



ANNUAL FINANCIAL REPORT

Blount County, Tennessee

For the Year Ended June 30, 2025

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

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

COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

ROBERT J. ANDERSON, CPA, CGFM
Audit Manager

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

BLOUNT COUNTY, TENNESSEE

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Summary of Audit Findings

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

Scope

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

Results

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

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

Findings

The following is a summary of the audit findings:

OFFICE OF PURCHASING AGENT

- ◆ Surplus property was not disposed of properly.

OFFICES OF PURCHASING AGENT AND DIRECTOR OF SCHOOLS

- ◆ Competitive bids were not solicited for various student transportation service contracts.

OFFICE OF DIRECTOR OF SCHOOLS

- ◆ The office did not review its software audit logs.



INTRODUCTORY SECTION

BLOUNT COUNTY OFFICIALS

June 30, 2025

Officials

Ed Mitchell, County Mayor
Jeff Headrick, Highway Superintendent
Justin Ridge, Director of Schools
Scott Graves, Trustee
Todd Orr, Assessor of Property
Gaye Hasty, County Clerk
Chris Cantrell, Circuit and General Sessions Courts Clerk
Stephen Ogle, Clerk and Master
Phyllis Crisp, Register of Deeds
James Berrong, Sheriff
Brian Baldwin, Director of Accounts and Budgets
Kari Barrett, Purchasing Agent

Board of County Commissioners

Jared Anderson, Chairman	John Giles
Mike Akard	Jessica Hannah
Robbie Bennett	Jeff Jopling
Dyran Bledsoe	Scott King
Brad Bowers	Staci Crisp-Martin
Nick Bright	Earl McMahan
Quentin Caldwell	Steve Mikels
Richard Carver	Dawn Reagen
Mike Caylor	Linda Webb
Misty Davis	David Wells
Ron French	

Board of Education

Chris Pass, Chairman	John Lowe
Randy Howard	Erica Moore
Brian King	Phil Porter
Joe Lindsey	

Audit Committee

Jared Anderson	Ron French
Nick Meals	Karen McKee

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Blount 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 reports of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Blount County, Tennessee, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Other General Government, 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 Blount Memorial Hospital System (a major enterprise fund and the entire business-type activities). Also, we did not audit the financial statements of the Internal School Fund, a special revenue fund of the discretely presented Blount County School Department, which represent 1.17 percent, 1.56 percent, and 3.76 percent, respectively, of the assets, net position, and revenues of the discretely presented Blount County School Department. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for Blount Memorial Hospital and the Internal School Fund of the Blount County School Department, are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Blount 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., Blount 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 (\$169,045) for the primary government and (\$663,042) for the discretely presented Blount 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.

We draw attention to Note VI.A. to the financial statements, which describes a transaction pursuant to a membership agreement that resulted in a change of control and change in management of operations of Blount Memorial Hospital, Inc. to Prisma Health. As a result of this transaction, the hospital recognized a loss of \$123,486,824 for the period from July 1, 2024 through December 1, 2024. This transaction was accounted for as a disposal of operations in accordance with requirements of GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*. 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 Blount 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 Blount 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 Blount 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 schedules 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 county and 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 Blount County’s basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Blount County School Department (a discretely presented component unit), and miscellaneous schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements

of the Blount 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 February 19, 2026, on our consideration of Blount 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 Blount 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 Blount County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 19, 2026

JEM/gc

BASIC FINANCIAL STATEMENTS SECTION

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

	Primary Government	Component Unit
	<u>Governmental Activities</u>	<u>Blount County School Department</u>
ASSETS		
Cash	\$ 742,448	\$ 2,847,847
Equity in Pooled Cash and Investments	134,395,076	24,027,843
Accounts Receivable	2,254,883	94,643
Due from Other Governments	6,892,009	8,367,509
Due from Component Units - Current	1,455,459	0
Due from Component Units - Long-term	8,405,000	0
Property Taxes Receivable	66,157,226	29,541,742
Allowance for Uncollectible Property Taxes	(720,794)	(321,670)
Prepaid Items	142,524	0
Cash Shortage	0	34,562
Net Pension Asset - Agent Plan	471,001	0
Net Pension Asset - Teacher Retirement Plan	0	538,071
Net Pension Asset - Teacher Legacy Pension Plan	0	20,327,059
Restricted Assets - Amounts Accumulated for Pension Benefits	0	1,590,409
Notes Receivable - Long Term	1,655,376	0
Leases Receivable	269,216	0
Capital Assets:		
Assets Not Depreciated:		
Land	7,647,590	9,951,059
Construction in Progress	37,902,855	9,798,202
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	52,188,898	132,305,173
Infrastructure	40,400,694	0
Other Capital Assets	16,563,073	4,550,493
Intangible Right-to-Use Assets	878,715	0
Total Assets	<u>\$ 377,701,249</u>	<u>\$ 243,652,942</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Charge on Refunding	\$ 1,196,208	\$ 0
Pension Changes in Experience	9,662,364	8,356,186
Pension Changes in Assumptions	1,441,212	645,041
Pension Changes in Proportion	0	52,059
Pension Contributions After Measurement Date	3,158,203	3,841,275
OPEB Changes in Experience	1,147,244	279,542
OPEB Changes in Assumptions	443,020	779,631
Total Deferred Outflows of Resources	<u>\$ 17,048,251</u>	<u>\$ 13,953,734</u>

(Continued)

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

	Primary Government	Component Unit
	<u>Governmental Activities</u>	<u>Blount County School Department</u>
LIABILITIES		
Accounts Payable	\$ 3,269,358	\$ 2,832,547
Accrued Payroll	1,803,677	3,516,771
Accrued Interest Payable	369,005	0
Payroll Deductions Payable	290,687	64,854
Contracts Payable	4,941,098	1,570,047
Retainage Payable	260,058	62,972
Due to Primary Government - Other than Debt Principal	0	520,459
Due to State of Tennessee	116	0
Due to Other Taxing Units	28,972	0
Due to Other Governments	4,445,930	0
Due to Litigant, Heirs, and Others	26,136	0
Sales Tax	813	0
Other Current Liabilities	4,136,072	448,771
Unearned Revenue	520,459	0
Noncurrent Liabilities:		
Due Within One Year - Leases	19,364	0
Due Within One Year - SBITA	200,092	0
Due Within One Year - Debt Due to External Lenders	11,288,726	0
Due Within One Year - Debt Due to Primary Government	0	935,000
Due Within One Year - Other	969,304	587,059
Due in More than One Year - Leases	439,986	0
Due in More than One Year - SBITA	262,446	0
Due in More than One Year - Debt Due to External Lenders	97,905,575	0
Due in More than One Year - Debt Due to Primary Government	0	8,405,000
Due in More Than One Year - Other	20,353,133	18,786,551
Total Liabilities	<u>\$ 151,531,007</u>	<u>\$ 37,730,031</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred Current Property Taxes	\$ 64,529,469	\$ 28,815,575
Deferred Lease Receivable	269,216	0
Pension Changes in Experience	517,010	259,638
Pension Changes in Investment Earnings	1,665,596	4,533,805
Pension Changes in Proportion	0	166,622
OPEB Changes in Experience	999,890	1,412,112
OPEB Changes in Assumptions	1,652,360	2,107,423
Total Deferred Inflows of Resources	<u>\$ 69,633,541</u>	<u>\$ 37,295,175</u>

(Continued)

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

	Primary Government	Component Unit
	<u>Governmental Activities</u>	<u>Blount County School Department</u>
NET POSITION		
Net Investment in Capital Assets	\$ 132,098,122	\$ 145,631,908
Restricted for:		
General Government	1,846,415	0
Finance	1,267,159	0
Administration of Justice	422,995	0
Public Safety	5,779,261	0
Social, Cultural, and Recreation	1,500,869	0
Debt Service	718,007	0
Capital Projects	0	1,477,009
Education	9,340,000	4,919,413
Pensions	471,001	22,455,539
Unrestricted	<u>20,141,123</u>	<u>8,097,601</u>
Total Net Position	<u>\$ 173,584,952</u>	<u>\$ 182,581,470</u>

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

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

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Blount County School Department
					Governmental Activities	Business-type Activities	Total	
Primary Government:								
Governmental Activities:								
General Government	\$ 2,085,461	\$ 2,715,566	\$ 9,390,918	\$ 0	\$ 10,021,023	\$ 0	\$ 10,021,023	\$ 0
Finance	15,668,626	5,819,823	0	0	(9,848,803)	0	(9,848,803)	0
Administration of Justice	8,276,616	4,392,185	588,397	0	(3,296,034)	0	(3,296,034)	0
Public Safety	42,362,932	3,189,347	3,505,619	127,125	(35,540,841)	0	(35,540,841)	0
Public Health and Welfare	16,916,908	256,392	1,251,117	0	(15,409,399)	0	(15,409,399)	0
Social, Cultural, and Recreational Services	5,413,110	184,723	1,141,181	0	(4,087,206)	0	(4,087,206)	0
Agriculture and Natural Resources	385,121	0	0	0	(385,121)	0	(385,121)	0
Highways	17,038,339	248,393	4,214,741	2,925,020	(9,650,185)	0	(9,650,185)	0
Education	16,191,689	18,038,930	0	0	1,847,241	0	1,847,241	0
Interest on Long-term Debt	4,599,727	0	0	0	(4,599,727)	0	(4,599,727)	0
Total Governmental Activities	\$ 128,938,529	\$ 34,845,359	\$ 20,091,973	\$ 3,052,145	\$ (70,949,052)	\$ 0	\$ (70,949,052)	\$ 0
Business-type Activities:								
Blount Memorial Hospital	\$ 302,521,618	\$ 143,304,357	\$ 3,866,989	\$ 0	\$ 0	\$ (155,350,272)	\$ (155,350,272)	\$ 0
Total Primary Government	\$ 431,460,147	\$ 178,149,716	\$ 23,958,962	\$ 3,052,145	\$ (70,949,052)	\$ (155,350,272)	\$ (226,299,324)	\$ 0
Component Unit:								
Blount County School Department	\$ 150,573,668	\$ 3,436,929	\$ 19,581,380	\$ 0	\$ 0	\$ 0	\$ 0	\$ (127,555,359)
Total Component Unit	\$ 150,573,668	\$ 3,436,929	\$ 19,581,380	\$ 0	\$ 0	\$ 0	\$ 0	\$ (127,555,359)

(Continued)

BLOUNT COUNTY, TENNESSEE
Statement of Activities (Cont.)

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Blount
					Governmental Activities	Business-type Activities	Total	County
							School Department	
General Revenues:								
Property Taxes Levied for General Purposes					\$ 46,674,765	\$ 0	\$ 46,674,765	\$ 21,277,219
Property Taxes Levied for Debt Service					14,172,183	0	14,172,183	0
Property Taxes Levied for Capital Projects					2,025,055	0	2,025,055	6,749,687
Local Option Sales Taxes					11,903,899	0	11,903,899	26,515,661
Hotel/Motel Taxes					1,870,133	0	1,870,133	0
Litigation - General Taxes					712,070	0	712,070	0
Business Taxes					2,128,613	0	2,128,613	950,571
Wholesale Beer Taxes					453,270	0	453,270	0
Other Taxes					424,963	0	424,963	349,620
Grants and Contributions Not Restricted to Specific Programs					32,982,008	0	32,982,008	70,987,332
Unrestricted Investment Income					7,153,238	1,843,706	8,996,944	1,395,608
Miscellaneous					117,335	15,985,677	16,103,012	24,530
Total General Revenues					\$ 120,617,532	\$ 17,829,383	\$ 138,446,915	\$ 128,250,228
Change in Net Position					\$ 49,668,480	\$ (137,520,889)	\$ (87,852,409)	\$ 694,869
Net Position, July 1, 2024					124,085,517	137,520,889	261,606,406	182,549,643
Restatement - See Note I.D.10.					(169,045)	0	(169,045)	(663,042)
Net Position, June 30, 2025					\$ 173,584,952	\$ 0	\$ 173,584,952	\$ 182,581,470

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

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

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Other General Government Fund	Highway / Public Works	General Debt Service	Other Governmental Funds	
ASSETS						
Cash	\$ 275	\$ 0	\$ 0	\$ 0	\$ 31,879	\$ 32,154
Equity in Pooled Cash and Investments	65,008,897	4,914,648	3,517,355	23,509,544	12,907,008	109,857,452
Accounts Receivable	358,762	34,626	13,063	86,363	120,573	613,387
Due from Other Governments	1,451,745	0	3,028,006	480,042	1,932,216	6,892,009
Due from Other Funds	43,316	0	0	2,716,122	0	2,759,438
Due from Component Units	0	0	0	9,340,000	0	9,340,000
Property Taxes Receivable	49,084,393	0	0	14,938,729	2,134,104	66,157,226
Allowance for Uncollectible Property Taxes	(534,782)	0	0	(162,760)	(23,252)	(720,794)
Prepaid Items	0	0	0	142,524	0	142,524
Notes Receivable - Long-term	1,655,376	0	0	0	0	1,655,376
Leases Receivable - Long-term	269,216	0	0	0	0	269,216
Total Assets	\$ 117,337,198	\$ 4,949,274	\$ 6,558,424	\$ 51,050,564	\$ 17,102,528	\$ 196,997,988
LIABILITIES						
Accounts Payable	\$ 1,392,748	\$ 0	\$ 128,698	\$ 3,000	\$ 244,137	\$ 1,768,583
Accrued Payroll	1,580,128	2,333	157,983	0	63,233	1,803,677
Payroll Deductions Payable	258,230	868	22,899	0	8,690	290,687
Contracts Payable	0	4,941,098	0	0	0	4,941,098
Retainage Payable	0	260,058	0	0	0	260,058

(Continued)

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

	Major Funds				Nonmajor	Total
	General	Other	Highway /	General	Other	
		Government	Public	Debt	Governmental	
	Fund	Works	Service	Funds	Governmental	
					Funds	Funds
LIABILITIES (Cont.)						
Due to Other Funds	\$ 2,716,122	\$ 0	\$ 0	\$ 0	\$ 43,316	\$ 2,759,438
Due to State of Tennessee	105	0	10	0	1	116
Due to Other Taxing Units	22,174	0	6,798	0	0	28,972
Due to Other Governments	0	4,445,930	0	0	0	4,445,930
Due to Litigants, Heirs, and Others	19,689	0	0	0	6,447	26,136
Sales Tax	0	0	0	0	813	813
Total Liabilities	\$ 5,989,196	\$ 9,650,287	\$ 316,388	\$ 3,000	\$ 366,637	\$ 16,325,508
DEFERRED INFLOWS OF RESOURCES						
Deferred Current Property Taxes	\$ 47,876,703	\$ 0	\$ 0	\$ 14,571,171	\$ 2,081,595	\$ 64,529,469
Deferred Delinquent Property Taxes	511,121	0	0	155,477	22,224	688,822
Deferred Leases Receivable	269,216	0	0	0	0	269,216
Other Deferred/Unavailable Revenue	4,606	0	2,175,548	0	111,352	2,291,506
Total Deferred Inflows of Resources	\$ 48,661,646	\$ 0	\$ 2,175,548	\$ 14,726,648	\$ 2,215,171	\$ 67,779,013
FUND BALANCES						
Nonspendable:						
Long-term Notes Receivable	\$ 1,655,376	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,655,376
Prepaid Items	0	0	0	142,524	0	142,524

(Continued)

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

	Major Funds				Nonmajor	Total
				Funds	Governmental	
	Other	Highway /	General	Other		
General	Government	Public	Debt	Governmental	Funds	
	Fund	Works	Service	Funds	Funds	
FUND BALANCES (Cont.)						
Restricted:						
Restricted for General Government	\$ 1,560,079	\$ 0	\$ 0	\$ 0	\$ 286,336	\$ 1,846,415
Restricted for Finance	1,267,159	0	0	0	0	1,267,159
Restricted for Administration of Justice	377,686	0	0	0	45,309	422,995
Restricted for Public Safety	2,301,414	0	0	2,716,122	761,725	5,779,261
Restricted for Social, Cultural, and Recreational Services	0	0	0	0	1,500,869	1,500,869
Restricted for Education	0	0	0	9,340,000	0	9,340,000
Restricted for Debt Service	0	0	0	931,535	0	931,535
Committed:						
Committed for Administration of Justice	1,295,318	0	0	0	0	1,295,318
Committed for Public Safety	0	0	0	0	2,323,866	2,323,866
Committed for Public Health and Welfare	250,389	0	0	0	0	250,389
Committed for Highways/Public Works	0	0	4,066,488	0	0	4,066,488
Committed for Capital Outlay	0	0	0	0	9,602,615	9,602,615
Committed for Debt Service	0	0	0	23,190,735	0	23,190,735
Assigned:						
Assigned for General Government	195,191	0	0	0	0	195,191
Assigned for Finance	753,780	0	0	0	0	753,780
Assigned for Administration of Justice	110,758	0	0	0	0	110,758
Assigned for Public Safety	583,374	0	0	0	0	583,374
Assigned for Public Health and Welfare	16,701	0	0	0	0	16,701

(Continued)

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

	Major Funds				Nonmajor	Total
	General	Other General Government Fund	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
FUND BALANCES (Cont.)						
Assigned (Cont.):						
Assigned for Agriculture and Natural Resources	\$ 959	\$ 0	\$ 0	\$ 0	\$ 0	\$ 959
Assigned for Other Operations	1,958	0	0	0	0	1,958
Assigned for Capital Outlay	965,753	0	0	0	0	965,753
Unassigned	51,350,461	(4,701,013)	0	0	0	46,649,448
Total Fund Balances	\$ 62,686,356	\$ (4,701,013)	\$ 4,066,488	\$ 36,320,916	\$ 14,520,720	\$ 112,893,467
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 117,337,198	\$ 4,949,274	\$ 6,558,424	\$ 51,050,564	\$ 17,102,528	\$ 196,997,988

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

BLOUNT 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)		\$ 112,893,467
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 7,647,590	
Add: construction in progress	37,902,855	
Add: buildings and improvements net of accumulated depreciation	52,188,898	
Add: infrastructure net of accumulated depreciation	40,400,694	
Add: other capital assets net of accumulated depreciation	16,563,073	
Add: intangible right-to-use assets net of accumulated amortization	<u>878,715</u>	155,581,825
(2) An internal service fund is used by management to charge the cost of general liability, property, casualty, workers' compensation, and employee health benefits to an individual fund. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		21,252,567
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: bonds payable	\$ (98,332,484)	
Less: leases payable	(459,350)	
Less: SBITA payable	(462,538)	
Less: other loans payable	(1,727,188)	
Add: deferred amount on refunding	1,196,208	
Less: compensated absences payable	(1,904,758)	
Less: OPEB liability	(15,520,781)	
Less: accrued interest on bonds	(369,005)	
Less: unamortized premium on debt	(9,134,629)	
Less: net pension liability - agent plan - county	<u>(3,896,898)</u>	(130,611,423)
(4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 14,261,779	
Less: deferred inflows of resources related to pensions	(2,182,606)	
Add: deferred outflows of resources related to OPEB	1,590,264	
Less: deferred inflows of resources related to OPEB	<u>(2,652,250)</u>	11,017,187
(5) Net pension assets of the agent plans are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - agent plan - library		471,001
(6) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		<u>2,980,328</u>
Net Position of Governmental Activities (Exhibit A)		<u><u>\$ 173,584,952</u></u>

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

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

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Other Government Fund	Highway / Public Works	General Debt Service	Other Governmental Funds	
Revenues						
Local Taxes	\$ 55,451,774	\$ 0	\$ 7,676,617	\$ 17,002,291	\$ 4,946,504	\$ 85,077,186
Licenses and Permits	1,907,760	0	201,325	0	0	2,109,085
Fines, Forfeitures, and Penalties	1,135,664	0	0	0	10,109	1,145,773
Charges for Current Services	1,050,219	0	0	0	217,609	1,267,828
Other Local Revenues	3,509,255	832,416	238,326	1,424,351	950,298	6,954,646
Fees Received From County Officials	9,401,125	0	0	0	0	9,401,125
State of Tennessee	5,409,223	0	4,684,582	19,103	40,015	10,152,923
Federal Government	3,179,407	9,153,605	0	0	135,281	12,468,293
Other Governments and Citizens Groups	1,353,526	0	25,103	268,565	1,678,359	3,325,553
Total Revenues	\$ 82,397,953	\$ 9,986,021	\$ 12,825,953	\$ 18,714,310	\$ 7,978,175	\$ 131,902,412
Expenditures						
Current:						
General Government	\$ 7,402,265	\$ 0	\$ 0	\$ 0	\$ 244,028	\$ 7,646,293
Finance	11,127,799	0	0	0	0	11,127,799
Administration of Justice	8,142,738	0	0	0	3,243	8,145,981
Public Safety	38,292,775	0	0	0	201,195	38,493,970
Public Health and Welfare	1,904,182	0	0	0	0	1,904,182
Social, Cultural, and Recreational Services	2,306,675	0	0	0	2,427,900	4,734,575
Agriculture and Natural Resources	384,259	0	0	0	0	384,259
Other Operations	2,086,548	22,435,699	0	0	12,273	24,534,520
Highways	127,707	0	13,969,683	0	0	14,097,390

(Continued)

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

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Other General Government Fund	Highway / Public Works	General Debt Service	Other Governmental Funds	
Expenditures (Cont.)						
Debt Service:						
Principal on Debt	\$ 694,435	\$ 0	\$ 0	\$ 10,456,929	\$ 0	\$ 11,151,364
Interest on Debt	37,684	0	0	5,599,032	0	5,636,716
Other Debt Service	0	0	0	357,816	0	357,816
Capital Projects	4,328,252	0	0	0	5,280,513	9,608,765
Total Expenditures	<u>\$ 76,835,319</u>	<u>\$ 22,435,699</u>	<u>\$ 13,969,683</u>	<u>\$ 16,413,777</u>	<u>\$ 8,169,152</u>	<u>\$ 137,823,630</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 5,562,634</u>	<u>\$ (12,449,678)</u>	<u>\$ (1,143,730)</u>	<u>\$ 2,300,533</u>	<u>\$ (190,977)</u>	<u>\$ (5,921,218)</u>
Other Financing Sources (Uses)						
Other Loans Issued	\$ 2,147,830	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,147,830
Insurance Recovery	6,108	0	40,730	0	0	46,838
Transfers In	546,332	0	0	682,064	1,462,000	2,690,396
Transfers Out	(2,144,064)	0	0	0	(263,332)	(2,407,396)
Total Other Financing Sources (Uses)	<u>\$ 556,206</u>	<u>\$ 0</u>	<u>\$ 40,730</u>	<u>\$ 682,064</u>	<u>\$ 1,198,668</u>	<u>\$ 2,477,668</u>
Net Change in Fund Balances	<u>\$ 6,118,840</u>	<u>\$ (12,449,678)</u>	<u>\$ (1,103,000)</u>	<u>\$ 2,982,597</u>	<u>\$ 1,007,691</u>	<u>\$ (3,443,550)</u>
Fund Balance, July 1, 2024	<u>56,567,516</u>	<u>7,748,665</u>	<u>5,169,488</u>	<u>33,338,319</u>	<u>13,513,029</u>	<u>116,337,017</u>
Fund Balance, June 30, 2025	<u>\$ 62,686,356</u>	<u>\$ (4,701,013)</u>	<u>\$ 4,066,488</u>	<u>\$ 36,320,916</u>	<u>\$ 14,520,720</u>	<u>\$ 112,893,467</u>

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

BLOUNT 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)		\$ (3,443,550)
(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	\$ 32,983,560	
Less: current-year depreciation and amortization expense	<u>(14,467,011)</u>	18,516,549
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase (decrease) net position.		
Add: assets donated and capitalized	\$ 1,329,719	
Add: capital assets, net of accumulated depreciation, contributed from enterprise fund	25,447,220	
Less: book value of capital assets disposed	<u>(2,272,468)</u>	24,504,471
(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	\$ 2,980,328	
Less: deferred delinquent property taxes and other deferred June 30, 2024	<u>(934,063)</u>	2,046,265
(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 payment on bonds	\$ 10,456,929	
Add: principal payments on leases	19,134	
Add: principal payments on SBITA	254,659	
Add: principal matured on SBITA cancellation	931,054	
Add: principal payments on other loans	420,642	
Less: other loans issued	(2,147,830)	
Add: change in premium on debt issuances	1,600,180	
Less: change in deferred amount on refunding debt	<u>(248,443)</u>	11,286,325

(Continued)

BLOUNT COUNTY, TENNESSEE

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities (Cont.)

(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	\$ 43,068	
Change in compensated absences payable	288,771	
Change in net OPEB liability	(5,017,411)	
Change in net pension asset/liability - agent county plan	(2,153,125)	
Change in net pension asset/liability - agent library plan	210,286	
Change in deferred outflows related to pensions	1,801,543	
Change in deferred inflows related to pensions	(1,294,782)	
Change in deferred outflows related to OPEB	(327,121)	
Change in deferred inflows related to OPEB	<u>(272,181)</u>	\$ (6,720,952)

(6) An internal service fund is used by management to charge the cost of general liability, property, casualty, workers' compensation, and employee health benefits to an individual fund. The net revenue (expense) of certain activities of the internal service fund is reported with governmental activities in the statement of activities.

3,479,372

Change in net position of governmental activities (Exhibit B)

\$ 49,668,480

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

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 55,451,774	\$ 0	\$ 0	\$ 55,451,774	\$ 54,286,200	\$ 54,286,200	\$ 1,165,574
Licenses and Permits	1,907,760	0	0	1,907,760	1,565,000	1,565,000	342,760
Fines, Forfeitures, and Penalties	1,135,664	0	0	1,135,664	1,000,244	1,000,244	135,420
Charges for Current Services	1,050,219	0	0	1,050,219	996,050	996,050	54,169
Other Local Revenues	3,509,255	0	0	3,509,255	2,176,850	2,177,445	1,331,810
Fees Received From County Officials	9,401,125	0	0	9,401,125	8,593,500	8,593,500	807,625
State of Tennessee	5,409,223	0	0	5,409,223	5,235,750	5,615,654	(206,431)
Federal Government	3,179,407	0	0	3,179,407	3,274,944	3,459,141	(279,734)
Other Governments and Citizens Groups	1,353,526	0	0	1,353,526	829,402	1,530,543	(177,017)
Total Revenues	\$ 82,397,953	\$ 0	\$ 0	\$ 82,397,953	\$ 77,957,940	\$ 79,223,777	\$ 3,174,176
Expenditures							
General Government							
County Commission	\$ 127,547	\$ 0	\$ 0	\$ 127,547	\$ 139,743	\$ 139,743	\$ 12,196
Board of Equalization	3,395	0	0	3,395	4,000	4,000	605
Beer Board	978	0	0	978	1,250	1,250	272
Other Boards and Committees	138	0	0	138	162,445	162,445	162,307
County Mayor/Executive	395,858	0	0	395,858	398,432	398,432	2,574
Personnel Office	443,857	(10,000)	10,210	444,067	529,024	529,024	84,957
Election Commission	779,070	(461)	1,714	780,323	750,452	816,602	36,279

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
General Government (Cont.)							
Register of Deeds	\$ 773,059	\$ 0	\$ 0	\$ 773,059	\$ 813,418	\$ 830,262	\$ 57,203
Development	1,432,641	(65,034)	38,421	1,406,028	1,473,935	1,717,935	311,907
County Buildings	2,058,274	(23,113)	120,565	2,155,726	2,341,585	2,341,585	185,859
Other General Administration	1,046,953	0	18,718	1,065,671	1,157,981	1,157,981	92,310
Preservation of Records	137,315	0	0	137,315	144,957	144,957	7,642
Risk Management	203,180	(110)	5,563	208,633	217,088	217,088	8,455
Finance							
Accounting and Budgeting	703,985	(1,297)	1,262	703,950	757,968	757,968	54,018
Purchasing	570,470	(2,064)	0	568,406	647,462	647,462	79,056
Central Services	4,185,406	(241,137)	626,203	4,570,472	4,406,060	4,658,089	87,617
Property Assessor's Office	1,537,170	(708)	3,875	1,540,337	1,578,704	1,598,079	57,742
County Trustee's Office	670,809	(157)	411	671,063	668,443	677,103	6,040
County Clerk's Office	1,684,399	(1,930)	24,025	1,706,494	1,706,145	1,757,650	51,156
Data Processing	1,656,771	(35,105)	98,004	1,719,670	2,290,394	2,041,793	322,123
Other Finance	118,789	0	0	118,789	179,788	179,788	60,999
Administration of Justice							
Circuit Court Judge	36,260	(212)	664	36,712	94,783	94,783	58,071
Circuit Court Clerk	3,178,117	(364)	10,137	3,187,890	3,328,975	3,328,974	141,084
Criminal Court	976,740	(1,494)	2,265	977,511	947,901	1,072,501	94,990

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Administration of Justice (Cont.)							
General Sessions Judge	\$ 1,223,714	\$ (6)	\$ 0	\$ 1,223,708	\$ 1,283,441	\$ 1,283,441	\$ 59,733
Chancery Court	600,472	0	975	601,447	645,664	645,664	44,217
Juvenile Court	987,310	(1,760)	2,649	988,199	854,832	1,177,376	189,177
Office of Public Defender	47,740	0	0	47,740	49,862	49,862	2,122
Judicial Commissioners	308,026	0	277	308,303	333,183	333,183	24,880
Probation Services	739,359	(37,530)	93,791	795,620	861,426	861,425	65,805
Victim Assistance Programs	45,000	0	0	45,000	45,000	45,000	0
Public Safety							
Sheriff's Department	20,679,920	(95,821)	258,791	20,842,890	20,850,954	21,430,817	587,927
Administration of the Sexual Offender Registry	34,684	0	0	34,684	40,000	37,500	2,816
Jail	14,322,229	(311,588)	186,561	14,197,202	14,272,055	14,772,797	575,595
Workhouse	17,477	0	0	17,477	17,003	17,003	(474)
Juvenile Services	2,398,906	(197,871)	134,641	2,335,676	2,391,887	2,391,887	56,211
Fire Prevention and Control	111,250	0	0	111,250	111,250	111,250	0
Civil Defense	264,315	(3,226)	3,381	264,470	327,273	332,595	68,125
Other Emergency Management	463,994	0	0	463,994	463,994	463,994	0
Public Health and Welfare							
Local Health Center	967,988	0	0	967,988	1,527,835	1,659,810	691,822
Rabies and Animal Control	936,194	(8,305)	16,701	944,590	978,659	995,399	50,809

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Social, Cultural, and Recreational Services							
Parks and Fair Boards	\$ 2,306,675	\$ 0	\$ 0	\$ 2,306,675	\$ 867,449	\$ 2,349,608	\$ 42,933
Agriculture and Natural Resources							
Agricultural Extension Service	228,067	(548)	959	228,478	320,301	320,301	91,823
Soil Conservation	156,192	(372)	0	155,820	185,823	185,823	30,003
Other Operations							
Industrial Development	1,668,181	0	0	1,668,181	2,312,333	2,312,333	644,152
Veterans' Services	286,439	(1,500)	1,958	286,897	288,253	307,798	20,901
Contributions to Other Agencies	131,928	0	0	131,928	131,928	131,928	0
Highways							
Litter and Trash Collection	127,707	0	0	127,707	131,506	131,506	3,799
Principal on Debt							
General Government	694,435	0	0	694,435	0	694,435	0
Interest on Debt							
General Government	37,684	0	0	37,684	0	37,684	0
Capital Projects							
General Administration Projects	236,367	0	58,668	295,035	240,500	240,500	(54,535)
Public Safety Projects	4,091,885	(1,049,035)	907,085	3,949,935	1,721,927	3,955,503	5,568
Total Expenditures	\$ 76,835,319	\$ (2,090,748)	\$ 2,628,474	\$ 77,373,045	\$ 75,995,271	\$ 82,551,916	\$ 5,178,871

(Continued)

BLOUNT 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	
Excess (Deficiency) of Revenues Over Expenditures	\$ 5,562,634	\$ 2,090,748	\$ (2,628,474)	\$ 5,024,908	\$ 1,962,669	\$ (3,328,139)	\$ 8,353,047
Other Financing Sources (Uses)							
Other Loans Issued	\$ 2,147,830	\$ 0	\$ 0	\$ 2,147,830	\$ 0	\$ 2,147,830	\$ 0
Insurance Recovery	6,108	0	0	6,108	0	6,108	0
Transfers In	546,332	0	0	546,332	548,432	548,432	(2,100)
Transfers Out	(2,144,064)	0	0	(2,144,064)	(2,150,000)	(2,150,000)	5,936
Total Other Financing Sources	\$ 556,206	\$ 0	\$ 0	\$ 556,206	\$ (1,601,568)	\$ 552,370	\$ 3,836
Net Change in Fund Balance	\$ 6,118,840	\$ 2,090,748	\$ (2,628,474)	\$ 5,581,114	\$ 361,101	\$ (2,775,769)	\$ 8,356,883
Fund Balance, July 1, 2024	56,567,516	(2,090,748)	0	54,476,768	56,269,289	56,269,289	(1,792,521)
Fund Balance, June 30, 2025	\$ 62,686,356	\$ 0	\$ (2,628,474)	\$ 60,057,882	\$ 56,630,390	\$ 53,493,520	\$ 6,564,362

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

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Other Local Revenues	\$ 832,416	\$ 0	\$ 0	\$ 832,416	\$ 0	\$ 0	832,416
Federal Government	9,153,605	0	0	9,153,605	0	9,153,605	0
Total Revenues	\$ 9,986,021	\$ 0	\$ 0	\$ 9,986,021	\$ 0	\$ 9,153,605	\$ 832,416
Expenditures							
Other Operations							
American Rescue Plan Act Grant #1	\$ 22,435,699	\$ (13,553,981)	\$ 9,442,845	\$ 18,324,563	\$ 16,127,883	\$ 28,608,187	\$ 10,283,624
Total Expenditures	\$ 22,435,699	\$ (13,553,981)	\$ 9,442,845	\$ 18,324,563	\$ 16,127,883	\$ 28,608,187	\$ 10,283,624
Excess (Deficiency) of Revenues							
Over Expenditures	\$ (12,449,678)	\$ 13,553,981	\$ (9,442,845)	\$ (8,338,542)	\$ (16,127,883)	\$ (19,454,582)	\$ 11,116,040
Net Change in Fund Balance	\$ (12,449,678)	\$ 13,553,981	\$ (9,442,845)	\$ (8,338,542)	\$ (16,127,883)	\$ (19,454,582)	\$ 11,116,040
Fund Balance, July 1, 2024	7,748,665	(13,553,981)	0	(5,805,316)	27,881,019	27,881,019	(33,686,335)
Fund Balance, June 30, 2025	\$ (4,701,013)	\$ 0	\$ (9,442,845)	\$ (14,143,858)	\$ 11,753,136	\$ 8,426,437	\$ (22,570,295)

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

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 7,676,617	\$ 0	\$ 0	\$ 7,676,617	\$ 7,313,126	\$ 7,313,126	\$ 363,491
Licenses and Permits	201,325	0	0	201,325	194,124	194,124	7,201
Other Local Revenues	238,326	0	0	238,326	90,000	90,000	148,326
State of Tennessee	4,684,582	0	0	4,684,582	3,963,208	3,963,208	721,374
Other Governments and Citizens Groups	25,103	0	0	25,103	0	0	25,103
Total Revenues	\$ 12,825,953	\$ 0	\$ 0	\$ 12,825,953	\$ 11,560,458	\$ 11,560,458	\$ 1,265,495
Expenditures							
Highways							
Administration	\$ 1,838,141	\$ (15,865)	\$ 29,989	\$ 1,852,265	\$ 1,904,941	\$ 1,919,341	\$ 67,076
Highway and Bridge Maintenance	10,781,613	(979,078)	220,445	10,022,980	8,304,150	10,206,625	183,645
Operation and Maintenance of Equipment	1,245,712	(37,237)	29,568	1,238,043	1,255,983	1,261,325	23,282
Litter and Trash Collection	104,217	(85)	0	104,132	112,147	116,397	12,265
Total Expenditures	\$ 13,969,683	\$ (1,032,265)	\$ 280,002	\$ 13,217,420	\$ 11,577,221	\$ 13,503,688	\$ 286,268
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,143,730)	\$ 1,032,265	\$ (280,002)	\$ (391,467)	\$ (16,763)	\$ (1,943,230)	\$ 1,551,763
Other Financing Sources (Uses)							
Insurance Recovery	\$ 40,730	\$ 0	\$ 0	\$ 40,730	\$ 0	\$ 4,079	\$ 36,651
Total Other Financing Sources	\$ 40,730	\$ 0	\$ 0	\$ 40,730	\$ 0	\$ 4,079	\$ 36,651
Net Change in Fund Balance	\$ (1,103,000)	\$ 1,032,265	\$ (280,002)	\$ (350,737)	\$ (16,763)	\$ (1,939,151)	\$ 1,588,414
Fund Balance, July 1, 2024	5,169,488	(1,032,265)	0	4,137,223	1,989,151	1,989,151	2,148,072
Fund Balance, June 30, 2025	\$ 4,066,488	\$ 0	\$ (280,002)	\$ 3,786,486	\$ 1,972,388	\$ 50,000	\$ 3,736,486

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

BLOUNT COUNTY, TENNESSEE
Statement of Net Position - Proprietary Funds
June 30, 2025

	Governmental Activities
	Internal Service Fund
	Self- Insurance Fund
ASSETS	
Current Assets:	
Cash	\$ 710,294
Equity in Pooled Cash and Investments	24,537,624
Accounts Receivable	1,641,496
Due from Component Units	520,459
Total Assets	<u>\$ 27,409,873</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	\$ 1,500,775
Other Current Liabilities	4,136,072
Total Current Liabilities	<u>\$ 5,636,847</u>
Noncurrent Liabilities:	
Unearned/Unavailable Revenue	\$ 520,459
Total Noncurrent Liabilities	<u>\$ 520,459</u>
Total Liabilities	<u>\$ 6,157,306</u>
NET POSITION	
Unrestricted	<u>\$ 21,252,567</u>
Total Net Position	<u><u>\$ 21,252,567</u></u>

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

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

	Business-type Activities	Governmental Activities
	Major Enterprise Fund	Internal Service Fund
	Blount Memorial Hospital Enterprise Fund	Self- Insurance Fund
Operating Revenues		
Self-Insurance Premiums	\$ 0	\$ 28,067,176
Charges for Current Services	143,304,357	0
Other Revenue	3,866,989	0
Total Operating Revenues	<u>\$ 147,171,346</u>	<u>\$ 28,067,176</u>
Operating Expenses		
Fiscal Agent Charges	\$ 0	\$ 1,804,241
Insurance Premiums	0	795,025
Contracts with Private Agencies	0	560,439
Building and Contents Insurance	0	668,618
Other Administrative Expenses	0	106,128
Medical Claims	0	20,903,359
Liability Insurance	0	51,169
Other Self-Insured Claims	0	494,232
Salaries and Wages	78,302,910	0
Employee Benefits	15,830,862	0
Contract Labor	1,895,103	0
Professional Fees	6,651,221	0
Patient Supplies	20,548,467	0
Purchased Maintenance	6,142,423	0
Outside Services	3,082,136	0
Equipment Rental	362,908	0
Utilities	1,913,712	0
Marketing	243,187	0
Depreciation and Amortization	6,928,261	0
Other Expenses	4,807,079	0
Total Operating Expenses	<u>\$ 146,708,269</u>	<u>\$ 25,383,211</u>
Operating Income (Loss)	<u>\$ 463,077</u>	<u>\$ 2,683,965</u>

(Continued)

BLOUNT COUNTY, TENNESSEE**Statement of Revenues, Expenses, and Changes
in Net Position - Proprietary Funds (Cont.)**

	Business-type Activities	Governmental Activities
	Major Enterprise Fund	Internal Service Fund
	Blount Memorial Hospital Enterprise Fund	Self- Insurance Fund
Nonoperating Revenues (Expenses)		
Investment Income	\$ 1,843,706	\$ 1,078,407
Interest Expense	(1,081,579)	0
Transaction Expense	(5,797,726)	0
Gain on Sale of Certain Business Activities	15,959,275	0
Contribution of Capital Assets	(25,447,220)	
Other Nonoperating Income	26,402	0
Total Nonoperating Revenues (Expenses)	<u>\$ (14,497,142)</u>	<u>\$ 1,078,407</u>
Income (Loss) Before Transfers	\$ (14,034,065)	\$ 3,762,372
Loss on Transfer of BMHI to Prisma Health	(123,486,824)	0
Transfers Out	<u>0</u>	<u>(283,000)</u>
Change in Net Position	\$ (137,520,889)	\$ 3,479,372
Net Position, July 1, 2024	<u>137,520,889</u>	<u>17,773,195</u>
Net Position, June 30, 2025	<u><u>\$ 0</u></u>	<u><u>\$ 21,252,567</u></u>

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

BLOUNT COUNTY, TENNESSEE
Statement of Cash Flows - Proprietary Funds
For the Year Ended June 30, 2025

	Business-type Activities	Governmental Activities
	Major Enterprise Fund	Internal Service Fund
	Blount Memorial Hospital Enterprise Fund	Self- Insurance Fund
Cash Flows from Operating Activities		
Receipts for Self-insurance Premiums	\$ 0	\$ 28,060,632
Receipts for Prescription Rebates	0	4,561,420
Receipts from Patients	146,868,614	0
Payments to Fiscal Agents	0	(1,815,041)
Payments to Insurers	0	(2,075,251)
Payments for Claims	0	(26,763,967)
Payments for Administrative Costs	0	(107,091)
Payments to Employees for Services	(79,464,507)	0
Payments to Suppliers and Contractors for Goods and Services	(64,865,792)	0
Net Cash Provided By (Used In) Operating Activities	<u>\$ 2,538,315</u>	<u>\$ 1,860,702</u>
Cash Flows from Investing Activities		
Interest on Investments	\$ 1,643,601	\$ 1,089,646
Net Sale of Investments	(12,140)	0
Transaction Expense	(5,122,667)	0
Proceeds from Sale of Certain Business Activities	21,949,828	0
Cash Transferred upon Transfer of BMHI	(82,787,161)	0
Net Cash Provided By (Used In) Investing Activities	<u>\$ (64,328,539)</u>	<u>\$ 1,089,646</u>
Cash Flows from Noncapital Financing Activities		
Transfers to Other Funds	\$ 0	\$ (283,000)
Other Revenues and Expenses	26,402	0
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>\$ 26,402</u>	<u>\$ (283,000)</u>
Cash Flows from Capital and Related Financing Activities		
Additions to Property and Equipment	\$ (1,596,341)	\$ 0
Payments of Long-term Debt	(442,673)	0
Payments of Lease and Subscription-Based Obligations	(1,148,089)	0
Interest Paid	(695,950)	0
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>\$ (3,883,053)</u>	<u>\$ 0</u>
Increase (Decrease) in Cash	\$ (65,646,875)	\$ 2,667,348
Cash, July 1, 2024	65,646,875	22,580,570
Cash, June 30, 2025	<u>\$ 0</u>	<u>\$ 25,247,918</u>

(Continued)

BLOUNT COUNTY, TENNESSEE
Statement of Cash Flows - Proprietary Funds (Cont.)

