Section 403(b). All costs of administering and funding these programs are the responsibility of the plan participants. Section 401(k), 457 and 403(b) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 401(k), 457 and 403(b) establish participation, contribution, and withdrawal provisions for the plans.

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion, which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$40,265 and teachers contributed \$40,523 to this deferred compensation pension plan.

#### ***H. Other Postemployment Benefits (OPEB)***

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

#### **OPEB Provided through State Administered Public Entity Risk Pools**

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

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

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the June 30, 2024, actuarial valuation of 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 the Bond Buyer 20-Year Municipal GO AA index closest to but not later than the measurement date.

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

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2024, valuations were the same as those employed in the July 1, 2020, Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (TCRS). These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-weighted employee mortality table for non-disabled pre-retirement mortality projected generationally with MP-2021 from 2010. Post-retirement rates are headcount-weighted below median healthy annuitant and adjusted with a 19 percent load for males and an 18 percent load for females, projected generationally with MP-2021 from 2010. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load, projected generationally from 2018 with MP-2021.

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

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

*Plan Description.* Employees of the Pickett 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 Pickett 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. Pickett 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	6
Inactive Employees Entitled To But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	<u>50</u>
Total	<u><u>56</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 \$48,558 to the LEP for OPEB benefits as they came due.

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

	Share of Collective Liability		Total OPEB Liability
	Pickett County School Department 59.91%	State of TN 40.09%	
Balance July 1, 2023	\$ 696,393	\$ 491,474	\$ 1,187,867
Changes for the Year:			
Service Cost	\$ 24,872	\$ 16,923	\$ 41,795
Interest	25,901	17,623	43,524
Difference between Expected and Actual Experience	62,296	42,386	104,682
Changes in Proportion	15,740	(15,740)	0
Changes in Assumption	9,066	6,168	15,234
Benefit Payments	(44,709)	(30,419)	(75,128)
Net Changes	<u>\$ 93,166</u>	<u>\$ 36,941</u>	<u>\$ 130,107</u>
Balance June 30, 2024	<u><u>\$ 789,559</u></u>	<u><u>\$ 528,415</u></u>	<u><u>\$ 1,317,974</u></u>

The Pickett 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 Pickett 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 \$41,893 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Pickett County School Department's proportionate share of the collective OPEB liability was 59.91 percent and the State of Tennessee's share was 40.09 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 \$88,478, 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	\$ 60,789	\$ 51,016
Changes in Proportion	20,154	44,429
Changes of Assumptions	83,200	42,852
Benefits Paid After the Measurement Date of June 30, 2024	48,558	0
Total	<u>\$ 212,701</u>	<u>\$ 138,297</u>

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	\$ (4,223)
2027	(1,137)
2028	9,141
2029	8,437
2030	13,628
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 LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate.

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

Proportionate Share of the Collective Total OPEB Liability	\$ 837,717	\$ 789,559	\$ 742,828
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*Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate.* The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

Healthcare Cost Trend Rate	1%	Current	1%
	Decrease	Rates	Increase
	9.68 to 3.5%	10.68 to 4.5%	11.68 to 5.5%

Proportionate Share of the Collective Total OPEB Liability	\$ 722,674	\$ 789,559	\$ 865,975
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## I. *Purchasing Laws*

### Office of County Executive

The County Purchasing Law of 1983, Sections 5-14-201 through 5-14-206, *Tennessee Code Annotated (TCA)*, provide for all purchases exceeding \$10,000 (excluding emergency purchases) to be made based on competitive bids solicited through newspaper advertisement.

### Office of Road Superintendent

Purchasing procedures for the highway department were governed by Chapter 104, Private Acts of 1957, and provisions of the Uniform Road Law, Section 54-7-113, *TCA*, which provide for all purchases exceeding \$25,000 to be made after public advertisement and solicitation of competitive bids.

### Office of Director of Schools

Purchasing procedures for the school department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, *TCA*, which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. This statute also requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$10,000.

## J. *Subsequent Events*

Director of Schools Diane Elder retired June 30, 2025, and was succeeded by Melissa Robbins effective July 1, 2025.

On October 21, 2025, the county commission approved the issuance of capital outlay notes totaling \$240,000 for the purchase of highway equipment and an emergency services truck.

## REQUIRED SUPPLEMENTARY INFORMATION SECTION

**PICKETT 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
<b>Total Pension Liability</b>										
Service Cost	\$ 259,681	\$ 250,172	\$ 266,770	\$ 305,396	\$ 347,108	\$ 314,044	\$ 304,858	\$ 355,237	\$ 370,544	\$ 405,075
Interest	533,635	569,347	610,349	640,282	672,627	733,007	734,536	805,448	834,078	904,506
Differences Between Actual and Expected Experience	(30,552)	(7,844)	(139,927)	(159,768)	333,213	(555,909)	(22,265)	(266,985)	320,596	198,135
Changes in Assumptions	0	0	217,823	0	0	0	1,171,017	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(294,283)	(259,896)	(303,271)	(297,035)	(465,915)	(508,195)	(413,542)	(461,445)	(508,268)	(524,492)
Net Change in Total Pension Liability	\$ 468,481	\$ 551,779	\$ 651,744	\$ 488,875	\$ 887,033	\$ (17,053)	\$ 1,774,604	\$ 432,255	\$ 1,016,950	\$ 983,224
Total Pension Liability, Beginning	7,002,589	7,471,070	8,022,849	8,674,593	9,163,468	10,050,501	10,033,448	11,808,052	12,240,307	13,257,257
Total Pension Liability, Ending (a)	\$ 7,471,070	\$ 8,022,849	\$ 8,674,593	\$ 9,163,468	\$ 10,050,501	\$ 10,033,448	\$ 11,808,052	\$ 12,240,307	\$ 13,257,257	\$ 14,240,481
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer	\$ 16,478	\$ 16,802	\$ 18,641	\$ 30,198	\$ 172,929	\$ 171,067	\$ 170,288	\$ 174,811	\$ 264,122	\$ 279,969
Contributions - Employee	135,068	140,113	152,798	171,579	182,227	175,445	174,665	179,190	199,159	208,656
Net Investment Income	247,115	215,959	932,800	750,341	720,474	508,415	2,743,122	(507,980)	852,531	1,316,175
Benefit Payments, Including Refunds of Employee Contributions	(294,283)	(259,896)	(303,271)	(297,035)	(465,915)	(508,195)	(413,542)	(461,445)	(508,268)	(524,492)
Administrative Expense	(5,147)	(7,558)	(9,974)	(11,550)	(10,269)	(10,050)	(9,697)	(10,815)	(11,657)	(14,142)
Net Change in Plan Fiduciary Net Position	\$ 99,231	\$ 105,420	\$ 790,994	\$ 643,533	\$ 599,446	\$ 336,682	\$ 2,664,836	\$ (626,239)	\$ 795,887	\$ 1,266,166
Plan Fiduciary Net Position, Beginning	8,097,369	8,196,600	8,302,020	9,093,014	9,736,547	10,335,993	10,672,675	13,337,511	12,711,272	13,507,159
Plan Fiduciary Net Position, Ending (b)	\$ 8,196,600	\$ 8,302,020	\$ 9,093,014	\$ 9,736,547	\$ 10,335,993	\$ 10,672,675	\$ 13,337,511	\$ 12,711,272	\$ 13,507,159	\$ 14,773,325
Net Pension Liability (Asset), Ending (a - b)	\$ (725,530)	\$ (279,171)	\$ (418,421)	\$ (573,079)	\$ (285,492)	\$ (639,227)	\$ (1,529,459)	\$ (470,965)	\$ (249,902)	\$ (532,844)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	109.71%	103.48%	104.82%	106.25%	102.84%	106.37%	112.95%	103.85%	101.89%	103.74%
Covered Payroll	\$ 2,701,347	\$ 2,754,384	\$ 3,055,943	\$ 3,431,569	\$ 3,458,563	\$ 3,421,325	\$ 3,405,753	\$ 3,496,217	\$ 3,895,604	\$ 4,129,331
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(26.86)%	(10.41)%	(13.69)%	(16.70)%	(8.25)%	(18.68)%	(44.91)%	(13.47)%	(6.41)%	(12.90)%

Note: The agent plan is a single plan reported under one account with the Tennessee Consolidated Retirement System. This plan covers employees of the primary government and non-certified employees of the discretely presented school department.



**PICKETT 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	\$ 16,802	\$ 18,641	\$ 30,198	\$ 141,110	\$ 170,383	\$ 169,607	\$ 174,112	\$ 264,122	\$ 279,969	\$ 300,294
Less: Contributions in Relation to the Actuarially Determined Contribution	(16,802)	(18,641)	(30,198)	(172,929)	(171,067)	(170,288)	(174,811)	(264,122)	(279,969)	(300,294)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ (31,819)	\$ (684)	\$ (681)	\$ (699)	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 2,754,384	\$ 3,055,943	\$ 3,431,569	\$ 3,458,563	\$ 3,421,325	\$ 3,405,753	\$ 3,496,217	\$ 3,895,604	\$ 4,129,331	\$ 4,429,145
Contributions as a Percentage of Covered Payroll	0.61%	0.61%	0.88%	5.00%	5.00%	5.00%	5.00%	6.78%	6.78%	6.78%

Note: The agent plan is a single plan reported under one account with the Tennessee Consolidated Retirement System. This plan covers employees of the primary government and non-certified employees of the discretely presented school department.

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

Discretely Presented Pickett County School Department

**For the Fiscal Year Ended June 30**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 2,559	\$ 7,171	\$ 8,755	\$ 4,494	\$ 6,065	\$ 7,069	\$ 8,199	\$ 15,360	\$ 17,698	\$ 24,069
Less: Contributions in Relation to the Contractually Required Contribution	(2,559)	(7,171)	(8,755)	(4,494)	(6,065)	(7,069)	(8,199)	(15,360)	(17,698)	(24,069)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 63,970	\$ 179,263	\$ 218,863	\$ 231,635	\$ 298,763	\$ 344,685	\$ 406,493	\$ 536,479	\$ 599,927	\$ 802,294
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	1.94%	2.03%	2.05%	2.02%	2.86%	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%

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

Discretely Presented Pickett County School Department

**For the Fiscal Year Ended June 30**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 290,364	\$ 284,999	\$ 283,606	\$ 324,999	\$ 324,954	\$ 320,644	\$ 318,314	\$ 264,687	\$ 199,368	\$ 153,983
Less: Contributions in Relation to the Contractually Required Contribution	(290,364)	(284,999)	(283,606)	(324,999)	(324,954)	(320,644)	(318,314)	(264,687)	(199,368)	(153,983)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 3,211,996	\$ 3,152,636	\$ 3,123,405	\$ 3,107,068	\$ 3,056,953	\$ 3,094,345	\$ 3,090,421	\$ 3,045,885	\$ 2,927,566	\$ 2,421,131
Contributions as a Percentage of Covered Payroll	9.04%	9.04%	9.08%	10.46%	10.63%	10.36%	10.30%	8.69%	6.81%	6.36%

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

Discretely Presented Pickett 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)	0.014648%	0.014539%	0.027313%	0.025045%	0.021890%	0.023675%	0.024247%	0.023886%	0.026906%	0.025538%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (602)	\$ (1,514)	\$ (7,208)	\$ (11,359)	\$ (12,357)	\$ (13,462)	\$ (26,265)	\$ (7,236)	\$ (11,409)	\$ (18,199)
Covered Payroll	\$ 31,076	\$ 63,970	\$ 179,263	\$ 218,863	\$ 231,635	\$ 298,763	\$ 344,685	\$ 406,493	\$ 536,479	\$ 599,927
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.02)%	(5.19)%	(5.33)%	(4.51)%	(7.62)%	(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%

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

Discretely Presented Pickett 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)	0.082500%	0.088980%	0.089185%	0.089198%	0.092661%	0.091848%	0.095124%	0.093907%	0.093862%	0.088410%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (33,795)	\$ 556,074	\$ (29,180)	\$ (313,879)	\$ (952,724)	\$ (700,411)	\$ (4,102,937)	\$ (1,151,682)	\$ (1,106,613)	\$ (1,523,182)
Covered Payroll	\$ 3,088,382	\$ 3,211,996	\$ 3,152,636	\$ 3,123,405	\$ 3,107,068	\$ 3,056,953	\$ 3,094,345	\$ 3,090,421	\$ 3,045,885	\$ 2,927,566
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	1.09%	17.31%	(0.93)%	(10.05)%	(30.66)%	(22.91)%	(132.59)%	(37.27)%	(36.33)%	(52.03)%
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%