	Business-type Activities	Governmental Activities
	Major Enterprise Fund	Internal Service Fund
	Blount Memorial Hospital Enterprise Fund	Self- Insurance Fund
Reconciliation of Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities		
Operating Income (Loss)	\$ 463,077	\$ 2,683,965
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:		
(Increase) Decrease in Operating Receivables (excluding interest receivable)	0	(767,563)
Increase (Decrease) in Depreciation and Amortization	6,928,261	0
Increase (Decrease) in Leases	(674,604)	0
Increase (Decrease) in Provision for Bad Debts	8,696,919	0
Increase (Decrease) in Operating Assets and Deferred Outflows of Resources	(10,422,229)	0
Increase (Decrease) in Accounts Payable	0	(431,023)
Increase (Decrease) in Other Current Liabilities	0	375,323
Increase (Decrease) in Operating Liabilities	(2,453,109)	0
Net Cash Provided By (Used In) Operating Activities	<u>\$ 2,538,315</u>	<u>\$ 1,860,702</u>
Reconciliation of Cash With the Statement of Net Position		
Cash Per Net Position	\$ 0	\$ 710,294
Equity in Pooled Cash and Investments Per Net Position	<u>0</u>	<u>24,537,624</u>
Cash, June 30, 2025	<u>\$ 0</u>	<u>\$ 25,247,918</u>

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

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

	Private Purpose Trust Fund	Custodial Funds
	<u> </u>	<u> </u>
ASSETS		
Cash	\$ 0	\$ 6,567,133
Equity in Pooled Cash and Investments	485,403	1,548,903
Accounts Receivable	1,763	567,939
Due from Other Governments	0	9,821,745
Property Taxes Receivable	0	17,408,547
Allowance for Uncollectible Taxes	0	(189,861)
	<u> </u>	<u> </u>
Total Assets	<u>\$ 487,166</u>	<u>\$ 35,724,406</u>
LIABILITIES		
Accounts Payable	\$ 0	\$ 8,203
Due to Other Taxing Units	0	9,891,422
Due to Litigants, Heirs, and Others	0	153,132
Due to Joint Ventures	0	961,127
	<u> </u>	<u> </u>
Total Liabilities	<u>\$ 0</u>	<u>\$ 11,013,884</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred Current Property Taxes	\$ 0	\$ 17,161,213
	<u> </u>	<u> </u>
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 17,161,213</u>
NET POSITION		
Restricted For:		
Individuals, Organizations and Other Governments	\$ 0	\$ 7,549,309
Permanent Endowment:		
Expendable	1,763	0
Nonexpendable	485,403	0
	<u> </u>	<u> </u>
Total Net Position	<u>\$ 487,166</u>	<u>\$ 7,549,309</u>

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

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

	Private Purpose Trust Fund	Custodial Funds
	<u> </u>	<u> </u>
ADDITIONS		
Sales Tax Collections for Other Governments	\$ 0	\$ 35,178,883
Hotel/Motel Tax Collections for Joint Venture	0	4,889,652
ADA - Educational Funds Collected for Cities	0	38,026,842
Fines/Fees and Other Collections	22,756	36,639,200
Drug Task Force Collections	0	335,236
District Attorney General Collections	0	17,895
Total Additions	<u>\$ 22,756</u>	<u>\$ 115,087,708</u>
DEDUCTIONS		
Payment of Sales Tax Collections to Other Governments	\$ 0	\$ 35,178,883
Payment of Hotel/Motel Tax Collections for Joint Venture	0	4,889,652
Contributions to Local Organization	23,155	0
Payments to City School Systems	0	38,026,842
Payments to State	0	22,188,102
Payments to Individuals and Others	0	14,136,336
Payment of Drug Task Force Expenses	0	303,482
Payment of District Attorney General Expenses	0	3,167
Total Deductions	<u>\$ 23,155</u>	<u>\$ 114,726,464</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ (399)	\$ 361,244
Net Position, July 1, 2024	<u>487,565</u>	<u>7,188,065</u>
Net Position, June 30, 2025	<u><u>\$ 487,166</u></u>	<u><u>\$ 7,549,309</u></u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Blount 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 Blount County:

A. *Reporting Entity*

Blount County is a public municipal corporation governed by an elected 21-member board. As required by GAAP, these financial statements present Blount County (the primary government) and its component units. The financial statements of the Blount County Emergency Communications District and the Blount County Public Building Authority, component units requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of these omissions did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

The Blount County School Department operates the public school system in the county, and the voters of Blount County elect its board. The school department is fiscally dependent on the county because it may not issue debt, and its budget and property tax levy are subject to the county commission's approval. The school department's taxes are levied under the taxing authority of the county and are included as part of the county's total tax levy.

The Blount County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Blount County. The Blount County Emergency Communications District is governed by a nine-member board of directors, four of whom are appointed by the Blount County Commission, two each by the cities of Maryville and Alcoa, and one elected by the other eight members. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the county commission's approval. The financial statements of the Blount County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

The Blount County Public Building Authority serves as a financing mechanism to provide capital loans to local governments throughout the state. The Blount County Public Building Authority is a public nonprofit organization whose board is appointed by the Blount County Commission. The county is entitled to the net earnings of the authority after provisions have been made for obligations and any reserves, which are determined by the board. The financial statements of the Blount County Public Building Authority were not material to the component units' opinion unit and therefore have been omitted from this report.

The Blount County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the school department are included in this report as listed in the table of contents. Complete financial statements of the Blount County Emergency

Communications District and the Blount County Public Building Authority can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Blount County Emergency Communications District
1431 William Blount Drive
Maryville, TN 37801

Blount County Public Building Authority
381 Court Street
Maryville, TN 37804

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, when applicable, interfund services provided and used between functions are not eliminated in the process of consolidation in the Statement of Activities. Governmental activities are normally supported by taxes and intergovernmental revenues. Business-type activities, which rely to a significant extent on fees and charges, are required to be reported separately from governmental activities in government-wide financial statements. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The Blount 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.

Blount County issues all debt for the discretely presented Blount 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 funds (internal service and enterprise), and fiduciary funds. The internal service fund is reported with the governmental activities in the government-wide financial statements, and the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds 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 Blount 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. Blount County reports two proprietary funds, one internal service fund and one enterprise fund.

Separate financial statements are provided for governmental funds, proprietary funds (internal service and enterprise), and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All other governmental funds are aggregated into a single column on the fund financial statements. The internal service fund and the fiduciary funds in total are reported in single columns by fund type.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 60 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Blount 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, including lease and SBITA obligations, 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 funds and fiduciary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category includes a private-purpose trust and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement.

Blount 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.

Other General Government Fund – This special revenue fund accounts for proceeds received from the American Rescue Plan Act.

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

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

Blount County reports the following major enterprise fund:

Blount Memorial Hospital Enterprise Fund – This fund was used to account for the Blount Memorial Hospital operations in prior years. The county entered an agreement to lease the facility and future operations on December 1, 2024, and ceased operations accounted for in the fund. During the year the fund was closed and capital assets belonging to Blount County were transferred to governmental activities.

Additionally, Blount County reports the following fund types:

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

Internal Service Fund – The Self Insurance Fund accounts for the self-insured general liability, property, casualty, workers' compensation, and employee health benefits managed by the county for the primary government and the discretely presented school department.

Private Purpose Trust Fund – The Private Purpose Trust Fund is used to account for resources legally held in trust for the benefit of the Boys & Girls Club of Blount County. Earnings on invested resources may be used to benefit the Boys & Girls Club, but the principal is required to be maintained intact.

Custodial Funds – These funds account for amounts collected in an custodial capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Blount County, the city school systems' shares of educational revenues, hotel/motel tax received by the county to be forwarded to the Tourism Development Authority, state grants and other restricted revenues held for the benefit of the Judicial District Drug Task Force, and restricted revenues held for the benefit of the Office of District Attorney General.

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

General Purpose School Fund – This fund is the primary operating fund for the school department. It is used to account for general operations of the school department.

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

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

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

The school department reports a nonmajor special revenue fund (Internal School Fund) which is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. The current year (FY 25) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior year balances (FY 24) are presented in this report. We do not believe using the prior year balances will affect the

independent auditor's opinion on the Aggregate Discretely Presented Component Units. A more detailed reporting of the fund activities at each individual school may be found on the [Tennessee Comptroller of the Treasury's website](#).

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has two proprietary funds. These include an internal service fund, used to account for general liability, property, casualty, employee health, and workers' compensation programs, and an enterprise fund used to account for Blount Memorial Hospital operations. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the county's internal service fund are self-insurance premiums. Operating expenses for the internal service fund include medical and other self-insured claims and fiscal agent charges. As previously stated, the enterprise fund operations ceased, and the fund was closed during the year.

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 of the primary government, cash includes demand deposits and 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 Blount 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, General Debt Service, and General Purpose School funds. Blount County and the school department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost.

Investments in the State Treasurer's Investment Pool are reported at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's

Investment Pool complied with accounting principles generally accepted in the United States of America.

Investments in the State Treasurer's Intermediate Term Investment Fund are reported at amortized cost using a floating net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Intermediate Term Investment Fund complied with accounting principles generally accepted in the United States of America. Blount County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

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

2. Receivables and Payables

Activity between funds for unremitted current collections, as well as activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as due to/from other funds.

All property taxes receivable are shown net of an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 0.56 percent of total taxes levied.

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

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current fiscal year. These property taxes receivable are presented on the balance sheet as a deferred inflow of resources to reflect amounts not available as of June 30. Property taxes collected within 60 days of year-end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount of the receivable that will be filed in court for collection. Delinquent taxes filed in court for collection are not included in taxes receivable since they are neither measurable nor available.

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

Lease receivables and deferred inflows of resources are recognized in the governmental funds and government-wide financial statements. At the commencement of a lease, a lease receivable is initially measured at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable and deferred inflow are reduced by the principal portion of lease payments received. Interest received from the lessee is recognized as revenue

when received. Any accumulated interest on June 30 will result in accrued interest receivable in the governmental funds and government-wide financial statements.

Most payables are disaggregated on the face of the financial statements. On the Statement of Net Position for the primary government, a portion of Accounts Payable totaling \$1,500,775, as well as the entire balance in the account Other Current Liabilities totaling \$4,136,072, represent internal service fund liabilities for self-insured claims. Other Current Liabilities of the discretely presented school department consist primarily of accrued payroll taxes and other employee benefits. Unearned revenue of the primary government represents amounts for summer health insurance premiums for certain school department employees in the internal service fund. Due to Other Governments in the Statement of Net Position for the primary government represents American Rescue Plan Act funds received in advance.

Retainage payable represents amounts withheld from construction contract payments pending completion of the projects. Amounts reported as retainage payable are held by the county trustee as equity in pooled cash and investments of the applicable funds.

3. Prepaid Items

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

4. Restricted Assets

Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement (TCRS) for the benefit of the discretely presented Blount 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 Blount County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Blount County School Department has not withdrawn any funds from the trust to pay pension cost. Trust documents provide that the funds are not subject to the claims of general creditors of the school department.

5. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), and intangible right-to-use assets (e.g., lease and SBITA assets) are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of more than two 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, equipment, and infrastructure of the primary government and the discretely presented school department are depreciated using the straight-line method over the following estimated useful lives: Right-to-use assets are amortized over the shorter of the lease or SBITA term or useful life.

Assets	Years
Buildings and Improvements	50
Other Capital Assets	5 - 20
Infrastructure	20 - 30
Right-to-Use Assets	2 - 25

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 the deferred charge on refunding, pension and OPEB changes in experience, pension and OPEB changes in assumptions, pension changes in proportion, and pension contributions after the measurement date. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

It is the county's policy to permit employees to accumulate earned but unused vacation leave at varying rates and limits determined by department and hire date, compensatory time (240 hour maximum accrual), and sick pay benefits. Upon separation, only employees of the sheriff's department and the Blount County Public Library will be paid for the balance of their unused vacation leave. Employees who resign voluntarily will not be paid for unused vacation leave. Employees will be reimbursed for up to 30 days of unused sick leave upon retirement or death with any remaining sick leave balance being credited to TCRS service. Since Blount County does not have a policy to pay any amounts when employees separate from service with the government, with the exception of the aforementioned exceptions and policies, only the portion of vacation and sick leave "more likely than not" expected to be used is accrued in the government-wide financial statements. Sick leave expected to be credited

to TCRS service is not accrued. A liability for vacation leave, compensatory time, or sick leave is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements and payable under the county's policies.

Discretely Presented Blount County School Department

It is the school department's policy to permit employees to accumulate earned but unused vacation leave balances with a maximum of up to 20 days that will be paid upon separation. All vacation pay is accrued when incurred in the government-wide financial statements of the school department. Only a portion of the unpaid accumulated sick leave is accrued. The criteria for accrual includes a "more likely than not," to be used or paid. Since the school department does not have a policy to pay any amounts when employees separate from service with the government, only the portion of sick leave "more likely than not" expected to be used is accrued in the government-wide financial statements. Sick leave expected to be credited to TCRS service is not accrued. A liability for vacation pay or sick leave is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements and payable under the county's policies.

8. Long-term Debt, Lease Obligations, SBITA Obligations, and Long-term Obligations

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

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

Lease and SBITA obligations are recognized in the government-wide financial statements. At the commencement of a lease or SBITA, a liability is initially measured at the present value of payments expected to be made during the obligation term. Subsequently, the liability is reduced by the principal portion of lease or subscription payments made.

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

9. Net Position and Fund Balance

In the government-wide financial statements 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.

As of June 30, 2025, Blount County had \$79,215,954 in outstanding debt for capital purposes of other entities (schools - \$77,500,514, industrial purposes - \$1,715,440). In accordance with state statutes, certain county school debt proceeds must be shared with other public school systems in the county (the cities of Maryville and Alcoa school systems) based on an average daily attendance proration. This debt is a liability of Blount County, but the capital assets acquired are reported in the financial statements of the other entities. On June 30, 2025, Blount County also had \$4,643,335 of non-capital debt, which was used to retire interest rate swap agreements related to capital debt of the primary government. Therefore, Blount County has incurred a liability, significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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. The General Debt Service Fund reports Restricted for Public Safety (\$2,716,122) and Restricted for Education (\$9,340,000) for the uncollected portion of fund balance loaned to the General Fund and discretely presented school department, respectively. Those long-term loans are discussed in Note IV.L., Internal Financing.

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 and the Board of Education are authorized bodies to make assignments for the primary government and the school department, respectively. Assigned fund balance in the General Fund represents amounts for encumbrances (\$2,628,474). Assigned fund balance in the school department’s General Purpose School Fund represents amounts for encumbrances (\$1,640,535).

Unassigned Fund Balance – the residual classification of the General and General Purpose School funds. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General and General Purpose School funds. These funds are the only governmental funds that report positive unassigned fund balance. However, in governmental funds other than the General and General Purpose School funds, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned for those purposes, it may be necessary to report a negative unassigned fund balance, which would be a deficit.

10. Restatements

With the implementation of GASB Statement 101, *Compensated Absences*, Blount County must recognize a restatement to the beginning net position in the Government-wide financial statements for the primary government and the discretely presented Blount County School Department to record compensated absences liabilities. A restatement of (\$169,045) has been presented to reflect the beginning balance of the primary government and (\$663,042) for the discretely presented Blount County School Department. The following table reflects the restatement amounts necessary to implement this standard:

	Government Wide - Governmental Activities	
	Primary	Discretely Presented
	Government	Blount County School Department
Net Position, as previously reported	\$ 124,085,517	\$ 182,549,643
Adjustments for GASB 101 Implementation:		
Compensated Absences Liability	(169,045)	(663,042)
Net Change in Beginning Net Position	<u>\$ (169,045)</u>	<u>\$ (663,042)</u>
Net Position, June 30, 2024 Restated	<u>\$ 123,916,472</u>	<u>\$ 181,886,601</u>

E. Pension Plans

Primary Government

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Blount County’s participation in the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Blount 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 Blount County School Department

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

F. Other Postemployment Benefit (OPEB) Plans

Primary Government

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

Discretely Presented Blount 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 Blount 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 Blount County School Department

Exhibit J-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 Blount County School Department

Exhibit J-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. All annual appropriations lapse at fiscal year-end.

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

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

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

On June 30, 2025, Blount County and the Blount County School Department had the following outstanding encumbrances:

Funds	Amount
Primary Government:	
Major Funds:	
General	\$ 2,628,474
Other General Government	9,442,845
Highway/Public Works	280,002
Nonmajor governmental funds	1,989,570
School Department:	
Major Funds:	
General Purpose School	1,640,535
Education Capital Projects	1,477,009
Nonmajor governmental funds	31,930

B. *Fund Deficit/Budgetary Basis Fund Deficit*

The Other General Government Fund reported a deficit unassigned fund balance of \$4,701,013 on June 30, 2025. This deficit is due to grant expenditure reporting prescribed by the U.S. Treasury for the State and Local Fiscal Recovery Funds Grant (ALN 21.027). Blount County made expenditures of grant funds after the reporting period but before the end of the fiscal year which resulted in the deficit.

The Other General Government Fund also reported a budgetary basis deficit of \$14,143,858 on June 30, 2025. This resulted from the GAAP basis deficit discussed above (\$4,701,013) plus the recognition of budgeted expenditures for outstanding encumbrances in the amount of \$9,442,845. These encumbrances were recorded to reflect outstanding commitments which will be funded by federal grants in the subsequent fiscal year.

C. Cash Shortage

The audit of Blount County for the 2023-24 year reported a cash shortage of \$34,562 in the discretely presented Blount County School Department. An employee's account was compromised, which subsequently led to a breach in the payroll systems. Payroll checks were rerouted to outside accounts, which resulted in a cash shortage. On June 30, 2025, the total cash shortage remained outstanding.

D. Expenditures Exceeded Appropriations

Expenditures exceeded appropriations approved by the county commission in the Workhouse and General Administration Projects major appropriations categories (the legal level of control) of the General Fund by \$474 and \$54,535, respectively. Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by greater than anticipated revenues in the General Fund.

E. Failure to Bid School Bus Contracts

Several school bus contracts with expenditures totaling approximately \$7,313,006 were not properly bid in compliance with state statute. This is further discussed in the audit findings and recommendations in the Single Audit Section of this report.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

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

For deposits with financial institutions that do not participate in the bank collateral pool, state statutes require that all deposits be collateralized with collateral whose fair value is equal to 105 percent of the

uninsured amount of the deposits. The collateral must be placed by the depository bank in an escrow account in a second bank for the benefit of the county.

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

Investments

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

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

Investment	Weighted Average Maturity (days)	Maturities	Amortized Cost
Investments at Amortized Cost:			
State Treasurer's Investment Pool	1 to 45	N/A	\$ 499,036

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

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

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

TCRS Stabilization Trust

Legal Provisions. The Blount 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 Blount 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 Blount 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	\$ 493,027
Developed Market International Equity	N/A	N/A	222,657
Emerging Market International Equity	N/A	N/A	63,616
U.S. Fixed Income	N/A	N/A	318,082
Real Estate	N/A	N/A	159,041
Short-term Securities	N/A	N/A	15,904
NAV - Private Equity and Strategic Lending	N/A	N/A	318,082
Total			\$ 1,590,409

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

B. Notes Receivable

Blount County has agreed to make \$6,000,000 available for draws on a loan from Blount County to a joint venture industrial development board (the Industrial Development Board of Blount County, the city of Alcoa, and the city of Maryville) which is discussed in Note V.E. The loan is for the purpose of providing financing for infrastructure improvements related to the location of an industrial client, AMAZON.COM Services LLC (Amazon). The loan is to be repaid by the industrial development board from revenues received in-lieu of property tax from Amazon. The Industrial Development Board has drawn the entire \$6,000,000 of the authorized loan as of June 30, 2025. Repayment terms are dependent upon the amount of collections from the in-lieu of tax revenues each year. During the year, the county received \$2,207,518 to be applied toward principal reduction of the loan. The amount of the long-term receivable not expected to be received within one year is not determinable.

The balance of the loan (\$1,655,376) on June 30, 2025, is reported in the General Fund and is offset by nonspendable fund balance.

C. Lease Receivable

Blount County is the lessor for land leased by a wireless tower and infrastructure operator (Eco-Site II, LLC). The lease term commenced on March 1, 2020, for a period of 5 years with automatic renewal for 4 additional 5 years terms unless the lessee gives a 3 month notice of its intention to terminate. The lessee may also terminate the lease with a 3 month notice to the county prior to the annual anniversary of the commencement date. Based on consideration of all relevant factors, management considers it reasonably certain that the lessee will not exercise its options to terminate. The county used its incremental borrowing rate of 1.2 percent to discount the present value of the lease payments to report the lease receivable. Blount County recognized \$12,065 in lease revenue and \$3,309 in interest revenue during the year. Future expected payments for this lease are as follows:

Year Ending June 30	Principal	Interest	Total
2026	\$ 12,211	\$ 3,164	\$ 15,375
2027	12,358	3,017	15,375
2028	12,507	2,868	15,375
2029	12,658	2,717	15,375
2030	12,811	2,564	15,375
2031-2035	66,412	10,463	76,875
2036-2040	70,516	6,359	76,875
2041-2045	69,743	2,005	71,748
Total	<u>\$ 269,216</u>	<u>\$ 33,157</u>	<u>\$ 302,373</u>

Blount County entered into agreements with the city of Maryville (dated December 7, 2021) and the city of Alcoa (dated January 1, 2022) for the use of certain county communications equipment by the cities. Each agreement expires June 30, 2031, with each city being able to terminate its agreement at any time with 30 days' notice. There is no penalty specified for early termination, and it is not considered reasonably certain that the cities will not exercise the termination options. Therefore, no lease receivable is reported for these agreements. The city of Maryville is required to make annual payments of \$131,458 and the city of Alcoa is required to make annual payments of \$121,380 while the agreements are in force.

D. Capital Assets

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

Primary Government

Governmental Activities:

	Balance 7-1-24	Contributions	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:					
Land	\$ 8,853,519	\$ 0	\$ 0	\$ (1,205,929)	\$ 7,647,590
Construction in Progress	12,681,684	0	26,614,327	(1,393,156)	37,902,855
Total Capital Assets Not Depreciated	\$ 21,535,203	\$ 0	\$ 26,614,327	\$ (2,599,085)	\$ 45,550,445
Capital Assets Depreciated:					
Buildings and Improvements	\$ 61,228,576	\$ 64,071,866	\$ 920,855	\$ 0	\$ 126,221,297
Infrastructure	155,131,429	0	3,017,788	(471,156)	157,678,061
Other Capital Assets	35,847,841	792,872	5,153,465	(719,057)	41,075,121
Total Capital Assets Depreciated	\$ 252,207,846	\$ 64,864,738	\$ 9,092,108	\$ (1,190,213)	\$ 324,974,479
Less Accumulated Depreciation For:					
Buildings and Improvements	\$ 27,973,033	\$ 38,839,265	\$ 7,220,101	\$ 0	\$ 74,032,399
Infrastructure	113,558,614	0	4,101,799	(383,046)	117,277,367
Other Capital Assets	21,683,928	578,253	2,874,672	(624,805)	24,512,048
Total Accumulated Depreciation	\$ 163,215,575	\$ 39,417,518	\$ 14,196,572	\$ (1,007,851)	\$ 215,821,814
Total Capital Assets Depreciated, Net	\$ 88,992,271	\$ 25,447,220	\$ (5,104,464)	\$ (182,362)	\$ 109,152,665
Intangible Right-to-Use Assets:					
Leased Equipment	\$ 534,535	\$ 0	\$ 0	\$ 0	\$ 534,535
SBITA	3,294,326	0	0	(1,768,355)	1,525,971
Less: Accumulated					
Amortization - Leases	(64,144)	0	(21,381)	0	(85,525)
Amortization - SBITA	(1,731,386)	0	(249,058)	884,178	(1,096,266)
Net Intangible Right-to-Use Assets	\$ 2,033,331	\$ 0	\$ (270,439)	\$ (884,177)	\$ 878,715
Governmental Activities Capital Assets, Net	\$ 112,560,805	\$ 25,447,220	\$ 21,239,424	\$ (3,665,624)	\$ 155,581,825

The balances on June 30, 2025, include \$64,864,738 of capital assets and \$45,169,672 of associated accumulated depreciation for assets which are covered by an agreement with Prisma Health. Prisma Health has the right to use those assets for a period of 50 years for nominal rent of \$1 and has options to extend the agreement for up to a total of 100 years. Depreciation for those assets amounted to \$5,752,154 from December 1, 2024, to June 30, 2025. Due to the nature of the right to use agreement with Prisma Health, the depreciation expense of \$5,752,154 is considered a contribution to Prisma Health.

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

Governmental Activities:

General Government	\$ 500,786
Finance	236,347
Administration of Justice	279,409
Public Safety	2,242,799
Public Health and Welfare	5,893,670
Social, Cultural, and Recreational	424,193
Highways	<u>4,889,807</u>

Total Depreciation and Amortization Expense - Governmental Activities	<u><u>\$ 14,467,011</u></u>
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Net Investment in Capital Assets

Capital Assets (both tangible and intangible)	\$ 155,581,825
Add:	
Unamortized balance of capital-related deferred outflows of resources	137,242
Less:	
Outstanding principal balance of debt and other borrowing used to refund capital-related debt	(16,200,383)
Outstanding principal balance of lease obligations	(459,350)
Outstanding principal balance of SBITA obligations	(462,538)
Unamortized balance of original issue premiums on outstanding capital-related debt	(1,297,518)
Capital-related contracts and retainage payable	<u>(5,201,156)</u>
Net Investment in Capital Assets	<u><u>\$ 132,098,122</u></u>

Discretely Presented Blount County School Department

Governmental Activities:

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	\$ 9,951,059	\$ 0	\$ 0	\$ 9,951,059
Construction in Progress	9,393,095	10,427,644	(10,022,537)	9,798,202
Total Capital Assets Not Depreciated	\$ 19,344,154	\$ 10,427,644	\$ (10,022,537)	\$ 19,749,261
Capital Assets Depreciated:				
Buildings and Improvements	\$ 217,231,670	\$ 14,720,501	\$ 0	\$ 231,952,171
Other Capital Assets	9,810,770	1,234,310	(37,464)	11,007,616
Total Capital Assets Depreciated	\$ 227,042,440	\$ 15,954,811	\$ (37,464)	\$ 242,959,787
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 91,988,524	\$ 7,658,474	\$ 0	\$ 99,646,998
Other Capital Assets	5,769,504	725,083	(37,464)	6,457,123
Total Accumulated Depreciation	\$ 97,758,028	\$ 8,383,557	\$ (37,464)	\$ 106,104,121
Total Capital Assets Depreciated, Net	\$ 129,284,412	\$ 7,571,254	\$ 0	\$ 136,855,666
Governmental Activities Capital Assets, Net	\$ 148,628,566	\$ 17,998,898	\$ (10,022,537)	\$ 156,604,927

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

Governmental Activities:

Instruction	\$ 433,314
Support Services	7,746,122
Operation of Non-instructional Services	204,121
Total Depreciation Expense - Governmental Activities	\$ 8,383,557

Net Investment in Capital Assets

Capital Assets	\$ 156,604,927
Less:	
Outstanding principal balance of capital-related debt and other borrowings	(9,340,000)
Capital-related contracts payable	(1,570,047)
Capital-related retainage payable	<u>(62,972)</u>
Net Investment in Capital Assets	<u>\$ 145,631,908</u>

E. Construction Commitments

The General Fund had an uncomplete construction contract for the Eagleton Ballpark Redevelopment in the amount of \$451,374 on June 30, 2025. Funding has been received for this future expenditure.

The Other General Government Fund had uncompleted contracts for the Eagleton Ballpark Redevelopment in the amount of \$1,068,292, and for waterline construction in the amount of \$7,997,759, on June 30, 2025. Funding has been received for these future expenditures.

The Highway Capital Projects Fund had uncompleted contracts for various road and bridge construction projects in the amount of \$360,215, and for an Operations Building in the amount of \$47,375 on June 30, 2025. Funding has been received for these future expenditures.

The discretely presented Blount County School Department also had uncompleted construction contracts of approximately \$1,419,542 in the Education Capital Projects Fund for the installation of a new roof and for CTE classroom renovations. Funding has been received for these future expenditures.

F. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	\$ 43,316
General Debt Service	General	2,716,122
Discretely Presented School Department:		
Education Capital Projects	General Purpose School	677,311

Amounts due to the General Debt Service Fund from the General Fund include \$2,716,122 for the balance of an interfund loan. Of this amount, the amount not expected to be received within one year is \$2,276,827. The remaining interfund balances resulted from the time lag between the date that interfund goods and services are provided or reimbursable expenditures occur, and payments are made between funds.

Due to/from Primary Government and Component Units:

Amounts due to/from the primary government and the discretely presented school department as of June 30, 2025, were:

Receivable Entity	Payable Entity	Amount
Primary Government:	Component Unit:	
General Debt Service Fund	School Department:	
Internal Service Fund	Governmental Activities	\$ 9,340,000
"	General Purpose School Fund	483,694
	Nonmajor governmental funds	36,765

The amount due to the General Debt Service Fund from the discretely presented school department's governmental activities represents the balance of long-term loans from the General Debt Service Fund to the school department. Those loans are detailed in Note IV.L. Of the amount due on June 30, 2025, \$8,405,000 is not expected to be received within one year.

The amounts due to the Internal Service Fund represent summer health insurance premiums due to the primary government's Self-Insurance Fund.

Interfund Transfers

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

Primary Government

Transfers Out	Transfers In		
	General Fund	General Debt Service Fund	Nonmajor governmental funds
General Fund	\$ 0	\$ 682,064	\$ 1,462,000
Nonmajor governmental funds	263,332	0	0
Internal Service Fund	283,000	0	0
Total Transfers	\$ 546,332	\$ 682,064	\$ 1,462,000

Transfers to the nonmajor governmental funds from the General Fund are for the operation of the library. Transfers to the General Debt Service Fund represent tax credit bond rebate funds. Transfers to the General Fund from the nonmajor governmental funds are for library maintenance and custodial expenses. Transfers to the General Fund from the internal service fund are for shared payroll expenses.

Discretely Presented Blount County School Department

Transfers Out	Transfers In	
	Education Capital Projects Fund	Nonmajor governmental funds
General Purpose School Fund	\$ 1,366,297	\$ 250,000

The school department transferred \$250,000 from the General Purpose School Fund to the nonmajor governmental funds to provide cash flow. Transfers to the Education Capital Projects Fund represent contributions for debt service requirements.

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

G. Lease Obligations

On May 19, 2011, Blount County entered into a ten-year lease with Wireless Properties II, LLC, for land to be used for the placement of public safety communication antennas. The agreement renews automatically for 5 additional 5-year terms unless the county notifies the lessor within 60 days of the end of each five-year term of its election to terminate. Based on consideration of all relevant factors, management considers it reasonably certain that the county will not exercise its options to terminate. The current yearly lease payment is \$24,876. The present value of the lease was determined using a discount rate of 1.2%, the same interest rate as the county's incremental borrowing rate. The lease land and accumulated amortization of the right-to-use asset is outlined in Note IV.D.

Remaining lease payments on this land lease include:

Year Ending June 30	Public Safety Communication Land Lease		
	Principal	Interest	Total
2026	\$ 19,364	\$ 5,512	\$ 24,876
2027	19,596	5,280	24,876
2028	19,831	5,045	24,876
2029	20,069	4,807	24,876
2030	20,310	4,566	24,876
2031-2035	105,265	19,114	124,379
2036-2040	111,734	12,645	124,379
2041-2045	118,600	5,779	124,379
2046	24,581	295	24,876
Total	\$ 459,350	\$ 63,043	\$ 522,393

Changes in Lease Obligations

Lease obligation activity for the year ended June 30, 2025, was as follows:

Governmental Activities:

	<u>Leases</u>
Balance, July 1, 2024	\$ 478,484
Reductions	<u>(19,134)</u>
Balance, June 30, 2025	<u>\$ 459,350</u>
Balance Due Within One Year	<u>\$ 19,364</u>

Analysis of Noncurrent Liabilities for Leases Presented on Exhibit A:

Total Noncurrent Liabilities - Leases, June 30, 2025	\$ 459,350
Less: Balance Due Within One Year - Leases	<u>(19,364)</u>
Noncurrent Liabilities - Due in More Than One Year - Leases - Exhibit A	<u>\$ 439,986</u>

Blount County has entered into a leasing program with Enterprise Fleet Management. As of June 30, 2025, Blount County was leasing 14 vehicles. All leases are initially for 48 months with the option to extend for an additional 12 months. The county can opt out of the leases at any time with a 30-day written notice. There is no penalty specified for early termination, and it is not considered reasonably certain that the county will not exercise the option to terminate. Therefore, there is no lease obligation payable reported for these lease vehicles. Amounts paid under the agreement during the year totaled \$93,664.

H. *SBITA Obligations*

Accounting Software Subscription:

On September 1, 2019, Blount County entered into a 60-month agreement, as lessee, for the use of Tyler Technologies accounting software. Blount County completed the agreement during the current audit year and has elected to continue the arrangement on a year-to-year basis.

Sheriff Camera Cloud Service Subscription and Storage:

On December 1, 2019, Blount County entered into a 72-month agreement, as lessee, for the use of Axon Enterprise cloud services. The agreement was canceled effective July 1, 2024. Upon cancellation, Blount County entered into a new agreement with Axon Enterprise for cloud services that includes a 60-day opt-out provision for either party. It is not considered reasonably certain that the county or vendor will not exercise the option to terminate. Therefore, there is no SBITA obligation payable reported for these cloud services.

Payroll Software Subscription:

On July 22, 2022, Blount County entered into a 60-month agreement as lessee for the use of UKG payroll software. An initial subscription liability was recorded in the amount of \$799,137 during the 2022-23 fiscal year. Blount County is required to make monthly principal and interest payments of \$15,246. The SBITA has an annual interest rate of 5.45%. As of June 30, 2025, the present value of the SBITA liability was \$359,538. The SBITA obligation and accumulated amortization of the right-to-use asset is outlined in Note IV.D.

Year Ending June 30	Payroll Software Subscription		
	Principal	Interest	Total
2026	\$ 167,500	\$ 15,452	\$ 182,952
2027	176,860	6,092	182,952
2028	15,178	68	15,246
Total	<u>\$ 359,538</u>	<u>\$ 21,612</u>	<u>\$ 381,150</u>

Sheriff License Plate Reader Software Subscription:

On September 22, 2023, Blount County entered into a 60-month agreement as lessee for the use of Flock Safety’s license plate reader software. An initial subscription liability was recorded in the amount of \$171,967 during the previous fiscal year. Blount County is required to make yearly principal and interest payments of \$38,000. The SBITA has an annual interest rate of 5.25%. As of June 30, 2025, the present value of the SBITA liability was \$103,000. The SBITA obligation and accumulated amortization of the right-to-use asset is outlined in Note IV.D.

Year Ending June 30	License Plate Reader Software Subscription		
	Principal	Interest	Total
2026	\$ 32,592	\$ 5,408	\$ 38,000
2027	34,304	3,696	38,000
2028	36,104	1,896	38,000
Total	<u>\$ 103,000</u>	<u>\$ 11,000</u>	<u>\$ 114,000</u>

Changes in SBITA Obligations

SBITA obligation activity for the year ended June 30, 2025, was as follows:

Governmental Activities:

	<u>SBITA</u>
Balance, July 1, 2024	\$ 1,648,251
Reductions	<u>(1,185,713)</u>
Balance, June 30, 2025	<u>\$ 462,538</u>
Balance Due Within One Year	<u>\$ 200,092</u>

Analysis of Noncurrent Liabilities for Leases Presented on Exhibit A:

Total Noncurrent Liabilities - SBITA, June 30, 2025	\$ 462,538
Less: Balance Due Within One Year - SBITA	<u>(200,092)</u>
Noncurrent Liabilities - Due in More Than One Year - SBITA - Exhibit A	<u>\$ 262,446</u>

I. *Long-term Debt*

Primary Government

General Obligation Bonds and Other Loans

General Obligation Bonds - Blount County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other general obligation debt. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 21 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2025, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements - Blount 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 and the discretely presented school department. Other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Other loans outstanding were issued for original terms of up to five years. All other loans included in long-term debt as of June 30, 2025, will be retired from the General Fund.

General obligation bonds and other loans outstanding as of June 30, 2025, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-25
General Obligation Bonds - Refunding	.97 to 5%	6-30-37	\$ 145,715,000	\$ 96,300,000
Qualified School Construction Bonds	2.6	9-14-27	14,855,000	2,032,484
Direct Borrowing and Direct Placement:				
Other Loans	0	6-30-29	2,147,830	1,727,188

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2026	\$ 10,856,929	\$ 5,148,238	\$ 16,005,167
2027	11,323,173	4,695,905	16,019,078
2028	12,262,382	3,576,782	15,839,164
2029	12,600,000	2,942,502	15,542,502
2030	5,590,000	2,359,165	7,949,165
2031-2035	29,730,000	8,495,625	38,225,625
2036-2037	15,970,000	1,187,042	17,157,042
Total	\$ 98,332,484	\$ 28,405,259	\$ 126,737,743

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2026	\$ 431,797	\$ 0	\$ 431,797
2027	431,797	0	431,797
2028	431,797	0	431,797
2029	431,797	0	431,797
Total	<u>\$ 1,727,188</u>	<u>\$ 0</u>	<u>\$ 1,727,188</u>

There is \$36,320,916 available in the General Debt Service Fund to service long-term debt. However, of that amount, \$9,340,000 has been loaned to the discretely presented Blount County School Department and will be repaid over the next nine years. Also, \$2,716,122 has been loaned to the General Fund and will be repaid over the next seven years. See Note. IV.L. for details of those loans. Bonded debt per capita totaled \$727, based on the 2020 federal census. Total debt per capita, including bonds, other loans, lease, SBITA, and unamortized debt premiums, totaled \$814 based on the 2020 federal census.

Changes in Long-term Debt

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

Governmental Activities:	Bonds	Other Loans - Direct Placement
	Balance, July 1, 2024	\$ 108,789,413
Additions	0	2,147,830
Reductions	(10,456,929)	(420,642)
Balance, June 30, 2025	<u>\$ 98,332,484</u>	<u>\$ 1,727,188</u>
Balance Due Within One Year	<u>\$ 10,856,929</u>	<u>\$ 431,797</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2025	\$ 100,059,672
Less: Balance Due Within One Year - Debt	(11,288,726)
Add: Unamortized Premium on Debt	<u>9,134,629</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 97,905,575</u>

Discretely Presented Blount County School Department

Internal Loans from Primary Government

As discussed further in Note IV.L., Internal Financing, the discretely presented school department has borrowed funds from the primary government's General Debt Service Fund to finance capital expenditures of the school department. The balance of those internal debt issues on June 30, 2025, amounted to \$9,340,000.

The annual requirements to amortize loan balances due to the primary government outstanding as of June 30, 2025, including interest payments, are presented in the following table:

Year Ending June 30	Internal Loans		
	Principal	Interest	Total
2026	\$ 935,000	\$ 242,840	\$ 1,177,840
2027	960,000	218,530	1,178,530
2028	985,000	193,570	1,178,570
2029	1,010,000	167,960	1,177,960
2030	1,035,000	141,700	1,176,700
2031-2034	4,415,000	290,680	4,705,680
Total	<u>\$ 9,340,000</u>	<u>\$ 1,255,280</u>	<u>\$ 10,595,280</u>

Changes in Long-term Debt Due to Primary Government From Discretely Presented School Department Component Unit

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

Governmental Activities:

	Internal Loans - Due to Primary Government
Balance, July 1, 2024	\$ 10,437,732
Reductions	<u>(1,097,732)</u>
Balance, June 30, 2025	<u>\$ 9,340,000</u>
Balance Due Within One Year	<u>\$ 935,000</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt Due to Primary Government, June 30, 2025	\$ 9,340,000
Less: Balance Due Within One Year - Debt Due to Primary Government	<u>(935,000)</u>
Noncurrent Liabilities - Due in More Than One Year - Debt Due to Primary Government	<u>\$ 8,405,000</u>

J. Long-Term Obligations

Primary Government

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences*	Other Postemployment Benefits	Net Pension Liability - Agent Plan
Balance, July 1, 2024	\$ 2,193,529	\$ 10,503,370	\$ 1,743,773
Additions	0	6,706,164	20,664,058
Reductions	(288,771)	(1,688,753)	(18,510,933)
Balance, June 30, 2025	<u>\$ 1,904,758</u>	<u>\$ 15,520,781</u>	<u>\$ 3,896,898</u>
Balance Due Within One Year	<u>\$ 969,304</u>	<u>\$ 0</u>	<u>\$ 0</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	\$ 21,322,437
Less: Balance Due Within One Year - Other	<u>(969,304)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 20,353,133</u>

These long-term obligations will be paid from the employing funds, primarily the General and Highway/Public Works funds.

Discretely Presented Blount County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences*	Other Postemployment Benefits	Net Pension Liability - Agent Plan
Balance, July 1, 2024	\$ 663,042	\$ 19,027,180	\$ 576,000
Additions	0	1,505,706	6,182,841
Reductions	(75,983)	(2,912,316)	(5,592,860)
Balance, June 30, 2025	<u>\$ 587,059</u>	<u>\$ 17,620,570</u>	<u>\$ 1,165,981</u>
Balance Due Within One Year	<u>\$ 587,059</u>	<u>\$ 0</u>	<u>\$ 0</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	\$ 19,373,610
Less: Balance Due Within One Year - Other	<u>(587,059)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 18,786,551</u>

These long-term obligations will be paid from the employing funds, primarily the General Purpose School and School Federal Project funds.