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

Discretely Presented Pickett County School Department

**For the Fiscal Year Ended June 30**

<b>Total OPEB Liability</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Service Cost	\$ 50,036	\$ 45,940	\$ 41,451	\$ 37,521	\$ 49,068	\$ 61,718	\$ 45,921	\$ 41,795
Interest	35,318	41,955	37,662	35,548	23,578	25,612	40,027	43,524
Differences Between Actual and Expected Experience	0	(178,895)	41,835	(65,817)	(21,050)	7,810	(21,410)	104,682
Changes in Assumptions or Other Inputs	(45,257)	26,362	(80,808)	94,320	105,247	(87,846)	63,738	15,234
Benefit Payments	(63,221)	(70,811)	(67,752)	(59,869)	(57,948)	(43,239)	(49,969)	(75,128)
Net Change in Total OPEB Liability	\$ (23,124)	\$ (135,449)	\$ (27,612)	\$ 41,703	\$ 98,895	\$ (35,945)	\$ 78,307	\$ 130,107
Total OPEB Liability, Beginning	1,191,092	1,167,968	1,032,519	1,004,907	1,046,610	1,145,505	1,109,560	1,187,867
Total OPEB Liability, Ending	\$ 1,167,968	\$ 1,032,519	\$ 1,004,907	\$ 1,046,610	\$ 1,145,505	\$ 1,109,560	\$ 1,187,867	\$ 1,317,974
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 435,988	\$ 378,700	\$ 376,142	\$ 367,151	\$ 423,019	\$ 434,685	\$ 491,474	\$ 528,415
Employer Proportionate Share of the Total OPEB Liability	731,980	653,819	628,765	679,459	722,486	674,875	696,393	789,559
Covered Employee Payroll	\$ 3,955,136	\$ 3,763,039	\$ 3,950,293	\$ 3,940,582	\$ 3,993,766	\$ 4,304,864	\$ 4,038,754	\$ 4,074,724
Net OPEB Liability as a Percentage of Covered Employee Payroll	29.53%	27.44%	25.44%	26.56%	28.68%	25.77%	29.41%	32.35%

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

Note 2: Changes in assumptions.

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

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

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

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

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

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

**TENNESSEE CONSOLIDATED RETIREMENT SYSTEM**

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

Methods and assumptions used to determine contribution rates:

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

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

## COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES



## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

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*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.*

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

**Other Special Revenue Fund** – The Other Special Revenue Fund is used to account for transactions involving the American Rescue Plan Act Grant.

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

### DEBT SERVICE 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.*

### CAPITAL PROJECTS FUND

---

*The General Capital Projects Fund is used to account for activities related to grants and other revenues used to fund general capital expenditures of the county. This fund was closed during the year.*

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

	Special Revenue Funds				Debt Service Fund	Total Nonmajor Governmental Funds
	Drug Control	Other Special Revenue	Constitutional Officers - Fees	Total	General Debt Service	
<b>ASSETS</b>						
Cash	\$ 0	\$ 0	\$ 500	\$ 500	\$ 0	\$ 500
Equity in Pooled Cash and Investments	1,060	555,881	0	556,941	1,023,090	1,580,031
Accounts Receivable	0	0	12	12	0	12
Property Taxes Receivable	0	0	0	0	69,618	69,618
Allowance for Uncollectible Property Taxes	0	0	0	0	(1,296)	(1,296)
Total Assets	\$ 1,060	\$ 555,881	\$ 512	\$ 557,453	\$ 1,091,412	\$ 1,648,865
<b>LIABILITIES</b>						
Due to Other Funds	\$ 0	\$ 17,479	\$ 512	\$ 17,991	\$ 0	\$ 17,991
Total Liabilities	\$ 0	\$ 17,479	\$ 512	\$ 17,991	\$ 0	\$ 17,991
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 65,025	\$ 65,025
Deferred Delinquent Property Taxes	0	0	0	0	3,174	3,174
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 0	\$ 0	\$ 68,199	\$ 68,199
<b>FUND BALANCES</b>						
Restricted:						
Restricted for Public Safety	\$ 1,060	\$ 0	\$ 0	\$ 1,060	\$ 0	\$ 1,060
Restricted for Debt Service	0	0	0	0	361,135	361,135
Committed:						
Committed for Capital Outlay	0	538,402	0	538,402	0	538,402
Committed for Debt Service	0	0	0	0	662,078	662,078
Total Fund Balances	\$ 1,060	\$ 538,402	\$ 0	\$ 539,462	\$ 1,023,213	\$ 1,562,675
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,060	\$ 555,881	\$ 512	\$ 557,453	\$ 1,091,412	\$ 1,648,865

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

	Special Revenue Funds				Debt Service Fund
	Formerly Nonmajor Solid Waste / Sanitation	Drug Control	Other Special Revenue	Total	General Debt Service
<b>Revenues</b>					
Local Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 127,925
Fines, Forfeitures, and Penalties	0	566	0	566	0
Other Local Revenues	0	6,606	3,147	9,753	0
Total Revenues	\$ 0	\$ 7,172	\$ 3,147	\$ 10,319	\$ 127,925
<b>Expenditures</b>					
Current:					
Public Safety	\$ 0	\$ 7,974	\$ 0	\$ 7,974	\$ 0
Other Operations	0	0	0	0	0
Debt Service:					
Other Debt Service	0	0	0	0	2,444
Total Expenditures	\$ 0	\$ 7,974	\$ 0	\$ 7,974	\$ 2,444
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ (802)	\$ 3,147	\$ 2,345	\$ 125,481
Net Change in Fund Balances	\$ 0	\$ (802)	\$ 3,147	\$ 2,345	\$ 125,481
Change to or Within the Reporting Entity	(543,238)	0	0	(543,238)	0
Fund Balance, July 1, 2024	543,238	1,862	535,255	1,080,355	897,732
Fund Balance, June 30, 2025	\$ 0	\$ 1,060	\$ 538,402	\$ 539,462	\$ 1,023,213

(Continued)

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

	<div>Capital Projects Fund</div>		
	General Capital Projects	Total Nonmajor Governmental Funds	
<b>Revenues</b>			
Local Taxes	\$ 0	\$ 127,925	
Fines, Forfeitures, and Penalties	0	566	
Other Local Revenues	6	9,759	
Total Revenues	<u>\$ 6</u>	<u>\$ 138,250</u>	
<b>Expenditures</b>			
Current:			
Public Safety	\$ 0	\$ 7,974	
Other Operations	1,368	1,368	
Debt Service:			
Other Debt Service	0	2,444	
Total Expenditures	<u>\$ 1,368</u>	<u>\$ 11,786</u>	
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (1,362)</u>	<u>\$ 126,464</u>	
Net Change in Fund Balances	\$ (1,362)	\$ 126,464	
Change to or Within the Reporting Entity	0	(543,238)	
Fund Balance, July 1, 2024	<u>1,362</u>	<u>1,979,449</u>	
Fund Balance, June 30, 2025	<u><u>\$ 0</u></u>	<u><u>\$ 1,562,675</u></u>	

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Revenues</b>				
Fines, Forfeitures, and Penalties	\$ 566	\$ 5,500	\$ 5,500	\$ (4,934)
Other Local Revenues	6,606	100,000	100,000	(93,394)
Total Revenues	<u>\$ 7,172</u>	<u>\$ 105,500</u>	<u>\$ 105,500</u>	<u>\$ (98,328)</u>
<b>Expenditures</b>				
Public Safety				
Drug Enforcement	\$ 7,974	\$ 105,500	\$ 105,500	\$ 97,526
Total Expenditures	<u>\$ 7,974</u>	<u>\$ 105,500</u>	<u>\$ 105,500</u>	<u>\$ 97,526</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (802)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (802)</u>
Net Change in Fund Balance	\$ (802)	\$ 0	\$ 0	\$ (802)
Fund Balance, July 1, 2024	<u>1,862</u>	<u>1,860</u>	<u>1,860</u>	<u>2</u>
Fund Balance, June 30, 2025	<u><u>\$ 1,060</u></u>	<u><u>\$ 1,860</u></u>	<u><u>\$ 1,860</u></u>	<u><u>\$ (800)</u></u>

**PICKETT COUNTY, TENNESSEE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
Other Special Revenue Fund  
**For the Year Ended June 30, 2025**

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<b>Revenues</b>				
Other Local Revenues	\$ 3,147	\$ 1,000	\$ 1,000	\$ 2,147
Total Revenues	\$ 3,147	\$ 1,000	\$ 1,000	\$ 2,147
 Total Expenditures	 \$ 0	 \$ 0	 \$ 0	 \$ 0
 Excess (Deficiency) of Revenues Over Expenditures	 \$ 3,147	 \$ 1,000	 \$ 1,000	 \$ 2,147
<b>Other Financing Sources (Uses)</b>				
Transfers Out	\$ 0	\$ (400,000)	\$ (635,000)	\$ 635,000
Total Other Financing Sources	\$ 0	\$ (400,000)	\$ (635,000)	\$ 635,000
 Net Change in Fund Balance	 \$ 3,147	 \$ (399,000)	 \$ (634,000)	 \$ 637,147
Fund Balance, July 1, 2024	535,255	681,099	681,099	(145,844)
 Fund Balance, June 30, 2025	 \$ 538,402	 \$ 282,099	 \$ 47,099	 \$ 491,303

**PICKETT 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**

		<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Local Taxes	\$ 127,925	\$ 126,779	\$ 126,779	\$ 1,146
Total Revenues	\$ 127,925	\$ 126,779	\$ 126,779	\$ 1,146
<b>Expenditures</b>				
Other Debt Service				
General Government	\$ 1,944	\$ 2,900	\$ 2,900	\$ 956
Education	500	500	500	0
Total Expenditures	\$ 2,444	\$ 3,400	\$ 3,400	\$ 956
Excess (Deficiency) of Revenues Over Expenditures	\$ 125,481	\$ 123,379	\$ 123,379	\$ 2,102
Net Change in Fund Balance	\$ 125,481	\$ 123,379	\$ 123,379	\$ 2,102
Fund Balance, July 1, 2024	897,732	892,698	892,698	5,034
Fund Balance, June 30, 2025	\$ 1,023,213	\$ 1,016,077	\$ 1,016,077	\$ 7,136

## CUSTODIAL FUNDS

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*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 the state, cities, other county funds, litigants, heirs, and others.



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

		<b>Custodial Funds</b>		
		Cities -	Constitu -	
		Sales	tional	
		Tax	Officers -	
			Custodial	Total
<b>ASSETS</b>				
Cash	\$	0	\$ 397,185	\$ 397,185
Due from Other Governments		56,481	0	56,481
Total Assets	\$	56,481	\$ 397,185	\$ 453,666
<b>LIABILITIES</b>				
Due to Other Taxing Units	\$	56,481	\$ 0	\$ 56,481
Total Liabilities	\$	56,481	\$ 0	\$ 56,481
<b>NET POSITION</b>				
Restricted for Individuals, Organizations, and Other Governments	\$	0	\$ 397,185	\$ 397,185
Total Net Position	\$	0	\$ 397,185	\$ 397,185

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

	<b>Custodial Funds</b>		
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Total
<b>Additions</b>			
Sales Tax Collections for Other Governments	\$ 357,565	\$ 0	\$ 357,565
Fines/Fees and Other Collections	0	2,157,024	2,157,024
Total Additions	\$ 357,565	\$ 2,157,024	\$ 2,514,589
<b>Deductions</b>			
Payment of Sales Tax Collections for Other Governments	\$ 357,565	\$ 0	\$ 357,565
Payments to State	0	1,307,315	1,307,315
Payments to Cities, Individuals, and Others	0	680,153	680,153
Total Deductions	\$ 357,565	\$ 1,987,468	\$ 2,345,033
Change in Net Position	\$ 0	\$ 169,556	\$ 169,556
Net Position July 1, 2024	0	227,629	227,629
Net Position June 30, 2025	\$ 0	\$ 397,185	\$ 397,185

## PICKETT COUNTY SCHOOL DEPARTMENT

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

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

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

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

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

**PICKETT COUNTY, TENNESSEE****Statement of Activities**

Discretely Presented Pickett County School Department

**For the Year Ended June 30, 2025**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental Activities:					
Instruction	\$ 4,042,289	\$ 0	\$ 390,805	\$ 94,458	\$ (3,557,026)
Support Services	2,957,380	0	590,526	260,690	(2,106,164)
Operation of Non-instructional Services	996,304	20,113	614,987	0	(361,204)
Total Governmental Activities	<u>\$ 7,995,973</u>	<u>\$ 20,113</u>	<u>\$ 1,596,318</u>	<u>\$ 355,148</u>	<u>\$ (6,024,394)</u>
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 737,835
Local Option Sales Taxes					818,667
Business Tax					57,533
Other Local Taxes					35
Grants and Contributions Not Restricted to Specific Programs					5,043,567
Unrestricted Investment Income					41,757
Miscellaneous					10,546
Total General Revenues					<u>\$ 6,709,940</u>
Change in Net Position					\$ 685,546
Net Position, July 1, 2024					8,659,401
Restatement - See Note I.D.10.					<u>(42,593)</u>
Net Position, June 30, 2025					<u><u>\$ 9,302,354</u></u>

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

Discretely Presented Pickett County School Department

**June 30, 2025****ASSETS**

	<b>Major Funds</b>			<b>Nonmajor Fund</b>	<b>Total</b>
	<b>General Purpose School</b>	<b>School Federal Projects</b>	<b>Central Cafeteria</b>	<b>Internal School</b>	<b>Governmental Funds</b>
Cash	\$ 0	\$ 0	\$ 0	\$ 247,862	\$ 247,862
Equity in Pooled Cash and Investments	3,271,243	127,465	480,417	0	3,879,125
Inventories	0	0	29,424	0	29,424
Accounts Receivable	1,501	0	0	0	1,501
Due from Other Governments	343,074	944	69,300	0	413,318
Property Taxes Receivable	789,008	0	0	0	789,008
Allowance for Uncollectible Property Taxes	(37,826)	0	0	0	(37,826)
Restricted Assets	57,985	0	0	0	57,985
Total Assets	<u>\$ 4,424,985</u>	<u>\$ 128,409</u>	<u>\$ 579,141</u>	<u>\$ 247,862</u>	<u>\$ 5,380,397</u>

**DEFERRED INFLOWS OF RESOURCES**

Deferred Current Property Taxes	\$ 725,547	\$ 0	\$ 0	\$ 0	\$ 725,547
Deferred Delinquent Property Taxes	24,631	0	0	0	24,631
Other Deferred/Unavailable Revenue	78,467	0	0	0	78,467
Total Deferred Inflows of Resources	<u>\$ 828,645</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 828,645</u>

**FUND BALANCES**

Nonspendable:					
Inventory	\$ 0	\$ 0	\$ 29,424	\$ 0	\$ 29,424
Restricted:					
Restricted for Education	572	3,409	549,717	247,862	801,560
Restricted for Hybrid Retirement Stabilization Funds	57,985	0	0	0	57,985
Committed:					
Committed for Education	0	125,000	0	0	125,000
Unassigned	3,537,783	0	0	0	3,537,783
Total Fund Balances	<u>\$ 3,596,340</u>	<u>\$ 128,409</u>	<u>\$ 579,141</u>	<u>\$ 247,862</u>	<u>\$ 4,551,752</u>
Total Deferred Inflows of Resources and Fund Balances	<u>\$ 4,424,985</u>	<u>\$ 128,409</u>	<u>\$ 579,141</u>	<u>\$ 247,862</u>	<u>\$ 5,380,397</u>

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

Discretely Presented Pickett 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)		\$ 4,551,752
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 22,955	
Add: construction in progress	69,726	
Add: buildings and improvements net of accumulated depreciation	2,507,673	
Add: other capital assets net of accumulated depreciation	<u>748,018</u>	3,348,372
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: compensated absences payable	\$ (112,714)	
Less: net OPEB liability	<u>(789,559)</u>	(902,273)
(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	\$ 842,777	
Less: deferred inflows of resources related to pensions	(359,197)	
Add: deferred outflows of resources related to OPEB	212,701	
Less: deferred inflows of resources related to OPEB	<u>(138,297)</u>	557,984
(4) Net pension assets of the pension plans are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - agent plan	\$ 102,040	
Add: net pension asset - teacher retirement plan	18,199	
Add: net pension asset - teacher legacy pension plan	<u>1,523,182</u>	1,643,421
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>103,098</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 9,302,354</u></u>

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

Discretely Presented Pickett County School Department

**For the Year Ended June 30, 2025**

	<b>Major Funds</b>			<b>Nonmajor Fund</b>	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total Governmental Funds
<b>Revenues</b>					
Local Taxes	\$ 1,611,098	\$ 0	\$ 0	\$ 0	\$ 1,611,098
Licenses and Permits	256	0	0	0	256
Charges for Current Services	0	0	20,113	0	20,113
Other Local Revenues	49,010	0	3,293	400,016	452,319
State of Tennessee	5,421,868	0	3,630	0	5,425,498
Federal Government	65,458	567,593	492,601	0	1,125,652
Other Governments and Citizens Groups	33,600	0	0	0	33,600
<b>Total Revenues</b>	<b>\$ 7,181,290</b>	<b>\$ 567,593</b>	<b>\$ 519,637</b>	<b>\$ 400,016</b>	<b>\$ 8,668,536</b>
<b>Expenditures</b>					
Current:					
Instruction	\$ 3,389,818	\$ 437,214	\$ 0	\$ 0	\$ 3,827,032
Support Services	2,754,415	126,970	0	0	2,881,385
Operation of Non-Instructional Services	139,702	0	473,918	382,684	996,304
Capital Outlay	69,726	0	0	0	69,726
<b>Total Expenditures</b>	<b>\$ 6,353,661</b>	<b>\$ 564,184</b>	<b>\$ 473,918</b>	<b>\$ 382,684</b>	<b>\$ 7,774,447</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 827,629	\$ 3,409	\$ 45,719	\$ 17,332	\$ 894,089
Net Change in Fund Balances	\$ 827,629	\$ 3,409	\$ 45,719	\$ 17,332	\$ 894,089
Fund Balance, July 1, 2024	2,768,711	125,000	533,422	230,530	3,657,663
Fund Balance, June 30, 2025	\$ 3,596,340	\$ 128,409	\$ 579,141	\$ 247,862	\$ 4,551,752

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

Discretely Presented Pickett 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)		\$	894,089
(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	\$	267,940	
Less: current-year depreciation expense		<u>(256,197)</u>	11,743
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Add: deferred delinquent property taxes and other deferred June 30, 2025	\$	103,098	
Less: deferred delinquent property taxes and other deferred June 30, 2024		<u>(99,755)</u>	3,343
(3) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in compensated absences payable	\$	(57,376)	
Change in net pension asset - agent plan		55,333	
Change in net pension asset - teacher retirement plan		6,790	
Change in net pension asset - teacher legacy pension plan		416,569	
Change in deferred outflows related to pensions		(406,727)	
Change in deferred inflows related to pensions		(240,191)	
Change in OPEB liability		(93,166)	
Change in deferred outflows related to OPEB		47,266	
Change in deferred inflows related to OPEB		<u>47,873</u>	(223,629)
Change in net position of governmental activities (Exhibit B)			<u><u>\$ 685,546</u></u>



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

Discretely Presented Pickett County School Department

General Purpose School Fund

**For the Year Ended June 30, 2025**

		<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Local Taxes	\$ 1,611,098	\$ 1,465,462	\$ 1,465,462	\$ 145,636
Licenses and Permits	256	200	200	56
Charges for Current Services	0	1,000	1,000	(1,000)
Other Local Revenues	49,010	50,000	50,000	(990)
State of Tennessee	5,421,868	6,774,238	6,878,846	(1,456,978)
Federal Government	65,458	60,000	60,000	5,458
Other Governments and Citizens Groups	33,600	0	33,600	0
Total Revenues	<u>\$ 7,181,290</u>	<u>\$ 8,350,900</u>	<u>\$ 8,489,108</u>	<u>\$ (1,307,818)</u>
<b>Expenditures</b>				
Instruction				
Regular Instruction Program	\$ 2,757,641	\$ 3,244,000	\$ 3,287,746	\$ 530,105
Special Education Program	351,499	449,300	454,041	102,542
Career and Technical Education Program	280,678	677,414	577,414	296,736
Support Services				
Attendance	51,815	53,900	53,900	2,085
Health Services	107,301	143,435	143,435	36,134
Other Student Support	196,514	236,550	236,550	40,036
Regular Instruction Program	278,344	283,600	283,600	5,256
Special Education Program	108,014	123,200	123,200	15,186
Career and Technical Education Program	0	26,350	26,350	26,350
Technology	69,209	40,000	73,600	4,391
Other Programs	32,253	0	32,253	0
Board of Education	120,297	143,925	143,925	23,628
Director of Schools	131,755	136,200	137,200	5,445
Office of the Principal	237,640	274,370	274,370	36,730
Fiscal Services	125,047	164,700	164,700	39,653
Operation of Plant	484,916	599,000	601,297	116,381
Maintenance of Plant	279,825	277,200	292,600	12,775
Transportation	509,862	614,526	667,948	158,086
Central and Other	21,623	52,500	52,500	30,877
Operation of Non-Instructional Services				
Food Service	750	0	750	0

(Continued)

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

		<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Expenditures (Cont.)</b>				
Operation of Non-Instructional Services (Cont.)				
Community Services	\$ 35,426	\$ 42,213	\$ 42,213	\$ 6,787
Early Childhood Education	103,526	105,600	106,600	3,074
Capital Outlay				
Regular Capital Outlay	69,726	113,347	163,347	93,621
Total Expenditures	<u>\$ 6,353,661</u>	<u>\$ 7,801,330</u>	<u>\$ 7,939,539</u>	<u>\$ 1,585,878</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 827,629</u>	<u>\$ 549,570</u>	<u>\$ 549,569</u>	<u>\$ 278,060</u>
Net Change in Fund Balance	\$ 827,629	\$ 549,570	\$ 549,569	\$ 278,060
Fund Balance, July 1, 2024	<u>2,768,711</u>	<u>2,224,918</u>	<u>2,224,918</u>	<u>543,793</u>
Fund Balance, June 30, 2025	<u><u>\$ 3,596,340</u></u>	<u><u>\$ 2,774,488</u></u>	<u><u>\$ 2,774,487</u></u>	<u><u>\$ 821,853</u></u>

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

Discretely Presented Pickett County School Department

School Federal Projects Fund

**For the Year Ended June 30, 2025**

		<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Federal Government	\$ 567,593	\$ 457,748	\$ 726,892	\$ (159,299)
Total Revenues	\$ 567,593	\$ 457,748	\$ 726,892	\$ (159,299)
<b>Expenditures</b>				
Instruction				
Regular Instruction Program	\$ 259,925	\$ 225,301	\$ 292,439	\$ 32,514
Special Education Program	166,607	155,087	227,181	60,574
Career and Technical Education Program	10,682	8,401	10,682	0
Support Services				
Other Student Support	17,035	19,589	27,142	10,107
Regular Instruction Program	84,169	23,220	107,498	23,329
Special Education Program	25,016	25,400	61,200	36,184
Career and Technical Education Program	750	750	750	0
Total Expenditures	\$ 564,184	\$ 457,748	\$ 726,892	\$ 162,708
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,409	\$ 0	\$ 0	\$ 3,409
Net Change in Fund Balance	\$ 3,409	\$ 0	\$ 0	\$ 3,409
Fund Balance, July 1, 2024	125,000	125,000	125,000	0
Fund Balance, June 30, 2025	\$ 128,409	\$ 125,000	\$ 125,000	\$ 3,409

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

		<b>Budgeted Amounts</b>		<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Actual</b>	<b>Original</b>	<b>Final</b>	
<b>Revenues</b>				
Charges for Current Services	\$ 20,113	\$ 56,000	\$ 56,000	\$ (35,887)
Other Local Revenues	3,293	1,500	1,500	1,793
State of Tennessee	3,630	5,300	5,300	(1,670)
Federal Government	492,601	407,620	407,620	84,981
Total Revenues	<u>\$ 519,637</u>	<u>\$ 470,420</u>	<u>\$ 470,420</u>	<u>\$ 49,217</u>
<b>Expenditures</b>				
Operation of Non-Instructional Services				
Food Service	\$ 473,918	\$ 661,880	\$ 661,880	\$ 187,962
Total Expenditures	<u>\$ 473,918</u>	<u>\$ 661,880</u>	<u>\$ 661,880</u>	<u>\$ 187,962</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 45,719</u>	<u>\$ (191,460)</u>	<u>\$ (191,460)</u>	<u>\$ 237,179</u>
Net Change in Fund Balance	\$ 45,719	\$ (191,460)	\$ (191,460)	237,179
Fund Balance, July 1, 2024	<u>533,422</u>	<u>291,019</u>	<u>291,019</u>	<u>242,403</u>
Fund Balance, June 30, 2025	<u><u>\$ 579,141</u></u>	<u><u>\$ 99,559</u></u>	<u><u>\$ 99,559</u></u>	<u><u>\$ 479,582</u></u>

## MISCELLANEOUS SCHEDULES

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-24	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-25
<b>NOTES PAYABLE</b>								
Payable through Highway/Public Works Fund								
Highway Road Projects and Equipment	\$ 700,000	3.82 %	5-21-19	6-1-31	\$ 441,970	\$ 0	\$ 56,920	\$ 385,050
Highway Equipment	80,000	5.18	7-26-24	6-1-32	0	80,000	8,300	71,700
Total Notes Payable					<u>\$ 441,970</u>	<u>\$ 80,000</u>	<u>\$ 65,220</u>	<u>\$ 456,750</u>
<b>OTHER LOANS PAYABLE</b>								
Public Building Authority Loan Agreements								
Payable through Highway/Public Works Fund								
Highway Refunding and Equipment	(1) 1,483,000	3.79	12-18-13	12-15-25	\$ 224,600	\$ 0	\$ 148,300	\$ 76,300
Grader	190,361	3.59	4-7-20	3-4-26	62,013	0	33,763	28,250
Total Other Loans Payable					<u>\$ 286,613</u>	<u>\$ 0</u>	<u>\$ 182,063</u>	<u>\$ 104,550</u>

(1) A portion of this loan (\$1,276,307) was used to refund the outstanding principal balances of capital outlay notes being retired by the Highway/Public Works Fund.