K. Donor-restricted Endowments

The county accounts for a nonspendable endowment totaling \$485,403 in a private purpose trust fund. The principal amount must remain intact, while interest earned on the principal is to be used for the benefit of the Boys & Girls Club of Blount County. During the year ended June 30, 2025, the amount of accumulated interest remitted to the Boys & Girls Club totaled \$23,155.

L. Internal Financing

In-lieu-of issuing debt with financial institutions, Blount County chose to internally finance certain projects by loaning idle funds in the General Debt Service Fund to other funds of the primary government and to the discretely presented school department.

Internally reported notes receivable from idle funds loaned from the General Debt Service Fund that will subsequently be repaid by the General Fund are reflected below:

	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date
Emergency Communications Interfund Capital Outlay Note, Series 2022	\$ 4,470,466	1.2 %	2-1-22	6-30-32
	Outstanding 7-1-24	Paid and/or Matured During Period	Outstanding 6-30-25	
Emergency Communications Interfund Capital Outlay Note, Series 2022	\$ 3,150,208	\$ 434,086	\$ 2,716,122	

The balance of the Emergency Communications Interfund Capital Outlay Note is reflected as Due from Other Funds in the General Debt Service Fund and as Due to Other Funds in the General Fund.

Amounts loaned from the General Debt Service Fund to the discretely presented Blount County School Department are reflected below:

	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date
School Internal Capital Outlay Note, Series 2017	\$ 1,272,000	1.1 %	7-12-17	6-30-25
School Internal Capital Outlay Note, Series 2022	12,000,000	2.6	2-10-23	5-1-34
	Outstanding 7-1-24	Paid and/or Matured During Period	Outstanding 6-30-25	
School Internal Capital Outlay Note, Series 2017	\$ 187,732	\$ 187,732		0
School Internal Capital Outlay Note, Series 2022	10,250,000	910,000	9,340,000	
Total	\$ 10,437,732	\$ 1,097,732	9,340,000	

The balances of the School Internal Capital Outlay Notes on June 30, 2025, are reflected as Due from Component Unit in the General Debt Service Fund and the government-wide financial statements of the primary government, and as Due to Primary Government in the government-wide financial statements of the discretely presented school department.

V. OTHER INFORMATION

A. Risk Management

Blount County has chosen to establish a self-insurance fund for risks associated with the general liability, property, casualty, employees' health plan, and risks associated with workers' compensation claims. The self-insurance fund is accounted for as an Internal Service Fund where assets are set aside for claim settlements. The county retains the risk of loss to a limit of \$350,000 for each employee and a \$200,000 aggregate specific deductible in any plan year for health coverage, \$500,000 for each employee, \$750,000 for each police officer and \$1,000,000 for all claims in any plan year for workers' compensation coverage, and \$100,000 for building and personal property coverage. The county has obtained stop/loss commercial insurance policies to cover claims beyond these limits. The county does not carry stop-loss coverage for general liability. Employee dental claims are covered by commercial insurance.

All full-time employees of the primary government and the discretely presented Blount County School Department are eligible to participate in the health program. A premium charge for the general liability, property, casualty, health, and workers' compensation programs is allocated to each fund that accounts for employees. This charge is based on actuarial estimates of the amounts needed to pay prior- and current-year claims and to establish a reserve for catastrophic losses. The portion of net position of the internal service fund attributable to health coverage was \$17,029,392 and the portion attributable to general liability, property, casualty, and workers' compensation was \$4,223,175 on June 30, 2025. Those amounts have been designated by management for future catastrophic losses. Liabilities of this fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. The self-insurance fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. It is expected that these claims liabilities will be paid within the next fiscal year. Claims

liabilities include specific, incremental claims adjustment expenditures/ expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

General Liability, Property, Casualty, and Workers' Compensation

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2023-2024	\$ 3,114,896	\$ 1,653,943	\$ (1,019,958)	\$ 3,748,881
2024-2025	3,748,881	1,235,959	848,768	4,136,072

Health

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2023-2024	\$ 2,149,314	\$ 20,028,073	\$ (20,252,546)	\$ 1,924,841
2024-2025	1,924,841	20,161,632	(20,585,698)	1,500,775

On Exhibit D-1, the balances included in Accounts Payable and Other Current Liabilities represent self-insurance claims. Current year claims and estimates are presented net of excess risk recovery and contracted prescription rebates.

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 and Other Pending Litigation

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.

Litigation brought by the city of Alcoa contends that Blount County Schools has expended monies from its Education Capital Projects Fund on unallowable activities, and that those items should have been paid for with revenues that had been shared with the city school systems. Blount County Schools has reviewed each expenditure from the Education Capital Projects Fund and has found no instance of spending on items or projects that are unallowable. It is management’s position that all expenses can be proven as directly related to capital expenditures as decided in *City of Athens Board of Education et al v. McMinn County, Tennessee et al*.

There are several other pending lawsuits in which the county is involved. Management has provided for potential claims and judgments in the financial statements of the self-insurance fund in this report. Based on letters from attorneys, management believes that potential claims not already recorded in the self-insurance fund would not materially affect the financial statements of the county.

D. Changes in Administration

On November 6, 2024, Circuit Court Clerk Thomas Hatcher resigned and was succeeded by Chris Cantrell effective November 22, 2024.

On January 6, 2025, Director of Schools David Murrell resigned and was succeeded by Interim Director of Schools Jake Jones effective January 9, 2025. On February 26, 2025, Interim Director of Schools Jake Jones resigned and was succeeded by Interim Director of Schools Alisa Teffeteller effective February 27, 2025. On May 7, 2025, Justin Ridge was named Director of Schools succeeding Interim Director of Schools Alisa Teffeteller.

On April 14, 2025, County Purchasing Agent Charles Rafford retired and was succeeded by Interim County Purchasing Agent Jackie Cooper effective April 15, 2025. On June 10, 2025, Kari Barrett was named County Purchasing Agent succeeding Interim Purchasing Agent Jackie Cooper.

E. Joint Ventures

The Industrial Development Board of Blount County and the cities of Alcoa and Maryville was organized to promote industrial development and provide additional job opportunities in Blount County, the cities of Alcoa and Maryville, and the surrounding counties in accordance with Title 7, Chapter 53, *Tennessee Code Annotated*. The board is governed by a ten-member board of directors appointed jointly by the Blount County Commission and the governing bodies of Maryville and Alcoa. The board provides incentives toward the location of certain industrial facilities in the county and cities. Upon approval for the Industrial Development Board to provide these incentives, the county commission also expressed its intent to provide certain funding for these incentives in future years. During the year, Blount County provided \$1,668,181 to the Industrial Development Board to be applied toward those incentives, related debt payments, and operations of the board. The county reports a Note Receivable from the board in the amount of \$1,655,376 as of June 30, 2025, related to the Amazon.com project. That note receivable is further discussed in Note IV.B.

The Fifth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Fifth Judicial District, Blount County, and various cities within Blount County. 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.

The Blount County Solid Waste Authority is a joint venture that is operated by Blount County, the city of Alcoa, and the city of Maryville. The authority comprises 11 members, three of whom are appointed by the Blount County Commission. The cities appoint two members each, and the remaining members are selected from the citizens at large and from private industry. Blount County has control over budgeting and financing the joint venture only to the extent of representation by the three appointed authority members. Blount County, along with the city of Alcoa and the city of Maryville, has entered into two contracts in-lieu-of performance bonds with the Tennessee Department of Environment and Conservation to ensure the proper operation and closure/postclosure care of the Blount County landfill, which is operated by the Blount County Solid Waste Authority. The total of these contracts in-lieu-of performance bonds is \$17,966,179, of which Blount County has guaranteed 40 percent and

the two cities the remaining 60 percent, equally. Complete financial statements for the Blount County Solid Waste Authority may be obtained from the city of Alcoa.

The Blount County Cable Television Authority is a joint venture between Blount County, the city of Maryville, and the city of Alcoa, which regulates the operation of cable television service in Blount County. The authority comprises nine members, three of whom are appointed by the Blount County Commission. The remaining six members are appointed by the cities. Blount County has control over budgeting and financing the joint venture only to the extent of representation by the three board members appointed. The authority funds its budget through the collection of cable television franchise fees from companies under its jurisdiction. After payment of the authority's expenses, the residual of those collections is remitted to the county and the two cities based on point of collection.

The Recreation and Parks Commission is a joint venture between Blount County, the city of Maryville, and the city of Alcoa, which operates a recreation and parks system in Blount County. The commission includes seven members, two of whom are appointed by the Blount County Commission. Four members are appointed by the cities, and one member is appointed by the joint commission. Blount County has control over budget and financing of the commission only to the extent of representation by the two board members appointed. Contributions toward operations are provided annually by the county and the cities based on a per capita cost-sharing formula. Blount County contributed \$867,449 to the operations of the commission for the 2024-2025 year and \$1,577,898 to help fund a portion of the Everett football field construction project.

The Smoky Mountain Tourism Development Authority is a nonprofit entity chartered in June 2012 to promote tourism in the county. The authority was established jointly by the county, the city of Maryville, and the city of Alcoa. The authority is governed by a ten-member board, which includes one representative of the county. The authority's primary funding source is proceeds of a hotel-motel tax, which is levied by the county commission pursuant to a private act. The authority is entitled to 70 percent of the hotel-motel tax. The tax is currently set at a rate of five percent, which is the maximum allowed.

The county does not retain an equity interest in any of the noted joint ventures. Complete financial information for these joint ventures can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

Industrial Development Board of Blount County and the
Cities of Alcoa and Maryville
201 South Washington Street
Maryville, TN 37804

District Attorney General
Fifth Judicial District
942 East Lamar Alexander Parkway
Maryville, TN 37804

City of Alcoa
Blount County Solid Waste Authority
223 Associates Boulevard
Alcoa, TN 37701

Blount County Cable Television Authority
P.O. Box 4338
Maryville, TN 37804

Recreation and Parks Commission
316 South Everett High Road
Maryville, TN 37804

Smoky Mountain Tourism Development Authority
201 South Washington Street
Maryville, TN 37804

F. Intergovernmental Cooperation Agreement – Research and Development Park

In May 2006, the Industrial Development Board of Blount County entered into an intergovernmental cooperation agreement with Blount County, Tennessee, the city of Maryville, Tennessee, the city of Alcoa, Tennessee, and Knox County, Tennessee. The agreement calls for the acquisition of property to be developed into a research and development park. The purchase price and subsequent development costs were funded jointly by the four participating governments (\$5,000,000 each). These governments are to be repaid from sales proceeds. The four governments share excess sales proceeds and property tax revenues equally. The balance of future sales proceeds which would be due the county if such sales occur was \$4,840,320 as of June 30, 2025. The county has not reported a receivable for future sales to the uncertainty of the sales occurring.

G. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Blount County and non-certified employees of the discretely presented Blount 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 76.97 percent, the non-certified employees of the discretely presented school department comprise 23.03 percent of the plan based on contribution data. In addition, certain other county employees are provided a defined benefit pension plan (Blount County Library Plan) through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 100 percent of the Blount County Library 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 an 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:

Blount County Plan:

Inactive Employees or Beneficiaries Currently Receiving Benefits	785
Inactive Employees Entitled to But Not Yet Receiving Benefits	956
Active Employees	875
Total	<u><u>2,616</u></u>

Blount County Library Plan:

Inactive Employees or Beneficiaries Currently Receiving Benefits	20
Inactive Employees Entitled to But Not Yet Receiving Benefits	23
Active Employees	21
Total	<u><u>64</u></u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of their salary to the plan. Blount County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2025, the employer contributions for the Blount County Plan were \$3,851,515 based on a rate of 6.9 percent and 10.4 percent of covered payroll for general employees and public safety officers, respectively. For the year ended June 30, 2025, the employer contribution for the Blount County Library Plan was \$97,560 based on a rate of 8.81 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Blount 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)

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

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

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

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

The actuarial assumptions used in the June 30, 2024, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to 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 Real Estate	6.57		20	
	1.20		20	
	4.38		10	
Short-term Securities	0.00		1	
Total			100	%

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

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Blount 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)
Blount County Plan			
Balance, July 1, 2023	\$ 186,152,133	\$ 183,832,360	\$ 2,319,773
Changes for the Year:			
Service Cost	\$ 4,554,581	\$ 0	\$ 4,554,581
Interest	12,600,597	0	12,600,597
Differences Between Expected and Actual Experience	9,571,877	0	9,571,877
Contributions-Employer	0	3,781,055	(3,781,055)
Contributions-Employees	0	2,470,607	(2,470,607)
Net Investment Income	0	17,852,131	(17,852,131)
Benefit Payments, Including Refunds of Employee Contributions	(8,062,400)	(8,062,400)	0
Administrative Expense	0	(119,844)	119,844
Net Changes	<u>\$ 18,664,655</u>	<u>\$ 15,921,549</u>	<u>\$ 2,743,106</u>
Balance, June 30, 2024	<u>\$ 204,816,788</u>	<u>\$ 199,753,909</u>	<u>\$ 5,062,879</u>

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Blount County Plan				
Primary Government	76.97%	\$ 157,647,482	\$ 153,750,584	\$ 3,896,898
School Department	23.03%	47,169,306	46,003,325	1,165,981
Total		<u>\$ 204,816,788</u>	<u>\$ 199,753,909</u>	<u>\$ 5,062,879</u>

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Blount County Library Plan			
Balance, July 1, 2023	\$ 3,752,885	\$ 4,013,600	\$ (260,715)
Changes for the Year:			
Service Cost	\$ 98,133	\$ 0	\$ 98,133
Interest	252,692	0	252,692
Differences Between Expected and Actual Experience	(27,356)	0	(27,356)
Contributions-Employer	0	91,403	(91,403)
Contributions-Employees	0	56,933	(56,933)
Net Investment Income	0	388,428	(388,428)
Benefit Payments, Including Refunds of Employee Contributions	(214,870)	(214,870)	0
Administrative Expense	0	(3,009)	3,009
Net Changes	<u>\$ 108,599</u>	<u>\$ 318,885</u>	<u>\$ (210,286)</u>
Balance, June 30, 2024	<u>\$ 3,861,484</u>	<u>\$ 4,332,485</u>	<u>\$ (471,001)</u>

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

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Blount County Plan			
Net Pension Liability (Asset)	\$ 32,481,800	\$ 5,062,879	\$ (17,557,387)
Blount County Library Plan			
Net Pension Liability (Asset)	\$ (20,423)	\$ (471,001)	\$ (846,242)

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, the Blount County Plan recognized pension expense (negative pension expense) of \$6,346,612 and the Blount County Library Plan recognized pension expense (negative pension expense) of \$(116,876).

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

Blount County Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 12,553,416	\$ 409,588
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	2,102,284
Changes in Assumptions	1,872,434	0
Contributions Subsequent to the Measurement Date of June 30, 2024 (1)	3,851,515	N/A
Total	<u>\$ 18,277,365</u>	<u>\$ 2,511,872</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	\$ 14,164,219	\$ 1,933,388
School Department	4,113,146	578,484
Total	<u>\$ 18,277,365</u>	<u>\$ 2,511,872</u>

Blount County Library Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 201,750
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	47,468
Contributions Subsequent to the Measurement Date of June 30, 2024 (1)	97,560	N/A
Total	<u>\$ 97,560</u>	<u>\$ 249,218</u>

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

Amounts reported as deferred outflows of resources, 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:

Blount County Plan:

Year Ending June 30	Amount
2026	\$ 2,595,578
2027	6,559,522
2028	1,946,212
2029	812,654
2030	0
Thereafter	0

Blount County Library Plan:

Year Ending June 30	Amount
2026	\$ (160,434)
2027	(34,216)
2028	(30,596)
2029	(23,971)
2030	0
Thereafter	0

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

Payable to the Pension Plan

On June 30, 2025, Blount County reported a payable of \$153,989 for the outstanding amount of contributions due to the pension plan at year ended June 30, 2025.

Discretely Presented Blount County School Department - Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Blount County and non-certified employees of the discretely presented Blount 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 76.97 percent and the non-certified employees of the discretely presented school department comprise 23.03 percent of the plan based on contribution data.

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

General Information About the Pension Plan

Plan Description. Teachers of the Blount 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 \$647,657, which is three percent of covered payroll. In addition, employer contributions of \$211,601, 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 (\$538,071) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department’s proportion of the net pension liability (asset) was based on the school department’s share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2024, the school department’s proportion was .755074 percent. The proportion as of June 30, 2023, was .717561 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, the school department recognized pension expense (negative pension expense) of \$438,459.

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	\$ 44,447	\$ 165,310
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	90,764
Changes in Assumptions	213,819	0
Changes in Proportion of Net Pension Liability (Asset)	1,081	95,357
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	647,657	N/A
Total	<u>\$ 907,004</u>	<u>\$ 351,431</u>

The school department’s employer contributions of \$647,657, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) of 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	\$ (63,715)
2027	61,861
2028	(44,605)
2029	(44,109)
2030	224
Thereafter	(1,741)

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

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

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

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

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

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the 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 Real Estate	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 percent) or one percentage point higher (7.75 percent) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	\$ 1,419,066	\$ (538,071)	\$ (1,994,591)

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

Payable to the Pension Plan

On June 30, 2025, the Blount County School Department reported a payable of \$2,733 for the outstanding amount of contributions due to the pension plan at year ended June 30, 2025.

Discretely Presented Blount County School Department - Certified Employees - Teacher Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Teachers of the Blount 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 Blount County School Department for the year ended June 30, 2025, to the Teacher Legacy Pension Plan were \$2,402,746, 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 (\$20,327,059) 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 1.179843 percent. The proportion measured on June 30, 2023, was 1.180877 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, the school department recognized pension expense (negative pension expense) of \$4,439,577.

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	\$ 5,420,687	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	3,958,885
Changes in Proportion of Net Pension Liability (Asset)	50,978	71,265
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	2,402,746	N/A
Total	<u>\$ 7,874,411</u>	<u>\$ 4,030,150</u>

The school department's employer contributions of \$2,402,746 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) in 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	\$ (2,265,123)
2027	7,856,487
2028	(2,065,471)
2029	(2,084,377)
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	6.09	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 percent) or one percentage point higher (7.75 percent) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	\$ 25,822,409	\$ (20,327,059)	\$ (58,601,746)

Pension Plan Fiduciary Net Position. Detailed information about the pension plan’s fiduciary net position is available in a separately issued TCRS financial report.

Payable to the Pension Plan

On June 30, 2025, the Blount County School Department reported a payable of \$10,138 for the outstanding amount of contributions due to the pension plan at year ended June 30, 2025.

2. Deferred Compensation

Blount County offers its employees two deferred compensation plans, one established pursuant to IRC Section 457 and the other pursuant to IRS Section 403(b). All costs of administering and funding these programs are the responsibility of the plan participants. The section 457 and Section 403(b) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 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 a minimum of 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 \$1,081,171 and teachers contributed \$488,426 to this deferred compensation pension plan.

H. Other Postemployment Benefits (OPEB)

Plan Description. Blount County and the discretely presented Blount County School Department participate in a self-insured postemployment benefits plan administered by Allegiance, a CIGNA company, for its retirees and their covered dependents. Employees are eligible for OPEB benefits if they retire at any age with at least 30 years of service or if they are over age 60 and have at least 10 years of service. For accounting purposes, the plan is a single-employer defined benefit OPEB plan. Benefits are established and amended by the county commission. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement 75.

Benefits Provided. The plan provides healthcare, dental, and life insurance benefits for retirees until they are Medicare eligible. Spouse benefits are provided while the retiree is eligible for coverage. Surviving spouse benefits are not provided. The benefit terms provide for retirees to pay annual premiums ranging from \$804 to \$4,584 for medical coverage depending on the type coverage selected. Retirees pay annual premiums of \$71 to \$829 for dental coverage. The county pays the remainder of the covered medical and dental benefits. The county also pays for life insurance benefits of \$10,000.

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

	Primary Government	School Department	Total
Inactive Employees or Beneficiaries			
Currently Receiving Benefits	51	132	183
Inactive Employees Entitled to But Not Yet Receiving Benefits	0	0	0
Active Employees	586	1,031	1,617
Total	<u>637</u>	<u>1,163</u>	<u>1,800</u>

Management does not believe the differences in census data between the valuation date and measurement date is material

Total OPEB Liability

The total OPEB liability for the county (\$15,520,781) and the school department (\$17,620,570) was measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2024, and updated to the measurement date.

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

Actuarial Cost Method	Entry Age
Payroll Growth Rate	2.5%
Salary Increases	3.5%
Discount Rate	4.81%
Healthcare Cost Trend Rates	7.75% for 2025 with an ultimate rate of 4.5% in 2037
Retirees share of Benefit-related Cost	See discussion under Benefits Provided

The discount rate was based on the S&P Municipal Bond 20-Year High-Grade Rate Index.

The mortality rates are from the PUB-2010 Mortality Tables with projection scale MP-2021.

The actuarial assumptions used in the valuation were based on plan data and costs presented by the county with concurrence by the actuary.

Changes in the Total OPEB Liability

	Primary Government	School Department	Total OPEB Liability
Balance July 1, 2024	\$ 10,503,370	\$ 19,027,180	\$ 29,530,550
Changes for the Year:			
Service Cost	\$ 819,658	\$ 750,378	\$ 1,570,036
Interest	432,758	755,328	1,188,086
Difference between expected and actual experience	442,163	(545,015)	(102,852)
Changes in Assumption	(1,066,033)	(1,251,257)	(2,317,290)
Benefit Changes	5,011,585	0	5,011,585
Benefit Payments	(622,720)	(1,116,044)	(1,738,764)
Net Changes	<u>\$ 5,017,411</u>	<u>\$ (1,406,610)</u>	<u>\$ 3,610,801</u>
Balance June 30, 2025	<u>\$ 15,520,781</u>	<u>\$ 17,620,570</u>	<u>\$ 33,141,351</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 3.93 percent in 2024 to 4.81 percent in 2025.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, the primary government recognized OPEB expense of \$6,239,433 and the school department recognized OPEB expense of \$1,495,488. On June 30, 2025, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Primary Government:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,147,244	\$ 999,890
Changes of Assumptions	443,020	1,652,360
Total	<u>\$ 1,590,264</u>	<u>\$ 2,652,250</u>

Discretely Presented School Department:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 279,542	\$ 1,412,112
Changes of Assumptions	779,631	2,107,423
Total	<u>\$ 1,059,173</u>	<u>\$ 3,519,535</u>

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

Year Ending June 30	Primary Government	School Department	Total
2026	\$ 86,131	\$ (393,962)	\$ (307,831)
2027	(24,286)	(448,982)	(473,268)
2028	(475,802)	(627,257)	(1,103,059)
2029	(297,715)	(461,175)	(758,890)
2030	(89,408)	(250,690)	(340,098)
Thereafter	(260,906)	(278,296)	(539,202)

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

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

Discount Rate	Current Discount Rate		
	1% Decrease 3.81%	4.81%	1% Increase 5.81%
Primary Government	\$ 16,819,330	\$ 15,520,781	\$ 14,342,352
School Department	19,094,798	17,620,570	16,282,712
Total OPEB Liability	<u>\$ 35,914,128</u>	<u>\$ 33,141,351</u>	<u>\$ 30,625,064</u>

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

Healthcare Cost Trend Rate	Current Trend Rate		
	1% Decrease (6.75% decreasing to 3.5%)	7.75% decreasing to 4.5%	1% Increase (8.75% decreasing to 5.5%)
Primary Government	\$ 13,932,891	\$ 15,520,781	\$ 17,391,437
School Department	15,817,857	17,620,570	19,744,305
Total OPEB Liability	<u>\$ 29,750,748</u>	<u>\$ 33,141,351</u>	<u>\$ 37,135,742</u>

I. Office of Central Accounting, Budgeting, and Purchasing

Blount County operates under provisions of the Fiscal Control Acts of 1957 and the Local Option Budgeting Law of 1993. These acts provide for a central system of accounting and budgeting covering all funds of the county. These funds are maintained in the Office of Central Accounting and Budgeting under the supervision of the director of accounts and budgets.

J. Purchasing Laws

Purchasing procedures for the Offices of County Mayor, Director of Schools, and Highway Superintendent are governed by the County Purchasing Law of 1957 (Section 5-14-101, et seq., *Tennessee Code Annotated (TCA)*). Purchasing procedures for the highway department are also governed by provisions of the Uniform Road Law, Section 54-7-113, *TCA*. These statutes provide for a purchasing agent and require competitive bids on all purchases exceeding \$50,000.

K. Subsequent Events

On September 2, 2025, the county's General Debt Service Fund issued a \$15,529,489 tax and revenue anticipation note to the Other General Government Fund for temporary operating funds.

On November 4, 2025, county management identified \$272,051.28 in disbursements from the Highway/Public Works fund that had been fraudulently diverted by an external party to an unauthorized recipient. Law enforcement is actively investigating the matter and working with the county to recover the stolen funds. As of the report date, no funds have been recovered by the county.

VI. OTHER NOTES – BLOUNT MEMORIAL HOSPITAL (ENTERPRISE FUND)

A. *Description of Reporting Entity and Significant Accounting Policies*

Reporting Entity

Blount Memorial Hospital, Inc., is an acute and general healthcare provider formed to provide services to Blount County and the surrounding communities. Prior to the transfer of Blount Memorial Hospital to Prisma Health, the hospital was a component of Blount County, Tennessee, and is organized as a private act hospital authority. In May 2023, the State of Tennessee amended and restated the Private Act to authorize the county to operate and manage the hospital itself or retain a non-profit corporation to operate and manage the hospital (but not be deemed the owner of any assets of the hospital). In June 2023, the hospital filed an action seeking declaratory relief that the amended and restated Private Act is unconstitutional and requested an injunction preventing the amended and restated Private Act from taking effect. In August 2023, the county filed a motion for sanctions in response. In March 2024, the county and the hospital reached a settlement to dismiss all previous litigation and provided a mutual release to both parties in conjunction with entering into a management agreement dated March 28, 2024, between the county and the hospital.

The management agreement between the county and Blount Memorial Hospital, Inc. provides that Blount Memorial Hospital, Inc. will exclusively operate and manage Blount Memorial Hospital (BMH) on behalf of the county. Per the agreement, the county granted all control over the operations of Blount Memorial Hospital to Blount Memorial Hospital, Inc., authorizing Blount Memorial Hospital, Inc. to perform its duties as the county's agent. The term of the management agreement is an initial period of five years, commencing on March 28, 2024, and shall automatically renew for successive five-year periods unless the county or Blount Memorial Hospital, Inc. provides notice of its intention not to renew the term of the management agreement at least one year before the end of the initial five-year period or subsequent five-year periods. The management agreement acknowledges that any BMH property titled in the name of Blount Memorial Hospital, Inc. is held by Blount Memorial Hospital, Inc. for the benefit of the county. The management agreement specifies various operational protocols between the county and Blount Memorial Hospital, Inc. including written notice periods and county approval for proposed agreements to sell or purchase real property. The management agreement allows the county to terminate the agreement prior to its maturity date if certain events were to occur.

Blount Memorial Hospital, Inc. also amended and restated its charter in conjunction with the management agreement. The amended and restated charter states that the affairs of Blount Memorial Hospital, Inc. shall be managed by a Board of Directors of not fewer than nine directors, four of whom shall be approved by the Blount County Commission, two of whom shall be approved by the Maryville City Council, two of whom shall be approved by the Alcoa Board of Commissioners and one of whom shall be approved by the Board of Directors of Maryville College.

The hospital was the sole corporate member of the Blount Memorial Foundation, Inc. (the foundation), which coordinates and secures resources to enable the hospital to maintain, improve, and advance medical care. The hospital and the foundation have a separate board of directors. The financial activity of the foundation is included (blended) in the hospital's financial statements. Separate audited financial statements of the foundation are maintained by management. Except for certain expenses paid directly by the foundation, the hospital provides administrative services and pays for operating expenses to support the foundation's activities.

Blount Memorial Physician Group, Inc. (BMPG), is owned 100 percent by the hospital and governed by the hospital's Board of Director's. The financial activity of BMPG is also included (blended) in the hospital's financial statements. BMPG provides physician and outpatient services in Blount County in a multi-specialty practice. Separate financial statements are maintained by hospital management.

All significant intercompany accounts and transactions with blended component units have been

eliminated.

The hospital also had a non-controlling ownership interest in a partnership, which operates a medical facility in Blount County consistent with the hospital's mission of providing healthcare services. This ownership interest is included in other assets on June 30, 2024. On December 1, 2024, the ownership in the partnership transferred to Prisma Health with the transfer of Blount Memorial Hospital, Inc. to Prisma Health.

Membership Agreement

On November 14, 2024, Blount Memorial Hospital, Inc. entered into a membership agreement with Prisma Health, Prisma Health Eastern Tennessee, Blount County, and the foundation. The purpose of the membership agreement was to formalize the terms of planned transactions amongst the parties and an agreed closing date for the transactions of December 1, 2024, which would result in a change of control of Blount Memorial Hospital, Inc. on December 1, 2024, and the future operations of the hospital.

The membership agreement also detailed the responsibilities of each party to the agreement for actions to be performed before December 1, 2024, closing date (closing date), as well as formalizing various commitments for post-closing activities. Prisma Health and/or Prisma Health Eastern Tennessee made various post-closing commitments including the following:

Services Commitments – For ten years following the closing date, the hospital facility would continue to be operated as a general hospital, providing all the services required thereunder, as well as various ancillary services.

Capital Commitment – During the ten years following the closing date, expend a minimum of \$275 million of investments in routine and strategic capital and economic investments in the primary and secondary service areas of the hospital, primarily in the primary service area of the hospital. The commitment included an initial project plan to target such investments and provided general guidelines of expenditure that would qualify under the capital commitment.

Employees and Benefits – During the 12 months following the closing date, retain the hospital employees and provide comparable compensation and benefits.

One of the commitments made by Blount Memorial Hospital, Inc. was to take all necessary actions prior to the closing date to have each of the retirement plans terminated.

One of the commitments made by the county was to have the county's ownership interest in certain real estate parcels located near the hospital facility which were jointly owned by the county and Blount Memorial Hospital, Inc. be transferred to Blount Memorial Hospital, Inc. at the closing date.

Transfer of Blount Memorial Hospital, Inc. to Prisma Health

On December 1, 2024, a series of transactions were executed as provided for and described as the closing in the membership agreement described above. The transactions resulted in a change of control of Blount Memorial Hospital, Inc. to Prisma Health and a change in the management of the Hospital operations by Blount Memorial Hospital, Inc. to Prisma Health. The transactions executed and effective at closing on December 1, 2024, include the following:

The charter and by-laws of Blount Memorial Hospital, Inc. were amended to change the name to Prisma Health Blount Memorial Hospital, Inc. changed to have members and establish the sole member as Prisma Health Eastern Tennessee.

The charter and by-laws of Prisma Health Eastern Tennessee were amended to define its

purpose as fully supporting Prisma Health Blount Memorial Hospital, Inc.; Prisma Health Eastern Tennessee continued to be a member organization with its sole member as Prisma Health.

The management agreement dated March 28, 2024, between Blount Memorial Hospital, Inc., and Blount County was cancelled.

The charter and by-laws of the foundation were amended for the following:

The foundation would no longer be a member organization, and accordingly, Blount Memorial Hospital, Inc. was no longer the sole member of the foundation.

The foundation would become an independent non-profit organization directed by a board of directors consisting of 11 to 15 individuals, a majority of whom will be Community Directors and five whom will be Government Representative Members. Community Directors will at all times include one member of the hospital board of directors and otherwise include independent civic leaders drawn from the communities served by the hospital. Government Representative Members will be comprised of three members appointed by the Blount County Commission, one appointed by Alcoa Board of Commissioners and one appointed by Maryville City Council. None of the appointed Government Represented Members will be elected officials of these governing bodies while serving on the foundation board of directors. After the later of December 1, 2034, or satisfaction of the entirety of Capital Commitment of Prisma Health as described above, the Blount County Commission, Alcoa Board of Commissioners and the Maryville City Council will cease to have rights to appoint directors. Two of the primary purposes of the foundation were changed to support operations of Prisma Health Blount Memorial Hospital, Inc. in providing medical care and healthcare facilities to the residents of the county region and to monitor, and if necessary, to enforce compliance with the fulfillment of the covenants and commitments made by Prisma Health and Prisma Health Eastern Tennessee in the membership agreement described above.

The county executed a quit claim deed to transfer its ownership interest to Blount Memorial Hospital, Inc. in certain parcels of real estate described above for \$1.

The county entered into a lease agreement as the landlord to lease the real property owned by the county upon which is located Blount Memorial Hospital (consisting of the parcels at and around 907 E. Lamar Alexander Parkway, Maryville, TN) together with all buildings, permanent improvements, and fixtures now or hereafter located thereon to Prisma Health Blount Memorial Hospital, Inc. as the tenant for 50 years (initial expiration date November 30, 2074) for \$1. If the tenant complies with the terms of the lease, the tenant has two 25-year renewal options which can be exercised by giving written notice to renew at least two years prior to such lease expiration date. A primary requirement of the tenant under the lease is the tenant shall continuously and at all times during the term of the lease use the buildings and other improvements now or hereafter located on the premises for the operation of a general acute care hospital. The \$1 lease is a net lease, thus the county as the landlord is not required to make any expenditures under the lease for the properties. At the expiration of the lease period if not renewed, the real property and all improvements (including improvements made after the start of the lease) remain the property of the county.

A First Supplemental Trust Agreement was executed between county, Prisma Health Blount Memorial Hospital, Inc. and Regions Bank. The trust agreement stipulated the following: removed the financial covenant requirements, does not permit the issuance of additional bonds, the county is removed from having responsibility for the bonds,

Prisma Health Blount Memorial Hospital, Inc. has full responsibility for the bonds, required that a lease agreement described above be executed, county shall cause Prisma Health Blount Memorial Hospital, Inc. to observe the terms and conditions of a Tax Exemption Agreement in the administration of the hospital facilities, the hospital facilities will not be subject to a lien for the bonds, and the gross revenues of the hospital operations (as defined) will be pledged for the bonds. If Prisma Health Blount Memorial Hospital, Inc. does not receive the IRS approval of its tax-exempt status within 15 months of the trust agreement, the bonds shall bear a rate of interest equal to 5.55% retroactively to December 1, 2024, and be payable to the bond holder until the Determination of Taxability occurs.

Prisma Health provided a guarantee of the outstanding bonds described above, totaling \$47,570,000 as of December 1, 2024, to the bond holder.

As a result of the above transactions consummated on December 1, 2024, the county was relieved of its financial responsibility for the bonds, and the county received remuneration of \$1 for the quit claim deed of certain parcels of real estate and \$1 for the lease described above. The county retains ownership of the premises described above under the lease with Prisma Health Blount Memorial Hospital, Inc. All assets of Blount Memorial Hospital, Inc. as of December 1, 2024, except for the assets that are included within the lease described above, were effectively transferred to Prisma Health on December 1, 2024, with the change in control. All liabilities of Blount Memorial Hospital, Inc. as of December 1, 2024, were effectively assumed by Prisma Health on December 1, 2024, with the change in control.

This transaction was accounted for in accordance with Governmental Accounting Standards Board (GASB) Statement No. 6, *Government Combinations and Disposals of Government Operations* (GASB 69). As a result of this transaction, the hospital recognized a loss of \$123,486,824 in the statement of revenue, expenses and changes in net position for the period from July 1, 2024, through December 1, 2024, and derecognized the related assets and liabilities from the statement of net position.

Revenue and expenses associated with the transferred operations, which are included in the accompanying statement of revenue, expenses and changes in net position for the period from July 1, 2024, through December 1, 2024, are as follows:

Total Operating Revenues	\$ 147,171,346
Total Operating Expenses	<u>(146,708,269)</u>
Operating Income	\$ 463,077
Total Nonoperating Income	<u>10,950,078</u>
Excess of expenses over revenue before Special and extraordinary income	<u>\$ 11,413,155</u>

Basis of Presentation

The hospital's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting in accordance with the Governmental Accounting Standards Board (GASB), which establishes standards for external financial reporting for all state and local government entities. GASB requires the classification of net position into three components, which are defined as follows:

Net investment in capital assets – This component of net position consists of property and equipment and right-to-use assets, net of accumulated depreciation, reduced by the

outstanding balances of long-term debt and lease obligations that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt and lease obligations are also included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at year-end, the portion of the debt or deferred inflows of resources attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt or deferred inflow of resources is included in the same net position component as the unspent proceeds.

Restricted – This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported. The restricted component is separated into nonexpendable and expendable. Net position subject to externally imposed stipulations that the hospital maintain them permanently are nonexpendable. Net position on which use by the hospital is subject to externally imposed stipulations that can be fulfilled by the action of the hospital pursuant to those stipulations or that expire by the passage of time are expendable.

Unrestricted – This component of net position consists of net amounts of assets, deferred outflows of resources, liabilities, and deferred inflows that are not included in the determination of net investment in capital assets or restricted components of net position.

Cash and Cash Equivalents

The hospital considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Patient Accounts Receivable

Accounts receivable from patients and third-party payors are recorded on the accrual basis in the period in which services are rendered. The hospital does not require collateral on accounts receivable. In evaluating the collectability of accounts receivable, the hospital analyzes historical collection rates, write-offs, and payment trends for payors to estimate appropriate allowance amounts. Accounts are charged to bad debt expenses as they are determined to be uncollectible based on a review of aging and collections.

Inventories

Inventories are stated at the lower of cost or market and are valued principally by methods which approximate the first-in, first-out method.

Investments

Investments are recorded at fair value based on quoted market prices. Interest and dividends on investments, as well as realized and unrealized gains and losses, are included in non-operating revenues when earned.

The hospital is organized as a private act hospital authority, which provides the hospital additional rights and powers, including the manner in which funds are invested. The hospital diversifies its investments into a broad range of asset classes in order to reduce concentration risk and to maximize return with reasonable and prudent levels of risk. It is also the hospital's policy to limit the maximum position for each type of investment at varying levels within these classifications. To limit its exposure to fair value losses arising from changing interest rates, the hospital's investment policy restricts the

type and maturities of fixed income investments in order to increase the overall investment horizon. The hospital had no investments as of December 1, 2024, as all balances were transferred to Prisma Health on December 1, 2024.

Assets Limited as to Use by Board and Foundation

The hospital’s investments have been designated by the hospital’s Board of Directors (the hospital board) for the replacement of property and equipment or for other purposes.

The hospital had no assets limited as to use as of December 1, 2024, as all balances were transferred to Prisma Health on December 1, 2024.

Property and Equipment

Land, buildings, and equipment are stated on the basis of cost of acquisition or fair value at the date of donation. Prior to the transfer of Blount Memorial Hospital, Inc. to Prisma Health, title to certain land and buildings rested with the county, these assets were recorded by the hospital as the county authorized their use by the hospital. Repairs and maintenance costs are expensed as incurred while significant asset purchases and improvements are capitalized. Depreciation of property and equipment is computed by the straight-line method over the estimated useful lives of the assets. The estimated useful lives are based on guidelines established for the healthcare industry, which are summarized as follows:

Assets	Years
Land Improvements	8 - 25
Buildings, Improvements, and Fixed Equipment	10 - 40
Equipment	3 – 15

Operating Revenues and Expenses

Revenues and expenses associated with the hospital's mission of providing health care services are considered to be operating activities. Non-operating revenues consist primarily of investment income, general contributions to the hospital and certain grant awards. Unrestricted resources will be applied first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Income Taxes

The hospital is classified as a governmental organization exempt from income tax. The foundation is a not-for-profit organization defined by Section 501(c)(3) of the Internal Revenue Code as other than a private foundation. BMPG is a corporation and subject to income taxes. BMPG has net operating loss carryforwards, resulting in deferred tax assets, which have been fully offset by valuation allowances. Accordingly, no provision for income taxes has been included in the accompanying financial statements.

Charity Care

The hospital accepts patients regardless of their ability to pay. A patient is classified as a charity patient by reference to certain established policies of the hospital. Charges at established rates related to charity care are not included in net patient service revenue.

Patient Service Revenue

Patient service revenue is reported in the period in which services are provided at rates which reflect the amount expected to be collected. Net patient service revenue includes amounts estimated by management to be reimbursable by third-party payors under provisions of reimbursement formulas in effect and is net of the provision for bad debts.

Risk Management

The hospital is self-insured for medical malpractice and employee (including dependent) group health expenses and claims prior to the transfer of Blount Memorial Health, Inc. to Prisma Health. BMPG has third-party commercial insurance coverage for medical malpractice. Additionally, commercial insurance is purchased for significant exposure to various other risks typical to the hospital's operating environment and industry such as loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; and natural disasters. There were no significant losses in excess of insurance coverage during the last three years.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, net position, disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Performance indicator

Operating income (loss) in the accompanying statements of revenue, expenses and changes in net position is a performance indicator.

Long-lived assets

If certain triggering events occur, management evaluates the recoverability of the investment in long-lived assets and recognizes any impairment in the year of determination. It is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

Leases

The hospital has certain office space and equipment arrangements, under which the hospital determines if the arrangement contains a lease at contract inception and recognizes a right-of-use (ROU) lease asset and a lease obligation at the lease commencement date. Terms of the leases range from two to seven years and contain fixed payment terms. The lease term includes the noncancellable period of the lease plus an additional period covered by either an option to extend (or not to terminate) the lease that the hospital is reasonably certain to exercise, or an option to extend (or not to terminate) the lease controlled by the lessor and is considered in the lease obligation.

Variable lease payments associated with the hospital's leases are recognized when the event, activity, or circumstance in the lease agreement on which those payments are assessed occurs. Variable lease payments are presented as operating expenses in the hospital's statement of revenues and expenses with the expense arising from fixed lease payments.

The hospital monitors for events or changes in circumstances that require a reassessment of its leases. When a reassessment results in the remeasurement of a lease obligation, a corresponding adjustment is made to the carrying amount of the corresponding ROU lease asset. The leases were transferred with

the transfer of Blount Memorial Hospital, Inc. to Prisma Health.

Subscription Arrangements

The hospital enters into subscription-based information technology arrangements (SBITA) to access software and technology services over defined service periods ranging from 12 to 70 months. These arrangements involve payments made to vendors for access to software applications, cloud computing services, and other technology resources.