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

<b>Year Ending June 30</b>	<b>Notes</b>		
	Principal	Interest	Total
2026	\$ 62,810	\$ 17,690	\$ 80,500
2027	70,440	14,935	85,375
2028	73,320	12,064	85,384
2029	76,290	9,073	85,363
2030	79,360	5,961	85,321
2031	82,630	2,722	85,352
2032	11,900	634	12,534
Total	\$ 456,750	\$ 63,079	\$ 519,829

<b>Year Ending June 30</b>	<b>Other Loans</b>		
	Principal	Interest	Total
2026	\$ 104,550	\$ 1,296	\$ 105,846
Total	\$ 104,550	\$ 1,296	\$ 105,846

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

Primary Government and Discretely Presented Pickett County School Department

**For the Year Ended June 30, 2025**

<b>Official</b>	<b>Salary</b>	<b>Authorization</b>	<b>Bond</b>	<b>Surety</b>
<b>County Executive</b>		Section 8-24-102, <i>TCA</i>	\$ 100,000	RLI Insurance Company
Base salary/Total compensation	<u>\$ 99,043</u>			
<b>Road Superintendent</b>		Section 8-24-102, <i>TCA</i>	100,000	RLI Insurance Company
Base salary	\$ 94,327			
Travel allowance per private act	1,800			
Total compensation	<u>\$ 96,127</u>			
<b>Director of Schools</b>		State Board of Education and County Board of Education	(1)	Tennessee Risk Management Trust
Base salary	\$ 100,850			
Salary equity	1,930			
Chief executive officer training supplement	1,000			
Career Ladder	1,000			
Total compensation	<u>\$ 104,780</u>			
<b>Trustee</b>		Section 8-24-102, <i>TCA</i>	410,469	RLI Insurance Company
Base salary/Total compensation	<u>\$ 85,752</u>			
<b>Assessor of Property</b>		Section 8-24-102, <i>TCA</i>	50,000	RLI Insurance Company
Base salary/Total compensation	<u>\$ 85,752</u>			
<b>County Clerk</b>		Section 8-24-102, <i>TCA</i>	50,000	RLI Insurance Company
Base salary/Total compensation	<u>\$ 85,752</u>			
<b>Circuit and General Sessions Courts Clerk</b>		Section 8-24-102, <i>TCA</i>	50,000	RLI Insurance Company
Base salary/Total compensation	<u>\$ 85,752</u>			
<b>Clerk and Master</b>		Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	75,000	RLI Insurance Company
Base salary	\$ 85,752			
Special commissioner fees	7,080			
Total compensation	<u>\$ 92,832</u>			
<b>Register of Deeds</b>		Section 8-24-102, <i>TCA</i>	50,000	RLI Insurance Company
Base salary/Total compensation	<u>\$ 85,752</u>			
<b>Sheriff</b>		Section 8-24-102, <i>TCA</i>	100,000	RLI Insurance Company
Base salary	\$ 94,327			
Law enforcement training supplement	1,600			
Total compensation	<u>\$ 95,927</u>			
<b>Administrator of Elections</b>		Section 2-12-208, <i>TCA</i>	(1)	Tennessee Risk Management Trust
Base salary/Total compensation	<u>\$ 77,177</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.



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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Highway / Public Works	General Debt Service
<b>Local Taxes</b>						
County Property Taxes						
Current Property Tax	\$ 2,468,205	\$ 248,892	\$ 0	\$ 0	\$ 0	\$ 62,212
Trustee's Collections - Prior Year	73,206	7,417	0	0	0	2,106
Circuit Clerk/Clerk and Master Collections - Prior Years	16,014	1,622	0	0	0	461
Interest and Penalty	17,012	1,721	0	0	0	470
Payments in-Lieu-of Taxes - Other	64,013	131	0	0	0	33
County Local Option Taxes						
Local Option Sales Tax	461,241	0	0	0	0	0
Hotel/Motel Tax	113,182	0	0	0	0	0
Wheel Tax	0	0	0	0	0	62,643
Litigation Tax - General	5,626	0	0	0	0	0
Litigation Tax - Special Purpose	1,085	0	0	0	0	0
Business Tax	4,732	0	0	0	0	0
Mixed Drink Tax	38	0	0	0	0	0
Mineral Severance Tax	3,435	0	0	0	0	0
Statutory Local Taxes						
Bank Excise Tax	67,220	0	0	0	0	0
Wholesale Beer Tax	97,992	0	0	0	0	0
Other Statutory Local Taxes	234	0	0	0	0	0
Total Local Taxes	\$ 3,393,235	\$ 259,783	\$ 0	\$ 0	\$ 0	\$ 127,925

(Continued)

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Highway / Public Works	General Debt Service
<b>Licenses and Permits</b>						
Licenses						
Marriage Licenses	\$ 256	\$ 0	\$ 0	\$ 0	\$ 0	0
Cable TV Franchise	15,842	0	0	0	0	0
Permits						
Beer Permits	4,872	0	0	0	0	0
Total Licenses and Permits	<u>\$ 20,970</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
<b>Fines, Forfeitures, and Penalties</b>						
Circuit Court						
Fines	\$ 142	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	263	0	0	0	0	0
Drug Control Fines	0	0	180	0	0	0
Jail Fees	96	0	0	0	0	0
Data Entry Fee - Circuit Court	100	0	0	0	0	0
Criminal Court						
DUI Treatment Fines	570	0	0	0	0	0
General Sessions Court						
Fines	7,757	0	0	0	0	0
Officers Costs	4,994	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Highway / Public Works	General Debt Service
<b>Fines, Forfeitures, and Penalties (Cont.)</b>						
General Sessions Court (Cont.)						
Drug Control Fines	\$ 428	\$ 0	\$ 386	\$ 0	\$ 0	0
Drug Court Fees	332	0	0	0	0	0
Veterans Treatment Court Fees	238	0	0	0	0	0
Jail Fees	1,273	0	0	0	0	0
Data Entry Fee - General Sessions Court	872	0	0	0	0	0
Chancery Court						
Officers Costs	99	0	0	0	0	0
Data Entry Fee - Chancery Court	152	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	<u>\$ 17,316</u>	<u>\$ 0</u>	<u>\$ 566</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
<b>Charges for Current Services</b>						
General Service Charges						
Tipping Fees	\$ 0	\$ 184,876	\$ 0	\$ 0	\$ 0	0
Surcharge - Waste Tire Disposal	0	2,041	0	0	0	0
Patient Charges	467,862	0	0	0	0	0
Fees						
Copy Fees	152	0	0	0	0	0
Library Fees	1,875	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Highway / Public Works	General Debt Service
<b>Charges for Current Services (Cont.)</b>						
Fees (Cont.)						
Greenbelt Late Application Fee	\$ 50	\$ 0	\$ 0	\$ 0	\$ 0	0
Additional Fees - Titling and Registration	7,419	0	0	0	0	0
Data Processing Fee - Register	2,528	0	0	0	0	0
Probation Fees	14,752	0	0	0	0	0
Data Processing Fee - Sheriff	369	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	450	0	0	0	0	0
Data Processing Fee - County Clerk	4,500	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	765	0	0	0	0	0
Total Charges for Current Services	<u>\$ 500,722</u>	<u>\$ 186,917</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
<b>Other Local Revenues</b>						
Recurring Items						
Investment Income	\$ 33,701	\$ 0	\$ 0	\$ 3,147	\$ 0	0
Lease/Rentals/PPP	19,567	0	0	0	0	0
Sale of Recycled Materials	0	8,661	0	0	731	0
Rebates	22,298	0	0	0	0	0
Miscellaneous Refunds	54,148	70	0	0	6,529	0

(Continued)

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Highway / Public Works	General Debt Service
<b>Other Local Revenues (Cont.)</b>						
Nonrecurring Items						
Sale of Equipment	\$ 0	\$ 30,308	\$ 6,606	\$ 0	\$ 0	0
Damages Recovered from Individuals	0	0	0	0	25,000	0
Contributions and Gifts	5,887	0	0	0	0	0
Total Other Local Revenues	<u>\$ 135,601</u>	<u>\$ 39,039</u>	<u>\$ 6,606</u>	<u>\$ 3,147</u>	<u>\$ 32,260</u>	<u>0</u>
<b>Fees Received From County Officials</b>						
Fees In-Lieu-of Salary						
County Clerk	\$ 108,624	\$ 0	\$ 0	\$ 0	\$ 0	0
Circuit Court Clerk	5,317	0	0	0	0	0
General Sessions Court Clerk	14,507	0	0	0	0	0
Clerk and Master	10,270	0	0	0	0	0
Register	33,918	0	0	0	0	0
Sheriff	3,105	0	0	0	0	0
Trustee	140,389	0	0	0	0	0
Total Fees Received From County Officials	<u>\$ 316,130</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>

(Continued)

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Highway / Public Works	General Debt Service
State of Tennessee						
General Government Grants						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	0
Public Safety Grants						
Law Enforcement Training Programs	16,000	0	0	0	0	0
School Resource Officer Grants	150,000	0	0	0	0	0
Health and Welfare Grants						
Emergency Medical Services Training Programs	7,200	0	0	0	0	0
Other Health and Welfare Grants	256,841	0	0	0	0	0
Public Works Grants						
State Aid Program	0	0	0	0	609,640	0
Litter Program	19,615	0	0	0	0	0
Other State Revenues						
Flood Control	312,710	0	0	0	0	0
Beer Tax	17,752	0	0	0	0	0
Vehicle Certificate of Title Fees	862	0	0	0	0	0
Alcoholic Beverage Tax	22,059	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	19,186	0	0	0	0	0
State Revenue Sharing - T.V.A.	221,727	0	0	0	0	0
State Revenue Sharing - Telecommunications	12,846	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Highway / Public Works	General Debt Service
<b>State of Tennessee (Cont.)</b>						
Other State Revenues (Cont.)						
State Shared Sports Gaming Privilege Tax	\$ 9,183	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Gasoline and Motor Fuel Tax	0	0	0	0	1,810,045	0
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	21,817	0
Petroleum Special Tax	0	0	0	0	3,314	0
T.B.I. - Equipment Reimbursement	285	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	53,401	0	0	0	0	0
Other State Revenues	1,375	0	0	0	0	0
Total State of Tennessee	<u>\$ 1,145,206</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,444,816</u>	<u>\$ 0</u>
<b>Federal Government</b>						
Federal Through State						
Community Development	\$ 357,280	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Federal through State	165,784	0	0	0	0	0
Direct Federal Revenue						
Police Service (Lake Area)	11,309	0	0	0	0	0
Other Direct Federal Revenue	50,000	0	0	0	0	0
Total Federal Government	<u>\$ 584,373</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

(Continued)

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

	<b>Special Revenue Funds</b>					<b>Debt Service Fund</b>
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Highway / Public Works	General Debt Service
<b>Other Governments and Citizens Groups</b>						
Other Governments						
Contracted Services	\$ 50,000	\$ 0	\$ 0	\$ 0	\$ 0	0
Citizens Groups						
Donations	1,506	0	0	0	0	0
Other						
Opioid Settlement Funds - Past Remediation	21,698	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 73,204</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
Total	<u>\$ 6,186,757</u>	<u>\$ 485,739</u>	<u>\$ 7,172</u>	<u>\$ 3,147</u>	<u>\$ 2,477,076</u>	<u>\$ 127,925</u>

(Continued)



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

	Capital Projects Fund		
	General Capital Projects		Total
<hr/>			
Local Taxes			
County Property Taxes			
Current Property Tax	\$	0	\$ 2,779,309
Trustee's Collections - Prior Year		0	82,729
Circuit Clerk/Clerk and Master Collections - Prior Years		0	18,097
Interest and Penalty		0	19,203
Payments in-Lieu-of Taxes - Other		0	64,177
County Local Option Taxes			
Local Option Sales Tax		0	461,241
Hotel/Motel Tax		0	113,182
Wheel Tax		0	62,643
Litigation Tax - General		0	5,626
Litigation Tax - Special Purpose		0	1,085
Business Tax		0	4,732
Mixed Drink Tax		0	38
Mineral Severance Tax		0	3,435
Statutory Local Taxes			
Bank Excise Tax		0	67,220
Wholesale Beer Tax		0	97,992
Other Statutory Local Taxes		0	234
Total Local Taxes	\$	0	\$ 3,780,943

(Continued)

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

	Capital Projects Fund		
	General Capital Projects		Total
<hr/>			
Licenses and Permits			
Licenses			
Marriage Licenses	\$	0	\$ 256
Cable TV Franchise		0	15,842
Permits			
Beer Permits		0	4,872
Total Licenses and Permits	<u>\$</u>	<u>0</u>	<u>\$ 20,970</u>
<hr/>			
Fines, Forfeitures, and Penalties			
Circuit Court			
Fines	\$	0	\$ 142
Officers Costs		0	263
Drug Control Fines		0	180
Jail Fees		0	96
Data Entry Fee - Circuit Court		0	100
Criminal Court			
DUI Treatment Fines		0	570
General Sessions Court			
Fines		0	7,757
Officers Costs		0	4,994

(Continued)

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

	Capital Projects Fund		
	General Capital Projects		Total
<b>Fines, Forfeitures, and Penalties (Cont.)</b>			
General Sessions Court (Cont.)			
Drug Control Fines	\$	0	\$ 814
Drug Court Fees		0	332
Veterans Treatment Court Fees		0	238
Jail Fees		0	1,273
Data Entry Fee - General Sessions Court		0	872
Chancery Court			
Officers Costs		0	99
Data Entry Fee - Chancery Court		0	152
Total Fines, Forfeitures, and Penalties	\$	0	\$ 17,882
<b>Charges for Current Services</b>			
General Service Charges			
Tipping Fees	\$	0	\$ 184,876
Surcharge - Waste Tire Disposal		0	2,041
Patient Charges		0	467,862
Fees			
Copy Fees		0	152
Library Fees		0	1,875

(Continued)

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

	Capital Projects Fund		
	General Capital Projects		Total
<hr/>			
Charges for Current Services (Cont.)			
Fees (Cont.)			
Greenbelt Late Application Fee	\$	0	\$ 50
Additional Fees - Titling and Registration		0	7,419
Data Processing Fee - Register		0	2,528
Probation Fees		0	14,752
Data Processing Fee - Sheriff		0	369
Sexual Offender Registration Fee - Sheriff		0	450
Data Processing Fee - County Clerk		0	4,500
Vehicle Insurance Coverage and Reinstatement Fees		0	765
Total Charges for Current Services	<u>\$</u>	<u>0</u>	<u>\$ 687,639</u>
Other Local Revenues			
Recurring Items			
Investment Income	\$	6	\$ 36,854
Lease/Rentals/PPP		0	19,567
Sale of Recycled Materials		0	9,392
Rebates		0	22,298
Miscellaneous Refunds		0	60,747

(Continued)

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

	Capital Projects Fund		
	General Capital Projects		Total
<hr/>			
Other Local Revenues (Cont.)			
Nonrecurring Items			
Sale of Equipment	\$	0	\$ 36,914
Damages Recovered from Individuals		0	25,000
Contributions and Gifts		0	5,887
Total Other Local Revenues	<u>\$</u>	<u>6</u>	<u>\$ 216,659</u>
Fees Received From County Officials			
Fees In-Lieu-of Salary			
County Clerk	\$	0	\$ 108,624
Circuit Court Clerk		0	5,317
General Sessions Court Clerk		0	14,507
Clerk and Master		0	10,270
Register		0	33,918
Sheriff		0	3,105
Trustee		0	140,389
Total Fees Received From County Officials	<u>\$</u>	<u>0</u>	<u>\$ 316,130</u>

(Continued)

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

	<b>Capital Projects Fund</b>	
	<b>General Capital Projects</b>	<b>Total</b>
<b>State of Tennessee</b>		
General Government Grants		
Juvenile Services Program	\$ 0	\$ 9,000
Public Safety Grants		
Law Enforcement Training Programs	0	16,000
School Resource Officer Grants	0	150,000
Health and Welfare Grants		
Emergency Medical Services Training Programs	0	7,200
Other Health and Welfare Grants	0	256,841
Public Works Grants		
State Aid Program	0	609,640
Litter Program	0	19,615
Other State Revenues		
Flood Control	0	312,710
Beer Tax	0	17,752
Vehicle Certificate of Title Fees	0	862
Alcoholic Beverage Tax	0	22,059
Opioid Settlement Funds - TN Abatement Council	0	19,186
State Revenue Sharing - T.V.A.	0	221,727
State Revenue Sharing - Telecommunications	0	12,846

(Continued)

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

	<b>Capital Projects Fund</b>	
	<b>General Capital Projects</b>	<b>Total</b>
<b>State of Tennessee (Cont.)</b>		
Other State Revenues (Cont.)		
State Shared Sports Gaming Privilege Tax	\$ 0	\$ 9,183
Gasoline and Motor Fuel Tax	0	1,810,045
Hybrid/Electric Vehicle Registration Fee	0	21,817
Petroleum Special Tax	0	3,314
T.B.I. - Equipment Reimbursement	0	285
Registrar's Salary Supplement	0	15,164
Other State Grants	0	53,401
Other State Revenues	0	1,375
Total State of Tennessee	<u>\$ 0</u>	<u>\$ 3,590,022</u>
<b>Federal Government</b>		
Federal Through State		
Community Development	\$ 0	\$ 357,280
Other Federal through State	0	165,784
Direct Federal Revenue		
Police Service (Lake Area)	0	11,309
Other Direct Federal Revenue	0	50,000
Total Federal Government	<u>\$ 0</u>	<u>\$ 584,373</u>

(Continued)

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

	Capital Projects Fund		
	General Capital Projects		Total
<hr/>			
Other Governments and Citizens Groups			
Other Governments			
Contracted Services	\$	0	\$ 50,000
Citizens Groups			
Donations		0	1,506
Other			
Opioid Settlement Funds - Past Remediation		0	21,698
Total Other Governments and Citizens Groups	\$	0	\$ 73,204
	<hr/>		
Total	\$	6	\$ 9,287,822
	<hr/>		



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

Discretely Presented Pickett County School Department

**For the Year Ended June 30, 2025**

	<b>Special Revenue Funds</b>				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
<b>Local Taxes</b>					
County Property Taxes					
Current Property Tax	\$ 704,814	\$ 0	\$ 0	\$ 0	\$ 704,814
Trustee's Collections - Prior Year	19,728	0	0	0	19,728
Circuit Clerk/Clerk and Master Collections - Prior Years	4,496	0	0	0	4,496
Interest and Penalty	4,803	0	0	0	4,803
Payments in-Lieu-of Taxes - Other	371	0	0	0	371
County Local Option Taxes					
Local Option Sales Tax	446,897	0	0	0	446,897
Local Amusement Tax	35	0	0	0	35
Business Tax	57,533	0	0	0	57,533
Other County Local Option Taxes	372,421	0	0	0	372,421
Total Local Taxes	<u>\$ 1,611,098</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,611,098</u>
<b>Licenses and Permits</b>					
Licenses					
Marriage Licenses	\$ 256	\$ 0	\$ 0	\$ 0	\$ 256
Total Licenses and Permits	<u>\$ 256</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 256</u>

(Continued)

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

Discretely Presented Pickett County School Department (Cont.)

	<b>Special Revenue Funds</b>				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
<b>Charges for Current Services</b>					
Education Charges					
Lunch Payments - Children	\$ 0	\$ 0	\$ 2,239	\$ 0	\$ 2,239
Lunch Payments - Adults	0	0	14,155	0	14,155
Income from Breakfast	0	0	273	0	273
A la Carte Sales	0	0	3,446	0	3,446
Total Charges for Current Services	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 20,113</u>	<u>\$ 0</u>	<u>\$ 20,113</u>
<b>Other Local Revenues</b>					
Recurring Items					
Investment Income	\$ 40,196	\$ 0	\$ 1,561	\$ 0	\$ 41,757
Miscellaneous Refunds	8,814	0	1,732	0	10,546
Other Local Revenues					
Other Local Revenues	0	0	0	400,016	400,016
Total Other Local Revenues	<u>\$ 49,010</u>	<u>\$ 0</u>	<u>\$ 3,293</u>	<u>\$ 400,016</u>	<u>\$ 452,319</u>
<b>State of Tennessee</b>					
General Government Grants					
On-behalf Contributions for OPEB	\$ 32,253	\$ 0	\$ 0	\$ 0	\$ 32,253

(Continued)

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

Discretely Presented Pickett County School Department (Cont.)

	<b>Special Revenue Funds</b>				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
<b>State of Tennessee (Cont.)</b>					
State Education Funds					
Tennessee Investment in Student Achievement	\$ 4,802,001	\$ 0	\$ 0	\$ 0	\$ 4,802,001
TISA - On-behalf Payments	8,985	0	0	0	8,985
Early Childhood Education	102,450	0	0	0	102,450
School Food Service	0	0	3,630	0	3,630
Other State Education Funds	51,308	0	0	0	51,308
Paid Parental Leave	44,967	0	0	0	44,967
Career Ladder Program	15,390	0	0	0	15,390
Other Vocational	355,148	0	0	0	355,148
Other State Revenues					
Other State Grants	9,366	0	0	0	9,366
Total State of Tennessee	\$ 5,421,868	\$ 0	\$ 3,630	\$ 0	\$ 5,425,498
<b>Federal Government</b>					
Federal Through State					
USDA School Lunch Program	\$ 0	\$ 0	\$ 346,467	\$ 0	\$ 346,467
USDA - Commodities	0	0	29,217	0	29,217
Breakfast	0	0	114,140	0	114,140

(Continued)

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

Discretely Presented Pickett County School Department (Cont.)

	Special Revenue Funds					
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total	
Federal Government (Cont.)						
Federal Through State (Cont.)						
USDA - Other	\$ 0	\$ 0	\$ 2,777	\$ 0	\$ 2,777	
Vocational Education - Basic Grants to States	0	15,414	0	0	15,414	
Title I Grants to Local Education Agencies	0	191,787	0	0	191,787	
Special Education - Grants to States	0	185,730	0	0	185,730	
Special Education Preschool Grants	0	6,723	0	0	6,723	
Rural Education	0	22,707	0	0	22,707	
Eisenhower Professional Development State Grants	0	30,887	0	0	30,887	
COVID-19 Grant D	0	82,800	0	0	82,800	
American Rescue Plan Act Grant #1	0	15,287	0	0	15,287	
Other Federal through State	16,306	16,258	0	0	32,564	
Direct Federal Revenue						
Public Law 874 - Maintenance and Operation	49,152	0	0	0	49,152	
Total Federal Government	\$ 65,458	\$ 567,593	\$ 492,601	\$ 0	\$ 1,125,652	
Other Governments and Citizens Groups						
Other Governments						
Contributions	\$ 33,600	\$ 0	\$ 0	\$ 0	\$ 33,600	
Total Other Governments and Citizens Groups	\$ 33,600	\$ 0	\$ 0	\$ 0	\$ 33,600	
Total	\$ 7,181,290	\$ 567,593	\$ 519,637	\$ 400,016	\$ 8,668,536	

**PICKETT 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	\$	50,400	
Audit Services		9,776	
Dues and Memberships		1,844	
Legal Notices, Recording, and Court Costs		656	
Total County Commission			\$ 62,676

**Board of Equalization**

Board and Committee Members Fees	\$	200	
Total Board of Equalization			200

**Beer Board**

Board and Committee Members Fees	\$	120	
Total Beer Board			120

**County Mayor/Executive**

County Official/Administrative Officer	\$	99,043	
Accountants/Bookkeepers		39,000	
Secretary(ies)		29,455	
In-service Training		695	
Communication		3,304	
Data Processing Services		24,119	
Dues and Memberships		1,089	
Legal Notices, Recording, and Court Costs		306	
Postal Charges		1,443	
Printing, Stationery, and Forms		635	
Travel		1,124	
Other Contracted Services		504	
Office Supplies		1,931	
Other Supplies and Materials		40	
Total County Mayor/Executive			202,688

**County Attorney**

Legal Services	\$	13,500	
Total County Attorney			13,500

(Continued)

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

**General Fund (Cont.)**

General Government (Cont.)