The hospital recognizes an intangible asset and a corresponding subscription-based obligation when a SBITA meets the criteria for a ROU subscription asset. Initial measurement includes the upfront payments, implementation costs, and any directly attributable costs necessary to make the asset ready for use. The intangible asset is amortized over the noncancellable period of the subscription term, which includes renewal periods that are reasonably certain to be exercised and is considered in the subscription-based obligation.

The hospital monitors for events or changes in circumstances that require a reassessment of its SBITA. When a reassessment results in the remeasurement of a subscription-based obligation, a corresponding adjustment is made to the carrying amount of the corresponding ROU subscription-based asset. The subscription-based assets and liabilities were transferred with the transfer of Blount Memorial Hospital, Inc. to Prisma Health.

COVID-19 Pandemic

During March 2020, a global pandemic was declared by the World Health Organization related to the rapidly growing outbreak of a novel strain of coronavirus (COVID-19). The pandemic pervasively impacted the economy, financial markets, and global health care delivery systems. On March 27, 2020, the U.S. Congress enacted the Coronavirus Aid, Relief, and Economic Security (CARES) Act to provide certain relief as a result of the COVID-19 outbreak. The CARES Act contains financial relief to healthcare providers.

During the period from July 1, 2024, through December 1, 2024, no grant revenue was recognized or received. The grant receivable of \$916,867 was transferred with the transfer of Blount Memorial Hospital, Inc. to Prisma Health.

Events Occurring After Reporting Date

The hospital has evaluated events and transactions that occurred between December 1, 2024, and the date the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

B. Cash, Cash Equivalents, and Assets Limited as to Use

As required by state statutes, the hospital's cash and cash equivalent balances are on hand with financial institutions participating in the bank collateral pool, which is administered by the collateral pool board and monitored by the Treasury Department of the State of Tennessee. Legal provisions require participating banks to 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 105 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 Bank Collateral Pool may be required by agreement to pay an assessment to cover any deficiency.

BMPG's cash balances at financial institutions are covered by Federal Deposit Insurance Corporation (FDIC) insurance (credit risk category insured).

Investment income on assets limited as to use includes for the period July 1, 2024, through December 1, 2024:

Interest and Dividends	\$ 1,643,601
Net Realized and Unrealized Investment Appreciation	<u>200,105</u>
Total	<u>\$ 1,843,706</u>

The hospital had no assets limited as to use as of December 1, 2024, as all balances were transferred to Prisma Health on December 1, 2024.

C. *Net Patient Service Revenue*

A reconciliation of the amount of services provided to patients at established rates to net patient service revenue as presented in the statements of revenues, expenses, and changes in net position is as follows for the period ended:

	Period ended <u>12-1-24</u>
Gross Patient Service Charges	\$ 600,969,366
Contractual Adjustments and Discounts	(434,643,453)
Charity Care Charges Foregone	(14,324,637)
Provision for Bad Debts	<u>(8,696,919)</u>
Net Patient Service Revenue	<u>\$ 143,304,357</u>

D. *Third-party Payor Agreements*

The hospital renders services to patients under contractual arrangements with the Medicare and TennCare programs. Laws, regulations, and contracts governing third-party payor programs can be extremely complex and subject to interpretation. Amounts earned under these contractual arrangements are subject to regulatory review and final determination by the various program intermediaries and other appropriate governmental authorities or their agents. As a result, there is at least a reasonable possibility that recorded estimates related to third-party payor agreements could change in the near term. In the opinion of management, adequate provision has been made in the financial statements for any adjustments which may result from such reviews.

The Medicare program pays for inpatient services on a prospective basis primarily based upon diagnostic related group assignments as determined by the patient's clinical diagnosis and medical procedures utilized. The hospital receives additional payments from Medicare based on the provision of services to a disproportionate share of low-income patients (as defined by the Medicare program). Medicare also pays for outpatient services on a prospective basis based upon ambulatory payment classifications and fee schedules.

TennCare reimbursement for both inpatient and outpatient services is based upon prospectively determined rates and per-diem amounts.

The hospital also has reimbursement agreements with commercial insurance companies, health maintenance organizations and preferred provider organizations. The basis for reimbursement under these agreements includes prospectively determined rates, per diems and discounts from established charges.

Contractual adjustments for Medicare, Medicare HMO, and other commercial payors are recognized when the related revenues are reported in the financial statements. The percentage of gross patient charges from Medicare and Medicare Advantage plans was approximately 20 percent and 34 percent for the period from July 1, 2024, through December 1, 2024, respectively.

The hospital had no patient accounts receivable as of December 1, 2024, as all balances were transferred to Prisma Health on December 1, 2024

E. Excess Consideration Provided for Acquisition

In connection with the 2009 acquisition of an entity that operated outpatient rehabilitation clinics, the consideration paid exceeded the fair value of the net position acquired (previously referred to as goodwill), which is amortized over 40 years. Amortization expense is included as part of depreciation and amortization in the accompanying financial statements and totaled \$29,580 for the period from July 1, 2024, through December 1, 2024. The hospital had no excess consideration provided for acquisition as of December 1, 2024, as all balances were transferred to Prisma Health on December 1, 2024.

F. Property and Equipment, Right-of-Use Lease and Subscription Assets

The major classifications and changes in property and equipment and ROU assets are as follows:

	Balance 7-1-24	Additions	Retirements and Transfers	Balance 12-1-2024
Cost:				
Land	\$ 12,481,841	\$ 0	\$ (12,481,841)	\$ 0
Land Improvements	3,006,507	0	(3,006,507)	0
Buildings, Improvements, and Fixed Equipment	208,232,826	42,255	(208,275,081)	0
Equipment	176,794,699	412,263	(177,206,962)	0
Construction in Progress	317,927	1,138,822	(1,456,749)	0
Right-Of-Use Assets:				
Leased Equipment	4,742,297	912,015	(5,654,312)	0
Leased Office Space	2,804,262	358,732	(3,162,994)	0
Subscription-Based Assets	8,010,440	205,397	(8,215,837)	0
Total Cost	<u>\$ 416,390,799</u>	<u>\$ 3,069,484</u>	<u>\$ (419,460,283)</u>	<u>\$ 0</u>
Allowances for				
Depreciation:				
Land Improvements	\$ (2,615,776)	\$ (16,936)	\$ 2,632,712	\$ 0
Buildings, Improvements, and Fixed Equipment	(152,660,634)	(2,652,861)	155,313,495	0
Equipment	(162,199,179)	(2,254,965)	164,454,144	0
Right-Of-Use Assets:				
Leased Equipment	(2,586,986)	(465,555)	3,052,541	0
Leased Office Space	(1,866,627)	(313,466)	2,180,093	0
Subscription-Based Assets	(3,955,955)	(1,069,312)	5,025,267	0
Total Allowances for Depreciation	<u>\$ (325,885,157)</u>	<u>\$ (6,773,095)</u>	<u>\$ 332,658,252</u>	<u>\$ 0</u>
Net Property and Equipment	<u>\$ 90,505,642</u>	<u>\$ (3,703,611)</u>	<u>\$ (86,802,031)</u>	<u>\$ 0</u>

G. Other Assets

Trade names were being amortized over periods of ten to forty years. Medical records and workforce were amortized over periods of ten to twenty years. Amortization expense for the period from July 1, 2024, through December 1, 2024, was \$62,082. The hospital had no other assets as of December 1, 2024, as all balances were transferred to Prisma Health on December 1, 2024.

H. Lease Receivables

The hospital, as lessor, leases office space under noncancellable lease arrangements. Terms of the leases range from three to fifteen years and contain fixed payment terms. Certain leases contain an option to renew that has been considered in the lease receivable when the lessee is reasonably certain to exercise the renewal option. The hospital recognized lease revenue, which is included in other operating revenues, of \$88,957 for the period from July 1, 2024, through December 1, 2024. The hospital also recognized interest income from leases, which is included in nonoperating revenues, totaling \$23,717 for the period from July 1, 2024, through December 1, 2024. The hospital had no lease receivables as of December 1, 2024, as all balances were transferred to Prisma Health on December 1, 2024.

I. Lease Obligations

A schedule of changes in lease obligations are summarized as follows:

	Balance 7-1-24	Additions	Repayments	Balance 12-1-24
Office Space	\$ 1,015,492	\$ 948,530	\$ (1,964,022)	\$ 0
Equipment	2,333,558	894,061	(3,227,619)	0
Total Lease Obligations	3,349,050	\$ 1,842,591	\$ (5,191,641)	0
Less Current Portion	(1,502,113)			0
Long-term Portion	<u>\$ 1,846,937</u>			<u>\$ 0</u>

All leases were transferred to Prisma Health on December 1, 2024.

J. Subscription-Based Assets and Obligations

The hospital is party to SBITAs that expire on various dates through March 2029. Right-Of-Use subscription-based assets are summarized in Note I. Amortization expense totaling \$1,061,707 for period from July 1, 2024, through December 1, 2024, is included in depreciation and amortization in the accompanying statements of revenue, expenses and changes in net position. Future subscription payments are discounted using the interest rate the SBITA vendor charges the hospital, which may be implicit, or the hospital's incremental borrowing rate if the interest rate is not readily determinable. The hospital recognized certain SBITAs using an incremental borrowing rate of 5% - 7% during the period from July 1, 2024, through December 1, 2024.

Changes in subscription obligations are summarized as follows:

	Balance 7-1-24	Additions	Repayments	Balance 12-1-24
Software arrangements	\$ 3,311,251	\$ 177,810	\$ (3,489,061)	\$ 0
Less Current Portion	(2,137,356)	\$ 177,810	\$ (3,489,061)	0
Long-term Portion	<u>\$ 1,173,895</u>			<u>\$ 0</u>

The hospital incurred interest expense of \$81,514 for the period from July 1, 2024, through December 1, 2024, related to SBITAs. All SBITAs were transferred to Prisma Health on December 1, 2024.

K. Long-Term Debt – Due to Primary Government

A schedule of changes in the Hospital's long-term debt for bonds issued by the County (primary government) for the benefit of the Hospital as of November 30, 2024, period from July 1, 2024 through November 30, 2024, and as of and for the year ended June 30, 2024, is as follows:

	Balance 7-1-24	Additions	Principal Payments	Balance 12-1-24
Series 2019A Bonds	\$ 36,710,000	\$ 0	\$ (36,710,000)	\$ 0
Series 2019B Bonds	10,860,000	0	(10,860,000)	0
Total Outstanding	<u>\$ 47,570,000</u>	<u>\$ 0</u>	<u>\$ (47,570,000)</u>	<u>\$ 0</u>

To refund General Obligation Refunding Bonds, Series 2013A Bonds (Series 2013A Bonds), in October 2019 Blount County issued, on behalf of the hospital, \$67,705,000 of Hospital Revenue Refunding Bonds, Series 2019A. The Series 2019A Bonds bear interest at a fixed rate of 2.07%.

Also, in October 2019 Blount County issued, on behalf of the hospital, \$20,000,000 of Hospital Revenue Improvement Bonds, Series 2019B. The Series 2019B Bonds bear interest at a fixed rate of 2.07%. The Series 2019B Bonds mature in increasing annual amounts ranging from \$2,080,000 in 2025 to \$2,265,000 in 2029 and are subject to redemption at the option of the county, in whole or in part, at the redemption price of par plus accrued interest to the redemption date.

The revenues of the hospital are pledged as collateral for the Series 2019A and Series 2019B Bonds. The bonds were acquired by a financial institution with a credit agreement entered into with the financial institution requiring the hospital to maintain certain financial and other covenants. The financial covenants are measured twice per year (December 31 and June 30). In the event of default, the entire remaining amount owed by the hospital may be declared immediately due and payable in full. The hospital received a waiver dated December 7, 2023, for not satisfying financial covenants for the period ending December 31, 2023. As of June 30, 2024, the hospital did not meet the days cash on hand financial covenant related to the Series 2019A and Series 2019B Bonds. A waiver dated September 16, 2024, was obtained related to the days cash on hand as of June 30, 2024. In conjunction with the cash received from the sale of Morning View Village and Blount Memorial Transitional Care Center on July 1, 2024, the hospital met the cash on hand requirement through the transfer of Blount Memorial Health, Inc. to Prisma Health on December 1, 2024.

In connection with the 2019 refunding of the Series 2013A Bonds, the hospital terminated the existing interest rate swaps, and the loss, which is recorded as a deferred outflow of resources, is being amortized as a component of interest expense over the term of the 2019A Bonds. During the period from July 1, 2024, through December 1, 2024, amortization of \$374,471 was recorded.

Prisma Health Blount Memorial Hospital, Inc. became fully responsible for the bonds upon the transfer of Blount Memorial Hospital, Inc. to Prisma Health on December 1, 2024.

L. Long-term Debt

The hospital has a term loan agreement with a financial institution, which is collateralized by certain property, bears interest at 3.38% per year, and requires monthly payments of \$14,318 through its maturity in March 2027. The hospital is required to maintain certain financial covenants for which the hospital was not in compliance with the days cash on hand financial covenant as of June 30, 2024. A waiver dated September 16, 2024, was obtained related to the days cash on hand as of June 30, 2024. The agreement includes a provision that in an event of default, the financial institution may (a) take possession of the property, (b) apply to any court for a receiver for the property, (c) set off any amounts the hospital owes against any credits or other property held by the financial institution, (d) exercise their right to pursue any of these options in the event of a default even if the financial institution does not immediately take action against the hospital, (e) withhold further disbursement

of any loan proceeds to the hospital, (f) declare the entire balance of the debt due at once, and (g) may pursue any other remedies available to the financial institution. Also, upon default, the interest rate on any unpaid principal balances as of the default date will be set to the maximum rate allowed by law. During October 2024, the hospital paid the unpaid principal balance and interest in full.

A schedule of changes of long-term debt for the period from July 1, 2024, through December 1, 2024, is as follows:

	Balance 7-1-24	Additions	Principal Payments	Balance 12-1-24
Bank Note Payable	\$ 442,673	\$ 0	\$ (442,673)	\$ 0
Total Outstanding	<u>\$ 442,673</u>	<u>\$ 0</u>	<u>\$ (442,673)</u>	<u>\$ 0</u>

M. *Malpractice Trust Fund and Employee Group Health Claims*

Prior to the transfer of Blount Memorial Hospital, Inc. to Prisma Health, the hospital was covered under the Tennessee Governmental Tort Liability Act (*Tennessee Code Annotated*, Section 29-20-101, et seq.). In addition to requiring claims be made in conformance with this act, special provisions include, but are not limited to, special notice of requirements imposed upon the claimant, a one-year statute of limitations, and a requirement that the governmental entity purchase insurance or be self-insured with certain limits. This act also prohibits a judgment or award exceeding the minimum amounts of insurance coverage set out in the act or the amount of insurance purchased by the governmental entity.

Prior to the transfer of Blount Memorial Hospital, Inc. to Prisma Health, the hospital was self-insured for professional malpractice liability coverage. Claims and expenses of \$260,957 were incurred for the period from July 1, 2024, through December 1, 2024. As of December 1, 2024, the hospital was involved in medical malpractice litigation in which management of the hospital, after consultation with legal counsel, was of the opinion that liability, if any, related to these claims would not be material to the financial statements. No amounts were accrued for potential losses related to unreported incidents or reported incidents which have not yet resulted in asserted claims as the hospital was not able to estimate such amounts.

Prior to the transfer of Blount Memorial Hospital, Inc. to Prisma Health, the hospital was self-insured for employee (and dependent) group health claims and recorded a liability for claims known but unpaid and estimated claims incurred but not reported. The hospital did not maintain a re-insurance policy for claims above certain limits. The total expense related to employee group health claims (net of employee paid premiums) was approximately \$8,640,000 for the period from July 1, 2024, through December 1, 2024.

N. *Fair Value*

The hospital categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs.

Mutual funds and common stocks are valued using prices quoted in active markets for those securities, while the debt securities are valued based on the securities' relationship to benchmark quoted prices.

The hospital had no cash and cash equivalents as of December 1, 2024, as all balances were transferred to Prisma Health on December 1, 2024.

O. Retirement Plans

Prior to the transfer of Blount Memorial Hospital, Inc. to Prisma Health, the Blount Memorial Hospital retirement plans include three separate defined contribution plans administered by Fidelity Management Trust Company: the Blount Memorial Hospital Retirement Plan, the Blount Memorial Hospital Executive Retirement Plan, and the Blount Memorial Hospital Incorporated Excess Benefit Nonqualified Plan. At least one is available to all employees who are age 18 or older. New participants who have completed 1,000 hours of service vest 20 percent each year from two years of service to six years of service. Biweekly, the hospital contributes a matching contribution of up to 6% of each eligible employee's voluntary employee contributions.

Prior to the transfer of Blount Memorial Hospital, Inc. to Prisma Health, the hospital funded its deferred compensation obligations arising from the Blount Memorial Hospital Incorporated Excess Benefit Nonqualified Plan through a rabbi trust agreement. The rabbi trust agreement is subject to creditor claims in the event of insolvency, but the assets held in the rabbi trust agreement are not available for general operating purposes. Amounts in the rabbi trust are invested in mutual funds, as selected by each participant, and recorded at fair value, and are included in other assets in the statement of net position. A deferred compensation liability is also recorded that is equal to the investment balance held by the rabbi trust that is included in other long-term liabilities in the statements of net position.

Hospital contributions to the plans, net of forfeitures used of \$238,350 totaled \$1,871,731 for the period from July 1, 2024, through December 1, 2024. Employee contributions were \$3,231,060 for the period from July 1, 2024, through December 1, 2024.

In connection with the membership agreement described in Note VI.A, Blount Memorial Health, Inc. committed to terminate each of the plans prior to the closing date also described in VI.A. The board authorized the termination of the plans on November 26, 2024, which were executed on November 27, 2024, with an effective date of November 30, 2024, subject to the closing date occurring. The hospital has no additional obligations for the plans for compensation earned after November 30, 2024.

P. Commitments and Contingencies

Healthcare Industry

The delivery of personal and health care services entails an inherent risk of liability. See Note VI.M. regarding malpractice matters. The hospital also maintains insurance for general liability, director and officer liability and property. Certain policies are subject to deductibles. Management is not aware of any claims against the hospital which would have a material financial impact.

The health care industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and Medicare fraud and abuse. Recently, government activity has increased with respect to investigations and/or allegations concerning possible violations of fraud and abuse statutes and/or regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as repayments for patient services previously billed. Management believes that the hospital is in compliance with fraud and abuse statutes, as well as other applicable government laws and regulations.

Management continues to implement policies, procedures, and compliance overview organizational structure to enforce and monitor compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and other government statutes and regulations. The hospital's compliance with

such laws and regulations is subject to future government review and interpretations, as well as regulatory actions which are unknown or unasserted at this time.

The Centers for Medicare and Medicaid Services ("CMS") have implemented a Recovery Audit Contractors ("RAC") program. The purpose of the program is to reduce improper Medicare and Medicaid payments through the detection and recovery of overpayments. CMS has engaged subcontractors to perform these audits, and they are being compensated on a contingency basis based on the amount of overpayments that are recovered. While management believes that all Medicare and Medicaid billings are proper and adequate support is maintained, certain aspects of Medicare and Medicaid billing, coding and support are subject to interpretation and may be viewed differently by the RAC auditors. As the amount of any recovery is unknown, management has not recorded any reserves related to RAC audits at this time.

Healthcare Reform

The health care industry is subject to changing political, regulatory, and other influences, along with scientific and technological initiatives. In recent years, the U.S. Congress and certain state legislators have passed a large number of laws and regulations intended to effect major change within the U.S. health care system, including the Affordable Care Act. The Affordable Care Act affects how health care services are covered, delivered and reimbursed through expanded health insurance coverage, reduced growth in Medicare program spending, and the establishment of programs that tie reimbursement to quality and integration. However, there is uncertainty regarding the future of the Affordable Care Act. The law has been subject to legislative and regulatory changes and court challenges.

As currently structured, the Affordable Care Act expands coverage through a combination of private sector health insurance requirements, public program expansion and other reforms. Expansion of coverage through the private sector has been driven by requirements applicable to health insurers, employers, and individuals. Expansion in public program coverage has been driven primarily by expanding the categories of individuals eligible for Medicaid coverage and permitting individuals with relatively higher incomes to qualify.

There is uncertainty regarding the ongoing effect of the Affordable Care Act due to efforts to change, repeal or replace the Affordable Care Act, and the development of agency guidance, among other factors. There is also uncertainty regarding the potential impact of other reform efforts at the federal and state levels. For example, some members of Congress have proposed measures that would expand government-sponsored coverage, including proposals to expand coverage of federally-funded insurance programs as an alternative to private insurance or establish a single-payor system (such reforms often referred to as "Medicare for All"), and some states are considering similar measures. Other initiatives and proposals, including those aimed at price transparency and out-of-network charges, may impact prices and the relationships between health care providers and insurers.

General Economic and Demographic Factors

The health care industry is impacted by the overall United States economy. The COVID-19 pandemic has led, and may continue to lead, to a general worsening of economic conditions. Budget deficits at federal, state and local government entities have had a negative impact on spending for many health and human service programs, including Medicare, Medicaid and similar programs, which represent significant payor sources for the hospital. It is anticipated that the federal deficit, the growing magnitude of Medicare and Medicaid expenditures and the aging of the United States population will continue to place pressure on government health care programs.

Q. Blended Component Units

BMPG component unit information includes only the revenue generated by the physician group related to professional fees and therefore does not include ancillary revenues, which are included in the hospital's component unit. On December 1, 2024, the foundation became an independent non-profit organization as described in VI.A. BMPG was transferred with the transfer of Blount Memorial Health, Inc. to Prisma Health on December 1, 2024. Condensed combining information for the hospital and its blended component units, is presented as follows:

**Condensed Combining Statement of Revenue, Expenses
and Changes in Net Position
Period from July 1, 2024 through December 1, 2024**

	Hospital	Foundation	BMPG	Total
Operating revenues:				
Net patient service revenue	\$ 111,088,705	\$ 0	\$ 32,215,652	\$ 143,304,357
Other revenue	3,866,989	0	0	3,866,989
Total operating revenues	<u>\$ 114,955,694</u>	<u>\$ 0</u>	<u>\$ 32,215,652</u>	<u>\$ 147,171,346</u>
Operating expenses:				
Depreciation and amortization	\$ 6,928,261	\$ 0	\$ 0	\$ 6,928,261
Other operating expenses	91,180,547	169,524	48,429,937	139,780,008
Total operating expenses	<u>\$ 98,108,808</u>	<u>\$ 169,524</u>	<u>\$ 48,429,937</u>	<u>\$ 146,708,269</u>
Operating margin	<u>\$ 16,846,886</u>	<u>\$ (169,524)</u>	<u>\$ (16,214,285)</u>	<u>\$ 463,077</u>
Nonoperating revenues (expenses):				
Interest expense	\$ (1,081,579)	\$ 0	\$ 0	\$ (1,081,579)
Investment income	1,618,045	225,661	0	1,843,706
Transaction Expense	(5,797,726)	0	0	(5,797,726)
Gain on Sale of Certain Business Activities	15,959,275	0	0	15,959,275
Contribution of Capital Assets	(25,447,220)	0	0	(25,447,220)
Other	(159,294)	185,696	0	26,402
Total nonoperating revenues (expenses)	<u>\$ (14,908,499)</u>	<u>\$ 411,357</u>	<u>\$ 0</u>	<u>\$ (14,497,142)</u>
Income (Loss) Before Transfers	\$ 1,938,387	\$ 241,833	\$ (16,214,285)	\$ (14,034,065)
Loss on Transfer of BMHI	(113,519,771)	(3,555,922)	(6,411,131)	(123,486,824)
Increase (decrease) in net position	<u>\$ (111,581,384)</u>	<u>\$ (3,314,089)</u>	<u>\$ (22,625,416)</u>	<u>\$ (137,520,889)</u>
Net position at beginning of year	\$ 128,722,588	\$ 3,314,089	\$ 5,484,212	\$ 137,520,889
Transfers	(17,141,204)	0	17,141,204	0
Net position at end of year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

Condensed Combining Statement of Cash Flows
Period from July 1, 2024 through December 1, 2024

	Hospital	Foundation	BMPG	Total
Net cash provided by (used in):				
Operating activities	\$ 19,496,174	\$ 211,358	\$ (17,169,217)	\$ 2,538,315
Noncapital financing activities	26,402	0	0	26,402
Capital and related financing activities	(3,883,053)	0	0	(3,883,053)
Investing activities	(81,387,136)	(212,245)	17,270,842	(64,328,539)
Net increase (decrease) in cash and cash equivalents	\$ (65,747,613)	\$ (887)	\$ 101,625	\$ (65,646,875)
Cash and cash equivalents at beginning of year	\$ 65,593,218	\$ 422,954	\$ (369,297)	\$ 65,646,875
Cash and cash equivalents at end of year	\$ (154,395)	\$ 422,067	\$ (267,672)	\$ 0

R. *Sale of Morning View Village and Blount Memorial Transitional Care Center*

On July 1, 2024, the hospital completed the asset sale of the hospital's Morning View Village and Blount Memorial Transitional Care Center properties and operations with Ocoee TCC-MVV PropCo LLC, Ocoee Transitional Care Center LLC, and Ocoee Morning View Village LLC for \$22,825,000. Morning View Village was an assisted living and independent living facility licensed for at least 85 assisted living beds. The Transitional Care Center was a skilled nursing facility licensed for 76 beds. The hospital received cash proceeds, net of expenses of approximately \$22,000,000 on July 1, 2024. The hospital also retained all patient accounts receivable as of June 30, 2024, related to the Blount Morning View Village and Blount Memorial Transitional Care Center operations. The hospital recognized a non-operating gain of 15,959,275 from the transaction.

S. *Subsequent Events*

On December 1, 2024, the county was relieved of all financial liability for hospital bonds, and all hospital liabilities were assumed by Prisma Health.

REQUIRED SUPPLEMENTARY INFORMATION SECTION

BLOUNT 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 - Blount County Public Library System

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Pension Liability										
Service Cost	\$ 57,827	\$ 67,217	\$ 65,081	\$ 80,168	\$ 92,062	\$ 86,815	\$ 101,484	\$ 83,734	\$ 101,305	\$ 98,133
Interest	150,526	188,758	201,787	203,580	224,988	236,003	265,262	260,847	267,391	252,692
Differences Between Actual and Expected Experience	384,073	28,753	(80,879)	168,185	17,792	267,647	(94,227)	(1,580)	(361,678)	(27,356)
Changes in Assumptions	0	0	59,282	0	0	0	211,283	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(89,190)	(94,935)	(122,795)	(162,905)	(174,183)	(181,155)	(221,977)	(298,901)	(228,343)	(214,870)
Net Change in Total Pension Liability	\$ 503,236	\$ 189,793	\$ 122,476	\$ 289,028	\$ 160,659	\$ 409,310	\$ 261,825	\$ 44,100	\$ (221,325)	\$ 108,599
Total Pension Liability, Beginning	1,993,783	2,497,019	2,686,812	2,809,288	3,098,316	3,258,975	3,668,285	3,930,110	3,974,210	3,752,885
Total Pension Liability, Ending (a)	\$ 2,497,019	\$ 2,686,812	\$ 2,809,288	\$ 3,098,316	\$ 3,258,975	\$ 3,668,285	\$ 3,930,110	\$ 3,974,210	\$ 3,752,885	\$ 3,861,484
Plan Fiduciary Net Position										
Contributions - Employer	\$ 2,162	\$ 2,354	\$ 2,244	\$ 6,823	\$ 22,805	\$ 52,985	\$ 45,849	\$ 51,815	\$ 91,058	\$ 91,403
Contributions - Employee	35,729	39,232	37,401	40,138	46,925	61,044	52,823	48,246	51,680	56,933
Net Investment Income	85,685	74,642	319,417	252,057	236,501	164,902	875,038	(156,995)	255,573	388,428
Benefit Payments, Including Refunds of Employee Contributions	(89,190)	(94,935)	(122,795)	(162,905)	(174,183)	(181,155)	(221,977)	(298,901)	(228,343)	(214,870)
Administrative Expense	(1,035)	(1,611)	(1,871)	(2,147)	(2,321)	(2,392)	(2,134)	(2,292)	(2,584)	(3,009)
Net Change in Plan Fiduciary Net Position	\$ 33,351	\$ 19,682	\$ 234,396	\$ 133,966	\$ 129,727	\$ 95,384	\$ 749,599	\$ (358,127)	\$ 167,384	\$ 318,885
Plan Fiduciary Net Position, Beginning	2,808,238	2,841,589	2,861,271	3,095,667	3,229,633	3,359,360	3,454,744	4,204,343	3,846,216	4,013,600
Plan Fiduciary Net Position, Ending (b)	\$ 2,841,589	\$ 2,861,271	\$ 3,095,667	\$ 3,229,633	\$ 3,359,360	\$ 3,454,744	\$ 4,204,343	\$ 3,846,216	\$ 4,013,600	\$ 4,332,485
Net Pension Liability (Asset), Ending (a - b)	\$ (344,570)	\$ (174,459)	\$ (286,379)	\$ (131,317)	\$ (100,385)	\$ 213,541	\$ (274,233)	\$ 127,994	\$ (260,715)	\$ (471,001)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	113.80%	106.49%	110.19%	104.24%	103.08%	94.18%	106.98%	96.78%	106.95%	112.20%
Covered Payroll	\$ 708,911	\$ 784,615	\$ 748,019	\$ 802,745	\$ 938,476	\$ 1,220,853	\$ 1,056,437	\$ 964,897	\$ 1,033,576	\$ 1,037,495
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(48.61%)	(22.23%)	(38.28%)	(16.36%)	(10.70%)	17.49%	(25.96%)	13.27%	(25.22%)	(45.40%)

BLOUNT 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 (Excluding Library System) and Non-certified Employees of the Discretely Presented Blount County School Department

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Pension Liability										
Service Cost	\$ 2,696,385	\$ 2,644,976	\$ 2,789,050	\$ 3,245,127	\$ 3,329,784	\$ 3,503,871	\$ 3,443,652	\$ 3,878,347	\$ 4,152,737	\$ 4,554,581
Interest	7,602,389	7,952,467	8,385,382	8,901,794	9,335,755	9,821,285	10,570,347	10,858,623	11,645,483	12,600,597
Differences Between Actual and Expected Experience	(1,192,196)	(39,667)	2,214,409	(655,125)	(269,944)	3,225,603	(2,047,948)	3,811,140	5,619,096	9,571,877
Changes in Assumptions	0	0	2,497,589	0	0	0	9,362,162	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(4,220,884)	(4,554,046)	(5,305,253)	(5,423,228)	(5,758,334)	(5,987,090)	(6,330,219)	(7,054,398)	(7,276,237)	(8,062,400)
Net Change in Total Pension Liability	\$ 4,885,694	\$ 6,003,730	\$ 10,581,177	\$ 6,068,568	\$ 6,637,261	\$ 10,563,669	\$ 14,997,994	\$ 11,493,712	\$ 14,141,079	\$ 18,664,655
Total Pension Liability, Beginning	100,779,249	105,664,943	111,668,673	122,249,850	128,318,418	134,955,679	145,519,348	160,517,342	172,011,054	186,152,133
Total Pension Liability, Ending (a)	\$ 105,664,943	\$ 111,668,673	\$ 122,249,850	\$ 128,318,418	\$ 134,955,679	\$ 145,519,348	\$ 160,517,342	\$ 172,011,054	\$ 186,152,133	\$ 204,816,788
Plan Fiduciary Net Position										
Contributions - Employer	\$ 3,552,107	\$ 3,606,957	\$ 3,804,366	\$ 2,498,694	\$ 2,595,048	\$ 2,883,071	\$ 2,820,437	\$ 3,003,885	\$ 3,331,114	\$ 3,781,055
Contributions - Employee	1,486,716	1,529,996	1,580,521	1,640,484	1,688,415	1,856,910	1,853,390	1,935,399	2,231,917	2,470,607
Net Investment Income	3,221,836	2,877,308	12,649,915	10,260,873	9,859,860	6,985,854	37,740,612	(6,965,443)	11,635,720	17,852,131
Benefit Payments, Including Refunds of Employee Contributions	(4,220,884)	(4,554,046)	(5,305,253)	(5,423,228)	(5,758,334)	(5,987,090)	(6,330,219)	(7,054,398)	(7,276,237)	(8,062,400)
Administrative Expense	(43,044)	(63,996)	(71,581)	(81,331)	(76,271)	(76,552)	(76,045)	(84,644)	(98,431)	(119,844)
Other	0	54,796	27,223	0	0	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 3,996,731	\$ 3,451,015	\$ 12,685,191	\$ 8,895,492	\$ 8,308,718	\$ 5,662,193	\$ 36,008,175	\$ (9,165,201)	\$ 9,824,083	\$ 15,921,549
Plan Fiduciary Net Position, Beginning	104,165,963	108,162,694	111,613,709	124,298,900	133,194,392	141,503,110	147,165,303	183,173,478	174,008,277	183,832,360
Plan Fiduciary Net Position, Ending (b)	\$ 108,162,694	\$ 111,613,709	\$ 124,298,900	\$ 133,194,392	\$ 141,503,110	\$ 147,165,303	\$ 183,173,478	\$ 174,008,277	\$ 183,832,360	\$ 199,753,909
Net Pension Liability (Asset), Ending (a - b)	\$ (2,497,751)	\$ 54,964	\$ (2,049,050)	\$ (4,875,974)	\$ (6,547,431)	\$ (1,645,955)	\$ (22,656,136)	\$ (1,997,223)	\$ 2,319,773	\$ 5,062,879
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	102.36%	99.95%	101.68%	103.80%	104.85%	101.13%	114.11%	101.16%	98.75%	97.53%
Covered Payroll	\$ 29,198,139	\$ 29,875,603	\$ 31,255,600	\$ 32,438,967	\$ 33,665,230	\$ 37,090,590	\$ 36,157,314	\$ 38,419,441	\$ 42,945,739	\$ 48,231,794
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(8.55%)	0.18%	(6.56%)	(15.03%)	(19.45%)	(4.44%)	(62.66%)	(5.20%)	5.40%	10.50%

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

BLOUNT COUNTY, TENNESSEE
Schedule of Contributions Based on Participation in the Public
Employee Pension Plan of TCRS
 Primary Government - Blount County Public Library System
For the Fiscal Year Ended June 30

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially Determined Contribution	\$ 2,354	\$ 2,244	\$ 6,823	\$ 22,805	\$ 52,985	\$ 45,849	\$ 51,815	\$ 91,058	\$ 91,403	\$ 97,560
Less: Contributions in Relation to the Actuarially Determined Contribution	(2,354)	(2,244)	(6,823)	(22,805)	(52,985)	(45,849)	(51,815)	(91,058)	(91,403)	(97,560)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 784,615	\$ 748,015	\$ 802,745	\$ 938,476	\$ 1,220,853	\$ 1,056,437	\$ 964,897	\$ 1,033,576	\$ 1,037,495	\$ 1,107,379
Contributions as a Percentage of Covered Payroll	0.30%	0.30%	0.85%	2.43%	4.34%	4.34%	5.37%	8.81%	8.81%	8.81%

BLOUNT COUNTY, TENNESSEE

**Schedule of Contributions Based on Participation in the Public
Employee Pension Plan of TCRS**

Primary Government (Excluding Library System) and Non-certified Employees
of the Discretely Presented Blount County School Department

For the Fiscal Year Ended June 30

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially Determined Contribution	\$ 3,606,957	\$ 3,804,366	\$ 2,498,694	\$ 2,595,048	\$ 2,883,071	\$ 2,820,437	\$ 3,003,885	\$ 3,331,114	\$ 3,781,055	\$ 3,851,515
Less: Contributions in Relation to the Actuarially Determined Contribution	(3,606,957)	(3,804,366)	(2,498,694)	(2,595,048)	(2,883,071)	(2,820,437)	(3,003,885)	(3,331,114)	(3,781,055)	(3,851,515)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 29,875,603	\$ 31,255,600	\$ 32,438,967	\$ 33,665,230	\$ 37,090,590	\$ 36,157,314	\$ 38,419,441	\$ 42,945,739	\$ 48,231,794	\$ 49,025,300
Contributions as a Percentage of Covered Payroll	12.07%	12.17%	7.70%	7.71%	7.77%	7.80%	7.82%	7.76%	7.84%	7.86%

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 (excluding library system) and non-certified employees of the discretely presented school department.

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 93,397	\$ 142,883	\$ 187,118	\$ 121,289	\$ 155,193	\$ 177,677	\$ 236,081	\$ 409,624	\$ 523,266	\$ 647,657
Less: Contributions in Relation to the Contractually Required Contribution	(93,397)	(142,883)	(187,118)	(121,289)	(155,193)	(177,677)	(236,081)	(409,624)	(523,266)	(647,657)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 2,334,937	\$ 3,568,387	\$ 4,677,977	\$ 6,252,004	\$ 7,644,998	\$ 8,795,911	\$ 11,745,323	\$ 14,272,597	\$ 17,659,854	\$ 21,585,248
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	1.94%	2.03%	2.02%	2.01%	2.87%	2.96%	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%

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 3,714,171	\$ 3,715,782	\$ 3,641,833	\$ 4,079,688	\$ 4,258,769	\$ 3,986,453	\$ 3,978,745	\$ 3,330,011	\$ 2,660,585	\$ 2,402,746
Less: Contributions in Relation to the Contractually Required Contribution	(3,714,171)	(3,715,782)	(3,641,833)	(4,079,688)	(4,258,769)	(3,986,453)	(3,978,745)	(3,330,011)	(2,660,585)	(2,402,746)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 41,085,985	\$ 41,107,496	\$ 40,108,312	\$ 39,002,774	\$ 40,063,665	\$ 38,816,479	\$ 38,628,596	\$ 38,320,022	\$ 39,074,142	\$ 37,778,998
Contributions as a Percentage of Covered Payroll	9.04%	9.04%	9.08%	10.46%	10.63%	10.27%	10.30%	8.69%	6.81%	6.36%

BLOUNT COUNTY, TENNESSEE
Schedule of Proportionate Share of the Net Pension Liability (Asset)
in the Teacher Retirement Plan of TCRS
 Discretely Presented Blount 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)	0.458115%	0.530660%	0.544242%	0.535308%	0.590813%	0.605822%	0.609462%	0.687785%	0.717561%	0.755074%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (18,430)	\$ (55,243)	\$ (143,587)	\$ (242,777)	\$ (333,506)	\$ (334,496)	\$ (660,177)	\$ (208,347)	\$ (304,270)	\$ (538,071)
Covered Payroll	\$ 951,851	\$ 2,334,937	\$ 3,568,387	\$ 4,677,977	\$ 6,252,004	\$ 7,644,998	\$ 8,795,911	\$ 11,745,323	\$ 14,272,597	\$ 17,659,854
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%)	(7.51%)	(1.77%)	(2.13%)	(3.05%)
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%

BLOUNT COUNTY, TENNESSEE

**Schedule of Proportionate Share of the Net Pension Liability (Asset)
in the Teacher Legacy Pension Plan of TCRS**

Discretely Presented Blount 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)	1.085075%	1.138179%	1.162782%	1.145403%	1.163170%	1.203743%	1.182647%	1.173787%	1.180877%	1.179843%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ 444,484	\$ 7,112,986	\$ (380,444)	\$ (4,030,578)	\$ (11,959,480)	\$ (9,179,432)	\$ (51,010,400)	\$ (14,395,385)	\$ (13,922,236)	\$ (20,327,059)
Covered Payroll	\$ 40,619,615	\$ 41,085,985	\$ 41,107,496	\$ 40,108,312	\$ 39,002,774	\$ 40,063,665	\$ 38,816,479	\$ 38,628,596	\$ 38,320,022	\$ 39,074,142
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	1.09%	17.31%	(0.93%)	(10.05%)	(30.66%)	(22.91%)	(131.41%)	(37.27%)	(36.33%)	(52.02%)
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%

BLOUNT COUNTY, TENNESSEE

Schedule of Changes in the Total OPEB Liability and Related Ratios - Blount County Plan

Primary Government and Discretely Presented Blount County School Department

For the Fiscal Year Ended June 30

	2018	2019	2020	2021	2022	2023	2024	2025
Total OPEB Liability								
Service Cost	\$ 1,089,341	\$ 1,219,685	\$ 1,327,178	\$ 1,896,035	\$ 1,958,722	\$ 1,544,438	\$ 1,555,378	\$ 1,570,036
Interest	753,801	949,806	891,540	751,546	747,944	1,041,094	1,093,313	1,188,086
Benefit Changes	0	0	0	0	0	0	0	5,011,585
Differences Between Actual and Expected Experience	0	3,019,331	0	3,708,148	0	(3,420,020)	0	(102,852)
Changes in Assumptions	(443,612)	1,408,652	2,406,558	1,853,551	(3,154,456)	819,458	(592,896)	(2,317,290)
Benefit Payments	(1,596,819)	(2,040,175)	(1,961,898)	(2,245,280)	(2,165,387)	(1,811,454)	(1,830,863)	(1,738,764)
Net Change in Total OPEB Liability	\$ (197,289)	\$ 4,557,299	\$ 2,663,378	\$ 5,964,000	\$ (2,613,177)	\$ (1,826,484)	\$ 224,932	\$ 3,610,801
Total OPEB Liability, Beginning	20,757,891	20,560,602	25,117,901	27,781,279	33,745,279	31,132,102	29,305,618	29,530,550
Total OPEB Liability, Ending	\$ 20,560,602	\$ 25,117,901	\$ 27,781,279	\$ 33,745,279	\$ 31,132,102	\$ 29,305,618	\$ 29,530,550	\$ 33,141,351
Primary Government's Proportionate Share of Total OPEB Liability	\$ 7,506,765	\$ 6,920,191	\$ 8,503,450	\$ 12,293,444	\$ 11,399,272	\$ 10,318,069	\$ 10,503,370	\$ 15,520,781
School Department's Proportionate Share of Total OPEB Liability	13,053,837	18,197,710	19,277,829	21,451,835	19,732,830	18,987,549	19,027,180	17,620,570
Covered Employee Payroll	\$ 73,928,475	\$ 73,488,830	\$ 75,326,050	\$ 82,576,876	\$ 89,600,739	\$ 96,559,967	\$ 106,068,202	\$ 95,430,205
Net OPEB Liability as a Percentage of Covered Employee Payroll	27.81%	34.18%	36.88%	40.87%	34.75%	30.35%	27.84%	34.73%

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

Note 2: Changes in assumptions. The following are the discount rates used in each period:

2017	3.58%
2018	3.87%
2019	3.50%
2020	2.21%
2021	2.16%
2022	3.54%
2023	3.65%
2024	3.93%
2025	4.81%

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

BLOUNT 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

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

Courthouse and Jail Maintenance Fund – The Courthouse and Jail Maintenance Fund is used to account for a special tax levied by private act on litigation. The proceeds of the tax must be used to pay for improvements or maintenance on the courthouse and jail.