**Election Commission**

County Official/Administrative Officer	\$	77,177	
Secretary(ies)		8,294	
Election Commission		15,225	
Election Workers		16,407	
Communication		1,992	
Data Processing Services		18,704	
Legal Notices, Recording, and Court Costs		2,284	
Postal Charges		975	
Printing, Stationery, and Forms		4,199	
Office Supplies		4,822	
Total Election Commission			\$ 150,079

**Register of Deeds**

County Official/Administrative Officer	\$	85,752	
Communication		1,242	
Dues and Memberships		763	
Maintenance Agreements		252	
Postal Charges		68	
Other Contracted Services		2,716	
Office Supplies		678	
Total Register of Deeds			91,471

**County Buildings**

Custodial Personnel	\$	65,402	
Communication		8,502	
Maintenance and Repair Services - Buildings		69,475	
Maintenance and Repair Services - Vehicles		322	
Custodial Supplies		3,447	
Electricity		58,780	
Water and Sewer		8,590	
Other Supplies and Materials		3,262	
Total County Buildings			217,780

Finance

**Property Assessor's Office**

County Official/Administrative Officer	\$	85,752	
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(Continued)

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

**General Fund (Cont.)**

Finance (Cont.)

**Property Assessor's Office (Cont.)**

Deputy(ies)	\$	12,012	
Communication		621	
Legal Notices, Recording, and Court Costs		180	
Postal Charges		287	
Travel		3,331	
Other Contracted Services		6,785	
Office Supplies		742	
Other Supplies and Materials		1,000	
Total Property Assessor's Office			\$ 110,710

**County Trustee's Office**

County Official/Administrative Officer	\$	85,752	
Deputy(ies)		11,817	
Communication		2,037	
Data Processing Services		14,768	
Dues and Memberships		683	
Legal Notices, Recording, and Court Costs		270	
Postal Charges		1,443	
Travel		55	
Other Contracted Services		4,517	
Office Supplies		865	
Office Equipment		636	
Total County Trustee's Office			122,843

**County Clerk's Office**

County Official/Administrative Officer	\$	85,752	
Deputy(ies)		50,682	
Other Salaries and Wages		2,080	
Communication		1,288	
Dues and Memberships		833	
Postal Charges		2,448	
Printing, Stationery, and Forms		224	
Other Contracted Services		8,433	
Office Supplies		1,135	
Total County Clerk's Office			152,875

(Continued)

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

**General Fund (Cont.)**

Administration of Justice

**Circuit Court**

County Official/Administrative Officer	\$	85,752	
Deputy(ies)		34,480	
Jury and Witness Expense		1,430	
Communication		1,341	
Data Processing Services		19,051	
Dues and Memberships		683	
Legal Notices, Recording, and Court Costs		230	
Licenses		425	
Postal Charges		940	
Other Contracted Services		1,200	
Office Supplies		2,614	
Total Circuit Court			\$ 148,146

**General Sessions Judge**

Judge(s)	\$	85,906	
Communication		2,259	
Dues and Memberships		305	
Travel		648	
Total General Sessions Judge			89,118

**Chancery Court**

County Official/Administrative Officer	\$	85,752	
Communication		1,857	
Data Processing Services		7,072	
Dues and Memberships		1,013	
Maintenance and Repair Services - Office Equipment		252	
Postal Charges		360	
Office Supplies		2,286	
Total Chancery Court			98,592

**Juvenile Court**

Youth Service Officer(s)	\$	11,708	
Total Juvenile Court			11,708

**Judicial Commissioners**

Other Per Diem and Fees	\$	6,000	
Total Judicial Commissioners			6,000

(Continued)



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

**General Fund (Cont.)**

Administration of Justice (Cont.)

**Probation Services**

Probation Officer(s)	\$	29,109	
Communication		919	
Office Supplies		860	
Total Probation Services			\$ 30,888

Public Safety

**Sheriff's Department**

County Official/Administrative Officer	\$	94,327	
Deputy(ies)		416,866	
Salary Supplements		16,000	
Overtime Pay		19,130	
In-service Training		7,988	
Data Processing Services		19,652	
Dues and Memberships		1,000	
Maintenance and Repair Services - Equipment		7,938	
Maintenance and Repair Services - Vehicles		29,737	
Postal Charges		192	
Towing Services		700	
Travel		701	
Gasoline		60,118	
Office Supplies		5,910	
Tires and Tubes		6,233	
Uniforms		7,885	
Total Sheriff's Department			694,377

**Special Patrols**

School Resource Officer	\$	94,805	
In-service Training		2,303	
Office Supplies		82	
Uniforms		963	
Motor Vehicles		63,810	
Total Special Patrols			161,963

**Jail**

Deputy(ies)	\$	200,347	
Communication		18,002	

(Continued)

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

**General Fund (Cont.)**

Public Safety (Cont.)

**Jail (Cont.)**

Contracts with Government Agencies	\$	184,682	
Medical and Dental Services		24,239	
Custodial Supplies		809	
Food Supplies		842	
Other Charges		6,253	
Total Jail			\$ 435,174

**Fire Prevention and Control**

Contributions	\$	40,000	
Other Equipment		47,353	
Total Fire Prevention and Control			87,353

**Other Emergency Management**

Contributions	\$	17,500	
Total Other Emergency Management			17,500

**County Coroner/Medical Examiner**

Medical and Dental Services	\$	5,780	
Total County Coroner/Medical Examiner			5,780

**Other Public Safety**

Supervisor/Director	\$	9,500	
Total Other Public Safety			9,500

Public Health and Welfare

**Local Health Center**

Other Salaries and Wages	\$	11,045	
Communication		4,747	
Dues and Memberships		375	
Electricity		7,536	
Water and Sewer		609	
Other Supplies and Materials		194	
Building Improvements		4,500	
Total Local Health Center			29,006

(Continued)

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

**General Fund (Cont.)**

Public Health and Welfare (Cont.)

**Ambulance/Emergency Medical Services**

Supervisor/Director	\$	52,500	
Accountants/Bookkeepers		30,428	
Medical Personnel		590,389	
In-service Training		10,008	
Communication		6,264	
Dues and Memberships		910	
Licenses		1,875	
Maintenance and Repair Services - Buildings		8,024	
Maintenance and Repair Services - Equipment		8,114	
Maintenance and Repair Services - Vehicles		8,895	
Other Contracted Services		56,419	
Custodial Supplies		1,093	
Drugs and Medical Supplies		27,604	
Electricity		12,550	
Gasoline		21,857	
Office Supplies		1,184	
Tires and Tubes		2,049	
Uniforms		3,623	
Water and Sewer		1,402	
Refunds		944	
Other Equipment		30,615	
Total Ambulance/Emergency Medical Services			\$ 876,747

**Regional Mental Health Center**

Contributions	\$	1,706	
Total Regional Mental Health Center			1,706

**Appropriation to State**

Contributions	\$	7,092	
Total Appropriation to State			7,092

**Sanitation Management**

Other Salaries and Wages	\$	21,902	
Other Contracted Services		21,003	
Total Sanitation Management			42,905

(Continued)

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

**General Fund (Cont.)**

Public Health and Welfare (Cont.)

**Other Public Health and Welfare**

Other Contracted Services	\$ 16,670	
Total Other Public Health and Welfare		\$ 16,670

Social, Cultural, and Recreational Services

**Adult Activities**

Other Salaries and Wages	\$ 30,070	
Maintenance and Repair Services - Vehicles	493	
Food Supplies	38,180	
Gasoline	376	
Other Supplies and Materials	119	
Total Adult Activities		69,238

**Senior Citizens Assistance**

Contributions	\$ 10,708	
Transportation - Other than Students	3,618	
Total Senior Citizens Assistance		14,326

**Libraries**

County Official/Administrative Officer	\$ 33,290	
Assistant(s)	25,065	
Communication	2,508	
Maintenance and Repair Services - Buildings	2,509	
Other Contracted Services	2,451	
Custodial Supplies	755	
Office Supplies	880	
Other Supplies and Materials	2,561	
Total Libraries		70,019

**Other Social, Cultural, and Recreational**

Supervisor/Director	\$ 29,939	
Other Salaries and Wages	9,880	
Communication	2,180	
Postal Charges	73	
Travel	342	
Food Supplies	21	
Office Supplies	359	
Other Supplies and Materials	9,606	
Total Other Social, Cultural, and Recreational		52,400

(Continued)

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

**General Fund (Cont.)**

Agriculture and Natural Resources

**Agricultural Extension Service**

Communication	\$	2,215	
Other Contracted Services		76,248	
Data Processing Equipment		938	
Total Agricultural Extension Service			\$ 79,401

**Soil Conservation**

Secretary(ies)	\$	20,799	
Other Salaries and Wages		36,608	
Communication		1,437	
Office Supplies		199	
Total Soil Conservation			59,043

Other Operations

**Tourism**

Contributions	\$	25,050	
Remittance of Revenue Collected		63,798	
Total Tourism			88,848

**Industrial Development**

Other Charges	\$	112	
Total Industrial Development			112

**Other Economic and Community Development**

Consultants	\$	23,400	
Remittance of Revenue Collected		7,120	
Other Supplies and Materials		22,275	
Other Equipment		389,490	
Other Capital Outlay		527,948	
Total Other Economic and Community Development			970,233

**Veterans' Services**

Other Salaries and Wages	\$	22,028	
Communication		1,221	
Travel		625	
Office Supplies		806	
Total Veterans' Services			24,680

(Continued)

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

**General Fund (Cont.)**

Other Operations (Cont.)