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

Public Library Fund – The Public Library Fund is used to account for transactions of the Blount County Public Library, which is jointly funded by Blount County, the city of Maryville, and the city of Alcoa.

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

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

CAPITAL PROJECTS FUNDS

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

Highway Capital Projects Fund – The Highway Capital Projects Fund is used to account for capital expenditures of the highway department.

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

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

	Special Revenue Funds					Total
	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Constitu - tional Officers - Fees	
ASSETS						
Cash	\$ 0	\$ 0	\$ 21,379	\$ 0	\$ 10,500	\$ 31,879
Equity in Pooled Cash and Investments	289,456	46,324	1,613,999	3,036,921	0	4,986,700
Accounts Receivable	0	0	18,094	39,637	32,816	90,547
Due from Other Governments	0	0	0	20,639	0	20,639
Property Taxes Receivable	0	0	0	0	0	0
Allowance for Uncollectible Property Taxes	0	0	0	0	0	0
Total Assets	\$ 289,456	\$ 46,324	\$ 1,653,472	\$ 3,097,197	\$ 43,316	\$ 5,129,765
LIABILITIES						
Accounts Payable	\$ 3,120	\$ 1,015	\$ 79,866	\$ 5,159	\$ 0	\$ 89,160
Accrued Payroll	0	0	63,233	0	0	63,233
Payroll Deductions Payable	0	0	8,690	0	0	8,690
Due to Other Funds	0	0	0	0	43,316	43,316
Due to State of Tennessee	0	0	1	0	0	1
Due to Litigants, Heirs, and Others	0	0	0	6,447	0	6,447
Sales Tax	0	0	813	0	0	813
Total Liabilities	\$ 3,120	\$ 1,015	\$ 152,603	\$ 11,606	\$ 43,316	\$ 211,660

(Continued)

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

	Special Revenue Funds					Total
	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Constitu - tional Officers - Fees	
DEFERRED INFLOWS OF RESOURCES						
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Deferred Delinquent Property Taxes	0	0	0	0	0	0
Other Deferred/Unavailable Revenue	0	0	0	0	0	0
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
FUND BALANCES						
Restricted:						
Restricted for General Government	\$ 286,336	\$ 0	\$ 0	\$ 0	\$ 0	286,336
Restricted for Administration of Justice	0	45,309	0	0	0	45,309
Restricted for Public Safety	0	0	0	761,725	0	761,725
Restricted for Social, Cultural, and Recreational Services	0	0	1,500,869	0	0	1,500,869
Committed:						
Committed for Public Safety	0	0	0	2,323,866	0	2,323,866
Committed for Capital Outlay	0	0	0	0	0	0
Total Fund Balances	\$ 286,336	\$ 45,309	\$ 1,500,869	\$ 3,085,591	\$ 0	4,918,105
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 289,456	\$ 46,324	\$ 1,653,472	\$ 3,097,197	\$ 43,316	\$ 5,129,765

(Continued)

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

	<u>Capital Projects Funds</u>			Total Nonmajor Governmental Funds
	Highway Capital Projects	Other Capital Projects	Total	
ASSETS				
Cash	\$ 0	\$ 0	\$ 0	\$ 31,879
Equity in Pooled Cash and Investments	4,980,626	2,939,682	7,920,308	12,907,008
Accounts Receivable	18,316	11,710	30,026	120,573
Due from Other Governments	1,899,775	11,802	1,911,577	1,932,216
Property Taxes Receivable	0	2,134,104	2,134,104	2,134,104
Allowance for Uncollectible Property Taxes	0	(23,252)	(23,252)	(23,252)
Total Assets	<u>\$ 6,898,717</u>	<u>\$ 5,074,046</u>	<u>\$ 11,972,763</u>	<u>\$ 17,102,528</u>
LIABILITIES				
Accounts Payable	\$ 114,509	\$ 40,468	\$ 154,977	\$ 244,137
Accrued Payroll	0	0	0	63,233
Payroll Deductions Payable	0	0	0	8,690
Due to Other Funds	0	0	0	43,316
Due to State of Tennessee	0	0	0	1
Due to Litigants, Heirs, and Others	0	0	0	6,447
Sales Tax	0	0	0	813
Total Liabilities	<u>\$ 114,509</u>	<u>\$ 40,468</u>	<u>\$ 154,977</u>	<u>\$ 366,637</u>

(Continued)

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

	<u>Capital Projects Funds</u>			Total Nonmajor Governmental Funds
	Highway Capital Projects	Other Capital Projects	Total	
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	\$ 0	\$ 2,081,595	\$ 2,081,595	\$ 2,081,595
Deferred Delinquent Property Taxes	0	22,224	22,224	22,224
Other Deferred/Unavailable Revenue	111,352	0	111,352	111,352
Total Deferred Inflows of Resources	<u>\$ 111,352</u>	<u>\$ 2,103,819</u>	<u>\$ 2,215,171</u>	<u>\$ 2,215,171</u>
FUND BALANCES				
Restricted:				
Restricted for General Government	\$ 0	\$ 0	\$ 0	\$ 286,336
Restricted for Administration of Justice	0	0	0	45,309
Restricted for Public Safety	0	0	0	761,725
Restricted for Social, Cultural, and Recreational Services	0	0	0	1,500,869
Committed:				
Committed for Public Safety	0	0	0	2,323,866
Committed for Capital Outlay	6,672,856	2,929,759	9,602,615	9,602,615
Total Fund Balances	<u>\$ 6,672,856</u>	<u>\$ 2,929,759</u>	<u>\$ 9,602,615</u>	<u>\$ 14,520,720</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 6,898,717</u>	<u>\$ 5,074,046</u>	<u>\$ 11,972,763</u>	<u>\$ 17,102,528</u>

BLOUNT 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					Total
	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Constitu - tional Officers - Fees	
Revenues						
Local Taxes	\$ 189,186	\$ 9,328	\$ 0	\$ 0	\$ 0	198,514
Fines, Forfeitures, and Penalties	0	0	0	10,109	0	10,109
Charges for Current Services	0	0	56,797	157,569	3,243	217,609
Other Local Revenues	0	0	443,056	111,792	0	554,848
State of Tennessee	0	0	0	0	0	0
Federal Government	0	0	0	127,125	0	127,125
Other Governments and Citizens Groups	0	0	1,141,181	537,178	0	1,678,359
Total Revenues	\$ 189,186	\$ 9,328	\$ 1,641,034	\$ 943,773	\$ 3,243	\$ 2,786,564
Expenditures						
Current:						
General Government	\$ 244,028	\$ 0	\$ 0	\$ 0	\$ 0	244,028
Administration of Justice	0	0	0	0	3,243	3,243
Public Safety	0	0	0	201,195	0	201,195
Social, Cultural, and Recreational Services	0	0	2,427,900	0	0	2,427,900
Other Operations	0	12,273	0	0	0	12,273
Capital Projects	0	0	308,556	0	0	308,556
Total Expenditures	\$ 244,028	\$ 12,273	\$ 2,736,456	\$ 201,195	\$ 3,243	\$ 3,197,195

(Continued)

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

	Special Revenue Funds					Total
	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Constitu - tional Officers - Fees	
Excess (Deficiency) of Revenues Over Expenditures	\$ (54,842)	\$ (2,945)	\$ (1,095,422)	\$ 742,578	\$ 0	\$ (410,631)
Other Financing Sources (Uses)						
Transfers In	\$ 0	\$ 0	\$ 1,462,000	\$ 0	\$ 0	\$ 1,462,000
Transfers Out	0	0	(263,332)	0	0	(263,332)
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 1,198,668	\$ 0	\$ 0	\$ 1,198,668
Net Change in Fund Balances	\$ (54,842)	\$ (2,945)	\$ 103,246	\$ 742,578	\$ 0	\$ 788,037
Fund Balance, July 1, 2024	341,178	48,254	1,397,623	2,343,013	0	4,130,068
Fund Balance, June 30, 2025	\$ 286,336	\$ 45,309	\$ 1,500,869	\$ 3,085,591	\$ 0	\$ 4,918,105

(Continued)

BLOUNT COUNTY, TENNESSEE

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

	<u>Capital Projects Funds</u>			Total Nonmajor Governmental Funds
	Highway Capital Projects	Other Capital Projects	Total	
Revenues				
Local Taxes	\$ 2,629,337	\$ 2,118,653	\$ 4,747,990	\$ 4,946,504
Fines, Forfeitures, and Penalties	0	0	0	10,109
Charges for Current Services	0	0	0	217,609
Other Local Revenues	221,042	174,408	395,450	950,298
State of Tennessee	37,286	2,729	40,015	40,015
Federal Government	8,156	0	8,156	135,281
Other Governments and Citizens Groups	0	0	0	1,678,359
Total Revenues	\$ 2,895,821	\$ 2,295,790	\$ 5,191,611	\$ 7,978,175
Expenditures				
Current:				
General Government	\$ 0	\$ 0	\$ 0	\$ 244,028
Administration of Justice	0	0	0	3,243
Public Safety	0	0	0	201,195
Social, Cultural, and Recreational Services	0	0	0	2,427,900
Other Operations	0	0	0	12,273
Capital Projects	1,301,840	3,670,117	4,971,957	5,280,513
Total Expenditures	\$ 1,301,840	\$ 3,670,117	\$ 4,971,957	\$ 8,169,152

(Continued)

BLOUNT COUNTY, TENNESSEE

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

	<u>Capital Projects Funds</u>			Total Nonmajor Governmental Funds
	Highway Capital Projects	Other Capital Projects	Total	
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,593,981	\$ (1,374,327)	\$ 219,654	\$ (190,977)
Other Financing Sources (Uses)				
Transfers In	\$ 0	\$ 0	\$ 0	1,462,000
Transfers Out	0	0	0	(263,332)
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	1,198,668
Net Change in Fund Balances	\$ 1,593,981	\$ (1,374,327)	\$ 219,654	\$ 1,007,691
Fund Balance, July 1, 2024	5,078,875	4,304,086	9,382,961	13,513,029
Fund Balance, June 30, 2025	\$ 6,672,856	\$ 2,929,759	\$ 9,602,615	\$ 14,520,720

BLOUNT COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
 Courthouse and Jail Maintenance Fund
For the Year Ended June 30, 2025

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 189,186	\$ 0	\$ 0	\$ 189,186	\$ 174,500	\$ 174,500	\$ 14,686
Total Revenues	\$ 189,186	\$ 0	\$ 0	\$ 189,186	\$ 174,500	\$ 174,500	\$ 14,686
Expenditures							
General Government							
County Buildings	\$ 244,028	\$ (2,238)	\$ 30,448	\$ 272,238	\$ 174,500	\$ 301,781	\$ 29,543
Other Operations							
COVID-19 Grant #4	0	0	0	0	127,281	0	0
Total Expenditures	\$ 244,028	\$ (2,238)	\$ 30,448	\$ 272,238	\$ 301,781	\$ 301,781	\$ 29,543
Excess (Deficiency) of Revenues Over Expenditures	\$ (54,842)	\$ 2,238	\$ (30,448)	\$ (83,052)	\$ (127,281)	\$ (127,281)	\$ 44,229
Net Change in Fund Balance	\$ (54,842)	\$ 2,238	\$ (30,448)	\$ (83,052)	\$ (127,281)	\$ (127,281)	\$ 44,229
Fund Balance, July 1, 2024	341,178	(2,238)	0	338,940	345,733	345,733	(6,793)
Fund Balance, June 30, 2025	\$ 286,336	\$ 0	\$ (30,448)	\$ 255,888	\$ 218,452	\$ 218,452	\$ 37,436

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 9,328	\$ 10,038	\$ 10,038	\$ (710)
Total Revenues	\$ 9,328	\$ 10,038	\$ 10,038	\$ (710)
Expenditures				
Other Operations				
Other Charges	\$ 12,273	\$ 10,038	\$ 12,330	\$ 57
Total Expenditures	\$ 12,273	\$ 10,038	\$ 12,330	\$ 57
Excess (Deficiency) of Revenues Over Expenditures	\$ (2,945)	\$ 0	\$ (2,292)	\$ (653)
Net Change in Fund Balance	\$ (2,945)	\$ 0	\$ (2,292)	\$ (653)
Fund Balance, July 1, 2024	48,254	48,398	48,398	(144)
Fund Balance, June 30, 2025	\$ 45,309	\$ 48,398	\$ 46,106	\$ (797)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Charges for Current Services	\$ 56,797	\$ 0	\$ 0	\$ 56,797	\$ 54,000	\$ 54,000	\$ 2,797
Other Local Revenues	443,056	0	0	443,056	187,180	440,810	2,246
Other Governments and Citizens Groups	1,141,181	0	0	1,141,181	1,141,144	1,141,144	37
Total Revenues	\$ 1,641,034	\$ 0	\$ 0	\$ 1,641,034	\$ 1,382,324	\$ 1,635,954	\$ 5,080
Expenditures							
Social, Cultural, and Recreational Services							
Libraries	\$ 2,427,900	\$ (8,271)	\$ 15,933	\$ 2,435,562	\$ 2,576,493	\$ 2,590,960	\$ 155,398
Capital Projects							
General Administration Projects	308,556	(9,800)	6,870	305,626	265,432	305,728	102
Total Expenditures	\$ 2,736,456	\$ (18,071)	\$ 22,803	\$ 2,741,188	\$ 2,841,925	\$ 2,896,688	\$ 155,500
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,095,422)	\$ 18,071	\$ (22,803)	\$ (1,100,154)	\$ (1,459,601)	\$ (1,260,734)	\$ 160,580
Other Financing Sources (Uses)							
Transfers In	\$ 1,462,000	\$ 0	\$ 0	\$ 1,462,000	\$ 1,462,000	\$ 1,462,000	\$ 0
Transfers Out	(263,332)	0	0	(263,332)	0	(263,332)	0
Total Other Financing Sources	\$ 1,198,668	\$ 0	\$ 0	\$ 1,198,668	\$ 1,462,000	\$ 1,198,668	\$ 0
Net Change in Fund Balance	\$ 103,246	\$ 18,071	\$ (22,803)	\$ 98,514	\$ 2,399	\$ (62,066)	\$ 160,580
Fund Balance, July 1, 2024	1,397,623	(18,071)	0	1,379,552	1,463,372	1,463,372	(83,820)
Fund Balance, June 30, 2025	\$ 1,500,869	\$ 0	\$ (22,803)	\$ 1,478,066	\$ 1,465,771	\$ 1,401,306	\$ 76,760

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Fines, Forfeitures, and Penalties	\$ 10,109	\$ 0	\$ 0	\$ 10,109	\$ 12,650	\$ 12,650	\$ (2,541)
Charges for Current Services	157,569	0	0	157,569	150,000	150,000	7,569
Other Local Revenues	111,792	0	0	111,792	100,000	100,000	11,792
Federal Government	127,125	0	0	127,125	0	0	127,125
Other Governments and Citizens Groups	537,178	0	0	537,178	0	0	537,178
Total Revenues	\$ 943,773	\$ 0	\$ 0	\$ 943,773	\$ 262,650	\$ 262,650	\$ 681,123
Expenditures							
Public Safety							
Sheriff's Department	\$ 66,656	\$ (10,133)	\$ 800	\$ 57,323	\$ 129,500	\$ 129,500	\$ 72,177
Drug Enforcement	134,539	(107,279)	650	27,910	125,000	125,000	97,090
Total Expenditures	\$ 201,195	\$ (117,412)	\$ 1,450	\$ 85,233	\$ 254,500	\$ 254,500	\$ 169,267
Excess (Deficiency) of Revenues Over Expenditures	\$ 742,578	\$ 117,412	\$ (1,450)	\$ 858,540	\$ 8,150	\$ 8,150	\$ 850,390
Net Change in Fund Balance	\$ 742,578	\$ 117,412	\$ (1,450)	\$ 858,540	\$ 8,150	\$ 8,150	\$ 850,390
Fund Balance, July 1, 2024	2,343,013	(117,412)	0	2,225,601	2,052,075	2,052,075	173,526
Fund Balance, June 30, 2025	\$ 3,085,591	\$ 0	\$ (1,450)	\$ 3,084,141	\$ 2,060,225	\$ 2,060,225	\$ 1,023,916

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 2,629,337	\$ 0	\$ 0	\$ 2,629,337	\$ 1,500,000	\$ 1,500,000	\$ 1,129,337
Other Local Revenues	221,042	0	0	221,042	0	0	221,042
State of Tennessee	37,286	0	0	37,286	0	0	37,286
Federal Government	8,156	0	0	8,156	0	0	8,156
Total Revenues	<u>\$ 2,895,821</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,895,821</u>	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>	<u>\$ 1,395,821</u>
Expenditures							
Capital Projects							
Highway and Street Capital Projects	\$ 1,301,840	\$ (1,490,886)	\$ 1,627,213	\$ 1,438,167	\$ 0	\$ 5,203,713	\$ 3,765,546
Total Expenditures	<u>\$ 1,301,840</u>	<u>\$ (1,490,886)</u>	<u>\$ 1,627,213</u>	<u>\$ 1,438,167</u>	<u>\$ 0</u>	<u>\$ 5,203,713</u>	<u>\$ 3,765,546</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,593,981	\$ 1,490,886	\$ (1,627,213)	\$ 1,457,654	\$ 1,500,000	\$ (3,703,713)	\$ 5,161,367
Net Change in Fund Balance	\$ 1,593,981	\$ 1,490,886	\$ (1,627,213)	\$ 1,457,654	\$ 1,500,000	\$ (3,703,713)	\$ 5,161,367
Fund Balance, July 1, 2024	5,078,875	(1,490,886)	0	3,587,989	5,589,694	5,589,694	(2,001,705)
Fund Balance, June 30, 2025	<u>\$ 6,672,856</u>	<u>\$ 0</u>	<u>\$ (1,627,213)</u>	<u>\$ 5,045,643</u>	<u>\$ 7,089,694</u>	<u>\$ 1,885,981</u>	<u>\$ 3,159,662</u>

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 2,118,653	\$ 0	\$ 0	\$ 2,118,653	\$ 2,093,400	\$ 2,093,400	\$ 25,253
Other Local Revenues	174,408	0	0	174,408	17,500	17,500	156,908
State of Tennessee	2,729	0	0	2,729	1,000	1,000	1,729
Total Revenues	\$ 2,295,790	\$ 0	\$ 0	\$ 2,295,790	\$ 2,111,900	\$ 2,111,900	\$ 183,890
Expenditures							
Capital Projects							
General Administration Projects	\$ 125,426	\$ (63,553)	\$ 10,315	\$ 72,188	\$ 0	\$ 298,825	\$ 226,637
Administration of Justice Projects	0	0	0	0	105,000	0	0
Public Safety Projects	580,456	(74,101)	30,878	537,233	65,000	686,358	149,125
Other General Government Projects	2,964,235	(2,227,706)	266,463	1,002,992	0	1,861,719	858,727
Total Expenditures	\$ 3,670,117	\$ (2,365,360)	\$ 307,656	\$ 1,612,413	\$ 170,000	\$ 2,846,902	\$ 1,234,489
Excess (Deficiency) of Revenues							
Over Expenditures	\$ (1,374,327)	\$ 2,365,360	\$ (307,656)	\$ 683,377	\$ 1,941,900	\$ (735,002)	\$ 1,418,379
Net Change in Fund Balance							
Fund Balance, July 1, 2024	\$ 4,304,086	(2,365,360)	0	1,938,726	4,559,441	4,559,441	(2,620,715)
Fund Balance, June 30, 2025	\$ 2,929,759	\$ 0	\$ (307,656)	\$ 2,622,103	\$ 6,501,341	\$ 3,824,439	\$ (1,202,336)

MAJOR GOVERNMENTAL FUND

GENERAL DEBT SERVICE FUND

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

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 17,002,291	\$ 16,628,800	\$ 16,628,800	\$ 373,491
Other Local Revenues	1,424,351	1,138,000	1,138,000	286,351
State of Tennessee	19,103	20,000	20,000	(897)
Other Governments and Citizens Groups	268,565	0	0	268,565
Total Revenues	<u>\$ 18,714,310</u>	<u>\$ 17,786,800</u>	<u>\$ 17,786,800</u>	<u>\$ 927,510</u>
Expenditures				
Principal on Debt				
General Government	\$ 10,456,929	\$ 11,650,000	\$ 11,650,000	\$ 1,193,071
Interest on Debt				
General Government	5,599,032	5,950,000	5,950,000	350,968
Other Debt Service				
General Government	357,816	530,000	530,000	172,184
Total Expenditures	<u>\$ 16,413,777</u>	<u>\$ 18,130,000</u>	<u>\$ 18,130,000</u>	<u>\$ 1,716,223</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 2,300,533</u>	<u>\$ (343,200)</u>	<u>\$ (343,200)</u>	<u>\$ 2,643,733</u>
Other Financing Sources (Uses)				
Transfers In	\$ 682,064	\$ 2,052,798	\$ 2,052,798	\$ (1,370,734)
Total Other Financing Sources	<u>\$ 682,064</u>	<u>\$ 2,052,798</u>	<u>\$ 2,052,798</u>	<u>\$ (1,370,734)</u>
Net Change in Fund Balance	\$ 2,982,597	\$ 1,709,598	\$ 1,709,598	\$ 1,272,999
Fund Balance, July 1, 2024	<u>33,338,319</u>	<u>19,005,779</u>	<u>19,005,779</u>	<u>14,332,540</u>
Fund Balance, June 30, 2025	<u>\$ 36,320,916</u>	<u>\$ 20,715,377</u>	<u>\$ 20,715,377</u>	<u>\$ 15,605,539</u>

CUSTODIAL FUNDS

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

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

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

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

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

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

Smoky Mountain Tourism Board Fund – The Smoky Mountain Tourism Board Fund is used to account for 70 percent of hotel/motel tax revenues collected by the county. These revenues are received by the county and forwarded to the tourism board as required by the private act authorizing the tax.

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

	Custodial Funds							
	Cities - Sales Tax	City School ADA - Alcoa	City School ADA - Maryville	Constitu- tional Officers - Custodial	Judicial District Drug	District Attorney General	Smoky Mountain Tourism Board	Total
ASSETS								
Cash	\$ 0	\$ 0	\$ 0	\$ 6,567,133	\$ 0	\$ 0	\$ 0	\$ 6,567,133
Equity in Pooled Cash and Investments	0	3,521	8,683	0	897,069	242,267	397,363	1,548,903
Accounts Receivable	0	0	0	0	3,286	889	563,764	567,939
Due from Other Governments	6,076,339	1,108,189	2,637,217	0	0	0	0	9,821,745
Property Taxes Receivable	0	5,017,930	12,390,617	0	0	0	0	17,408,547
Allowance for Uncollectible Property Taxes	0	(53,402)	(136,459)	0	0	0	0	(189,861)
Total Assets	\$ 6,076,339	\$ 6,076,238	\$ 14,900,058	\$ 6,567,133	\$ 900,355	\$ 243,156	\$ 961,127	\$ 35,724,406
LIABILITIES								
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,203	\$ 0	\$ 0	\$ 8,203
Due to Other Taxing Units	6,076,339	1,127,456	2,687,627	0	0	0	0	9,891,422
Due to Litigants, Heirs, and Others	0	0	0	0	153,132	0	0	153,132
Due to Joint Ventures	0	0	0	0	0	0	961,127	961,127
Total Liabilities	\$ 6,076,339	\$ 1,127,456	\$ 2,687,627	\$ 0	\$ 161,335	\$ 0	\$ 961,127	\$ 11,013,884
DEFERRED INFLOWS OF RESOURCES								
Deferred Current Property Taxes	\$ 0	\$ 4,948,782	\$ 12,212,431	\$ 0	\$ 0	\$ 0	\$ 0	\$ 17,161,213
Total Deferred Inflows of Resources	\$ 0	\$ 4,948,782	\$ 12,212,431	\$ 0	\$ 0	\$ 0	\$ 0	\$ 17,161,213
NET POSITION								
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 0	\$ 0	\$ 6,567,133	\$ 739,020	\$ 243,156	\$ 0	\$ 7,549,309
Total Net Position	\$ 0	\$ 0	\$ 0	\$ 6,567,133	\$ 739,020	\$ 243,156	\$ 0	\$ 7,549,309

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

	Custodial Funds							
	Cities - Sales Tax	City School ADA - Alcoa	City School ADA - Maryville	Constitu - tional Officers - Custodial	Judicial District Drug	District Attorney General	Smoky Mountain Tourism Board	Total
Additions								
Sales Tax Collections for Other Governments	\$ 35,178,883	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 35,178,883
Hotel/Motel Tax Collections for Joint Venture	0	0	0	0	0	0	4,889,652	4,889,652
ADA - Educational Funds Collected for Cities	0	11,128,436	26,898,406	0	0	0	0	38,026,842
Fines/Fees and Other Collections	0	0	0	36,639,200	0	0	0	36,639,200
Drug Task Force Collections	0	0	0	0	335,236	0	0	335,236
District Attorney General Collections	0	0	0	0	0	17,895	0	17,895
Total Additions	\$ 35,178,883	\$ 11,128,436	\$ 26,898,406	\$ 36,639,200	\$ 335,236	\$ 17,895	\$ 4,889,652	\$ 115,087,708
Deductions								
Payment of Sales Tax Collections for Other Governments	\$ 35,178,883	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 35,178,883
Payment of Hotel/Motel Tax Collections for Joint Venture	0	0	0	0	0	0	4,889,652	4,889,652
Payments to City School Systems	0	11,128,436	26,898,406	0	0	0	0	38,026,842
Payments to State	0	0	0	22,188,102	0	0	0	22,188,102
Payments to Individuals and Others	0	0	0	14,136,336	0	0	0	14,136,336
Payment of Drug Task Force Expenses	0	0	0	0	303,482	0	0	303,482
Payment of District Attorney General Expenses	0	0	0	0	0	3,167	0	3,167
Total Deductions	\$ 35,178,883	\$ 11,128,436	\$ 26,898,406	\$ 36,324,438	\$ 303,482	\$ 3,167	\$ 4,889,652	\$ 114,726,464
Change in Net Position	\$ 0	\$ 0	\$ 0	\$ 314,762	\$ 31,754	\$ 14,728	\$ 0	\$ 361,244
Net Position July 1, 2024	0	0	0	6,252,371	707,266	228,428	0	7,188,065
Net Position June 30, 2025	\$ 0	\$ 0	\$ 0	\$ 6,567,133	\$ 739,020	\$ 243,156	\$ 0	\$ 7,549,309

BLOUNT COUNTY SCHOOL DEPARTMENT

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

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

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

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

Extended School Program Fund – The Extended School Program Fund is used to account for transactions of the Blount County School Department’s extended care program.

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

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

BLOUNT COUNTY, TENNESSEE

Statement of Activities

Discretely Presented Blount County School Department

For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position Total Governmental Activities
Governmental Activities:				
Instruction	\$ 80,368,670	\$ 75,001	\$ 7,854,878	\$ (72,438,791)
Support Services	54,964,116	144,674	200,122	(54,619,320)
Operation of Non-instructional Services	15,240,882	3,217,254	11,526,380	(497,248)
Total Governmental Activities	\$ 150,573,668	\$ 3,436,929	\$ 19,581,380	\$ (127,555,359)
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				\$ 21,277,219
Property Taxes Levied for Capital Purposes				6,749,687
Local Option Sales Taxes				26,515,661
Business Taxes				950,571
Other Local Taxes				349,620
Grants and Contributions Not Restricted for Specific Programs				70,987,332
Unrestricted Investment Income				1,395,608
Miscellaneous				24,530
Total General Revenues				\$ 128,250,228
Change in Net Position				\$ 694,869
Net Position, July 1, 2024				182,549,643
Restatement - See Note I.D.10.				(663,042)
Net Position, June 30, 2025				\$ 182,581,470

BLOUNT COUNTY, TENNESSEE

Balance Sheet - Governmental Funds

Discretely Presented Blount County School Department

June 30, 2025

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Governmental Funds	
ASSETS				
Cash	\$ 0	\$ 0	\$ 2,847,847	\$ 2,847,847
Equity in Pooled Cash and Investments	14,853,481	4,724,958	4,449,404	24,027,843
Accounts Receivable	56,712	17,342	20,589	94,643
Due from Other Governments	7,750,826	39,340	577,343	8,367,509
Due from Other Funds	0	677,311	0	677,311
Property Taxes Receivable	22,428,062	7,113,680	0	29,541,742
Allowance for Uncollectible Property Taxes	(244,166)	(77,504)	0	(321,670)
Cash Shortage	34,562	0	0	34,562
Restricted Assets	1,590,409	0	0	1,590,409
Total Assets	\$ 46,469,886	\$ 12,495,127	\$ 7,895,183	\$ 66,860,196
LIABILITIES				
Accounts Payable	\$ 2,751,604	\$ 0	\$ 80,943	\$ 2,832,547
Accrued Payroll	3,103,243	0	413,528	3,516,771
Payroll Deductions Payable	17,044	0	47,810	64,854
Contracts Payable	0	1,570,047	0	1,570,047
Retainage Payable	0	62,972	0	62,972
Due to Other Funds	677,311	0	0	677,311
Due to Primary Government	483,694	0	36,765	520,459
Other Current Liabilities	448,771	0	0	448,771
Total Liabilities	\$ 7,481,667	\$ 1,633,019	\$ 579,046	\$ 9,693,732

(Continued)

BLOUNT COUNTY, TENNESSEE

Balance Sheet - Governmental Funds

Discretely Presented Blount County School Department (Cont.)

DEFERRED INFLOWS OF RESOURCES

	Major Funds		Nonmajor Funds	
	General Purpose School	Education Capital Projects	Other Governmental Funds	Total Governmental Funds
Deferred Current Property Taxes	\$ 21,876,922	\$ 6,938,653	\$ 0	\$ 28,815,575
Deferred Delinquent Property Taxes	233,204	74,075	0	307,279
Total Deferred Inflows of Resources	\$ 22,110,126	\$ 7,012,728	\$ 0	\$ 29,122,854

FUND BALANCES

Restricted:				
Restricted for Education	\$ 0	\$ 0	\$ 4,937,131	\$ 4,937,131
Restricted for Capital Projects	0	1,477,009	0	1,477,009
Restricted for Hybrid Retirement Stabilization Funds	1,590,409	0	0	1,590,409
Committed:				
Committed for Education	0	0	2,379,006	2,379,006
Committed for Capital Projects	0	2,372,371	0	2,372,371
Assigned:				
Assigned for Education	1,319,654	0	0	1,319,654
Assigned for Capital Outlay	320,881	0	0	320,881
Unassigned	13,647,149	0	0	13,647,149
Total Fund Balances	\$ 16,878,093	\$ 3,849,380	\$ 7,316,137	\$ 28,043,610
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 46,469,886	\$ 12,495,127	\$ 7,895,183	\$ 66,860,196

BLOUNT COUNTY, TENNESSEE
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Position
Discretely Presented Blount 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 J-2)		\$	28,043,610
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	9,951,059	
Add: construction in progress		9,798,202	
Add: buildings and improvements net of accumulated depreciation		132,305,173	
Add: other capital assets net of accumulated depreciation		<u>4,550,493</u>	156,604,927
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: loan payable to primary government	\$	(9,340,000)	
Less: net pension liability - agent plan		(1,165,981)	
Less: OPEB liability		(17,620,570)	
Less: compensated absences payable		<u>(587,059)</u>	(28,713,610)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension expense/OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$	12,894,561	
Less: deferred inflows of resources related to pensions		(4,960,065)	
Add: deferred outflows of resources related to OPEB		1,059,173	
Less: deferred inflows of resources related to OPEB		<u>(3,519,535)</u>	5,474,134
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - teacher retirement plan	\$	538,071	
Add: net pension asset - teacher legacy pension plan		<u>20,327,059</u>	20,865,130
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>307,279</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>182,581,470</u></u>

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

	Major Funds		Nonmajor	Total
	General	Education	Funds	
			Other	
	Purpose	Capital	Gov-	Governmental
	School	Projects	mental	Funds
			Funds	Funds
Revenues				
Local Taxes	\$ 49,135,024	\$ 7,061,449	\$ 0	\$ 56,196,473
Licenses and Permits	6,237	0	0	6,237
Charges for Current Services	219,675	0	3,217,254	3,436,929
Other Local Revenues	995,491	460,113	5,921,853	7,377,457
State of Tennessee	70,858,409	9,097	252,258	71,119,764
Federal Government	311,484	0	12,139,283	12,450,767
Other Governments and Citizens Groups	664,708	0	0	664,708
Total Revenues	\$ 122,191,028	\$ 7,530,659	\$ 21,530,648	\$ 151,252,335
Expenditures				
Current:				
Instruction	\$ 75,355,737	\$ 0	\$ 3,168,524	\$ 78,524,261
Support Services	40,522,881	0	4,226,822	44,749,703
Operation of Non-Instructional Services	845,752	0	14,242,522	15,088,274
Capital Outlay	1,691,525	0	642,274	2,333,799
Debt Service:				
Other Debt Service	0	1,366,297	0	1,366,297
Capital Projects	0	14,622,122	0	14,622,122
Total Expenditures	\$ 118,415,895	\$ 15,988,419	\$ 22,280,142	\$ 156,684,456

(Continued)

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Governmental Funds	
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,775,133	\$ (8,457,760)	\$ (749,494)	\$ (5,432,121)
Other Financing Sources (Uses)				
Transfers In	\$ 0	\$ 1,366,297	\$ 250,000	\$ 1,616,297
Transfers Out	(1,616,297)	0	0	(1,616,297)
Total Other Financing Sources (Uses)	\$ (1,616,297)	\$ 1,366,297	\$ 250,000	\$ 0
Net Change in Fund Balances	\$ 2,158,836	\$ (7,091,463)	\$ (499,494)	\$ (5,432,121)
Fund Balance, July 1, 2024	14,719,257	10,940,843	7,815,631	33,475,731
Fund Balance, June 30, 2025	\$ 16,878,093	\$ 3,849,380	\$ 7,316,137	\$ 28,043,610

BLOUNT COUNTY, TENNESSEE
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
Discretely Presented Blount 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 J-4)		\$ (5,432,121)
(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	\$ 16,359,918	
Less: current-year depreciation expense	<u>(8,383,557)</u>	7,976,361
(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	\$ 307,279	
Less: deferred delinquent property taxes and other deferred June 30, 2024	<u>(291,077)</u>	16,202
(3) The issuance of long-term debt (e.g., 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.		
Add: principal payment on loans from primary government		1,097,732
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in net pension asset/liability - agent plan	\$ (589,981)	
Change in net pension asset - teacher retirement plan	233,801	
Change in net pension asset - teacher legacy plan	6,404,823	
Change in deferred outflows related to pensions	(4,965,682)	
Change in deferred inflows related to pensions	(3,742,805)	
Change in OPEB liability	1,406,610	
Change in deferred outflows related to OPEB	(803,705)	
Change in deferred inflows related to OPEB	(982,349)	
Change in compensated absences payable	<u>75,983</u>	<u>(2,963,305)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 694,869</u>

BLOUNT COUNTY, TENNESSEE
Combining Balance Sheet - Nonmajor Governmental Funds
 Discretely Presented Blount County School Department
June 30, 2025

	<u>Special Revenue Funds</u>				Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	Internal School	
ASSETS					
Cash	\$ 0	\$ 0	\$ 0	\$ 2,847,847	\$ 2,847,847
Equity in Pooled Cash and Investments	456,794	1,888,045	2,104,565	0	4,449,404
Accounts Receivable	5,500	7,006	8,083	0	20,589
Due from Other Governments	268,956	308,387	0	0	577,343
	<hr/>				
Total Assets	\$ 731,250	\$ 2,203,438	\$ 2,112,648	\$ 2,847,847	\$ 7,895,183
LIABILITIES					
Accounts Payable	\$ 48,356	\$ 25,363	\$ 7,224	\$ 0	\$ 80,943
Accrued Payroll	152,298	67,770	193,460	0	413,528
Payroll Deductions Payable	17,592	11,025	19,193	0	47,810
Due to Primary Government	9,583	13,417	13,765	0	36,765
Total Liabilities	\$ 227,829	\$ 117,575	\$ 233,642	\$ 0	\$ 579,046
FUND BALANCES					
Restricted:					
Restricted for Education	\$ 3,421	\$ 2,085,863	\$ 0	\$ 2,847,847	\$ 4,937,131
Committed:					
Committed for Education	500,000	0	1,879,006	0	2,379,006
Total Fund Balances	\$ 503,421	\$ 2,085,863	\$ 1,879,006	\$ 2,847,847	\$ 7,316,137
	<hr/>				
Total Liabilities and Fund Balances	\$ 731,250	\$ 2,203,438	\$ 2,112,648	\$ 2,847,847	\$ 7,895,183

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

	<u>Special Revenue Funds</u>				Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	Internal School	
Revenues					
Charges for Current Services	\$ 0	\$ 1,760,790	\$ 1,456,464	\$ 0	\$ 3,217,254
Other Local Revenues	0	121,396	111,162	5,689,295	5,921,853
State of Tennessee	0	40,134	212,124	0	252,258
Federal Government	8,012,163	3,989,504	137,616	0	12,139,283
Total Revenues	<u>\$ 8,012,163</u>	<u>\$ 5,911,824</u>	<u>\$ 1,917,366</u>	<u>\$ 5,689,295</u>	<u>\$ 21,530,648</u>
Expenditures					
Current:					
Instruction	\$ 3,168,524	\$ 0	\$ 0	\$ 0	\$ 3,168,524
Support Services	4,226,822	0	0	0	4,226,822
Operation of Non-Instructional Services	0	6,524,022	2,110,481	5,608,019	14,242,522
Capital Outlay	642,274	0	0	0	642,274
Total Expenditures	<u>\$ 8,037,620</u>	<u>\$ 6,524,022</u>	<u>\$ 2,110,481</u>	<u>\$ 5,608,019</u>	<u>\$ 22,280,142</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (25,457)</u>	<u>\$ (612,198)</u>	<u>\$ (193,115)</u>	<u>\$ 81,276</u>	<u>\$ (749,494)</u>
Other Financing Sources (Uses)					
Transfers In	\$ 250,000	\$ 0	\$ 0	\$ 0	\$ 250,000
Total Other Financing Sources (Uses)	<u>\$ 250,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 250,000</u>
Net Change in Fund Balances	\$ 224,543	\$ (612,198)	\$ (193,115)	\$ 81,276	\$ (499,494)
Fund Balance, July 1, 2024	278,878	2,698,061	2,072,121	2,766,571	7,815,631
Fund Balance, June 30, 2025	<u>\$ 503,421</u>	<u>\$ 2,085,863</u>	<u>\$ 1,879,006</u>	<u>\$ 2,847,847</u>	<u>\$ 7,316,137</u>

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 49,135,024	\$ 0	\$ 0	\$ 49,135,024	\$ 49,004,800	\$ 49,004,800	\$ 130,224
Licenses and Permits	6,237	0	0	6,237	5,500	5,500	737
Charges for Current Services	219,675	0	0	219,675	283,500	283,500	(63,825)
Other Local Revenues	995,491	0	0	995,491	976,000	976,000	19,491
State of Tennessee	70,858,409	0	0	70,858,409	72,932,200	74,098,889	(3,240,480)
Federal Government	311,484	0	0	311,484	290,000	290,000	21,484
Other Governments and Citizens Groups	664,708	0	0	664,708	4,126,500	7,228,209	(6,563,501)
Total Revenues	\$ 122,191,028	\$ 0	\$ 0	\$ 122,191,028	\$ 127,618,500	\$ 131,886,898	\$ (9,695,870)
Expenditures							
Instruction							
Regular Instruction Program	\$ 57,359,732	\$ (45,904)	\$ 1,057,295	\$ 58,371,123	\$ 56,733,634	\$ 60,295,119	\$ 1,923,996
Special Education Program	12,077,715	0	350	12,078,065	12,757,700	12,782,700	704,635
Career and Technical Education Program	4,782,739	(9,508)	0	4,773,231	6,432,787	5,805,947	1,032,716
Other	1,135,551	0	0	1,135,551	1,380,000	1,380,000	244,449
Support Services							
Attendance	112,159	0	0	112,159	122,100	122,100	9,941
Health Services	1,485,974	(870)	2,094	1,487,198	1,959,050	1,959,050	471,852
Other Student Support	2,779,852	(4,928)	10,661	2,785,585	2,979,500	2,979,500	193,915
Regular Instruction Program	2,651,534	(1,720)	222	2,650,036	2,878,600	2,876,880	226,844
Special Education Program	973,079	0	450	973,529	1,019,200	1,077,263	103,734
Career and Technical Education Program	130,822	(1,650)	1,650	130,822	146,520	146,520	15,698

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Support Services (Cont.)							
Technology	\$ 2,282,044	\$ (205,319)	\$ 26,352	\$ 2,103,077	\$ 2,407,300	\$ 2,398,633	\$ 295,556
Board of Education	2,172,893	(5,555)	5,518	2,172,856	2,547,171	2,547,171	374,315
Director of Schools	746,907	(8,414)	8,362	746,855	997,650	997,650	250,795
Office of the Principal	8,158,101	(6,714)	16,124	8,167,511	8,342,600	8,472,100	304,589
Fiscal Services	288,175	(3,742)	4,450	288,883	298,800	295,158	6,275
Operation of Plant	8,691,618	(26,473)	102,667	8,767,812	9,936,000	9,936,000	1,168,188
Maintenance of Plant	3,974,713	(395,691)	335,370	3,914,392	5,015,440	4,889,110	974,718
Transportation	6,075,010	(681)	0	6,074,329	6,037,100	6,463,310	388,981
Operation of Non-Instructional Services							
Food Service	2,349	0	0	2,349	0	76,986	74,637
Early Childhood Education	843,403	0	0	843,403	846,700	846,700	3,297
Capital Outlay							
Regular Capital Outlay	1,691,525	(1,365,870)	68,970	394,625	3,515,850	3,863,097	3,468,472
Total Expenditures	\$ 118,415,895	\$ (2,083,039)	\$ 1,640,535	\$ 117,973,391	\$ 126,353,702	\$ 130,210,994	\$ 12,237,603
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,775,133	\$ 2,083,039	\$ (1,640,535)	\$ 4,217,637	\$ 1,264,798	\$ 1,675,904	\$ 2,541,733
Other Financing Sources (Uses)							
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 100,000	\$ 100,000	\$ (100,000)
Transfers Out	(1,616,297)	0	0	(1,616,297)	(1,364,798)	(1,616,297)	0
Total Other Financing Sources	\$ (1,616,297)	\$ 0	\$ 0	\$ (1,616,297)	\$ (1,264,798)	\$ (1,516,297)	\$ (100,000)
Net Change in Fund Balance	\$ 2,158,836	\$ 2,083,039	\$ (1,640,535)	\$ 2,601,340	\$ 0	\$ 159,607	\$ 2,441,733
Fund Balance, July 1, 2024	14,719,257	(2,083,039)	0	12,636,218	7,062,500	7,062,500	5,573,718
Fund Balance, June 30, 2025	\$ 16,878,093	\$ 0	\$ (1,640,535)	\$ 15,237,558	\$ 7,062,500	\$ 7,222,107	\$ 8,015,451

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Federal Government	\$ 8,012,163	\$ 0	\$ 0	\$ 8,012,163	\$ 7,715,100	\$ 8,162,459	\$ (150,296)
Total Revenues	\$ 8,012,163	\$ 0	\$ 0	\$ 8,012,163	\$ 7,715,100	\$ 8,162,459	\$ (150,296)
Expenditures							
Instruction							
Regular Instruction Program	\$ 2,287,350	\$ 0	\$ 0	\$ 2,287,350	\$ 2,643,900	\$ 2,721,686	\$ 434,336
Special Education Program	522,182	0	63	522,245	2,370,550	667,511	145,266
Career and Technical Education Program	358,992	(41,510)	0	317,482	298,000	341,035	23,553
Support Services							
Health Services	83,084	0	0	83,084	10,700	91,498	8,414
Other Student Support	40,700	0	0	40,700	98,300	71,860	31,160
Regular Instruction Program	1,136,352	0	0	1,136,352	1,221,300	1,266,853	130,501
Special Education Program	1,453,993	0	0	1,453,993	859,450	1,549,989	95,996
Career and Technical Education Program	2,671	0	0	2,671	5,000	2,983	312
Fiscal Services	0	(1,672)	1,672	0	0	0	0
Transportation	1,510,022	0	0	1,510,022	136,000	1,526,367	16,345
Capital Outlay							
Regular Capital Outlay	642,274	(642,274)	0	0	0	0	0
Total Expenditures	\$ 8,037,620	\$ (685,456)	\$ 1,735	\$ 7,353,899	\$ 7,643,200	\$ 8,239,782	\$ 885,883

(Continued)

BLOUNT COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
 Discretely Presented Blount County School Department
 School Federal Projects 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	
Excess (Deficiency) of Revenues Over Expenditures	\$ (25,457)	\$ 685,456	\$ (1,735)	\$ 658,264	\$ 71,900	\$ (77,323)	\$ 735,587
Other Financing Sources (Uses)							
Transfers In	\$ 250,000	\$ 0	\$ 0	\$ 250,000	\$ 0	\$ 0	\$ 250,000
Transfers Out	0	0	0	0	(71,900)	(3,350)	3,350
Total Other Financing Sources	\$ 250,000	\$ 0	\$ 0	\$ 250,000	\$ (71,900)	\$ (3,350)	\$ 253,350
Net Change in Fund Balance	\$ 224,543	\$ 685,456	\$ (1,735)	\$ 908,264	\$ 0	\$ (80,673)	\$ 988,937
Fund Balance, July 1, 2024	278,878	(685,456)	0	(406,578)	250,000	250,000	(656,578)
Fund Balance, June 30, 2025	\$ 503,421	\$ 0	\$ (1,735)	\$ 501,686	\$ 250,000	\$ 169,327	\$ 332,359

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Charges for Current Services	\$ 1,760,790	\$ 0	\$ 0	\$ 1,760,790	\$ 2,311,000	\$ 2,311,000	\$ (550,210)
Other Local Revenues	121,396	0	0	121,396	171,000	171,000	(49,604)
State of Tennessee	40,134	0	0	40,134	49,000	49,000	(8,866)
Federal Government	3,989,504	0	0	3,989,504	4,125,750	4,125,750	(136,246)
Total Revenues	\$ 5,911,824	\$ 0	\$ 0	\$ 5,911,824	\$ 6,656,750	\$ 6,656,750	\$ (744,926)
Expenditures							
Operation of Non-Instructional Services							
Food Service	\$ 6,524,022	\$ (5,215)	\$ 17,939	\$ 6,536,746	\$ 7,636,300	\$ 7,636,985	\$ 1,100,239
Total Expenditures	\$ 6,524,022	\$ (5,215)	\$ 17,939	\$ 6,536,746	\$ 7,636,300	\$ 7,636,985	\$ 1,100,239
Excess (Deficiency) of Revenues Over Expenditures	\$ (612,198)	\$ 5,215	\$ (17,939)	\$ (624,922)	\$ (979,550)	\$ (980,235)	\$ 355,313
Net Change in Fund Balance	\$ (612,198)	\$ 5,215	\$ (17,939)	\$ (624,922)	\$ (979,550)	\$ (980,235)	\$ 355,313
Fund Balance, July 1, 2024	2,698,061	(5,215)	0	2,692,846	2,709,610	2,709,610	(16,764)
Fund Balance, June 30, 2025	\$ 2,085,863	\$ 0	\$ (17,939)	\$ 2,067,924	\$ 1,730,060	\$ 1,729,375	\$ 338,549

BLOUNT COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
 Discretely Presented Blount County School Department
 Extended School Program Fund
For the Year Ended June 30, 2025

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Charges for Current Services	\$ 1,456,464	\$ 0	\$ 0	\$ 1,456,464	\$ 1,500,000	\$ 1,500,000	\$ (43,536)
Other Local Revenues	111,162	0	0	111,162	106,000	106,000	5,162
State of Tennessee	212,124	0	0	212,124	180,000	180,000	32,124
Federal Government	137,616	0	0	137,616	0	0	137,616
Total Revenues	\$ 1,917,366	\$ 0	\$ 0	\$ 1,917,366	\$ 1,786,000	\$ 1,786,000	\$ 131,366
Expenditures							
Operation of Non-Instructional Services							
Community Services	\$ 2,110,481	\$ (12,539)	\$ 12,256	\$ 2,110,198	\$ 2,378,000	\$ 2,376,950	\$ 266,752
Total Expenditures	\$ 2,110,481	\$ (12,539)	\$ 12,256	\$ 2,110,198	\$ 2,378,000	\$ 2,376,950	\$ 266,752
Excess (Deficiency) of Revenues Over Expenditures	\$ (193,115)	\$ 12,539	\$ (12,256)	\$ (192,832)	\$ (592,000)	\$ (590,950)	\$ 398,118
Net Change in Fund Balance	\$ (193,115)	\$ 12,539	\$ (12,256)	\$ (192,832)	\$ (592,000)	\$ (590,950)	\$ 398,118
Fund Balance, July 1, 2024	2,072,121	(12,539)	0	2,059,582	592,000	592,000	1,467,582
Fund Balance, June 30, 2025	\$ 1,879,006	\$ 0	\$ (12,256)	\$ 1,866,750	\$ 0	\$ 1,050	\$ 1,865,700

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 7,061,449	\$ 0	\$ 0	\$ 7,061,449	\$ 6,951,200	\$ 6,951,200	\$ 110,249
Other Local Revenues	460,113	0	0	460,113	480,000	480,000	(19,887)
State of Tennessee	9,097	0	0	9,097	0	0	9,097
Total Revenues	\$ 7,530,659	\$ 0	\$ 0	\$ 7,530,659	\$ 7,431,200	\$ 7,431,200	\$ 99,459
Expenditures							
Other Debt Service							
Education	\$ 1,366,297	\$ 0	\$ 0	\$ 1,366,297	\$ 1,366,800	\$ 1,366,800	\$ 503
Capital Projects							
Education Capital Projects	14,622,122	(7,761,511)	1,477,009	8,337,620	185,000	9,580,088	1,242,468
Total Expenditures	\$ 15,988,419	\$ (7,761,511)	\$ 1,477,009	\$ 9,703,917	\$ 1,551,800	\$ 10,946,888	\$ 1,242,971
Excess (Deficiency) of Revenues Over Expenditures	\$ (8,457,760)	\$ 7,761,511	\$ (1,477,009)	\$ (2,173,258)	\$ 5,879,400	\$ (3,515,688)	\$ 1,342,430
Other Financing Sources (Uses)							
Transfers In	\$ 1,366,297	\$ 0	\$ 0	\$ 1,366,297	\$ 1,366,800	\$ 1,366,800	\$ (503)
Total Other Financing Sources	\$ 1,366,297	\$ 0	\$ 0	\$ 1,366,297	\$ 1,366,800	\$ 1,366,800	\$ (503)
Net Change in Fund Balance	\$ (7,091,463)	\$ 7,761,511	\$ (1,477,009)	\$ (806,961)	\$ 7,246,200	\$ (2,148,888)	\$ 1,341,927
Fund Balance, July 1, 2024	10,940,843	(7,761,511)	0	3,179,332	11,081,475	11,081,475	(7,902,143)
Fund Balance, June 30, 2025	\$ 3,849,380	\$ 0	\$ (1,477,009)	\$ 2,372,371	\$ 18,327,675	\$ 8,932,587	\$ (6,560,216)

MISCELLANEOUS SCHEDULES

BLOUNT COUNTY, TENNESSEE

Schedule of Changes in Long-term Bonds and Other Loans

Primary Government and Discretely Presented Blount County School Department

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
PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES:								
BONDS PAYABLE								
Payable through General Debt Service Fund								
Qualified School Construction Bond, Series 2010	\$ 14,855,000	2.6 %	10-7-10	9-14-27	\$ 2,959,413	\$ 0	\$ 926,929	\$ 2,032,484
General Obligation Refunding, Series 2015 B	19,785,000	2 to 4	3-5-15	6-1-31	13,265,000	0	1,715,000	11,550,000
General Obligation Refunding, Series 2016 A	8,920,000	.97 to 3.6	12-1-16	6-30-37	5,520,000	0	355,000	5,165,000
General Obligation Refunding, Series 2016 B	117,010,000	2 to 5	12-1-16	6-30-37	87,045,000	0	7,460,000	79,585,000
Total Bonds Payable - Governmental Activities					<u>\$ 108,789,413</u>	<u>\$ 0</u>	<u>\$ 10,456,929</u>	<u>\$ 98,332,484</u>
OTHER LOANS PAYABLE								
Payable through General Fund								
Tasers	2,147,830	0	7-1-24	6-30-29	\$ 0	\$ 2,147,830	\$ 420,642	\$ 1,727,188
Total Other Loans Payable - Governmental Activities					<u>\$ 0</u>	<u>\$ 2,147,830</u>	<u>\$ 420,642</u>	<u>\$ 1,727,188</u>
BUSINESS-TYPE ACTIVITIES:								
BONDS PAYABLE								
Payable from Hospital Revenue Bond Enterprise Fund by Blount Memorial Hospital, Inc.								
Hospital Revenue Refunding Bonds Series 2019A	67,705,000	2.07	10-4-19	6-1-29	\$ 36,710,000	\$ 0	\$ 36,710,000 (1)	\$ 0
Hospital Revenue Bonds Series 2019B	20,000,000	2.07	10-4-19	6-1-29	10,860,000	0	10,860,000 (1)	0
Total Bonds Payable - Business-type Activities					<u>\$ 47,570,000</u>	<u>\$ 0</u>	<u>\$ 47,570,000</u>	<u>\$ 0</u>
TOTAL PRIMARY GOVERNMENT					<u>\$ 156,359,413</u>	<u>\$ 2,147,830</u>	<u>\$ 58,447,571</u>	<u>\$ 100,059,672</u>
DISCRETELY PRESENTED BLOUNT COUNTY SCHOOL DEPARTMENT OTHER LOANS								
Payable from Education Capital Projects Fund								
Internal Loan from Primary Government - Capital Outlay Note Series 2017	1,272,000	1.1	7-12-17	6-30-25	\$ 187,732	\$ 0	\$ 187,732	\$ 0
Internal Loan from Primary Government - Capital Outlay Note Series 2022	12,000,000	2.6	2-10-23	5-1-34	10,250,000	0	910,000	9,340,000
Total Other Loans					<u>\$ 10,437,732</u>	<u>\$ 0</u>	<u>\$ 1,097,732</u>	<u>\$ 9,340,000</u>
TOTAL DISCRETELY PRESENTED BLOUNT COUNTY SCHOOL DEPARTMENT					<u>\$ 10,437,732</u>	<u>\$ 0</u>	<u>\$ 1,097,732</u>	<u>\$ 9,340,000</u>

(1) Blount County entered agreements with Prisma Health to operate the county hospital. As a result of the agreement provisions the debt and servicing of all future requirements has been transferred to Prisma Health.

BLOUNT COUNTY, TENNESSEE

Schedule of Long-term Debt Requirements by Year

Primary Government and Discretely Presented Blount County School Department

**PRIMARY GOVERNMENT
GOVERNMENTAL ACTIVITIES:**

Year Ending June 30	Bonds		
	Principal	Interest	Total
2026	\$ 10,856,929	\$ 5,148,238	\$ 16,005,167
2027	11,323,173	4,695,905	16,019,078
2028	12,262,382	3,576,782	15,839,164
2029	12,600,000	2,942,502	15,542,502
2030	5,590,000	2,359,165	7,949,165
2031	2,490,000	2,127,520	4,617,520
2032	6,200,000	2,051,937	8,251,937
2033	6,665,000	1,749,033	8,414,033
2034	7,030,000	1,422,902	8,452,902
2035	7,345,000	1,144,233	8,489,233
2036	7,770,000	784,182	8,554,182
2037	8,200,000	402,860	8,602,860
Total	\$ 98,332,484	\$ 28,405,259	\$ 126,737,743

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2026	\$ 431,797	\$ 0	\$ 431,797
2027	431,797	0	431,797
2028	431,797	0	431,797
2029	431,797	0	431,797
Total	\$ 1,727,188	\$ 0	\$ 1,727,188

(Continued)

BLOUNT COUNTY, TENNESSEE

Schedule of Long-term Debt Requirements by Year

Primary Government and Discretely Presented Blount County School Department (Cont.)

DISCRETELY PRESENTED BLOUNT COUNTY SCHOOL DEPARTMENT:

Year Ending June 30	Internal Loans - Due to Primary Government		
	Principal	Interest	Total
2026	\$ 935,000	\$ 242,840	\$ 1,177,840
2027	960,000	218,530	1,178,530
2028	985,000	193,570	1,178,570
2029	1,010,000	167,960	1,177,960
2030	1,035,000	141,700	1,176,700
2031	1,060,000	114,790	1,174,790
2032	1,090,000	87,230	1,177,230
2033	1,120,000	58,890	1,178,890
2034	1,145,000	29,770	1,174,770
Total	\$ 9,340,000	\$ 1,255,280	\$ 10,595,280

BLOUNT COUNTY, TENNESSEE
Schedule of Changes in Leases and SBITA Obligations
For the Year Ended June 30, 2025

Description	Original Amount of Issue	Interest Rate	Date of Issue	Maturity Date	Outstanding 7-1-24	Paid and/or Matured During Period	Outstanding 6-30-25
GOVERNMENTAL ACTIVITIES							
LEASES PAYABLE							
Payable through General Fund							
Land for Emergency Communications Equipment	\$ 707,528	1.2	% 5-19-11	5-19-46	\$ 478,484	\$ 19,134	\$ 459,350
Total Leases Payable					\$ 478,484	\$ 19,134	\$ 459,350
SBITA PAYABLE							
Payable through General Fund							
Tyler Tech	1,147,022	5.45	9-1-19	9-1-24	\$ 65,057	\$ 65,057	\$ 0
UKG	799,137	5.45	7-22-22	7-22-27	518,173	158,635	359,538
Axon Cameras	2,521,342	5.45	12-1-19	12-1-25 (1)	931,054	931,054	0
Flock Safety	171,967	5.25	9-22-23	9-22-27	133,967	30,967	103,000
Total SBITA payable					\$ 1,648,251	\$ 1,185,713	\$ 462,538

(1) The SBITA for Axon Cameras was cancelled July 1, 2024 and all outstanding obligations were eliminated.

BLOUNT COUNTY, TENNESSEE
Schedule of Lease/SBITA Requirements by Year

Year Ending June 30	Leases		
	Principal	Interest	Total
2026	\$ 19,364	\$ 5,512	\$ 24,876
2027	19,596	5,280	24,876
2028	19,831	5,045	24,876
2029	20,069	4,807	24,876
2030	20,310	4,566	24,876
2031	20,554	4,322	24,876
2032	20,800	4,075	24,875
2033	21,050	3,826	24,876
2034	21,303	3,573	24,876
2035	21,558	3,318	24,876
2036	21,817	3,059	24,876
2037	22,078	2,797	24,875
2038	22,344	2,532	24,876
2039	22,612	2,264	24,876
2040	22,883	1,993	24,876
2041	23,158	1,718	24,876
2042	23,435	1,441	24,876
2043	23,717	1,159	24,876
2044	24,001	875	24,876
2045	24,289	586	24,875
2046	24,581	295	24,876
Total	\$ 459,350	\$ 63,043	\$ 522,393

Year Ending June 30	SBITA		
	Principal	Interest	Total
2026	\$ 200,092	\$ 20,860	\$ 220,952
2027	211,164	9,788	220,952
2028	51,282	1,964	53,246
Total	\$ 462,538	\$ 32,612	\$ 495,150

BLOUNT COUNTY, TENNESSEE
Schedule of Notes Receivable
June 30, 2025

Description	Debtor	Original Amount of Note	Date of Issue	Date of Maturity	Interest Rate	Balance 6-30-25
General Fund Amazon Project	Industrial Development Board of Blount County and the cities of Alcoa and Maryville, Tennessee	\$ 6,000,000	1-21-21	3-1-44	0%	<u>\$ 1,655,376</u>
Total Notes Receivable						<u><u>\$ 1,655,376</u></u>

BLOUNT COUNTY, TENNESSEE
Schedule of Leases Receivable
June 30, 2025

Description	Debtor	Original Amount of Lease	Date of Issue	Date of Maturity	Interest Rate	Balance 7-1-24	Deductions	Balance 6-30-25
General Fund Verizon Phone Tower	Eco-Site II, LLC	\$ 332,256	7-1-21	2-1-45	1.2 %	\$ 281,281	\$ 12,065	\$ 269,216
Total Leases Receivable						\$ 281,281	\$ 12,065	\$ 269,216

BLOUNT COUNTY, TENNESSEE

Schedule of Transfers

Primary Government and Discretely Presented Blount County School Department

For the Year Ended June 30, 2025

From Fund	To Fund	Purpose	Amount
PRIMARY GOVERNMENT			
General	General Debt Service	Tax credit bond rebate	\$ 682,064
"	Public Library	Operations	1,462,000
Self-Insurance	General	Shared payroll expense	283,000
Public Library	"	Maintenance and custodial services	<u>263,332</u>
Total Transfers Primary Government			<u><u>\$ 2,690,396</u></u>
DISCRETELY PRESENTED BLOUNT COUNTY SCHOOL DEPARTMENT			
General Purpose School	Education Capital Projects	Debt service contribution	\$ 1,366,297
"	School Federal Projects	Cash flow	<u>250,000</u>
Total Transfers Discretely Presented Blount County School Department			<u><u>\$ 1,616,297</u></u>

BLOUNT COUNTY, TENNESSEE

Schedule of Salaries and Official Bonds of Principal Officials

Primary Government and Discretely Presented Blount County School Department

For the Year Ended June 30, 2025

Official	Salary	Authorization	Bond	Surety
County Mayor		Section 8-24-102, <i>TCA</i>	\$ 100,000	Cincinnati Insurance Company
Base salary/Total compensation	<u>\$ 181,479</u>			
Highway Superintendent		Section 8-24-102, <i>TCA</i>	100,000	Cincinnati Insurance Company
Base salary/Total compensation	<u>\$ 144,031</u>			
Director of Schools - David Murrell (7/1/24-1/6/25)		State Board of Education and County Board of Education	100,000	Cincinnati Insurance Company
Base salary	\$ 82,123			
Health, vision and dental insurance premiums	735			
Cell phone allowance	600			
Total compensation	<u>\$ 83,458</u>			
Director of Schools - Jake Jones, Interim (1/9/25-2/26/25)		State Board of Education and County Board of Education	(2)	
Base salary	\$ 19,323			
Vacation payout on resignation	9,641			
Cell phone allowance	200			
Total compensation	<u>\$ 29,164</u>			
Director of Schools - Alisa Teffeteller, Interim (2/27/25-5/31/25)		State Board of Education and County Board of Education	(2)	
Base salary	\$ 9,062			
Grant salary	27,462	(1)		
Health, vision and dental insurance premiums	315			
Total compensation	<u>\$ 36,839</u>			
Director of Schools - Justin Ridge (5/7/25-6/30/25)		State Board of Education and County Board of Education	100,000	Cincinnati Insurance Company
Base salary	\$ 24,653			
Health, vision and dental insurance premiums	210			
Cell phone allowance	150			
Total compensation	<u>\$ 25,013</u>			
Total Director of Schools compensation	<u><u>\$ 174,474</u></u>			
Trustee		Section 8-24-102, <i>TCA</i>	6,384,568	Cincinnati Insurance Company
Base salary/Total compensation	<u>\$ 119,034</u>			

(Continued)

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

Primary Government and Discretely Presented Blount County School Department (Cont.)

Official	Salary	Authorization	Bond	Surety
Assessor of Property		Section 8-24-102, <i>TCA</i>	\$ 50,000	Cincinnati Insurance Company
Base salary/Total compensation	<u>\$ 119,034</u>			
County Clerk		Section 8-24-102, <i>TCA</i>	100,000	Cincinnati Insurance Company
Base salary/Total compensation	<u>\$ 119,034</u>			
Circuit and General Sessions Courts Clerk - Thomas Hatcher (7/1/24-11/6/24)		Section 8-24-102, <i>TCA</i>	100,000	Cincinnati Insurance Company
Base salary	\$ 41,648			
Additional 10% for overseeing more than one court	4,628			
Total compensation	<u>\$ 46,276</u>			
Circuit and General Sessions Courts Clerk - Chris Cantrell (11/22/24-6/30/25)		Section 8-24-102, <i>TCA</i>	100,000	Cincinnati Insurance Company
Base salary	\$ 71,352			
Additional 10% for overseeing more than one court	7,928			
Total compensation	<u>\$ 79,280</u>			
Total Circuit and General Sessions Courts Clerk compensation	<u>\$ 125,556</u>			
Clerk and Master		Section 8-24-102, <i>TCA</i>	100,000	Cincinnati Insurance Company
Base salary	\$ 119,034			
Special commissioner fees	3,243			
Total compensation	<u>\$ 122,277</u>			
Register of Deeds		Section 8-24-102, <i>TCA</i>	100,000	Cincinnati Insurance Company
Base salary/Total compensation	<u>\$ 119,034</u>			
Sheriff		Section 8-24-102, <i>TCA</i>	100,000	Cincinnati Insurance Company
Base salary	\$ 144,014			
Superintendent of workhouse	14,412			
Director of Juvenile Detention Center	14,411			
Law enforcement retention bonus	800			
Law enforcement training supplement	800			
Total compensation	<u>\$ 174,437</u>			

(Continued)

BLOUNT COUNTY, TENNESSEE

Schedule of Salaries and Official Bonds of Principal Officials

Primary Government and Discretely Presented Blount County School Department (Cont.)

Official	Salary	Authorization	Bond	Surety
Administrator of Elections		Section 2-12-208 <i>TCA</i>		
Base salary/Total compensation	<u>\$ 111,375</u>			
Director of Accounts and Budgets		County Commission	\$ 100,000	Cincinnati Insurance Company
Base salary	\$ 119,034			
Assistant mayor	32,837			
Total compensation	<u>\$ 151,871</u>			
Purchasing Agent - Charles Rafford (7/1/24-4/14/25)		County Commission	100,000	Cincinnati Insurance Company
Base salary/Total compensation	<u>\$ 73,652</u>			
Purchasing Agent - Jackie Cooper, Interim (4/15/25-6/9/25)		County Commission	100,000	Cincinnati Insurance Company
Base salary/Total compensation	<u>\$ 14,484</u>			
Purchasing Agent - Kari Barrett (6/10/25-6/30/25)		County Commission	100,000	Cincinnati Insurance Company
Base salary/Total compensation	<u>\$ 8,557</u>			
Total Purchasing Agent compensation	<u>\$ 96,693</u>			
Employee Blanket Bonds:				
Public Employee Dishonesty			500,000	Travelers Casualty and Surety Company
Forgery or alteration			500,000	"
Money and Securities - On Premises			500,000	"
Money and Securities - Messenger			500,000	"
Computer Fraud			500,000	"

(1) Dr. Alisa Teffeteller served as both Federal Programs Director and Interim Director of Schools. The grant salary amount reflects compensation as Federal Programs Director concurrent with Interim Director of Schools and was part of the total compensation package offered for the Interim Director of Schools position.

(2) Official did not obtain a bond.

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Other General Government Fund
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 46,363,743	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Discount on Property Taxes	(760,967)	0	0	0	0	0
Trustee's Collections - Prior Year	477,033	0	0	0	0	0
Trustee's Collections - Bankruptcy	48,766	0	0	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	299,709	0	0	0	0	0
Interest and Penalty	123,355	0	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	2,881,553	0	0	0	0	0
County Local Option Taxes						
Local Option Sales Tax	0	0	0	0	0	0
Hotel/Motel Tax	1,853,952	0	0	0	0	0
Litigation Tax - General	369,342	0	0	0	0	0
Litigation Tax - Special Purpose	0	1,383	9,328	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	187,803	0	0	0	0
Litigation Tax - Courthouse Security	144,214	0	0	0	0	0
Business Tax	1,579,293	0	0	0	0	0
Mixed Drink Tax	313,768	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Other General Government Fund
Local Taxes (Cont.)						
Statutory Local Taxes						
Bank Excise Tax	\$ 1,304,743	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Wholesale Beer Tax	453,270	0	0	0	0	0
Total Local Taxes	<u>\$ 55,451,774</u>	<u>\$ 189,186</u>	<u>\$ 9,328</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Licenses and Permits						
Licenses						
Cable TV Franchise	\$ 568,166	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Permits						
Building Permits	1,317,629	0	0	0	0	0
Other Permits	21,965	0	0	0	0	0
Total Licenses and Permits	<u>\$ 1,907,760</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fines, Forfeitures, and Penalties						
Circuit Court						
Drug Control Fines	\$ 0	\$ 0	\$ 0	\$ 0	1,956	\$ 0
Drug Court Fees	21,196	0	0	0	0	0
Veterans Treatment Court Fees	2,683	0	0	0	0	0
DUI Treatment Fines	2,299	0	0	0	0	0
Data Entry Fee - Circuit Court	115,989	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					Other General Government Fund
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	
Fines, Forfeitures, and Penalties (Cont.)						
Criminal Court						
Fines	\$ 2,994	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	34,828	0	0	0	0	0
Data Entry Fee - Criminal Court	6,048	0	0	0	0	0
General Sessions Court						
Fines	93,514	0	0	0	0	0
Officers Costs	536,911	0	0	0	0	0
Game and Fish Fines	116	0	0	0	0	0
Drug Control Fines	0	0	0	0	8,153	0
Veterans Treatment Court Fees	10,673	0	0	0	0	0
Jail Fees	41,571	0	0	0	0	0
District Attorney General Fees	62,440	0	0	0	0	0
DUI Treatment Fines	18,302	0	0	0	0	0
Courtroom Security Fee	19,886	0	0	0	0	0
Victims Assistance Assessments	40,235	0	0	0	0	0
Juvenile Court						
Fines	2,332	0	0	0	0	0
Officers Costs	106,130	0	0	0	0	0
Courtroom Security Fee	3,983	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Other General Government Fund
Fines, Forfeitures, and Penalties (Cont.)						
Chancery Court						
Officers Costs	\$ 13,534	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Fines, Forfeitures, and Penalties	<u>\$ 1,135,664</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,109</u>	<u>\$ 0</u>
Charges for Current Services						
General Service Charges						
Other General Service Charges	\$ 255,900	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fees						
Copy Fees	5,638	0	0	19,528	0	0
Library Fees	0	0	0	37,269	0	0
Telephone Commissions	157,569	0	0	0	157,569	0
Additional Fees - Titling and Registration	162,918	0	0	0	0	0
Fingerprint Fees	1,030	0	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	0
Data Processing Fee - Register	59,974	0	0	0	0	0
Probation Fees	330,254	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	19,350	0	0	0	0	0
Data Processing Fee - County Clerk	24,335	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	22,365	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Other General Government Fund
Charges for Current Services (Cont.)						
Education Charges						
Other Charges for Services	\$ 10,886	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Charges for Current Services	\$ 1,050,219	\$ 0	\$ 0	\$ 56,797	\$ 157,569	\$ 0
Other Local Revenues						
Recurring Items						
Investment Income	\$ 3,111,222	\$ 0	\$ 0	\$ 82,933	\$ 111,292	\$ 832,416
Lease/Rentals/PPP	11,985	0	0	0	0	0
Lease/PPP Interest	3,309	0	0	0	0	0
Sale of Materials and Supplies	1,299	0	0	0	0	0
Sale of Recycled Materials	8,402	0	0	0	0	0
Miscellaneous Refunds	49,613	0	0	0	0	0
Nonrecurring Items						
Accrued Interest on Debt Issues	0	0	0	0	0	0
Sale of Equipment	3,267	0	0	0	0	0
Sale of Property	0	0	0	0	0	0
Damages Recovered from Individuals	15,958	0	0	0	0	0
Contributions and Gifts	0	0	0	253,629	0	0

(Continued)

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

	Special Revenue Funds					Other General Government Fund
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	
Other Local Revenues (Cont.)						
Other Local Revenues						
Other Local Revenues	\$ 304,200	\$ 0	\$ 0	\$ 106,494	\$ 500	\$ 0
Total Other Local Revenues	<u>\$ 3,509,255</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 443,056</u>	<u>\$ 111,792</u>	<u>\$ 832,416</u>
Fees Received From County Officials						
Fees In-Lieu-of Salary						
County Clerk	\$ 1,996,157	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	490,966	0	0	0	0	0
General Sessions Court Clerk	1,754,801	0	0	0	0	0
Clerk and Master	433,028	0	0	0	0	0
Juvenile Court Clerk	234,120	0	0	0	0	0
Register	818,885	0	0	0	0	0
Sheriff	68,292	0	0	0	0	0
Trustee	3,604,876	0	0	0	0	0
Total Fees Received From County Officials	<u>\$ 9,401,125</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
State of Tennessee						
General Government Grants						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Other General Government Fund
State of Tennessee (Cont.)						
Public Safety Grants						
School Resource Officer Grants	\$ 1,575,000	\$ 0	\$ 0	\$ 0	\$ 0	0
Other Public Safety Grants	89,832	0	0	0	0	0
Health and Welfare Grants						
Health Department Programs	501,687	0	0	0	0	0
Public Works Grants						
State Aid Program	0	0	0	0	0	0
Litter Program	73,077	0	0	0	0	0
Other State Revenues						
Beer Tax	17,752	0	0	0	0	0
Vehicle Certificate of Title Fees	112,116	0	0	0	0	0
Alcoholic Beverage Tax	260,059	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	507,867	0	0	0	0	0
State Revenue Sharing - Telecommunications	62,788	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	192,420	0	0	0	0	0
Contracted Prisoner Boarding	1,040,345	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Other General Government Fund
State of Tennessee (Cont.)						
Other State Revenues (Cont.)						
Registrar's Salary Supplement	\$ 17,966	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other State Grants	727,637	0	0	0	0	0
Other State Revenues	221,677	0	0	0	0	0
Total State of Tennessee	<u>\$ 5,409,223</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Federal Government						
Federal Through State						
American Rescue Plan Act Grant #1	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	8,842,797
American Rescue Plan Act Grant #2	0	0	0	0	0	310,808
Other Federal through State	1,071,380	0	0	0	0	0
Direct Federal Revenue						
Asset Forfeiture Funds	0	0	0	0	127,125	0
Tax Credit Bond Rebate	682,064	0	0	0	0	0
Other Direct Federal Revenue	1,425,963	0	0	0	0	0
Total Federal Government	<u>\$ 3,179,407</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 127,125</u>	<u>\$ 9,153,605</u>

(Continued)

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

	<u>Special Revenue Funds</u>					Other General Government Fund
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	
Other Governments and Citizens Groups						
Other Governments						
Prisoner Board	\$ 183,240	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Paving and Maintenance	0	0	0	0	0	0
Contributions	298,686	0	0	0	537,178	0
Contracted Services	168,470	0	0	1,141,144	0	0
Citizens Groups						
Donations	198,199	0	0	37	0	0
Other						
Other	221,799	0	0	0	0	0
Opioid Settlement Funds - Past Remediation	283,132	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 1,353,526</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,141,181</u>	<u>\$ 537,178</u>	<u>\$ 0</u>
Total	<u>\$ 82,397,953</u>	<u>\$ 189,186</u>	<u>\$ 9,328</u>	<u>\$ 1,641,034</u>	<u>\$ 943,773</u>	<u>\$ 9,986,021</u>

(Continued)

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

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>		Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 0	\$ 0	\$ 14,050,548	\$ 0	\$ 2,007,449	\$ 62,421,740
Discount on Property Taxes	0	0	(231,603)	0	(33,101)	(1,025,671)
Trustee's Collections - Prior Year	0	0	210,172	0	29,325	716,530
Trustee's Collections - Bankruptcy	0	0	14,862	0	2,120	65,748
Circuit Clerk/Clerk and Master Collections - Prior Years	0	0	91,216	0	13,031	403,956
Interest and Penalty	0	0	39,035	0	5,330	167,720
Payments in-Lieu-of Taxes - Local Utilities	0	455,205	140,689	0	19,792	615,686
Payments in-Lieu-of Taxes - Other	0	0	42,362	0	6,052	2,929,967
County Local Option Taxes						
Local Option Sales Tax	0	7,110,217	2,164,345	2,629,337	0	11,903,899
Hotel/Motel Tax	0	0	0	0	0	1,853,952
Litigation Tax - General	0	0	0	0	0	369,342
Litigation Tax - Special Purpose	0	0	0	0	0	10,711
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	187,803
Litigation Tax - Courthouse Security	0	0	0	0	0	144,214
Business Tax	0	0	480,665	0	68,655	2,128,613
Mixed Drink Tax	0	0	0	0	0	313,768
Mineral Severance Tax	0	111,195	0	0	0	111,195

(Continued)

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

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>		
	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Total
Local Taxes (Cont.)						
Statutory Local Taxes						
Bank Excise Tax	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,304,743
Wholesale Beer Tax	0	0	0	0	0	453,270
Total Local Taxes	<u>\$ 0</u>	<u>\$ 7,676,617</u>	<u>\$ 17,002,291</u>	<u>\$ 2,629,337</u>	<u>\$ 2,118,653</u>	<u>\$ 85,077,186</u>
Licenses and Permits						
Licenses						
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 568,166
Permits						
Building Permits	0	0	0	0	0	1,317,629
Other Permits	0	201,325	0	0	0	223,290
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 201,325</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,109,085</u>
Fines, Forfeitures, and Penalties						
Circuit Court						
Drug Control Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,956
Drug Court Fees	0	0	0	0	0	21,196
Veterans Treatment Court Fees	0	0	0	0	0	2,683
DUI Treatment Fines	0	0	0	0	0	2,299
Data Entry Fee - Circuit Court	0	0	0	0	0	115,989

(Continued)

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

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>		Total
	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	
Fines, Forfeitures, and Penalties (Cont.)						
Criminal Court						
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	2,994
Officers Costs	0	0	0	0	0	34,828
Data Entry Fee - Criminal Court	0	0	0	0	0	6,048
General Sessions Court						
Fines	0	0	0	0	0	93,514
Officers Costs	0	0	0	0	0	536,911
Game and Fish Fines	0	0	0	0	0	116
Drug Control Fines	0	0	0	0	0	8,153
Veterans Treatment Court Fees	0	0	0	0	0	10,673
Jail Fees	0	0	0	0	0	41,571
District Attorney General Fees	0	0	0	0	0	62,440
DUI Treatment Fines	0	0	0	0	0	18,302
Courtroom Security Fee	0	0	0	0	0	19,886
Victims Assistance Assessments	0	0	0	0	0	40,235
Juvenile Court						
Fines	0	0	0	0	0	2,332
Officers Costs	0	0	0	0	0	106,130
Courtroom Security Fee	0	0	0	0	0	3,983

(Continued)

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

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>		
	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Total
Fines, Forfeitures, and Penalties (Cont.)						
Chancery Court						
Officers Costs	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 13,534
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,145,773
Charges for Current Services						
General Service Charges						
Other General Service Charges	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 255,900
Fees						
Copy Fees	0	0	0	0	0	25,166
Library Fees	0	0	0	0	0	37,269
Telephone Commissions	0	0	0	0	0	315,138
Additional Fees - Titling and Registration	0	0	0	0	0	162,918
Fingerprint Fees	0	0	0	0	0	1,030
Special Commissioner Fees/Special Master Fees	3,243	0	0	0	0	3,243
Data Processing Fee - Register	0	0	0	0	0	59,974
Probation Fees	0	0	0	0	0	330,254
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0	19,350
Data Processing Fee - County Clerk	0	0	0	0	0	24,335
Vehicle Insurance Coverage and Reinstatement Fees	0	0	0	0	0	22,365

(Continued)

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

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>		
	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Total
Charges for Current Services (Cont.)						
Education Charges						
Other Charges for Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,886
Total Charges for Current Services	\$ 3,243	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,267,828
Other Local Revenues						
Recurring Items						
Investment Income	\$ 0	\$ 154,969	\$ 1,386,549	\$ 221,042	\$ 174,408	\$ 6,074,831
Lease/Rentals/PPP	0	0	0	0	0	11,985
Lease/PPP Interest	0	0	0	0	0	3,309
Sale of Materials and Supplies	0	14,882	0	0	0	16,181
Sale of Recycled Materials	0	4,028	0	0	0	12,430
Miscellaneous Refunds	0	0	0	0	0	49,613
Nonrecurring Items						
Accrued Interest on Debt Issues	0	0	37,802	0	0	37,802
Sale of Equipment	0	35,635	0	0	0	38,902
Sale of Property	0	28,320	0	0	0	28,320
Damages Recovered from Individuals	0	0	0	0	0	15,958
Contributions and Gifts	0	0	0	0	0	253,629

(Continued)

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

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>		
	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Total
Other Local Revenues (Cont.)						
Other Local Revenues						
Other Local Revenues	\$ 0	\$ 492	\$ 0	\$ 0	\$ 0	\$ 411,686
Total Other Local Revenues	\$ 0	\$ 238,326	\$ 1,424,351	\$ 221,042	\$ 174,408	\$ 6,954,646
Fees Received From County Officials						
Fees In-Lieu-of Salary						
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,996,157
Circuit Court Clerk	0	0	0	0	0	490,966
General Sessions Court Clerk	0	0	0	0	0	1,754,801
Clerk and Master	0	0	0	0	0	433,028
Juvenile Court Clerk	0	0	0	0	0	234,120
Register	0	0	0	0	0	818,885
Sheriff	0	0	0	0	0	68,292
Trustee	0	0	0	0	0	3,604,876
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,401,125
State of Tennessee						
General Government Grants						
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,000

(Continued)

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

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>		Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	
State of Tennessee (Cont.)						
Public Safety Grants						
School Resource Officer Grants	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,575,000
Other Public Safety Grants	0	0	0	0	0	89,832
Health and Welfare Grants						
Health Department Programs	0	0	0	0	0	501,687
Public Works Grants						
State Aid Program	0	749,472	0	0	0	749,472
Litter Program	0	0	0	0	0	73,077
Other State Revenues						
Beer Tax	0	0	0	0	0	17,752
Vehicle Certificate of Title Fees	0	0	0	0	0	112,116
Alcoholic Beverage Tax	0	0	0	0	0	260,059
Opioid Settlement Funds - TN Abatement Council	0	0	0	0	0	507,867
State Revenue Sharing - Telecommunications	0	0	19,103	0	2,729	84,620
State Shared Sports Gaming Privilege Tax	0	0	0	0	0	192,420
Contracted Prisoner Boarding	0	0	0	0	0	1,040,345
Gasoline and Motor Fuel Tax	0	3,798,521	0	0	0	3,798,521
Hybrid/Electric Vehicle Registration Fee	0	46,955	0	0	0	46,955
Petroleum Special Tax	0	89,634	0	0	0	89,634

(Continued)

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

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>		
	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Total
State of Tennessee (Cont.)						
Other State Revenues (Cont.)						
Registrar's Salary Supplement	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	17,966
Other State Grants	0	0	0	37,286	0	764,923
Other State Revenues	0	0	0	0	0	221,677
Total State of Tennessee	<u>\$ 0</u>	<u>\$ 4,684,582</u>	<u>\$ 19,103</u>	<u>\$ 37,286</u>	<u>\$ 2,729</u>	<u>\$ 10,152,923</u>
Federal Government						
Federal Through State						
American Rescue Plan Act Grant #1	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	8,842,797
American Rescue Plan Act Grant #2	0	0	0	0	0	310,808
Other Federal through State	0	0	0	8,156	0	1,079,536
Direct Federal Revenue						
Asset Forfeiture Funds	0	0	0	0	0	127,125
Tax Credit Bond Rebate	0	0	0	0	0	682,064
Other Direct Federal Revenue	0	0	0	0	0	1,425,963
Total Federal Government	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 8,156</u>	<u>\$ 0</u>	<u>\$ 12,468,293</u>

(Continued)

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

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>		
	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Total
Other Governments and Citizens Groups						
Other Governments						
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 183,240
Paving and Maintenance	0	25,103	0	0	0	25,103
Contributions	0	0	268,565	0	0	1,104,429
Contracted Services	0	0	0	0	0	1,309,614
Citizens Groups						
Donations	0	0	0	0	0	198,236
Other						
Other	0	0	0	0	0	221,799
Opioid Settlement Funds - Past Remediation	0	0	0	0	0	283,132
Total Other Governments and Citizens Groups	\$ 0	\$ 25,103	\$ 268,565	\$ 0	\$ 0	\$ 3,325,553
Total	\$ 3,243	\$ 12,825,953	\$ 18,714,310	\$ 2,895,821	\$ 2,295,790	\$ 131,902,412

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

	<u>Special Revenue Funds</u>				
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Internal School
Local Taxes					
County Property Taxes					
Current Property Tax	\$ 21,184,799	\$ 0	\$ 0	\$ 0	\$ 0
Discount on Property Taxes	(347,174)	0	0	0	0
Trustee's Collections - Prior Year	211,509	0	0	0	0
Trustee's Collections - Bankruptcy	22,271	0	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	136,942	0	0	0	0
Interest and Penalty	55,901	0	0	0	0
Payments in-Lieu-of Taxes - T.V.A.	13,279	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	206,892	0	0	0	0
Payments in-Lieu-of Taxes - Other	63,602	0	0	0	0
County Local Option Taxes					
Local Option Sales Tax	26,515,661	0	0	0	0
Business Tax	721,722	0	0	0	0
Mixed Drink Tax	349,620	0	0	0	0
Total Local Taxes	\$ 49,135,024	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

BLOUNT COUNTY, TENNESSEE

Schedule of Detailed Revenues -

All Governmental Fund Types

Discretely Presented Blount County School Department (Cont.)