**Other Charges**

Travel	\$	350	
Building and Contents Insurance		58,234	
Liability Insurance		60,367	
Premiums on Corporate Surety Bonds		1,727	
Trustee's Commission		72,416	
Vehicle and Equipment Insurance		44,994	
Liability Claims		1,140	
Total Other Charges			\$ 239,228

**Contributions to Other Agencies**

Contributions	\$	8,330	
Total Contributions to Other Agencies			8,330

**Employee Benefits**

Longevity Pay	\$	18,881	
Social Security		217,364	
Pensions		178,960	
Medical Insurance		96,757	
Unemployment Compensation		10,484	
Other Fringe Benefits		5,775	
Workers' Compensation Insurance		81,350	
Total Employee Benefits			609,571

**Miscellaneous**

Advertising	\$	1,610	
Other Supplies and Materials		2,333	
Total Miscellaneous			3,943

Highways

**Traffic Control**

Road Signs	\$	3,550	
Total Traffic Control			3,550

Total General Fund			\$ 6,188,089
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(Continued)

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

**Solid Waste/Sanitation Fund**

Public Health and Welfare

**Transfer Stations**

Supervisor/Director	\$	41,080	
Longevity Pay		2,393	
Other Salaries and Wages		102,227	
In-service Training		398	
Social Security		10,819	
Pensions		8,053	
Medical Insurance		7,770	
Unemployment Compensation		799	
Communication		2,440	
Data Processing Services		10,490	
Licenses		4,130	
Maintenance and Repair Services - Buildings		16,392	
Maintenance and Repair Services - Equipment		7,209	
Maintenance and Repair Services - Vehicles		3,467	
Postal Charges		220	
Other Contracted Services		172,310	
Custodial Supplies		71	
Electricity		5,729	
Gasoline		9,873	
Office Supplies		1,163	
Tires and Tubes		998	
Uniforms		4,792	
Water and Sewer		815	
Other Supplies and Materials		687	
Trustee's Commission		7,098	
Total Transfer Stations		<u>421,423</u>	\$ 421,423

Total Solid Waste/Sanitation Fund \$ 421,423

**Drug Control Fund**

Public Safety

**Drug Enforcement**

Confidential Drug Enforcement Payments	\$	5,000	
Other Supplies and Materials		<u>2,974</u>	
Total Drug Enforcement			\$ 7,974

Total Drug Control Fund 7,974

(Continued)

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

**Highway/Public Works Fund**

Highways

**Administration**

County Official/Administrative Officer	\$	94,327	
Accountants/Bookkeepers		38,020	
Advertising		216	
Data Processing Services		16,790	
Dues and Memberships		2,066	
Postal Charges		412	
Printing, Stationery, and Forms		560	
Travel		1,800	
Drugs and Medical Supplies		1,000	
Office Supplies		265	
Other Charges		4,475	
Total Administration			\$ 159,931

**Highway and Bridge Maintenance**

Laborers	\$	784,119	
Other Contracted Services		32,264	
Asphalt		51,686	
Crushed Stone		115,183	
Pipe		16,158	
Road Signs		765	
Salt		5,872	
Other Charges		6,496	
Total Highway and Bridge Maintenance			1,012,543

**Operation and Maintenance of Equipment**

Mechanic(s)	\$	29,260	
Maintenance and Repair Services - Vehicles		39,348	
Diesel Fuel		62,021	
Equipment and Machinery Parts		52,476	
Gasoline		21,757	
Lubricants		4,940	
Propane Gas		1,457	
Tires and Tubes		22,737	
Other Supplies and Materials		7,427	
Other Charges		8,442	
Total Operation and Maintenance of Equipment			249,865

(Continued)



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

**Highway/Public Works Fund (Cont.)**

Highways (Cont.)

**Quarry Operations**

Lease/SBITA Payments	\$ 2,400	
Total Quarry Operations		\$ 2,400

**Other Charges**

Communication	\$ 4,494	
Utilities	5,033	
Premiums on Corporate Surety Bonds	197	
Trustee's Commission	18,418	
Vehicle and Equipment Insurance	38,977	
Total Other Charges		67,119

**Employee Benefits**

Social Security	\$ 72,350	
Pensions	54,458	
Unemployment Compensation	7,542	
Workers' Compensation Insurance	28,852	
Total Employee Benefits		163,202

**Capital Outlay**

Motor Vehicles	\$ 80,791	
State Aid Projects	644,733	
Total Capital Outlay		725,524

Principal on Debt

**Highways and Streets**

Principal on Notes	\$ 65,220	
Principal on Other Loans	182,063	
Total Highways and Streets		247,283

Interest on Debt

**Highways and Streets**

Interest on Notes	\$ 19,506	
Interest on Other Loans	7,630	
Total Highways and Streets		27,136

Total Highway/Public Works Fund		\$ 2,655,003
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(Continued)

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

<b>General Debt Service Fund</b>			
Other Debt Service			
<b>General Government</b>			
Trustee's Commission	\$	1,944	
Total General Government		\$	1,944
<b>Education</b>			
Other Debt Service	\$	500	
Total Education			500
Total General Debt Service Fund			\$ 2,444
<b>General Capital Projects Fund</b>			
Other Operations			
<b>COVID-19 Grant A</b>			
Other Capital Outlay	\$	1,368	
Total COVID-19 Grant A		\$	1,368
Total General Capital Projects Fund			1,368
Total Governmental Funds - Primary Government			<u>\$ 9,276,301</u>

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

Discretely Presented Pickett County School Department

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

## Instruction

**Regular Instruction Program**

Teachers	\$	2,112,683	
Career Ladder Program		8,500	
Certified Substitute Teachers		36,463	
Non-certified Substitute Teachers		53,401	
Social Security		123,130	
Pensions		122,917	
Medical Insurance		190,217	
Employer Medicare		29,029	
Retirement - Hybrid Stabilization		18,084	
Other Contracted Services		24,369	
Instructional Supplies and Materials		15,211	
Textbooks - Bound		7,932	
Other Supplies and Materials		1,920	
TISA - On-behalf Payments		8,985	
Regular Instruction Equipment		4,800	
Total Regular Instruction Program			\$ 2,757,641

**Special Education Program**

Teachers	\$	258,518	
Career Ladder Program		1,000	
Homebound Teachers		7,959	
Educational Assistants		22,761	
Social Security		16,682	
Pensions		16,078	
Medical Insurance		18,298	
Employer Medicare		3,901	
Retirement - Hybrid Stabilization		1,561	
Instructional Supplies and Materials		1,500	
Other Supplies and Materials		1,766	
Special Education Equipment		1,475	
Total Special Education Program			351,499

**Career and Technical Education Program**

Teachers	\$	132,469
Career Ladder Program		1,000

(Continued)

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

Discretely Presented Pickett County School Department (Cont.)

**General Purpose School Fund (Cont.)**

## Instruction (Cont.)

**Career and Technical Education Program (Cont.)**

Social Security	\$	8,152	
Pensions		7,650	
Medical Insurance		5,651	
Employer Medicare		1,906	
Retirement - Hybrid Stabilization		1,849	
Travel		116	
Instructional Supplies and Materials		37,651	
Software		4,640	
Other Supplies and Materials		73,740	
Other Charges		5,854	
Total Career and Technical Education Program			\$ 280,678

## Support Services

**Attendance**

Supervisor/Director	\$	40,821	
Social Security		2,355	
Pensions		2,596	
Medical Insurance		1,992	
Employer Medicare		551	
Travel		3,500	
Total Attendance			51,815

**Health Services**

Supervisor/Director	\$	39,299	
Medical Personnel		23,955	
Other Salaries and Wages		17,496	
Social Security		4,383	
Pensions		5,443	
Medical Insurance		6,395	
Employer Medicare		1,025	
Communication		596	
Travel		866	
Other Contracted Services		3,884	
Other Supplies and Materials		3,959	
Total Health Services			107,301

(Continued)

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

Discretely Presented Pickett County School Department (Cont.)

**General Purpose School Fund (Cont.)**

## Support Services (Cont.)

**Other Student Support**

Career Ladder Program	\$	1,000	
Guidance Personnel		89,340	
Social Security		5,410	
Pensions		5,746	
Medical Insurance		2,213	
Employer Medicare		1,265	
Other Equipment		91,540	
Total Other Student Support			\$ 196,514

**Regular Instruction Program**

Supervisor/Director	\$	73,255	
Career Ladder Program		2,000	
Librarians		125,126	
Instructional Computer Personnel		40,821	
Social Security		14,693	
Pensions		15,340	
Medical Insurance		1,992	
Employer Medicare		3,436	
Travel		1,681	
Total Regular Instruction Program			278,344

**Special Education Program**

Supervisor/Director	\$	54,188	
Psychological Personnel		33,125	
Social Security		4,615	
Pensions		5,553	
Medical Insurance		9,454	
Employer Medicare		1,079	
Total Special Education Program			108,014

**Technology**

Internet Connectivity	\$	48,355	
Software		15,180	
Other Equipment		5,674	
Total Technology			69,209

(Continued)

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

Discretely Presented Pickett County School Department (Cont.)

**General Purpose School Fund (Cont.)**

## Support Services (Cont.)

**Other Programs**

On-behalf Payments to OPEB	\$ 32,253	
Total Other Programs		\$ 32,253

**Board of Education**

Secretary to Board	\$ 3,750	
Board and Committee Members Fees	17,600	
Social Security	1,194	
Pensions	254	
Life Insurance	1,550	
Employer Medicare	297	
Other Fringe Benefits	6,075	
Audit Services	5,950	
Dues and Memberships	3,794	
Legal Services	8,123	
Postal Charges	250	
Trustee's Commission	35,927	
Workers' Compensation Insurance	30,741	
Other Charges	4,792	
Total Board of Education		120,297

**Director of Schools**

County Official/Administrative Officer	\$ 100,850	
Career Ladder Program	1,000	
Social Security	5,635	
Pensions	6,403	
Medical Insurance	8,958	
Employer Medicare	1,318	
Communication	3,287	
Dues and Memberships	1,931	
Travel	2,373	
Total Director of Schools		131,755

**Office of the Principal**

Principals	\$ 122,920	
Secretary(ies)	66,913	

(Continued)

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

Discretely Presented Pickett County School Department (Cont.)

**General Purpose School Fund (Cont.)**

## Support Services (Cont.)

**Office of the Principal (Cont.)**

Social Security	\$	10,572	
Pensions		11,540	
Medical Insurance		20,721	
Employer Medicare		2,472	
Retirement - Hybrid Stabilization		1,794	
Communication		593	
Postal Charges		115	
Total Office of the Principal			\$ 237,640

**Fiscal Services**

Accountants/Bookkeepers	\$	105,798	
Social Security		6,381	
Pensions		7,173	
Medical Insurance		3,982	
Employer Medicare		1,474	
Office Supplies		239	
Total Fiscal Services			125,047

**Operation of Plant**

Custodial Personnel	\$	86,538	
Social Security		5,206	
Pensions		5,283	
Medical Insurance		14,820	
Employer Medicare		1,217	
Other Contracted Services		21,964	
Electricity		158,546	
Natural Gas		62,053	
Water and Sewer		14,953	
Other Supplies and Materials		23,870	
Building and Contents Insurance		89,953	
Other Charges		513	
Total Operation of Plant			484,916

**Maintenance of Plant**

Maintenance Personnel	\$	75,143	
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(Continued)

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

Discretely Presented Pickett County School Department (Cont.)

**General Purpose School Fund (Cont.)**

## Support Services (Cont.)

**Maintenance of Plant (Cont.)**

Social Security	\$	4,659	
Pensions		5,094	
Employer Medicare		1,090	
Maintenance and Repair Services - Buildings		119,229	
Maintenance and Repair Services - Equipment		68,621	
Other Supplies and Materials		5,989	
Total Maintenance of Plant			\$ 279,825

**Transportation**

Mechanic(s)	\$	53,766	
Bus Drivers		133,396	
Social Security		10,682	
Pensions		12,361	
Medical Insurance		25,602	
Employer Medicare		2,498	
Communication		593	
Diesel Fuel		30,052	
Garage Supplies		3,887	
Gasoline		5,663	
Lubricants		1,954	
Tires and Tubes		7,190	
Vehicle Parts		17,789	
Other Charges		5,865	
Transportation Equipment		198,564	
Total Transportation			509,862

**Central and Other**

Data Processing Services	\$	20,577	
Data Processing Supplies		1,046	
Total Central and Other			21,623

## Operation of Non-Instructional Services

**Food Service**

Food Supplies	\$	750	
Total Food Service			750

(Continued)



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

Discretely Presented Pickett County School Department (Cont.)

**General Purpose School Fund (Cont.)**

## Operation of Non-Instructional Services (Cont.)

**Community Services**

Supervisor/Director	\$	29,722	
Social Security		1,836	
Pensions		2,015	
Employer Medicare		429	
Other Charges		1,424	
Total Community Services			\$ 35,426

**Early Childhood Education**

Supervisor/Director	\$	7,245	
Teachers		66,250	
Educational Assistants		15,638	
Social Security		5,401	
Pensions		5,735	
Employer Medicare		1,263	
Instructional Supplies and Materials		1,832	
Other Charges		162	
Total Early Childhood Education			103,526

## Capital Outlay

**Regular Capital Outlay**

Building Construction	\$	69,726	
Total Regular Capital Outlay			69,726

Total General Purpose School Fund

\$ 6,353,661

**School Federal Projects Fund**

## Instruction

**Regular Instruction Program**

Teachers	\$	78,943	
Educational Assistants		14,428	
Other Salaries and Wages		86,320	
Social Security		10,136	
Pensions		9,898	
Medical Insurance		16,562	
Employer Medicare		2,371	

(Continued)

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

Discretely Presented Pickett County School Department (Cont.)