	<u>Special Revenue Funds</u>				
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Internal School
Licenses and Permits					
Licenses					
Marriage Licenses	\$ 6,237	\$ 0	\$ 0	\$ 0	\$ 0
Total Licenses and Permits	\$ 6,237	\$ 0	\$ 0	\$ 0	\$ 0
Charges for Current Services					
Education Charges					
Contract for Instructional Services with Other LEA's	\$ 75,001	\$ 0	\$ 0	\$ 0	\$ 0
Receipts from Individual Schools	0	0	1,760,790	0	0
Community Service Fees - Children	0	0	0	1,456,464	0
Other Charges for Services	144,674	0	0	0	0
Total Charges for Current Services	\$ 219,675	\$ 0	\$ 1,760,790	\$ 1,456,464	\$ 0
Other Local Revenues					
Recurring Items					
Investment Income	\$ 864,611	\$ 0	\$ 102,497	\$ 105,437	\$ 0
Lease/Rentals/PPP	3,200	0	0	0	0
Sale of Materials and Supplies	3,392	0	0	0	0

(Continued)

BLOUNT COUNTY, TENNESSEE

Schedule of Detailed Revenues -

All Governmental Fund Types

Discretely Presented Blount County School Department (Cont.)

	<u>Special Revenue Funds</u>				
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Internal School
Other Local Revenues (Cont.)					
Nonrecurring Items					
Sale of Equipment	\$ 20,130	\$ 0	\$ 904	\$ 0	\$ 0
Damages Recovered from Individuals	104	0	0	0	0
Contributions and Gifts	0	0	17,995	0	0
Other Local Revenues					
Other Local Revenues	104,054	0	0	5,725	5,689,295
Total Other Local Revenues	\$ 995,491	\$ 0	\$ 121,396	\$ 111,162	\$ 5,689,295
State of Tennessee					
State Education Funds					
Tennessee Investment in Student Achievement	\$ 64,894,636	\$ 0	\$ 0	\$ 0	\$ 0
TISA - On-behalf Payments	236,932	0	0	0	0
Early Childhood Education	889,518	0	0	0	0
School Food Service	0	0	40,134	0	0
Other State Education Funds	9,999	0	0	212,124	0
Paid Parental Leave	186,923	0	0	0	0
Career Ladder Program	110,421	0	0	0	0
Other Vocational	1,595,323	0	0	0	0

(Continued)

BLOUNT COUNTY, TENNESSEE

Schedule of Detailed Revenues -

All Governmental Fund Types

Discretely Presented Blount County School Department (Cont.)

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Internal School
State of Tennessee (Cont.)					
Other State Revenues					
State Revenue Sharing - T.V.A.	\$ 1,673,648	\$ 0	\$ 0	\$ 0	\$ 0
State Revenue Sharing - Telecommunications	29,845	0	0	0	0
Other State Grants	1,231,164	0	0	0	0
Total State of Tennessee	<u>\$ 70,858,409</u>	<u>\$ 0</u>	<u>\$ 40,134</u>	<u>\$ 212,124</u>	<u>\$ 0</u>
Federal Government					
Federal Through State					
USDA School Lunch Program	\$ 0	\$ 0	\$ 2,590,663	\$ 0	\$ 0
USDA - Commodities	0	0	405,215	0	0
Breakfast	0	0	982,245	0	0
USDA - Other	0	0	11,381	0	0
Vocational Education - Basic Grants to States	0	220,255	0	0	0
Title I Grants to Local Education Agencies	0	2,683,898	0	0	0
Special Education - Grants to States	91,175	3,476,192	0	0	0
English Language Acquisition Grants	0	46,289	0	0	0
Eisenhower Professional Development State Grants	0	316,932	0	0	0
COVID-19 Grant #3	0	0	0	137,616	0

(Continued)

BLOUNT COUNTY, TENNESSEE

Schedule of Detailed Revenues -

All Governmental Fund Types

Discretely Presented Blount County School Department (Cont.)

	<u>Special Revenue Funds</u>				
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Internal School
Federal Government (Cont.)					
Federal Through State (Cont.)					
COVID-19 Grant D	\$ 0	\$ 1,104,069	\$ 0	\$ 0	\$ 0
American Rescue Plan Act Grant #3	0	6,798	0	0	0
Other Federal through State	62,969	157,730	0	0	0
Direct Federal Revenue					
ROTC Reimbursement	157,340	0	0	0	0
Total Federal Government	<u>\$ 311,484</u>	<u>\$ 8,012,163</u>	<u>\$ 3,989,504</u>	<u>\$ 137,616</u>	<u>\$ 0</u>
Other Governments and Citizens Groups					
Other Governments					
Contributions	\$ 664,708	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Governments and Citizens Groups	<u>\$ 664,708</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total	<u>\$ 122,191,028</u>	<u>\$ 8,012,163</u>	<u>\$ 5,911,824</u>	<u>\$ 1,917,366</u>	<u>\$ 5,689,295</u>

(Continued)

BLOUNT COUNTY, TENNESSEE

Schedule of Detailed Revenues -

All Governmental Fund Types

Discretely Presented Blount County School Department (Cont.)

	Capital Projects Fund	
	Education Capital Projects	Total
Local Taxes		
County Property Taxes		
Current Property Tax	\$ 6,719,365	\$ 27,904,164
Discount on Property Taxes	(110,281)	(457,455)
Trustee's Collections - Prior Year	68,998	280,507
Trustee's Collections - Bankruptcy	7,068	29,339
Circuit Clerk/Clerk and Master Collections - Prior Years	43,436	180,378
Interest and Penalty	17,870	73,771
Payments in-Lieu-of Taxes - T.V.A.	0	13,279
Payments in-Lieu-of Taxes - Local Utilities	65,972	272,864
Payments in-Lieu-of Taxes - Other	20,172	83,774
County Local Option Taxes		
Local Option Sales Tax	0	26,515,661
Business Tax	228,849	950,571
Mixed Drink Tax	0	349,620
Total Local Taxes	<u>\$ 7,061,449</u>	<u>\$ 56,196,473</u>

(Continued)

BLOUNT COUNTY, TENNESSEE

Schedule of Detailed Revenues -

All Governmental Fund Types

Discretely Presented Blount County School Department (Cont.)

	Capital Projects Fund	
	Education Capital Projects	Total
Licenses and Permits		
Licenses		
Marriage Licenses	\$ 0	\$ 6,237
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 6,237</u>
Charges for Current Services		
Education Charges		
Contract for Instructional Services with Other LEA's	\$ 0	\$ 75,001
Receipts from Individual Schools	0	1,760,790
Community Service Fees - Children	0	1,456,464
Other Charges for Services	0	144,674
Total Charges for Current Services	<u>\$ 0</u>	<u>\$ 3,436,929</u>
Other Local Revenues		
Recurring Items		
Investment Income	\$ 460,113	\$ 1,532,658
Lease/Rentals/PPP	0	3,200
Sale of Materials and Supplies	0	3,392

(Continued)

BLOUNT COUNTY, TENNESSEE

Schedule of Detailed Revenues -

All Governmental Fund Types

Discretely Presented Blount County School Department (Cont.)

	Capital Projects Fund	
	Education Capital Projects	Total
Other Local Revenues (Cont.)		
Nonrecurring Items		
Sale of Equipment	\$ 0	\$ 21,034
Damages Recovered from Individuals	0	104
Contributions and Gifts	0	17,995
Other Local Revenues		
Other Local Revenues	0	5,799,074
Total Other Local Revenues	\$ 460,113	\$ 7,377,457
State of Tennessee		
State Education Funds		
Tennessee Investment in Student Achievement	\$ 0	\$ 64,894,636
TISA - On-behalf Payments	0	236,932
Early Childhood Education	0	889,518
School Food Service	0	40,134
Other State Education Funds	0	222,123
Paid Parental Leave	0	186,923
Career Ladder Program	0	110,421
Other Vocational	0	1,595,323

(Continued)

BLOUNT COUNTY, TENNESSEE

Schedule of Detailed Revenues -

All Governmental Fund Types

Discretely Presented Blount County School Department (Cont.)

	Capital Projects Fund	
	Education Capital Projects	Total
State of Tennessee (Cont.)		
Other State Revenues		
State Revenue Sharing - T.V.A.	\$ 0	\$ 1,673,648
State Revenue Sharing - Telecommunications	9,097	38,942
Other State Grants	0	1,231,164
Total State of Tennessee	<u>\$ 9,097</u>	<u>\$ 71,119,764</u>
Federal Government		
Federal Through State		
USDA School Lunch Program	\$ 0	\$ 2,590,663
USDA - Commodities	0	405,215
Breakfast	0	982,245
USDA - Other	0	11,381
Vocational Education - Basic Grants to States	0	220,255
Title I Grants to Local Education Agencies	0	2,683,898
Special Education - Grants to States	0	3,567,367
English Language Acquisition Grants	0	46,289
Eisenhower Professional Development State Grants	0	316,932
COVID-19 Grant #3	0	137,616

(Continued)

BLOUNT COUNTY, TENNESSEE

Schedule of Detailed Revenues -

All Governmental Fund Types

Discretely Presented Blount County School Department (Cont.)

	Capital Projects Fund	
	Education Capital Projects	Total
Federal Government (Cont.)		
Federal Through State (Cont.)		
COVID-19 Grant D	\$ 0	\$ 1,104,069
American Rescue Plan Act Grant #3	0	6,798
Other Federal through State	0	220,699
Direct Federal Revenue		
ROTC Reimbursement	0	157,340
Total Federal Government	<u>\$ 0</u>	<u>\$ 12,450,767</u>
Other Governments and Citizens Groups		
Other Governments		
Contributions	\$ 0	\$ 664,708
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 664,708</u>
Total	<u>\$ 7,530,659</u>	<u>\$ 151,252,335</u>

BLOUNT 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	\$	101,979	
Social Security		6,323	
Unemployment Compensation		9	
Employer Medicare		1,479	
Communication		3,164	
Dues and Memberships		2,200	
Lease/SBITA Payments		223	
Legal Notices, Recording, and Court Costs		2,284	
Postal Charges		33	
Printing, Stationery, and Forms		738	
Travel		6,500	
Tuition		1,790	
Food Supplies		137	
Office Supplies		244	
Other Supplies and Materials		444	
Total County Commission			\$ 127,547

Board of Equalization

Board and Committee Members Fees	\$	3,150	
Social Security		195	
Unemployment Compensation		4	
Employer Medicare		46	
Total Board of Equalization			3,395

Beer Board

Legal Notices, Recording, and Court Costs	\$	978	
Total Beer Board			978

Other Boards and Committees

Workers' Compensation Insurance	\$	138	
Total Other Boards and Committees			138

County Mayor/Executive

County Official/Administrative Officer	\$	181,479	
Secretary(ies)		76,813	
Clerical Personnel		47,694	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Mayor/Executive (Cont.)

Social Security	\$	18,123	
Pensions		21,021	
Life Insurance		158	
Medical Insurance		39,328	
Dental Insurance		828	
Unemployment Compensation		40	
Employer Medicare		4,306	
Communication		2,059	
Dues and Memberships		165	
Postal Charges		66	
Printing, Stationery, and Forms		377	
Travel		290	
Tuition		750	
Food Supplies		736	
Gasoline		445	
Office Supplies		671	
Workers' Compensation Insurance		509	
Total County Mayor/Executive			\$ 395,858

Personnel Office

Supervisor/Director	\$	101,101
Clerical Personnel		197,201
Overtime Pay		2,314
Social Security		17,893
Pensions		19,917
Life Insurance		221
Medical Insurance		47,662
Dental Insurance		1,137
Unemployment Compensation		105
Employer Medicare		4,184
Communication		2,637
Contracts with Private Agencies		3,168
Dues and Memberships		1,132
Lease/SBITA Payments		199
Legal Services		1,155
Licenses		184

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Personnel Office (Cont.)

Postal Charges	\$	2,727	
Other Contracted Services		3,687	
Food Supplies		153	
Instructional Supplies and Materials		25,769	
Office Supplies		2,720	
Other Supplies and Materials		7,743	
Workers' Compensation Insurance		848	
Total Personnel Office			\$ 443,857

Election Commission

County Official/Administrative Officer	\$	111,375
Clerical Personnel		124,664
Temporary Personnel		46,292
Overtime Pay		7,213
Election Commission		31,081
Election Workers		235,971
In-service Training		10,950
Social Security		27,212
Pensions		15,424
Life Insurance		204
Medical Insurance		54,612
Dental Insurance		1,090
Unemployment Compensation		721
Employer Medicare		6,483
Communication		4,276
Lease/SBITA Payments		1,555
Legal Notices, Recording, and Court Costs		20,673
Licenses		36,627
Postal Charges		15,617
Printing, Stationery, and Forms		6,089
Rentals		1,369
Travel		1,691
Tuition		700
Data Processing Supplies		116
Food Supplies		2,245
Gasoline		167

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Office Supplies	\$ 12,787	
Workers' Compensation Insurance	1,866	
Total Election Commission	<u> </u>	\$ 779,070

Register of Deeds

County Official/Administrative Officer	\$ 119,034	
Clerical Personnel	408,380	
Social Security	31,195	
Pensions	33,770	
Life Insurance	513	
Medical Insurance	91,180	
Dental Insurance	1,994	
Unemployment Compensation	220	
Employer Medicare	7,296	
Communication	4,978	
Dues and Memberships	1,697	
Lease/SBITA Payments	509	
Postal Charges	199	
Printing, Stationery, and Forms	242	
Travel	1,724	
Tuition	435	
Other Contracted Services	31,739	
Data Processing Supplies	694	
Office Supplies	350	
Workers' Compensation Insurance	1,866	
Data Processing Equipment	16,844	
Furniture and Fixtures	18,200	
Total Register of Deeds	<u> </u>	773,059

Development

Supervisor/Director	\$ 106,346
Foremen	168,268
Secretary(ies)	120,555
Other Salaries and Wages	476,062
Social Security	52,737
Pensions	56,449

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Development (Cont.)

Life Insurance	\$	767	
Medical Insurance		103,614	
Dental Insurance		2,721	
Unemployment Compensation		335	
Employer Medicare		12,334	
Advertising		339	
Communication		20,795	
Dues and Memberships		8,297	
Engineering Services		58,366	
Legal Notices, Recording, and Court Costs		1,904	
Maintenance and Repair Services - Vehicles		11,668	
Postal Charges		1,426	
Printing, Stationery, and Forms		1,488	
Tuition		4,202	
Other Contracted Services		2,960	
Gasoline		21,673	
Instructional Supplies and Materials		3,803	
Office Supplies		7,806	
Uniforms		931	
Software		13,967	
Workers' Compensation Insurance		2,544	
Communication Equipment		2,903	
Motor Vehicles		158,239	
Office Equipment		8,954	
Health Equipment		188	
Total Development			\$ 1,432,641

County Buildings

Supervisor/Director	\$	40,845
Custodial Personnel		254,286
Maintenance Personnel		227,925
Part-time Personnel		33,798
Overtime Pay		10,463
Social Security		33,493
Pensions		33,228
Life Insurance		531

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Medical Insurance	\$	101,433	
Dental Insurance		2,607	
Unemployment Compensation		341	
Employer Medicare		7,834	
Communication		5,126	
Lease/SBITA Payments		10,251	
Maintenance Agreements		115,899	
Maintenance and Repair Services - Buildings		94,271	
Maintenance and Repair Services - Equipment		69,257	
Maintenance and Repair Services - Vehicles		535	
Pest Control		750	
Custodial Supplies		54,545	
Gasoline		6,247	
Natural Gas		79,276	
Utilities		730,156	
Workers' Compensation Insurance		2,714	
Building Improvements		142,463	
Total County Buildings			\$ 2,058,274

Other General Administration

Supervisor/Director	\$	98,650	
Social Security		5,917	
Pensions		6,831	
Life Insurance		59	
Medical Insurance		16,668	
Dental Insurance		281	
Unemployment Compensation		21	
Employer Medicare		1,385	
Communication		1,612	
Travel		2,744	
Other Contracted Services		96,463	
Liability Insurance		806,189	
Workers' Compensation Insurance		170	
Health Equipment		9,963	
Total Other General Administration			1,046,953

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Preservation of Records

Supervisor/Director	\$	69,185	
Other Salaries and Wages		33,529	
Social Security		6,129	
Pensions		7,116	
Life Insurance		74	
Medical Insurance		15,207	
Dental Insurance		257	
Unemployment Compensation		28	
Employer Medicare		1,434	
Communication		2,345	
Dues and Memberships		89	
Lease/SBITA Payments		40	
Postal Charges		88	
Office Supplies		592	
Other Supplies and Materials		863	
Workers' Compensation Insurance		339	
Total Preservation of Records			\$ 137,315

Risk Management

Supervisor/Director	\$	84,742
Other Salaries and Wages		57,522
Social Security		8,283
Pensions		9,849
Life Insurance		119
Medical Insurance		23,844
Dental Insurance		563
Unemployment Compensation		42
Employer Medicare		1,937
Communication		1,855
Dues and Memberships		535
Lease/SBITA Payments		5,239
Postal Charges		13
Travel		2,792
Tuition		865
Other Contracted Services		340
Gasoline		1,670

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Risk Management (Cont.)

Office Supplies	\$	1,431	
Workers' Compensation Insurance		339	
Data Processing Equipment		1,200	
Total Risk Management			\$ 203,180

Finance

Accounting and Budgeting

Supervisor/Director	\$	119,034	
Accountants/Bookkeepers		408,741	
Social Security		31,542	
Pensions		34,838	
Life Insurance		397	
Medical Insurance		68,799	
Dental Insurance		1,337	
Unemployment Compensation		142	
Employer Medicare		7,377	
Communication		4,220	
Dues and Memberships		314	
Lease/SBITA Payments		1,791	
Legal Notices, Recording, and Court Costs		1,123	
Postal Charges		3,287	
Printing, Stationery, and Forms		1,082	
Travel		3,112	
Tuition		10,368	
Food Supplies		3,013	
Office Supplies		2,111	
Workers' Compensation Insurance		1,357	
Total Accounting and Budgeting			703,985

Purchasing

Supervisor/Director	\$	96,693	
Purchasing Personnel		321,985	
Overtime Pay		1,182	
Social Security		25,035	
Pensions		23,667	
Life Insurance		367	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Purchasing (Cont.)

Medical Insurance	\$	51,669	
Dental Insurance		1,220	
Unemployment Compensation		210	
Employer Medicare		5,855	
Communication		4,193	
Contracts with Private Agencies		16,000	
Dues and Memberships		1,195	
Lease/SBITA Payments		882	
Legal Notices, Recording, and Court Costs		2,816	
Postal Charges		50	
Printing, Stationery, and Forms		370	
Travel		4,365	
Tuition		6,841	
Other Contracted Services		200	
Data Processing Supplies		1,540	
Food Supplies		729	
Gasoline		33	
Office Supplies		1,939	
Other Supplies and Materials		234	
Workers' Compensation Insurance		1,187	
Other Charges		13	
Total Purchasing			\$ 570,470

Central Services

Local Retirement	\$	368,356
Audit Services		59,523
Communication		8,000
Consultants		210,009
Contracts with Government Agencies		231,350
Contracts with Other Public Agencies		196,826
Contributions		1,500
Dues and Memberships		32,064
Legal Services		184,201
Legal Notices, Recording, and Court Costs		1,056,898
Pauper Burials		3,600
Postal Charges		5,442

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Central Services (Cont.)

Other Contracted Services	\$	33,635	
Office Supplies		1,407	
Trustee's Commission		1,139,903	
Other Charges		65,911	
Site Development		586,781	
Total Central Services			\$ 4,185,406

Property Assessor's Office

County Official/Administrative Officer	\$	119,034	
Assistant(s)		613,501	
Clerical Personnel		236,051	
Social Security		57,324	
Pensions		63,571	
Life Insurance		943	
Medical Insurance		182,501	
Dental Insurance		3,231	
Unemployment Compensation		367	
Employer Medicare		13,406	
Communication		9,725	
Contracts with Private Agencies		104,254	
Data Processing Services		59,705	
Dues and Memberships		5,566	
Lease/SBITA Payments		18,564	
Legal Services		11,804	
Maintenance and Repair Services - Vehicles		2,008	
Postal Charges		5,575	
Printing, Stationery, and Forms		972	
Travel		10,403	
Tuition		3,680	
Duplicating Supplies		1,269	
Gasoline		4,116	
Office Supplies		3,853	
Uniforms		476	
Workers' Compensation Insurance		2,883	
Other Charges		2,388	
Total Property Assessor's Office			1,537,170

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office

County Official/Administrative Officer	\$	119,034	
Clerical Personnel		333,009	
Temporary Personnel		640	
Social Security		26,983	
Pensions		31,267	
Life Insurance		373	
Medical Insurance		73,374	
Dental Insurance		1,970	
Unemployment Compensation		128	
Employer Medicare		6,321	
Communication		4,382	
Dues and Memberships		1,667	
Lease/SBITA Payments		286	
Legal Services		2,525	
Legal Notices, Recording, and Court Costs		245	
Maintenance Agreements		10,914	
Postal Charges		30,428	
Printing, Stationery, and Forms		2,961	
Travel		2,980	
Tuition		1,005	
Other Contracted Services		14,907	
Duplicating Supplies		474	
Office Supplies		3,143	
Other Supplies and Materials		267	
Workers' Compensation Insurance		1,526	
Total County Trustee's Office			\$ 670,809

County Clerk's Office

County Official/Administrative Officer	\$	119,034
Clerical Personnel		1,008,084
Part-time Personnel		11,822
Social Security		66,395
Pensions		75,956
Life Insurance		1,150
Medical Insurance		240,370
Dental Insurance		5,605

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

Unemployment Compensation	\$	493	
Employer Medicare		15,529	
Communication		8,591	
Dues and Memberships		1,372	
Lease/SBITA Payments		6,625	
Maintenance Agreements		26,120	
Postal Charges		57,575	
Printing, Stationery, and Forms		5,282	
Travel		4,145	
Tuition		815	
Office Supplies		21,018	
Periodicals		442	
Workers' Compensation Insurance		4,240	
Other Charges		186	
Data Processing Equipment		3,550	
Total County Clerk's Office			\$ 1,684,399

Data Processing

Supervisor/Director	\$	104,381
Data Processing Personnel		321,407
Overtime Pay		94
Social Security		25,042
Pensions		28,493
Life Insurance		362
Medical Insurance		61,792
Dental Insurance		1,455
Unemployment Compensation		147
Employer Medicare		5,856
Communication		23,102
Data Processing Services		473,217
Licenses		186,988
Travel		4,092
Tuition		4,813
Other Contracted Services		391,616
Data Processing Supplies		14,518
Office Supplies		4,762

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Data Processing (Cont.)

Workers' Compensation Insurance	\$ 1,187	
Furniture and Fixtures	3,447	
Total Data Processing	1,656,771	\$ 1,656,771

Other Finance

Assistant(s)	\$ 59,616	
Other Salaries and Wages	32,837	
Social Security	5,448	
Pensions	6,360	
Life Insurance	33	
Medical Insurance	12,972	
Dental Insurance	226	
Unemployment Compensation	22	
Employer Medicare	1,275	
Total Other Finance	118,789	118,789

Administration of Justice

Circuit Court Judge

Clerical Personnel	\$ 3,031	
Jury and Witness Expense	7,264	
Social Security	188	
Unemployment Compensation	9	
Employer Medicare	44	
Communication	2,352	
Legal Notices, Recording, and Court Costs	304	
Licenses	3,640	
Maintenance Agreements	53	
Postal Charges	9,608	
Printing, Stationery, and Forms	3,098	
Data Processing Supplies	381	
Duplicating Supplies	148	
Food Preparation Supplies	190	
Food Supplies	1,570	
Library Books/Media	203	
Office Supplies	2,481	
Workers' Compensation Insurance	1,696	
Total Circuit Court Judge	36,260	36,260

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court Clerk

County Official/Administrative Officer	\$	125,556
Assistant(s)		254,393
Supervisor/Director		81,931
Salary Supplements		4,700
Clerical Personnel		1,711,737
Temporary Personnel		6,087
Part-time Personnel		16,763
Overtime Pay		74
Social Security		128,177
Pensions		145,690
Life Insurance		2,201
Medical Insurance		455,374
Dental Insurance		10,965
Unemployment Compensation		1,068
Employer Medicare		30,068
Bank Charges		99
Communication		26,634
Contracts with Private Agencies		2,500
Dues and Memberships		2,027
Lease/SBITA Payments		1,917
Maintenance Agreements		63,733
Maintenance and Repair Services - Office Equipment		1,343
Postal Charges		20,071
Printing, Stationery, and Forms		15,422
Travel		4,139
Tuition		3,336
Other Contracted Services		1,256
Custodial Supplies		437
Data Processing Supplies		3,450
Duplicating Supplies		5,076
Food Preparation Supplies		200
Food Supplies		6,052
Gasoline		40
Library Books/Media		742
Office Supplies		16,447
Periodicals		171

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court Clerk (Cont.)

Other Supplies and Materials	\$	488	
Workers' Compensation Insurance		8,650	
In Service/Staff Development		684	
Other Charges		65	
Data Processing Equipment		18,354	
Total Circuit Court Clerk			\$ 3,178,117

Criminal Court

Supervisor/Director	\$	88,978	
Probation Officer(s)		365,466	
Secretary(ies)		97,171	
Social Security		33,364	
Pensions		32,710	
Life Insurance		561	
Medical Insurance		66,655	
Dental Insurance		2,333	
Unemployment Compensation		316	
Employer Medicare		7,802	
Communication		5,393	
Dues and Memberships		1,535	
Lease/SBITA Payments		7,394	
Licenses		7,560	
Travel		10,329	
Tuition		10,309	
Other Contracted Services		123,031	
Drugs and Medical Supplies		93,821	
Food Supplies		40	
Gasoline		834	
Instructional Supplies and Materials		5,748	
Office Supplies		5,224	
Workers' Compensation Insurance		1,866	
Furniture and Fixtures		8,300	
Total Criminal Court			976,740

General Sessions Judge

Judge(s)	\$	806,637	
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(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Judge (Cont.)

Secretary(ies)	\$	164,485	
Social Security		52,305	
Pensions		67,045	
Life Insurance		415	
Medical Insurance		87,426	
Dental Insurance		1,970	
Unemployment Compensation		63	
Employer Medicare		13,511	
Communication		6,405	
Dues and Memberships		3,799	
Lease/SBITA Payments		43	
Legal Notices, Recording, and Court Costs		1,046	
Maintenance and Repair Services - Office Equipment		540	
Printing, Stationery, and Forms		118	
Travel		4,100	
Tuition		876	
Food Supplies		36	
Library Books/Media		3,132	
Office Supplies		5,851	
Workers' Compensation Insurance		1,152	
Furniture and Fixtures		2,759	
Total General Sessions Judge			\$ 1,223,714

Chancery Court

County Official/Administrative Officer	\$	119,034
Clerical Personnel		300,176
Social Security		24,583
Pensions		26,879
Life Insurance		377
Medical Insurance		66,892
Dental Insurance		1,665
Unemployment Compensation		182
Employer Medicare		5,749
Communication		8,676
Dues and Memberships		1,707
Lease/SBITA Payments		2,035

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Postal Charges	\$	6,761	
Printing, Stationery, and Forms		5,989	
Travel		374	
Other Contracted Services		19,340	
Office Supplies		8,696	
Workers' Compensation Insurance		1,357	
Total Chancery Court			\$ 600,472

Juvenile Court

Youth Service Officer(s)	\$	278,317
Salary Supplements		32,322
Secretary(ies)		45,891
Other Salaries and Wages		186,194
Social Security		32,572
Pensions		31,498
Life Insurance		429
Medical Insurance		70,859
Dental Insurance		1,993
Unemployment Compensation		190
Employer Medicare		7,617
Communication		8,903
Contracts with Other Public Agencies		13,891
Dues and Memberships		2,534
Lease/SBITA Payments		1,324
Medical and Dental Services		11,300
Printing, Stationery, and Forms		327
Travel		15,782
Tuition		3,884
Other Contracted Services		164,757
Data Processing Supplies		324
Drugs and Medical Supplies		2,222
Food Supplies		718
Library Books/Media		899
Office Supplies		54,516
Software		6,750
Workers' Compensation Insurance		1,357

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court (Cont.)

Building Improvements	\$	9,413	
Furniture and Fixtures		527	
Total Juvenile Court			\$ 987,310

Office of Public Defender

Clerical Personnel	\$	44,308	
Social Security		2,747	
Unemployment Compensation		43	
Employer Medicare		642	
Total Office of Public Defender			47,740

Judicial Commissioners

Clerical Personnel	\$	247,314	
Overtime Pay		151	
Social Security		15,027	
Pensions		10,496	
Life Insurance		157	
Medical Insurance		22,902	
Dental Insurance		551	
Unemployment Compensation		158	
Employer Medicare		3,514	
Communication		2,314	
Lease/SBITA Payments		249	
Office Supplies		3,667	
Workers' Compensation Insurance		1,526	
Total Judicial Commissioners			308,026

Probation Services

Supervisor/Director	\$	86,519	
Probation Officer(s)		302,288	
Accountants/Bookkeepers		53,272	
Secretary(ies)		40,737	
Overtime Pay		690	
Social Security		28,088	
Pensions		33,309	
Life Insurance		513	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Probation Services (Cont.)

Medical Insurance	\$	125,680	
Dental Insurance		2,393	
Unemployment Compensation		215	
Employer Medicare		6,570	
Communication		8,759	
Contracts with Government Agencies		10,500	
Contracts with Other Public Agencies		4,550	
Dues and Memberships		200	
Lease/SBITA Payments		191	
Licenses		10,440	
Postal Charges		24	
Printing, Stationery, and Forms		1,700	
Travel		2,269	
Tuition		460	
Drugs and Medical Supplies		12,387	
Office Supplies		5,909	
Workers' Compensation Insurance		1,696	
Total Probation Services			\$ 739,359

Victim Assistance Programs

Contributions	\$	45,000	
Total Victim Assistance Programs			45,000

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	144,014	
Assistant(s)		257,597	
Supervisor/Director		613,526	
Deputy(ies)		6,300,125	
Investigator(s)		1,555,335	
Captain(s)		365,239	
Lieutenant(s)		736,175	
Sergeant(s)		645,795	
Computer Programmer(s)		352,911	
Salary Supplements		292,947	
Mechanic(s)		211,420	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Clerical Personnel	\$	476,527
Attendants		44,110
Part-time Personnel		290,434
Longevity Pay		59,562
Overtime Pay		681,259
In-service Training		139,200
Social Security		789,835
Pensions		1,254,150
Life Insurance		10,632
Medical Insurance		2,078,804
Dental Insurance		43,338
Unemployment Compensation		4,465
Employer Medicare		186,030
Communication		388,518
Dues and Memberships		11,220
Engineering Services		20,500
Evaluation and Testing		20,980
Lease/SBITA Payments		12,063
Legal Services		16,574
Licenses		26,024
Maintenance Agreements		183,913
Maintenance and Repair Services - Buildings		11,815
Maintenance and Repair Services - Equipment		12,132
Maintenance and Repair Services - Vehicles		128,148
Matching Share		63,750
Postal Charges		7,247
Printing, Stationery, and Forms		17,305
Rentals		6,229
Travel		155,939
Tuition		64,942
Other Contracted Services		999
Basic Skills Materials		100,000
Custodial Supplies		1,034
Data Processing Supplies		27,963
Drugs and Medical Supplies		3,066
Electricity		15,091

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Equipment and Machinery Parts	\$	1,860	
Food Supplies		4,486	
Garage Supplies		240	
Gasoline		555,665	
Law Enforcement Supplies		151,708	
Office Supplies		24,654	
Small Tools		1,297	
Tires and Tubes		76,676	
Uniforms		189,677	
Vehicle Parts		116,907	
Workers' Compensation Insurance		243,017	
Data Processing Equipment		4,226	
Law Enforcement Equipment		443,549	
Other Equipment		37,076	
Total Sheriff's Department			\$ 20,679,920

Administration of the Sexual Offender Registry

Maintenance Agreements	\$	22,500	
Other Charges		12,184	
Total Administration of the Sexual Offender Registry			34,684

Jail

Deputy(ies)	\$	5,319,319	
Investigator(s)		122,295	
Captain(s)		96,630	
Lieutenant(s)		386,429	
Sergeant(s)		466,176	
Social Workers		56,196	
Salary Supplements		16,025	
Clerical Personnel		258,203	
Part-time Personnel		28,951	
Overtime Pay		148,508	
In-service Training		36,800	
Social Security		411,007	
Pensions		540,289	
Life Insurance		6,407	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Medical Insurance	\$	1,073,137	
Dental Insurance		24,603	
Unemployment Compensation		2,555	
Employer Medicare		96,310	
Contracts with Private Agencies		20,945	
Evaluation and Testing		960	
Maintenance Agreements		13,726	
Maintenance and Repair Services - Buildings		8,674	
Maintenance and Repair Services - Equipment		45,661	
Medical and Dental Services		3,763,876	
Basic Skills Materials		18,070	
Custodial Supplies		116,471	
Data Processing Supplies		2,049	
Drugs and Medical Supplies		495	
Food Preparation Supplies		19,404	
Food Supplies		728,353	
Law Enforcement Supplies		36,029	
Prisoners Clothing		43,346	
Uniforms		47,653	
Other Supplies and Materials		265	
Workers' Compensation Insurance		155,238	
Data Processing Equipment		135,748	
Law Enforcement Equipment		75,426	
Total Jail			\$ 14,322,229

Workhouse

County Official/Administrative Officer	\$	14,412	
Social Security		889	
Pensions		1,499	
Life Insurance		4	
Medical Insurance		447	
Dental Insurance		17	
Employer Medicare		209	
Total Workhouse			17,477

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Juvenile Services

Deputy(ies)	\$	1,205,901	
Captain(s)		97,000	
Lieutenant(s)		79,217	
Sergeant(s)		240,960	
Salary Supplements		14,411	
Overtime Pay		45,269	
Social Security		99,193	
Pensions		125,816	
Life Insurance		1,409	
Medical Insurance		256,818	
Dental Insurance		6,586	
Unemployment Compensation		482	
Employer Medicare		23,199	
Maintenance and Repair Services - Equipment		8,552	
Travel		4,975	
Tuition		1,000	
Food Supplies		2,186	
Law Enforcement Supplies		8,788	
Office Supplies		1,392	
Prisoners Clothing		3,982	
Uniforms		17,829	
Workers' Compensation Insurance		35,000	
Data Processing Equipment		103,441	
Other Equipment		15,500	
Total Juvenile Services			\$ 2,398,906

Fire Prevention and Control

Contracts with Private Agencies	\$	111,250	
Total Fire Prevention and Control			111,250

Civil Defense

Assistant(s)	\$	37,080	
Supervisor/Director		79,499	
Social Security		7,096	
Pensions		8,071	
Life Insurance		91	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Civil Defense (Cont.)

Medical Insurance	\$	7,146	
Dental Insurance		281	
Unemployment Compensation		32	
Employer Medicare		1,659	
Communication		9,311	
Data Processing Services		19,216	
Lease/SBITA Payments		71	
Postal Charges		1	
Travel		1,858	
Other Contracted Services		50,201	
Food Supplies		14,633	
Gasoline		1,832	
Uniforms		1,626	
Other Supplies and Materials		5,905	
Workers' Compensation Insurance		339	
Communication Equipment		812	
Law Enforcement Equipment		17,555	
Total Civil Defense			\$ 264,315

Other Emergency Management

Contracts with Government Agencies	\$	463,994	
Total Other Emergency Management			463,994

Public Health and Welfare

Local Health Center

Medical Personnel	\$	600,853	
Part-time Personnel		16,671	
Social Security		36,098	
Pensions		34,851	
Life Insurance		565	
Medical Insurance		124,720	
Dental Insurance		2,696	
Unemployment Compensation		320	
Employer Medicare		8,442	
Communication		35,603	
Contracts with Government Agencies		96,810	

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Local Health Center (Cont.)

Dues and Memberships	\$	375	
Travel		4,638	
Food Supplies		750	
Office Supplies		831	
Workers' Compensation Insurance		2,205	
Other Charges		1,560	
Total Local Health Center			\$ 967,988

Rabies and Animal Control

Supervisor/Director	\$	83,178
Medical Personnel		97,317
Part-time Personnel		50,014
Overtime Pay		12,818
Other Salaries and Wages		335,473
Social Security		34,663
Pensions		30,616
Life Insurance		472
Medical Insurance		87,386
Dental Insurance		2,508
Unemployment Compensation		278
Employer Medicare		8,107
Communication		5,290
Lease/SBITA Payments		15,389
Licenses		220
Maintenance and Repair Services - Buildings		3,897
Maintenance and Repair Services - Equipment		4,283
Maintenance and Repair Services - Vehicles		1,663
Transportation - Other than Students		758
Travel		6
Tuition		170
Other Contracted Services		3,576
Animal Food and Supplies		26,355
Custodial Supplies		8,229
Drugs and Medical Supplies		109,147
Gasoline		7,680
Office Supplies		3,084

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

Uniforms	\$	1,412	
Workers' Compensation Insurance		2,205	
Total Rabies and Animal Control			\$ 936,194

Social, Cultural, and Recreational Services

Parks and Fair Boards

Contracts with Government Agencies	\$	2,306,675	
Total Parks and Fair Boards			2,306,675

Agriculture and Natural Resources

Agricultural Extension Service

Communication	\$	3,185	
Contracts with Government Agencies		222,492	
Lease/SBITA Payments		1,390	
Office Equipment		1,000	
Total Agricultural Extension Service			228,067

Soil Conservation

Supervisor/Director	\$	93,595	
Educational Assistants		7,521	
Part-time Personnel		19,898	
Social Security		7,442	
Pensions		6,999	
Life Insurance		66	
Medical Insurance		7,146	
Dental Insurance		281	
Unemployment Compensation		42	
Employer Medicare		1,740	
Communication		1,763	
Lease/SBITA Payments		772	
Maintenance and Repair Services - Vehicles		652	
Postal Charges		554	
Travel		1,182	
Tuition		1,774	
Other Contracted Services		536	
Gasoline		337	

(Continued)

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Soil Conservation (Cont.)

Office Supplies	\$	3,383	
Workers' Compensation Insurance		<u>509</u>	
Total Soil Conservation	\$		156,192

Other Operations

Industrial Development

Contracts for Development Costs	\$	<u>1,668,181</u>	
Total Industrial Development			1,668,181

Veterans' Services

Assistant(s)	\$	85,428	
Supervisor/Director		81,931	
Clerical Personnel		53,110	
Social Security		13,223	
Pensions		14,193	
Life Insurance		171	
Medical Insurance		25,252	
Dental Insurance		680	
Unemployment Compensation		82	
Employer Medicare		3,093	
Communication		3,361	
Lease/SBITA Payments		219	
Maintenance and Repair Services - Vehicles		167	
Postal Charges		169	
Printing, Stationery, and Forms		165	
Travel		3,026	
Gasoline		812	
Office Supplies		848	
Workers' Compensation Insurance		<u>509</u>	
Total Veterans' Services			286,439

Contributions to Other Agencies

Contributions	\$	<u>131,928</u>	
Total Contributions to Other Agencies			131,928

(Continued)

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

General Fund (Cont.)

Highways

Litter and Trash Collection

Attendants	\$	64,425	
Overtime Pay		1,666	
Social Security		3,824	
Pensions		4,670	
Life Insurance		58	
Medical Insurance		16,174	
Dental Insurance		279	
Unemployment Compensation		21	
Employer Medicare		894	
Contracts with Government Agencies		7,301	
Contracts with Other Public Agencies		22,200	
Licenses		25	
Other Contracted Services		6,000	
Workers' Compensation Insurance		170	
Total Litter and Trash Collection			\$ 127,707

Principal on Debt

General Government

Principal on Leases	\$	19,134	
Principal on Other Loans		420,642	
Principal on SBITA		254,659	
Total General Government			694,435

Interest on Debt

General Government

Interest on Leases	\$	5,742	
Interest on SBITA		31,942	
Total General Government			37,684

Capital Projects

General Administration Projects

Data Processing Equipment	\$	236,367	
Total General Administration Projects			236,367

Public Safety Projects

Lease/SBITA Payments	\$	304,354	
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(Continued)

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

General Fund (Cont.)

Capital Projects (Cont.)

Public Safety Projects (Cont.)

Interest on Notes	\$	37,802	
Communication Equipment		56,043	
Law Enforcement Equipment		2,147,830	
Motor Vehicles		1,545,856	
Total Public Safety Projects		<u> </u>	<u>\$ 4,091,885</u>

Total General Fund \$ 76,835,319

Courthouse and Jail Maintenance Fund

General Government

County Buildings

Trustee's Commission	\$	1,887	
Building Improvements		242,141	
Total County Buildings		<u> </u>	<u>\$ 244,028</u>

Total Courthouse and Jail Maintenance Fund 244,028

Law Library Fund

Other Operations

Other Charges

Licenses	\$	12,180	
Trustee's Commission		93	
Total Other Charges		<u> </u>	<u>\$ 12,273</u>

Total Law Library Fund 12,273

Public Library Fund

Social, Cultural, and Recreational Services

Libraries

County Official/Administrative Officer	\$	111,998	
Supervisor/Director		113,111	
Librarians		582,144	
Paraprofessionals		154,130	
Audiovisual Personnel		43,463	
Secretary(ies)		129,671	
Cafeteria Personnel		47,785	

(Continued)

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

Public Library Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Part-time Personnel	\$	250,826	
Overtime Pay		70	
Social Security		87,467	
Pensions		94,173	
Life Insurance		1,160	
Medical Insurance		190,901	
Dental Insurance		5,135	
Unemployment Compensation		774	
Local Retirement		29,377	
Employer Medicare		20,063	
Bank Charges		4,219	
Communication		27,437	
Data Processing Services		29,687	
Debt Collection Services		505	
Dues and Memberships		4,872	
Lease/SBITA Payments		5,583	
Licenses		100,815	
Postal Charges		216	
Printing, Stationery, and Forms		283	
Travel		7,038	
Tuition		2,549	
Custodial Supplies		936	
Data Processing Supplies		371	
Food Preparation Supplies		4,821	
Food Supplies		36,777	
Library Books/Media		85,531	
Office Supplies		12,486	
Periodicals		12,482	
Utilities		185,265	
Other Supplies and Materials		210	
Liability Insurance		36,000	
Trustee's Commission		1,369	
Workers' Compensation Insurance		6,200	
Total Libraries			\$ 2,427,900

(Continued)

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

Public Library Fund (Cont.)

Capital Projects

General Administration Projects

Maintenance and Repair Services - Buildings	\$	51,996	
Building Improvements		256,560	
Total General Administration Projects			\$ 308,556

Total Public Library Fund \$ 2,736,456

Drug Control Fund

Public Safety

Sheriff's Department

Other Contracted Services	\$	20,685	
Animal Food and Supplies		20,732	
Trustee's Commission		2,651	
Building Improvements		4,979	
Law Enforcement Equipment		10,100	
Other Equipment		7,509	
Total Sheriff's Department			\$ 66,656

Drug Enforcement

Law Enforcement Equipment	\$	82,195	
Motor Vehicles		52,344	
Total Drug Enforcement			134,539

Total Drug Control Fund 201,195

Other General Government Fund

Other Operations

American Rescue Plan Act Grant #1

Accountants/Bookkeepers	\$	55,356	
Social Security		3,344	
Pensions		3,832	
Life Insurance		59	
Medical Insurance		7,116	
Dental Insurance		281	
Unemployment Compensation		21	
Employer Medicare		782	
Workers' Compensation Insurance		170	

(Continued)

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

Other General Government Fund (Cont.)

Other Operations (Cont.)

American Rescue Plan Act Grant #1 (Cont.)

Other Construction	\$ 9,115,993	
Other Capital Outlay	13,248,745	
Total American Rescue Plan Act Grant #1	<u>22,364,738</u>	<u>\$ 22,435,699</u>

Total Other General Government Fund \$ 22,435,699

Constitutional Officers - Fees Fund

Administration of Justice

Chancery Court

Special Commissioner Fees/Special Master Fees	\$ 3,243	
Total Chancery Court	<u>3,243</u>	<u>\$ 3,243</u>

Total Constitutional Officers - Fees Fund 3,243

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 144,031
Assistant(s)	184,298
Supervisor/Director	94,186
Accountants/Bookkeepers	199,676
Salary Supplements	28,806
Maintenance Personnel	142,216
Overtime Pay	1,046
Other Salaries and Wages	67,352
Social Security	51,221
Pensions	58,069
Life Insurance	611
Medical Insurance	115,596
Dental Insurance	2,650
Unemployment Compensation	262
Local Retirement	125,434
Employer Medicare	11,980
Communication	53,334
Dues and Memberships	7,566
Licenses	3,512

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Maintenance Agreements	\$	883	
Travel		3,744	
Tuition		2,124	
Custodial Supplies		982	
Drugs and Medical Supplies		289	
Electricity		2,899	
Office Supplies		10,015	
Water and Sewer		66	
Software		13,743	
Other Supplies and Materials		29,306	
Liability Insurance		228,474	
Trustee's Commission		143,690	
Workers' Compensation Insurance		10,399	
Building Improvements		84,032	
Data Processing Equipment		3,998	
Furniture and Fixtures		11,651	
Total Administration			\$ 1,838,141

Highway and Bridge Maintenance

Supervisor/Director	\$	420,934
Assessment Personnel		181,233
Foremen		112,809
Equipment Operators		1,616,497
Laborers		154,638
Overtime Pay		111,722
Social Security		151,377
Pensions		173,071
Life Insurance		2,587
Medical Insurance		573,018
Dental Insurance		10,715
Unemployment Compensation		1,087
Employer Medicare		35,403
Travel		2,062
Other Contracted Services		314,414
Asphalt - Hot Mix		4,861,200
Asphalt - Liquid		3,565

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Concrete	\$	5,850	
Crushed Stone		173,009	
Fertilizer, Lime, and Seed		12,780	
Food Supplies		14,765	
General Construction Materials		27,254	
Pipe - Metal		216,278	
Road Signs		109,375	
Salt		175,988	
Structural Steel		14,193	
Uniforms		22,728	
Drainage Materials		198	
Software		661	
Other Supplies and Materials		39,283	
Workers' Compensation Insurance		57,772	
Highway Construction		246,612	
Highway Equipment		11,984	
State Aid Projects		926,551	
Total Highway and Bridge Maintenance			\$ 10,781,613

Operation and Maintenance of Equipment

Supervisor/Director	\$	85,944
Materials Supervisor		45,110
Mechanic(s)		215,471
Overtime Pay		5,054
Social Security		20,412
Pensions		24,337
Life Insurance		346
Medical Insurance		84,320
Dental Insurance		1,407
Unemployment Compensation		126
Employer Medicare		4,774
Maintenance and Repair Services - Vehicles		11,407
Diesel Fuel		148,419
Equipment and Machinery Parts		416,115
Gasoline		82,000
Lubricants		4,992

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

Propane Gas	\$	9,527	
Tires and Tubes		52,843	
Uniforms		23,222	
Workers' Compensation Insurance		6,933	
Maintenance Equipment		2,953	
Total Operation and Maintenance of Equipment			\$ 1,245,712

Litter and Trash Collection

Overtime Pay	\$	1,636	
Other Salaries and Wages		29,429	
Social Security		1,904	
Pensions		1,910	
Life Insurance		31	
Medical Insurance		2,682	
Dental Insurance		246	
Unemployment Compensation		27	
Employer Medicare		445	
Communication		104	
Maintenance Agreements		55,194	
Equipment and Machinery Parts		1,885	
Office Supplies		382	
Workers' Compensation Insurance		1,155	
Building Improvements		5,977	
Plant Operation Equipment		1,210	
Total Litter and Trash Collection			104,217

Total Highway/Public Works Fund \$ 13,969,683

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	10,456,929	
Total General Government			\$ 10,456,929

Interest on Debt

General Government

Interest on Bonds	\$	5,599,032	
Total General Government			5,599,032

(Continued)

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

General Debt Service Fund (Cont.)

Other Debt Service

General Government

Financial Advisory Services	\$ 12,000	
Trustee's Commission	328,922	
Other Charges	16,894	
Total General Government	<u>357,816</u>	\$ 357,816

Total General Debt Service Fund

\$ 16,413,777

Highway Capital Projects Fund

Capital Projects

Highway and Street Capital Projects

Other Contracted Services	\$ 40,862	
Trustee's Commission	2,282	
Building Construction	216,133	
Building Improvements	132,342	
Highway Construction	171,585	
Highway Equipment	738,636	
Total Highway and Street Capital Projects	<u>1,301,840</u>	\$ 1,301,840

Total Highway Capital Projects Fund

1,301,840

Other Capital Projects Fund

Capital Projects

General Administration Projects

Data Processing Equipment	\$ 125,426	
Total General Administration Projects		\$ 125,426

Public Safety Projects

Trustee's Commission	\$ 41,061	
Building Improvements	445,897	
Motor Vehicles	93,498	
Total Public Safety Projects	<u>580,456</u>	580,456

Other General Government Projects

Right-of-Way	\$ 66	
Other Capital Outlay	2,964,169	
Total Other General Government Projects	<u>2,964,235</u>	2,964,235

Total Other Capital Projects Fund

\$ 3,670,117

Total Governmental Funds - Primary Government

\$ 137,823,630

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

Discretely Presented Blount County School Department

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

Instruction

Regular Instruction Program

Teachers	\$ 36,759,826	
Career Ladder Program	78,900	
Salary Supplements	1,084,003	
Educational Assistants	2,662,999	
Overtime Pay	6	
Other Salaries and Wages	158,439	
Social Security	2,389,266	
Pensions	2,610,081	
Life Insurance	31,934	
Medical Insurance	5,809,102	
Dental Insurance	126,235	
Employer Medicare	565,776	
Contributions	664,708	
Printing, Stationery, and Forms	720	
Travel	487	
Contracts for Substitute Teachers - Certified	1,857,550	
Instructional Supplies and Materials	743,466	
Textbooks - Bound	1,364,418	
TISA - On-behalf Payments	236,932	
Other Charges	126,359	
Furniture and Fixtures	88,525	
Total Regular Instruction Program		\$ 57,359,732

Special Education Program

Teachers	\$ 6,038,573
Career Ladder Program	7,500
Educational Assistants	3,203,533
Social Security	539,512
Pensions	545,025
Life Insurance	7,017
Medical Insurance	1,407,502
Dental Insurance	31,965
Employer Medicare	118,606
Travel	623
Instructional Supplies and Materials	148,044

(Continued)

BLOUNT COUNTY, TENNESSEE

Schedule of Detailed Expenditures -

All Governmental Fund Types

Discretely Presented Blount County School Department (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Other Supplies and Materials	\$ 998	
In Service/Staff Development	7,562	
Special Education Equipment	21,255	
Total Special Education Program		\$ 12,077,715

Career and Technical Education Program

Teachers	\$ 3,303,545	
Career Ladder Program	4,000	
Social Security	192,739	
Pensions	235,546	
Life Insurance	2,881	
Medical Insurance	518,342	
Dental Insurance	10,494	
Employer Medicare	45,517	
Maintenance and Repair Services - Equipment	1,706	
Instructional Supplies and Materials	203,475	
Software	26,700	
Other Supplies and Materials	2,876	
Liability Insurance	2,000	
Vocational Instruction Equipment	232,918	
Total Career and Technical Education Program		4,782,739

Other

Local Retirement	\$ 1,135,551	
Total Other		1,135,551

Support Services

Attendance

Supervisor/Director	\$ 59,250	
Clerical Personnel	35,152	
Social Security	5,720	
Pensions	6,203	
Life Insurance	72	
Medical Insurance	4,289	
Dental Insurance	135	
Employer Medicare	1,338	
Total Attendance		112,159

(Continued)

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

Discretely Presented Blount County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Health Services

Medical Personnel	\$	1,067,129	
Secretary(ies)		53,707	
Social Security		63,416	
Pensions		64,175	
Life Insurance		1,230	
Medical Insurance		195,597	
Dental Insurance		3,890	
Employer Medicare		14,897	
Medical and Dental Services		2,000	
Travel		1,107	
Drugs and Medical Supplies		17,457	
Food Supplies		328	
In Service/Staff Development		1,041	
Total Health Services	\$		1,485,974

Other Student Support

Guidance Personnel	\$	1,905,241	
Social Workers		116,000	
Secretary(ies)		69,816	
Social Security		121,422	
Pensions		145,685	
Life Insurance		1,753	
Medical Insurance		370,000	
Dental Insurance		6,586	
Employer Medicare		28,685	
Evaluation and Testing		4,928	
Instructional Supplies and Materials		5,920	
Office Supplies		191	
In Service/Staff Development		3,625	
Total Other Student Support			2,779,852

Regular Instruction Program

Supervisor/Director	\$	379,380	
Librarians		1,401,447	
Secretary(ies)		47,008	

(Continued)

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

Discretely Presented Blount County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Other Salaries and Wages	\$	144,124	
Social Security		115,774	
Pensions		128,846	
Life Insurance		1,418	
Medical Insurance		294,074	
Dental Insurance		6,436	
Employer Medicare		27,076	
Contracts with Government Agencies		36,285	
Travel		28,315	
Other Contracted Services		22,885	
Food Supplies		6,105	
Instructional Supplies and Materials		137	
Other Supplies and Materials		680	
In Service/Staff Development		11,544	
Total Regular Instruction Program			\$ 2,651,534

Special Education Program

Psychological Personnel	\$	610,877	
Other Salaries and Wages		7,750	
Social Security		36,900	
Pensions		42,333	
Life Insurance		480	
Medical Insurance		85,677	
Dental Insurance		1,343	
Employer Medicare		8,630	
Contracts with Private Agencies		140,000	
Lease/SBITA Payments		255	
Travel		16,123	
In Service/Staff Development		22,711	
Total Special Education Program			973,079

Career and Technical Education Program

Supervisor/Director	\$	4,211	
Secretary(ies)		78,345	
Social Security		4,560	

(Continued)

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

Discretely Presented Blount County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program (Cont.)

Pensions	\$	5,674	
Life Insurance		87	
Medical Insurance		30,611	
Dental Insurance		518	
Employer Medicare		1,066	
Dues and Memberships		3,625	
Tuition		2,125	
Total Career and Technical Education Program			\$ 130,822

Technology

Supervisor/Director	\$	115,986	
Computer Programmer(s)		231,478	
Clerical Personnel		52,894	
Other Salaries and Wages		107,223	
Social Security		31,000	
Pensions		34,000	
Life Insurance		401	
Medical Insurance		47,140	
Dental Insurance		1,302	
Employer Medicare		7,200	
Licenses		1,072,770	
Maintenance and Repair Services - Equipment		78,638	
Data Processing Supplies		111,396	
In Service/Staff Development		275	
Data Processing Equipment		390,341	
Total Technology			2,282,044

Board of Education

Other Salaries and Wages	\$	160,165	
Board and Committee Members Fees		33,110	
Social Security		10,176	
Pensions		6,103	
Life Insurance		57	
Medical Insurance		12,874	
Dental Insurance		282	

(Continued)

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

Discretely Presented Blount County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

Unemployment Compensation	\$	6,150	
Employer Medicare		2,799	
Audit Services		39,500	
Dues and Memberships		8,798	
Financial Advisory Services		1,272	
Legal Services		43,362	
Printing, Stationery, and Forms		1,200	
Travel		2,209	
Tuition		1,775	
Other Contracted Services		2,515	
Other Supplies and Materials		615	
Liability Insurance		462,171	
Trustee's Commission		837,843	
Workers' Compensation Insurance		428,500	
In Service/Staff Development		1,917	
Criminal Investigation of Applicants - TBI		5,981	
Other Charges		103,519	
Total Board of Education			\$ 2,172,893

Director of Schools

County Official/Administrative Officer	\$	135,161
Assistant(s)		79,276
Supervisor/Director		124,747
Secretary(ies)		178,994
Social Security		31,257
Pensions		33,439
Life Insurance		341
Medical Insurance		48,094
Dental Insurance		803
Employer Medicare		7,310
Advertising		31,634
Dues and Memberships		5,235
Medical and Dental Services		5,000
Postal Charges		7,553
Printing, Stationery, and Forms		282

(Continued)

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

Discretely Presented Blount County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

Travel	\$	2,357	
Other Contracted Services		8,681	
Food Supplies		12,288	
Office Supplies		10,215	
Other Supplies and Materials		7,347	
In Service/Staff Development		7,937	
Other Charges		8,956	
Total Director of Schools			\$ 746,907

Office of the Principal

Principals	\$	2,246,000	
Accountants/Bookkeepers		101,000	
Assistant Principals		1,683,085	
Secretary(ies)		1,752,000	
Social Security		342,550	
Pensions		388,292	
Life Insurance		4,367	
Medical Insurance		885,418	
Dental Insurance		18,836	
Employer Medicare		81,436	
Communication		93,322	
Dues and Memberships		2,400	
Internet Connectivity		181,808	
Rentals		1,138	
Other Contracted Services		9,122	
Other Charges		367,327	
Total Office of the Principal			8,158,101

Fiscal Services

Supervisor/Director	\$	88,962	
Accountants/Bookkeepers		125,000	
Social Security		12,505	
Pensions		14,700	
Life Insurance		165	
Medical Insurance		38,354	

(Continued)

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

Discretely Presented Blount County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Fiscal Services (Cont.)

Dental Insurance	\$	804	
Employer Medicare		2,925	
Travel		1,000	
In Service/Staff Development		3,760	
Total Fiscal Services			\$ 288,175

Operation of Plant

Custodial Personnel	\$	3,126,417	
Overtime Pay		9,819	
Social Security		182,654	
Pensions		195,226	
Life Insurance		3,151	
Medical Insurance		590,300	
Dental Insurance		14,982	
Employer Medicare		43,227	
Contracts with Other Public Agencies		29,152	
Evaluation and Testing		20,829	
Maintenance Agreements		353,926	
Maintenance and Repair Services - Equipment		34,755	
Permits		2,330	
Contracts for Landfill Facilities		2,132	
Other Contracted Services		20,946	
Custodial Supplies		374,769	
Electricity		3,078,423	
Natural Gas		214,614	
Water and Sewer		381,737	
Plant Operation Equipment		12,229	
Total Operation of Plant			8,691,618

Maintenance of Plant

Supervisor/Director	\$	111,000	
Secretary(ies)		57,554	
Maintenance Personnel		861,192	
Social Security		61,107	
Pensions		71,328	

(Continued)

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

Discretely Presented Blount County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

Life Insurance	\$	997	
Medical Insurance		172,752	
Dental Insurance		4,857	
Employer Medicare		14,291	
Architects		36,218	
Lease/SBITA Payments		84,040	
Maintenance Agreements		197,553	
Maintenance and Repair Services - Buildings		977,897	
Maintenance and Repair Services - Equipment		152,029	
Maintenance and Repair Services - Vehicles		30,874	
Pest Control		19,860	
Rentals		5,183	
Permits		3,070	
Other Contracted Services		14,342	
Equipment and Machinery Parts		260,112	
Gasoline		51,860	
Vehicle Parts		4,015	
Other Supplies and Materials		196,120	
Administration Equipment		284,802	
Building Construction		37,600	
Heating and Air Conditioning Equipment		159,189	
Maintenance Equipment		41,664	
Motor Vehicles		11,170	
Other Capital Outlay		52,037	
Total Maintenance of Plant			\$ 3,974,713

Transportation

Supervisor/Director	\$	59,250
Clerical Personnel		57,554
Other Salaries and Wages		74,413
Social Security		11,295
Pensions		12,929
Life Insurance		147
Medical Insurance		26,872
Dental Insurance		698

(Continued)

BLOUNT COUNTY, TENNESSEE

Schedule of Detailed Expenditures -

All Governmental Fund Types

Discretely Presented Blount County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Employer Medicare	\$	2,611	
Contracts with Parents		2,817	
Contracts with Vehicle Owners		5,816,463	
Maintenance and Repair Services - Vehicles		85	
Medical and Dental Services		440	
Transportation Equipment		9,436	
Total Transportation			\$ 6,075,010

Operation of Non-Instructional Services

Food Service

Food Supplies	\$	2,349	
Total Food Service			2,349

Early Childhood Education

Teachers	\$	513,881	
Educational Assistants		110,501	
Social Security		36,776	
Pensions		46,563	
Life Insurance		582	
Medical Insurance		117,602	
Dental Insurance		2,832	
Employer Medicare		8,903	
Instructional Supplies and Materials		5,763	
Total Early Childhood Education			843,403

Capital Outlay

Regular Capital Outlay

Architects	\$	52,344	
Other Contracted Services		1,203,719	
Building Construction		261,143	
Furniture and Fixtures		507	
Other Capital Outlay		173,812	
Total Regular Capital Outlay			1,691,525

Total General Purpose School Fund

\$ 118,415,895

(Continued)

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

Discretely Presented Blount County School Department (Cont.)

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	899,013	
Educational Assistants		767,575	
Other Salaries and Wages		18,320	
Social Security		86,668	
Pensions		56,943	
Life Insurance		729	
Medical Insurance		145,741	
Dental Insurance		2,553	
Employer Medicare		22,547	
Instructional Supplies and Materials		267,681	
Regular Instruction Equipment		19,580	
Total Regular Instruction Program			\$ 2,287,350

Special Education Program

Teachers	\$	159,460	
Educational Assistants		88,381	
Speech Pathologist		168,941	
Certified Substitute Teachers		3,243	
Social Security		23,554	
Pensions		28,602	
Life Insurance		270	
Medical Insurance		42,000	
Dental Insurance		1,100	
Employer Medicare		5,649	
Instructional Supplies and Materials		982	
Total Special Education Program			522,182

Career and Technical Education Program

Other Salaries and Wages	\$	104,127	
Social Security		5,949	
Pensions		6,774	
Life Insurance		120	
Medical Insurance		15,712	
Dental Insurance		376	
Employer Medicare		1,391	

(Continued)

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

Discretely Presented Blount County School Department (Cont.)

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Career and Technical Education Program (Cont.)

Instructional Supplies and Materials	\$	28,246	
Software		40,891	
Other Supplies and Materials		31,091	
Vocational Instruction Equipment		124,315	
Total Career and Technical Education Program			\$ 358,992

Support Services

Health Services

Medical Personnel	\$	54,645	
Social Security		6,062	
Pensions		8,525	
Medical Insurance		10,318	
Employer Medicare		1,398	
Other Supplies and Materials		2,136	
Total Health Services			83,084

Other Student Support

In Service/Staff Development	\$	6,306	
Other Charges		34,394	
Total Other Student Support			40,700

Regular Instruction Program

Supervisor/Director	\$	110,212	
Secretary(ies)		56,608	
Instructional Coaches		475,185	
Other Salaries and Wages		11,073	
Social Security		38,457	
Pensions		42,752	
Life Insurance		420	
Medical Insurance		82,381	
Dental Insurance		1,782	
Employer Medicare		9,154	
Travel		5,486	
Other Contracted Services		239,112	
Other Supplies and Materials		1,211	

(Continued)

BLOUNT COUNTY, TENNESSEE

Schedule of Detailed Expenditures -

All Governmental Fund Types

Discretely Presented Blount County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

In Service/Staff Development	\$ 61,163	
Other Charges	457	
Other Equipment	899	
Total Regular Instruction Program	<u> </u>	\$ 1,136,352

Special Education Program

Supervisor/Director	\$ 110,245	
Psychological Personnel	157,250	
Clerical Personnel	295,045	
Other Salaries and Wages	173,344	
Social Security	42,343	
Pensions	44,322	
Life Insurance	540	
Medical Insurance	136,000	
Dental Insurance	2,500	
Employer Medicare	9,903	
Contracts with Private Agencies	452,288	
Other Supplies and Materials	8,214	
In Service/Staff Development	6,222	
Other Equipment	15,777	
Total Special Education Program	<u> </u>	1,453,993

Career and Technical Education Program

Travel	\$ 778	
In Service/Staff Development	1,893	
Total Career and Technical Education Program	<u> </u>	2,671

Transportation

Contracts with Vehicle Owners	\$ 1,510,022	
Total Transportation	<u> </u>	1,510,022

Capital Outlay

Regular Capital Outlay

Building Improvements	\$ 642,274	
Total Regular Capital Outlay	<u> </u>	<u>642,274</u>

Total School Federal Projects Fund \$ 8,037,620

(Continued)

BLOUNT COUNTY, TENNESSEE

Schedule of Detailed Expenditures -

All Governmental Fund Types

Discretely Presented Blount County School Department (Cont.)

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	78,146	
Accountants/Bookkeepers		47,798	
Cafeteria Personnel		2,365,588	
Social Security		146,631	
Pensions		80,560	
Life Insurance		1,559	
Medical Insurance		241,131	
Dental Insurance		6,939	
Employer Medicare		35,233	
Dues and Memberships		7,240	
Lease/SBITA Payments		27,281	
Maintenance Agreements		87,646	
Maintenance and Repair Services - Equipment		209,329	
Transportation - Other than Students		11,986	
Travel		2,123	
Permits		1,680	
Other Contracted Services		97,879	
Custodial Supplies		35,346	
Food Preparation Supplies		192,947	
Food Supplies		2,141,951	
Office Supplies		3,077	
Uniforms		2,382	
USDA - Commodities		405,215	
Software		5,647	
Other Supplies and Materials		2,128	
Workers' Compensation Insurance		76,000	
In Service/Staff Development		23,853	
Other Charges		950	
Data Processing Equipment		33,897	
Food Service Equipment		151,880	
Total Food Service			<u>\$ 6,524,022</u>

Total Central Cafeteria Fund

\$ 6,524,022

(Continued)

BLOUNT COUNTY, TENNESSEE

Schedule of Detailed Expenditures -

All Governmental Fund Types

Discretely Presented Blount County School Department (Cont.)

Extended School Program Fund

Operation of Non-Instructional Services

Community Services

Assistant(s)	\$	71,440	
Part-time Personnel		1,494,354	
Social Security		93,314	
Pensions		40,976	
Life Insurance		666	
Medical Insurance		172,060	
Dental Insurance		3,836	
Employer Medicare		21,954	
Contracts with Vehicle Owners		30,230	
Travel		502	
Other Contracted Services		53,408	
Food Supplies		89,296	
Instructional Supplies and Materials		11,894	
Other Supplies and Materials		8,614	
Trustee's Commission		15,669	
In Service/Staff Development		217	
Data Processing Equipment		1,895	
Other Equipment		156	
Total Community Services		<u>2,110,481</u>	\$ 2,110,481

Total Extended School Program Fund \$ 2,110,481

Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$	5,608,019	
Total Community Services		<u>5,608,019</u>	\$ 5,608,019

Total Internal School Fund 5,608,019

Education Capital Projects Fund

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$	1,366,297	
Total Education		<u>1,366,297</u>	\$ 1,366,297

(Continued)

BLOUNT COUNTY, TENNESSEE

Schedule of Detailed Expenditures -

All Governmental Fund Types

Discretely Presented Blount County School Department (Cont.)

Education Capital Projects Fund (Cont.)

Capital Projects

Education Capital Projects

Architects	\$	151,141	
Trustee's Commission		145,414	
Building Improvements		12,489,640	
Heating and Air Conditioning Equipment		1,743,540	
Plant Operation Equipment		8,484	
Other Capital Outlay		83,903	
Total Education Capital Projects			<u>\$ 14,622,122</u>

Total Education Capital Projects Fund			<u>\$ 15,988,419</u>
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Total Governmental Funds - Blount County School Department			<u><u>\$ 156,684,456</u></u>
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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*

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Blount County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Blount County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated February 19, 2026. Our report includes a reference to other auditors who audited the financial statements of the Blount Memorial Hospital and the Internal School Fund of the discretely presented Blount County School Department, as described in our report on Blount County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Blount County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Blount County's internal control. Accordingly, we do not express an opinion on the effectiveness of Blount 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 a deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be a significant deficiency: 2025-003.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Blount County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2025-001 and 2025-002.

Blount County's Responses to the Findings

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

Purpose of this Report

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

February 19, 2026

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

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Blount 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 Blount County's major federal programs for the year ended June 30, 2025. Blount 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, Blount County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* 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 Blount 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 Blount 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 Blount 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 Blount 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 Blount 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 Blount 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 Blount 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 Blount 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 Blount County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Blount County's basic financial statements. We issued our report thereon dated February 19, 2026. 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

February 19, 2026

JEM/gc

BLOUNT COUNTY, TENNESSEE, AND THE BLOUNT COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (8) (9)
For the Year-Ended June 30, 2025

Federal/Pass-Through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster: (4)			
School Breakfast Program	10.553	N/A	\$ 982,245
National School Lunch Program	10.555	N/A	2,590,663 (5)
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	405,215 (5)
National School Lunch Program (Commodities - Cash Assistance)	10.555	N/A	11,381 (5)
Passed-through State Department of Health:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-25-84367	107,240
Total U.S. Department of Agriculture			<u>\$ 4,096,744</u>
U.S. Department of the Interior:			
Direct Program:			
Payments in Lieu of Taxes	15.226	N/A	\$ 336,135
Total U.S. Department of the Interior			<u>\$ 336,135</u>
U.S. Department of Justice:			
Direct Programs:			
Public Safety Partnership and Community Policing Grants	16.710	N/A	\$ 251,270
Equitable Sharing Program	16.922	N/A	52,344
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	65,008
Total U.S. Department of Justice			<u>\$ 368,622</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Planning and Construction	20.205	(3)	\$ 62,872
Passed-through Department of Safety and Homeland Security:			
Highway Safety Cluster: (4)			
State and Community Highway Safety	20.600	(6)	93,189
Alcohol Open Container Requirements	20.607	(7)	141,535
Passed-through State Department of Military			
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	(3)	22,927
Total U.S. Department of Transportation			<u>\$ 320,523</u>
U.S. Department of the Treasury:			
Direct Programs:			
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	\$ 8,842,797 (5)
COVID 19 - Local Assistance and Tribal Consistency Fund	21.032	N/A	310,808
Passed-through State Department of Education:			
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	62,969 (5)
Total U.S. Department of the Treasury			<u>\$ 9,216,574</u>

(Continued)

BLOUNT COUNTY, TENNESSEE, AND THE BLOUNT COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (8) (9) (Cont.)

Federal/Pass-Through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	(3)	\$ 2,672,459
Special Education Cluster (IDEA): (4)			
Special Education - Grants to States	84.027	(3)	3,446,800
Special Education - Preschool Grants	84.173	(3)	120,527
Career and Technical Education - Basic Grants to States	84.048	(3)	220,124
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	(3)	147,906
English Language Acquisition State Grants	84.365	(3)	46,431
Supporting Effective Instruction State Grants	84.367	(3)	310,417
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (Fiscal Pre-Monitoring Support Grants)	84.425D	(3)	82,755 (5)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	(3)	1,636,450 (5)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund - Homeless Children and Youth - (ESSER ARP)	84.425W	(3)	6,798 (5)
Total U.S. Department of Education			<u>\$ 8,690,667</u>
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
HAVA Election Security Grants	90.404	(3)	\$ 19,027
Total U.S. Election Assistance Commission			<u>\$ 19,027</u>
U.S. Department of Health and Human Services:			
Passed-through State Department of Health:			
Public Health Crisis Response	93.354	GG-25-84367	\$ 295
Medicaid Cluster: (4)			
Medical Assistance Program	93.778	GG-25-84367	90,181
Sexual Transmitted Diseases Prevention and Control Grants	93.977	GG-25-84367	49,317
Maternal and Child Health Services Block Grant to the States	93.994	GG-25-84367	56,451
Passed-through State Department of Human Services:			
CCDF Cluster: (4)			
COVID 19 - Child Care and Development Block Grant	93.575	(3)	137,616
Total U.S. Department of Health and Human Services			<u>\$ 333,860</u>
Executive Office of the President:			
Passed-through Laurel County, Kentucky Fiscal Court:			
High Intensity Drug Trafficking Areas Program	95.001	(3)	\$ 37,064
Total Executive Office of the President			<u>\$ 37,064</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Emergency Management Performance Grants	97.042	(3)	\$ 57,859
Homeland Security Grant Program	97.067	(3)	48,538
Total U.S. Department of Homeland Security			<u>\$ 106,397</u>
Total Expenditures of Federal Grants			<u>\$ 23,525,613</u>

(Continued)

BLOUNT COUNTY, TENNESSEE, AND THE BLOUNT COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (8) (9) (Cont.)

State Grants	Assistance Listing Number	Contract Number	Expenditures
Learning Camp Transportation - State Department of Education	N/A	(3)	\$ 206,231
Summer Learning Camp - State Department of Education	N/A	(3)	762,317
Public School Security Grant - State Department of Education	N/A	(3)	262,614
Innovative School Models Grant- State Department of Education	N/A	(3)	1,595,323
Early Childhood Education - State Department of Education	N/A	(3)	889,518
Extended School Food Program - State Department of Human Services	N/A	(3)	212,124
Addictions Recovery Program - State Department of Mental Health	N/A	(3)	102,537
Mental Health Transportation Direct Appropriation Grant - State Department of Mental Health	N/A	(3)	89,832
Statewide School Resource Officer Grant - State Department of Public Safety	N/A	(3)	1,575,000
Violent Crime Intervention Fund - State Department of Finance and Administration	N/A	(3)	120,000
Violent Crime Intervention Fund Collaborative Enhancement Grant- State Department of Finance and Administration	N/A	(3)	216,552
Juvenile Court Home Base - State Department of Finance and Administration	N/A	(3)	72,325
Health Department Program - State Department of Health	N/A	GG-25-84367	501,687
2024 HAVA Election Security Grant- Tennessee Secretary of State	N/A	(3)	401
Safe Baby Court Grant- State Department of Children's Services	N/A	(3)	51,065
Tire Environmental Act Program Grant- State Department of Environment and Conservation	N/A	(3)	37,286
Total State Grants			\$ 6,694,812

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

(3) Information not available.

(4) Child Nutrition Cluster total \$3,989,504; Highway Safety Cluster total \$93,189; Special Education Cluster (IDEA) total \$3,567,327;
Medicaid Cluster total \$90,181; CCDF Cluster total \$137,616.

(5) Total for ALN 10.555 is \$3,007,259; Total for ALN 21.027 is \$8,905,766; Total for ALN 84.425 is \$1,726,003.

(6) Pass-through identifying numbers for 20.600 were:

Z-24-THS-027: \$10,157; Z-24-THS030: \$11,856; Z-24-THS-028: \$56,655; Z-25-THS-031: \$14,521

(7) Pass-through identifying numbers for 20.607 were:

Z-24-THS-029: \$7,904; Z-25-THS-030: \$133,631

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

(9) CONSOLIDATED ADMINISTRATION

The following amounts were consolidated for administration purposes:

Program Title	ALN	Amount Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	\$ 217,397
English Language Acquisition State Grants	84.365	142
		\$ 217,539

BLOUNT 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 Blount County, Tennessee, for the year ended June 30, 2025.

Prior-year Financial Statement Findings

Fiscal Year	Page Number	Finding Number	Title of Finding	ALN	Current Status
OFFICE OF DIRECTOR OF SCHOOLS					
2024	264	2024-001	A cash shortage of \$34,562 existed in the school department as of June 30, 2024.	N/A	Not Repeated

Prior-year Federal Awards Findings

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

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

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Our report on the financial statements of Blount 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: 21.027 COVID 19 - Coronavirus State and Local Fiscal Recovery Funds
 - * Assistance Listing Numbers: 84.027 and 84.173 Special Education Cluster (IDEA): Special Education - Grants to States, Special Education - Preschool Grants
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **NO**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our audit, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. Written responses for all findings are paraphrased and presented following each finding and recommendation. Management's corrective action 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 PURCHASING AGENT

FINDING 2025-001

SURPLUS PROPERTY WAS NOT DISPOSED OF PROPERLY (Noncompliance Under *Government Auditing Standards*)

During our review of current year capital asset disposals, auditors found an instance where sheriff department property was not declared surplus by the county commission and was not disposed of properly. An invoice dated September 20, 2024, revealed a 2020 Dodge Ram truck was traded for a vendor credit of \$15,750 towards the \$63,297 purchase price of a used 2024 GMC Sierra 1500. Blount County paid a net difference of \$47,547 to complete the transaction. Blount County operates under the County Purchasing Law of 1957, Section 5-14-101 through 5-14-116, *Tennessee Code Annotated (TCA)*, which requires the purchasing agent to conduct all sales of county-owned property, real or personal, that has become surplus by public auction. Blount County did not advertise, seek competitive bids, or take action to constitute a public sale of the vehicle that was traded for vendor credit to satisfy the statutory requirement. Additionally, Section 5-7-101, *TCA*, requires the county commission, by resolution, to declare county property as surplus and direct its disposition. However, no such resolution to surplus the vehicle or approve its trade was approved prior to the vehicle disposal. This deficiency exists due to management oversight and understanding of statutory requirements.

RECOMMENDATION

All county owned property should be disposed of in compliance with state statutes.

MANAGEMENT'S RESPONSE

No formal management's response was submitted. However, an explanation to the finding is included in the Corrective Action Plan.

OFFICES OF PURCHASING AGENT AND DIRECTOR OF SCHOOLS

FINDING 2025-002

COMPETITIVE BIDS WERE NOT SOLICITED FOR VARIOUS STUDENT TRANSPORTATION SERVICE CONTRACTS (Noncompliance Under *Government Auditing Standards*)

Competitive bids were not solicited for 13 vendors with student transportation contracts. Current year expenditures for these contracts totaled \$7,313,006. Blount County operates under the provisions of the County Purchasing Law of 1957 and Section 12-3-1212, *Tennessee Code Annotated (TCA)*, which require purchases over \$50,000 to be competitively bid. The failure to solicit competitive bids could result in the school department paying more than the most competitive price. This deficiency is the result of a lack of management oversight and the failure to follow state statutes.

RECOMMENDATION

Student transportation contracts should be competitively bid in compliance with applicable state statutes.

MANAGEMENT’S RESPONSE

No formal management’s response was submitted. However, an explanation to the finding is included in the Corrective Action Plan.

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 2025-003

THE OFFICE DID NOT REVIEW ITS SOFTWARE AUDIT LOG
(Internal Control – Significant Deficiency under *Government Auditing Standards*)

The software application used by the office generated a report that displayed deletions made by users. Because this log provides the only audit trail of deletions, it should be routinely reviewed for inappropriate activity. Although the official was aware of the importance of this log, it was not routinely reviewed. This deficiency was the result of a lack of management oversight. When the importance of this report was brought to management’s attention in June 2025, the review process was resumed. Procedures for reviewing the report are currently in place.

RECOMMENDATION

Management should continue to review this report on a routine basis, and documentation proving the review should be maintained. Any unusual activity should be investigated.

MANAGEMENT’S RESPONSE – DIRECTOR OF SCHOOLS

We concur with this finding, but a review process was implemented in June 2025 to correct the finding. All requested reports are printed and reviewed each month by Joanna Harmon, Program Coordinator and Kaye Walker, secondary reviewer. Physical copies of the reports will be kept on file at BCS Central Office for review at any time by auditors from the State Comptroller’s office.

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.

BLOUNT 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 PURCHASING AGENT

2025-001	Surplus property was not disposed of properly.	272
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OFFICES OF PURCHASING AGENT AND DIRECTOR OF SCHOOLS

2025-002	Competitive bids were not solicited for various student transportation service contract.	273
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OFFICE OF DIRECTOR OF SCHOOLS

2025-003	The office did not review its software audit log.	274
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Blount County Purchasing

385 Court Street, Maryville, TN 37804-5906

865-273-5740 Fax 865-273-5746

<http://www.blounttn.org>

Corrective Action Plan

FINDING: SURPLUS PROPERTY WAS NOT DISPOSED OF PROPERLY

Response and Corrective Action Plan Prepared by:

Kari Barrett, Blount County Purchasing Agent

Person Responsible for Implementing the Corrective Action:

Kari Barrett, Blount County Purchasing Agent

Anticipated Completion Date of Corrective Action:

29 Jan 26--completed

Repeat Finding:

No

Planned Corrective Action:

Blount County Purchasing follows the County Purchasing Law of 1957 and understands T.C.A. 5-14-108(o) states surplus property is to sold by public auction or by sealed bid after the county legislative body has declared the property surplus. Upon knowledge of this occurrence, steps were taken to train team members of proper protocol to handle surplus property. Additional training has been conducted for purchasing personnel and the changes are effective immediately.

Signature

A handwritten signature in black ink, appearing to read "K. Barrett", written over a horizontal line.

Kari Barrett, Purchasing Agent

Blount County

Director of Schools

Justin Ridge

831 Grandview Drive
Maryville, TN 37803
T: (865) 984-1212
F: (865) 980-1002
blountk12.org



Board of Education

Randi Earley Howard
Brian King
Joe Lindsey
John Lowe
Erica Moore
Chris Pass
Phil Porter

Corrective Action Plan

FINDING: COMPETITIVE BIDS WERE NOT SOLICITED FOR VARIOUS STUDENT TRANSPORTATION SERVICE CONTRACTS

Response and Corrective Action Plan Prepared by:
Brittany Spence, Blount County Schools Chief Financial Officer
Kari Barrett, Blount County Purchasing Agent


Person Responsible for Implementing the Corrective Action:
Brittany Spence, Blount County Schools Chief Financial Officer
Kari Barrett, Blount County Purchasing Agent

Anticipated Completion Date of Corrective Action:
The existing transportation contracts end on June 30, 2027. At the commencement of the 27-28 school year new bus contracts will be implemented following a formal bid process.

Repeat Finding:
No

Planned Corrective Action:
Blount County Schools previously operated under the assumption that student transportation contracts were considered professional services and therefore did not require competitive bids. As soon as staff was notified by the State that this was an incorrect assumption immediate actions were taken to correct the error. BCS staff and the Purchasing Agent immediately began seeking consulting services to assist in the request for bid process. The target implementation date of the new bus contracts is the beginning of the 27-28 school year which directly follows the end of the current contracts on June 30, 2027.

Signature: 
Brittany Spence, Chief Financial Officer
Blount County Schools

Signature: 
Kari Barrett, Purchasing Agent
Blount County

Director of Schools

Justin Ridge

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Board of Education

Randi Earley Howard
Brian King
Joe Lindsey
John Lowe
Erica Moore
Chris Pass
Phil Porter

Corrective Action Plan

FINDING: THE OFFICE DID NOT REVIEW ITS SOFTWARE AUDIT LOG

Response and Corrective Action Plan Prepared by:

Joanna Harmon, Friends Program Coordinator

Person Responsible for Implementing the Corrective Action:

Joanna Harmon, Friends Program Coordinator

Anticipated Completion Date of Corrective Action:

Date: 6.25.25

Repeat Finding:

No

Planned Corrective Action:

Requested reports collected through Jackrabbit are printed at the beginning of each for the previous month. Printed reports are reviewed and signed by Joanna Harmon, with secondary reviewer, Kaye Walker.

Signature: Joanna Harmon