**School Federal Projects Fund (Cont.)**

## Instruction (Cont.)

**Regular Instruction Program (Cont.)**

Instructional Supplies and Materials	\$	12,575	
Software		5,730	
Other Supplies and Materials		6,626	
Regular Instruction Equipment		16,336	
Total Regular Instruction Program			\$ 259,925

**Special Education Program**

Educational Assistants	\$	109,598	
Social Security		6,431	
Pensions		6,534	
Medical Insurance		10,286	
Employer Medicare		1,504	
Instructional Supplies and Materials		20,291	
Other Supplies and Materials		5,941	
Special Education Equipment		6,022	
Total Special Education Program			166,607

**Career and Technical Education Program**

Instructional Supplies and Materials	\$	3,558	
Software		1,750	
Vocational Instruction Equipment		5,374	
Total Career and Technical Education Program			10,682

## Support Services

**Other Student Support**

Other Salaries and Wages	\$	180	
Social Security		11	
Pensions		11	
Employer Medicare		3	
Other Contracted Services		11,916	
In Service/Staff Development		1,500	
Other Charges		3,414	
Total Other Student Support			17,035

(Continued)

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

Discretely Presented Pickett County School Department (Cont.)

**School Federal Projects Fund (Cont.)**

## Support Services (Cont.)

**Regular Instruction Program**

Supervisor/Director	\$	615	
Other Salaries and Wages		3,404	
Social Security		186	
Pensions		191	
Employer Medicare		44	
Consultants		3,200	
Other Contracted Services		72,800	
In Service/Staff Development		2,729	
Other Charges		1,000	
Total Regular Instruction Program			\$ 84,169

**Special Education Program**

Contracts with Private Agencies	\$	2,249	
Evaluation and Testing		644	
Other Contracted Services		7,225	
Other Supplies and Materials		1,947	
In Service/Staff Development		5,656	
Other Charges		3,295	
Other Equipment		4,000	
Total Special Education Program			25,016

**Career and Technical Education Program**

In Service/Staff Development	\$	750	
Total Career and Technical Education Program			750

Total School Federal Projects Fund			\$ 564,184
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**Central Cafeteria Fund**

## Operation of Non-Instructional Services

**Food Service**

Cafeteria Personnel	\$	149,159	
Social Security		9,147	
Pensions		5,838	
Medical Insurance		6,845	
Employer Medicare		2,139	

(Continued)

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

Discretely Presented Pickett County School Department (Cont.)

**Central Cafeteria Fund (Cont.)**

Operation of Non-Instructional Services (Cont.)

**Food Service (Cont.)**

Communication	\$	1,301	
Maintenance and Repair Services - Equipment		1,911	
Travel		468	
Other Contracted Services		15,302	
Food Preparation Supplies		27,498	
Food Supplies		211,233	
Office Supplies		407	
USDA - Commodities		29,217	
Other Supplies and Materials		499	
Other Charges		1,249	
Food Service Equipment		11,705	
Total Food Service			\$ 473,918

Total Central Cafeteria Fund		\$	473,918
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**Internal School Fund**

Operation of Non-Instructional Services

**Community Services**

Other Charges	\$	382,684	
Total Community Services			\$ 382,684

Total Internal School Fund			382,684
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Total Governmental Funds - Pickett County School Department			\$ 7,774,447
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## SINGLE AUDIT SECTION



JASON E. MUMPOWER  
*Comptroller*

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

Pickett County Executive and  
Board of County Commissioners  
Pickett 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 business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pickett County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Pickett County's basic financial statements as listed in the table of contents, and have issued our report thereon dated October 24, 2025. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of the Pickett County School Department (a discretely presented component unit) as described in our report on Pickett County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Pickett County's internal control over financial reporting (internal control) as a basis for determining the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Pickett County's internal control. Accordingly, we do not express an opinion on the effectiveness of Pickett County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified the following deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be a significant deficiency: 2025-001.

## Report on Compliance and Other Matters

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

## Pickett County's Response to Finding

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

## Purpose of this Report

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

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

October 24, 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**

Pickett County Executive and  
Board of County Commissioners  
Pickett 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 Pickett 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 Pickett County's major federal programs for the year ended June 30, 2025. Pickett 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, Pickett 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 Pickett 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 Pickett 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 Pickett 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 Pickett 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 Pickett 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 Pickett County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Pickett 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 Pickett 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.

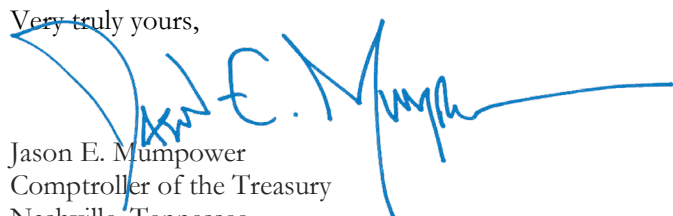
Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pickett County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Pickett County's basic financial statements. We issued our report thereon dated October 24, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,

  
Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

October 24, 2025

JEM/gc

**PICKETT COUNTY, TENNESSEE, AND THE PICKETT COUNTY SCHOOL DEPARTMENT**  
**Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3)**  
**For the Year-Ended June 30, 2025**

<b>Federal/Pass-through Agency/State Grantor Program Title</b>	<b>Assistance Listing Number</b>	<b>Passed-through Entity Identifying Number</b>	<b>Expenditures</b>
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster: (5)			
National School Lunch Program	10.555	N/A	\$ 346,467 (6)
School Breakfast Program	10.553	N/A	114,140
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (5)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	29,217 (6)
Rebate of Storage and Distribution Fees	10.555	N/A	2,777 (6)
Direct Program:			
Rural Cooperative Development Grants	10.776	N/A	50,000
Total U.S. Department of Agriculture			<u>\$ 542,601</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	N/A	\$ 357,280
Total U.S. Department of Housing and Urban Development			<u>\$ 357,280</u>
U.S. Department of the Interior:			
Direct Program:			
Payments in Lieu of Taxes	15.226	N/A	\$ 63,284
Total U.S. Department of the Interior			<u>\$ 63,284</u>
U.S. Department of the Treasury:			
Passed-through State Department of Education:			
COVID 19- Coronavirus State And Local Fiscal Recovery Funds	21.027	N/A	\$ 16,306
Total U.S. Department of the Treasury			<u>\$ 16,306</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 189,659
Special Education Cluster (IDEA): (5)			
Special Education - Grants to States	84.027	N/A	184,899
Special Education - Preschool Grants	84.173	N/A	6,723
Career and Technical Education - Basic Grants to States	84.048	N/A	15,414
Rural Education	84.358	N/A	22,256
Supporting Effective Instruction State Grants	84.367	N/A	30,887
Comprehensive Literacy Development	84.371	N/A	82,800
Student Support and Academic Enrichment Program	84.424A		16,258
COVID 19- Education Stabilization Fund Program - Elementary and Secondary			
School Emergency Relief Fund (ESSER ARP)	84.425U	N/A	15,287
Direct Program:			
Impact Aid	84.041	N/A	49,152
Total U.S. Department of Education			<u>\$ 613,335</u>
U.S. Department of Health and Human Services:			
Passed-through Upper Cumberland Development District:			
Aging Cluster: (5)			
Nutrition Services Incentive Program	93.053	(4)	\$ 7,919
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	(4)	54,815
Special Programs for the Aging, Title III, Part B, Grants for Supportive			
Services and Senior Centers	93.044	(4)	13,500
Passed-through State Department of Health:			
Immunization Cooperative Agreements	93.268	N/A	84,156
Total U.S. Department of Health and Human Services			<u>\$ 160,390</u>

(Continued)

**PICKETT COUNTY, TENNESSEE, AND THE PICKETT COUNTY SCHOOL DEPARTMENT**  
**Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (Cont.)**

<b>Federal/Pass-through Agency/State Grantor Program Title</b>	<b>Assistance Listing Number</b>	<b>Passed-through Entity Identifying Number</b>	<b>Expenditures</b>
U. S. Office of National Drug Control Policy:			
Passed-through Laurel County Fiscal Court:			
High Intensity Drug Trafficking Areas Program	95.001	N/A	\$ 2,257
Total U. S. Office of National Drug Control Policy			<u>\$ 2,257</u>
Total Expenditures of Federal Grants			<u><u>\$ 1,755,453</u></u>

	<b>Contract Number</b>	
<b>State Grants</b>		
State Supplement Juvenile Court Improvement Funds - State Department of Children's Services	(4)	\$ 9,000
Early Childhood Education - State Department of Education	N/A	102,450
COVID 19- Innovative School Models Grant - State Department of Education	N/A	355,148
Learning Camp Transportation - State Department of Education	N/A	10,380
Public School Security Grant - State Department of Education	N/A	9,366
Summer Learning Camps Grant - State Department of Education	N/A	40,928
Local Health Department Investment Program - State Department of Health	(4)	256,841
School Resource Officer Grant - State Department of Safety and Homeland Security	(4)	150,000
Litter Program - State Department of Transportation	(4)	19,615
Governor's Highway Safety Office Grant (GHSO) - State Highway Safety Office	(4)	10,400
Capital Maintenance and Improvement Grant (Amonett House) - Tennessee State Museum	(4)	14,000
Disability and Aging Grant - Upper Cumberland Development District	N/A	8,000
State Funded Nutrition Meal Delivery Services - Upper Cumberland Development District	N/A	<u>3,137</u>
Total State Grants		<u><u>\$ 989,266</u></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) Pickett County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.  
(3) No amounts (\$0) were passed-through to subrecipients.  
(4) Information not available.  
(5) Child Nutrition Cluster total \$492,601; Special Education Cluster (IDEA) total \$191,622; Aging Cluster total \$76,234.  
(6) Total for ALN 10.555 is \$378,461.

**PICKETT 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 Pickett 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
<b>OFFICE OF COUNTY EXECUTIVE</b>					
2024	168	2024-001	The Solid Waste Disposal Fund had a deficit in unrestricted net position.	N/A	Not Corrected - See Explanation on Corrective Action Plan

**Prior-year Federal Awards Findings**

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

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**PICKETT COUNTY, TENNESSEE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2025**

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**PART I, SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements:**

1. Our report on the financial statements of Pickett County is unmodified.
2. Internal Control Over Financial Reporting:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **YES**
3. Noncompliance material to the financial statements noted? **NO**

**Federal Awards:**

4. Internal Control Over Major Federal Programs:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
  - \* Assistance Listing Number: 14.228      Community Development Block Grants/  
State's Program
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **YES**

## **PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS**

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

### **OFFICE OF COUNTY EXECUTIVE**

*FINDING 2025-001*

#### **THE SOLID WASTE DISPOSAL FUND HAD A DEFICIT IN UNRESTRICTED NET POSITION**

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

The Solid Waste Disposal Fund had a deficit of \$2,420,883 in unrestricted net position on June 30, 2025. This deficit resulted from the recognition of a liability totaling \$2,836,924 in the financial statements for costs associated with closing the county's landfill and monitoring the landfill for 30 years after its closure. Generally accepted accounting principles and state statutes require that such costs be reflected in the financial statements. This deficiency resulted from management's failure to correct the finding noted in prior-year audit reports.

### **RECOMMENDATION**

Management should develop and implement a plan that would fund the deficit in unrestricted net position.

### **MANAGEMENT'S RESPONSE – COUNTY EXECUTIVE**

I concur with this finding. Pickett County is the smallest county in the state and has a limited tax base. Unfortunately, we do not have funds to complete this objective.

### **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.



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

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

Finding Number	Title of Finding	Corrective Action Plan Page Number
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**OFFICE OF COUNTY EXECUTIVE**

2025-001	The Solid Waste Disposal Fund had a deficit in unrestricted net position.	170
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## **Pickett County Executive**

**STEPHEN BILBREY**

1 Courthouse Square, Suite 200  
Byrdstown, Tennessee 38549  
(931)864-3798 Fax (931) 864-6615  
Email: [pickettcogov@twlakes.net](mailto:pickettcogov@twlakes.net)

### **Corrective Action Plan**

**FINDING:** THE SOLID WASTE DISPOSAL FUND HAD A DEFICIT IN  
UNRESTRICTED NET POSITION

**Response and Corrective Action Plan Prepared by:**  
Tabitha Lee, Administrative Assistant

**Person Responsible for Implementing the Corrective Action:**  
Stephen Bilbrey, Pickett County Executive

**Anticipated Completion Date of Corrective Action:**  
Unknown at this time

**Repeat Finding:**  
Yes

**Reason Corrective Action was Not Taken in the Prior Year:**  
Pickett County is the smallest county in the state and has a limited tax base. Therefore, we do not have the funds to complete this objective at this time.

**Planned Corrective Action:**  
The finding is a repeat finding that will occur until the landfill is officially closed.

Signature: \_\_\_\_\_

  
Pickett County Executive

## **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 Pickett County.

### **PICKETT COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING**

Pickett County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the county commission resulting in decentralization and some duplication of effort. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Pickett 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.